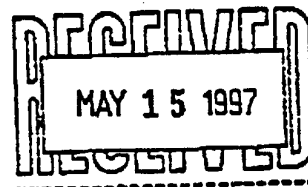


NATCO



BALTIA AIR LINES, INC.
63-25 Saunders Street, Suite 7-1
Rego Park, NY 11374

REF: B747-100 Training Services

Thanks for bringing me up to date on the status of Baltia. NATCO is pleased to be considered for your training services.

NATCO operates three B747-200 full flight simulators, and we accomplish -100 training with a differences program. You will see by the enclosed data sheet that we have a variety of FAA certification levels that would allow Baltia to take advantage of reduced training through advanced simulation.

The following training outline and quotation is based upon NATCO's FAA approved course. Yours may differ slightly, so please use these figures for your budget only. We can adjust the per-crew pricing when we have access to your approved training program. Whether you adopt procedures from Boeing, Northwest, another B747 operator, or design your own, we will ensure consistency throughout your training process. Under our exemption to Part 121, we will train and standardize our instructors before your first training event.

Your will see that I have not included Basic Indoctrination or LOFT in this profile. I assumed that NATCO would receive the crews after BI at your location, and that Appendix H training would not apply to your new operating certificate. If you wish to conduct BI at NATCO, we can provide classroom support.

B747-100 Initial Training

Ground Training – 11 days

Classroom Instruction – 80 hours
Fixed Base Simulator Training – 4 hours

Flight Training -- 8 days

Full Flight Simulator Training – 28 hours
Simulator Checkrides (3) – 5 hours

Price for 1st Crew per Class [REDACTED]


Price for Additional Crews per Class [REDACTED]

This pricing includes course materials, instructor and facility fees, and confirmed space passes on routes served by Northwest Airlines. If you're interested, NATCO can sponsor Baltia with Northwest for jump seat privileges and other reduced fare travel.

Our standard Flight Attendant course is twelve days long and runs roughly [REDACTED] per person. Flight attendant training seems to be more tailored than our pilot programs, so we will need to see your approved course and manual before I can provide an accurate quotation. This training would be conducted in Minneapolis at the Northwest Airlines Inflight Training Center.

I do not have the course syllabus for the various B747 maintenance programs. I do know that the courses are designed according to the ATA level of training desired. A good budgetary number is [REDACTED] per week of training for a class up to twelve students. Typically, if you're looking for ATA Level 1, the course is one week, ATA Level 2 is two weeks, and so on. I hope this figure helps as you determine your training budget. Please advise, and I'll put you in touch with the people who would conduct your training.

Please let me know when you would like to talk through these plans further. I'll be pleased to provide passes for a NATCO meeting, or will gladly meet in New York if it's more convenient. Thanks again, Bob.

Sincerely,

Chuck Woods
Sales Manager