

DECLARATION OF OFFICIAL INTENT TO ISSUE BONDS

BORROWER: KaiserAir, Inc. and/or any related or successor entity

PROJECT: The proceeds of the Bonds referenced herein will be applied by the Borrower to (1) finance the cost of designing, developing, constructing and installing a new hangar and additional improvements at Charles M. Schulz Sonoma County Airport within the KaiserAir Santa Rosa Jet Center, located at 2240 Airport Boulevard, Santa Rosa, California 95403 and (2) provide for the payment of certain credit enhancement costs and costs of issuance in connection with the Bonds.

TAX-EXEMPT BONDS: \$2,200,000

PROGRAM: Recovery Zone Facility Bond Program

Pursuant to Resolution No. 06-01, adopted on July 14, 2006 by the Board of Directors of the California Enterprise Development Authority (the "Issuer"), and Treasury Regulation Section 1.150-2, the undersigned Chairman of the Issuer hereby declares:

1. The Issuer presently intends and reasonably expects to issue its revenue bonds for the benefit of the above described Borrower in an aggregate principal amount not to exceed \$2,200,000, the interest on which shall be exempt from Federal income taxation under the Internal Revenue Code of 1986, as amended, within 18 months of the date of the expenditure of moneys on the above described Project or the date upon which the Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys), and to allocate an amount of not to exceed \$2,200,000 of the proceeds thereof to such expenditures in connection with the Project.

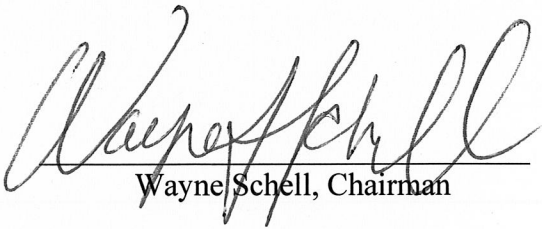
2. This Declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the financing of the Project.

3. Providing financing for the Project will assist in promoting sound economic development or in maintaining employment in the area in which the Project is or is to be located, or in an area reasonably accessible thereto, or in the reduction of unemployment or underemployment in such area.

4. The loan agreement to be entered into with respect to the Project and the loan to the Borrower will provide for payment to the Issuer of such revenues that will be sufficient to pay the principal of and interest on the Bonds which the Issuer will issue to finance the loan to the Borrower.

5. All of the expenditures covered by this Declaration were made not earlier than 60 days prior to the date of this Declaration.

Dated: May 24, 2010



Wayne Schell, Chairman