



December 1, 2008

Chong-Anna Canfora
Director
Rapid Response Section
Michigan Department of Labor & Economic Growth
611 W. Ottawa Street, 4th Floor
P.O. Box 30004
Lansing, MI 48909

*RE: Kalitta Air, LLC
Notice of Mass Layoff*

Dear Director Canfora:

This notice is being provided to you pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN"), which requires employers to give official notice to certain government units or officials of a pending mass layoff. Although Kalitta Air may not reach the threshold requirement for the WARN notice since it is still evaluating how many people will be necessary for continuation of its business operations, this will serve as official notice if in fact the threshold numbers as set forth in the WARN act are reached. In addition, Kalitta Air's reduction in employees required for its operation is the result of unforeseen circumstances that were not reasonably foreseeable, thus, Kalitta Air is exempt from the WARN Act 60-Day Notice Requirement.

Kalitta Air's corporate headquarters and crewmember base is located at 818 Willow Run Airport, Ypsilanti, Michigan. It also has an aircraft parts and maintenance division at 5063 Skyway Street, Oscoda, Michigan. The Company has determined that there is excess capacity within its business. It has carefully analyzed this situation and its available options and must regretfully report that it has decided to reduce its operations. As a result, we anticipate that we will lay off approximately 245 of our total 1027 employees over the next six (6) months, beginning as early as December 1, 2008.

The number of affected employees is anticipated to be as follows:

December 1, 2008:	Union:	14 First Officers 17 Flight Engineers
January 5, 2009:	Union:	56 Captains/First Officers 38 Flight Engineers

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RAPID RESPONSE
WORKFORCE PROGRAMS



Non-Union:		26 A&P Mechanics 8 Operation Department Support Staff 4 Flight Followers 14 Loadmasters and Loadmaster Assistants 8 Simulator Instructors 8 Clerks 2 General Laborers
January 15, 2009:	Non-Union:	20 A&P Mechanics 6 Clerks
March 15, 2009:	Union:	6 First Officers
March 31, 2009:	Union:	6 First Officers
May 1, 2009:	Union:	6 First Officers
May 31, 2009:	Union:	5 First Officers

Except for crewmembers who are subject to the Kalitta Air Collective Bargaining Agreement with the International Brotherhood of Teamsters Local 747 whose bumping rights are governed by seniority provisions contained in the bargaining agreement, employees do not have bumping rights. The representatives of this Union are Eugene Sowell, President and General Counsel and Bill Rainey, Business Agent. Both Messrs. Sowell and Rainey are located at International Brotherhood of Teamsters Local 747, 1419 FM 1960 Road, Houston, TX 77073; (281) 209-0300.

The Company does not intend to offer severance benefits or transition programs to affected employees other than those provided for in the Kalitta Air, LLC Employee Handbook, and/or the IBT Collective Bargaining Agreement. Should you have any questions, or require further information, please call D. C. Sanderlin, at (734) 484-0048.

Sincerely,

A handwritten signature in black ink, appearing to read "D.C. Sanderlin".

D.C. Sanderlin
Vice President/General Manager