TEMSCO HELICOPTERS, INC.

201 Criteria:

A. Operational Control for TEMSCO Helicopters Inc. Means the exercise of authority over initiation, conducting or terminating a flight and holds responsibility for operational control over any agreements, contracts or any understandings or arrangements, express or implied between any person or entities.

1. TEMSCO Helicopters dose not and will not engage in the following.

a. Share the authority under its certificate and operations specifications to or with other persons or entities.

b. Use a DBA (doing business as) in a way that represents an entity that dose not hold and air carrier or operating certificate with operating specifications.

c. TEMSCO helicopters dose not and will not Wet Lease aircraft.

2. All aircraft operated by TEMSCO are owned or DRY leased and are listed in Ops Spec D85 and will be maintained by TEMSCO's FAA authorized maintenance programs. TEMSCO will maintain at least one exclusive use aircraft which will not be listed on any other certificate holder's Ops specs.

B. Operational control with respect to operations conducted under FAR Part 135 means the exercise of authority over training, scheduling, maintenance, and business practices. The following persons have "Operational control" with respect to FAR Part 135 in descending order:

1. Chief Executive Officer: Bob Berto.
2. Director of Operations: Joseph R. Hicks.
3. Chief Pilot. Eric D. Eichner.
4. Director of Maintenance. Roy D. Hornbaker.
5. Base Managers:
   a. Petersburg: Stephen Obrocta.
   b. Juneau: Eric Main.
   c. Skagway: Kelly Healy.
6. Base lead Pilot: As assigned.

C. Operational control with respect to a flight, means the exercise of authority over initiating, conducting, or terminating a flight. The Director of Operations and the pilot in command are jointly responsible for the initiation, continuation, diversion and termination of a flight, The Director of Operations may delegate functions to other trained personnel, but retains responsibility for initiation, continuation, diversion and termination. The final authority over conducting or terminating a flight rest with the Pilot-In-Command. The following persons have "Operational Control" with respect to flight in descending order:

1. Director of Operations. Joseph R. Hicks.
2. Chief Pilot. Eric E. Eichner.

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(201 Operational Control Criteria Continued)

3. Pilot-In-Command: A Pilot-In-Command is any pilot that has satisfactorily completed Initial New-Hire, Initial Equipment, Recurrent, Transition, Requalification, or Upgrade flight and ground training under TEMSCO's FAA approved training curriculums.

4. Second-In-Command: A Second-In-Command is any pilot that has satisfactorily completed Initial New-Hire, Initial Equipment, Recurrent, Transition, Requalification, or upgrade ground and flight training under TEMSCO's FAA approved training curriculums.

5. Director of Maintenance: Roy Hornbaker.

6. Base Managers:

   a. Petersburg: Stephen Obrocta. (Pilot)

   b. Juneau: Eric Main. (Pilot)

   c. Skagway: Kelly Healy. (Pilot)

7. Base lead Pilot. As assigned.

8. Trained flight followers

C. All TEMSCO personnel assigned Operational Control listed above shall ensure that only operations authorized by the operating specifications will be conducted, and that all pilots assigned to any flights are the direct employee of TEMSCO and are currently trained, qualified, and hold a current medical certificate to conduct the flight, a list of qualified pilots is kept in the chief pilots office and at all flight scheduler locations. The chief pilot is responsible for keeping this information current.

Before being assigned as a Manger, Pilot-In-Command, a Second-In-Command, a mechanic, a or a flight follower, each person must meet the basic qualifications of FAR Part 135 to include anti-drug training.

All flights will be conducted under part 135 except for flights designated under Part 91. Pilots will be informed of any flight conducted as Part 91.

TEMSCO Helicopters Inc. is accountable and responsible for the safe operations of these flights. Pilots who fail to adhere to company procedures may be action in violation of FAR's and may be subject to enforcement action by the FAA.

TEMSCO HELICOPTERS, INC.

(210 Flight Plans Continued)

2. This flight plan must include:

   a. Aircraft Identification.

   b. Aircraft type and special equipment (i.e. radios, ELT, etc.)

   c. Color of aircraft.

   d. Departure point.

   e. Route of flight.

   f. Time when expected to return.

   g. Total fuel on board (in flight time).

   h. Name of Pilot-In-Command.

   i. Soles on Board.

   j. Whom and how to notify if flight is overdue:

      (i) Radio patch.

      (ii) Phone patch.

      (iii) Other camps or aircraft operating in the area.

      (iv) Other TEMSCO pilots or other operators working in the area.

   k. The flight locating procedures in Chapter IV paragraph 406.

211 Weather Minimums: The minimum ceiling and visibility requirements for controlled airspace including any special VFR flight rules shall be complied with. Ceiling and / or visibility are the minimums at which TEMSCO will dispatch an a FAR Part 135 Helicopter flight. The lowest of the ceiling or visibility shall be the limiting factor for dispatch.

A. Day VFR conditions uncontrolled airspace:

1. Local: Local is defined as any area within a thirty (30) nautical mile radius from base of operations.

   a. Five hundred (500) foot ceiling or greater.

   b. One (1) statute mile visibility or greater.

TEMSCO HELICOPTERS, INC.

(211 Weather Minimums:Continued)

2. Cross Country is defined as any area greater than a thirty (30) nautical mile radius from a base of operations.

   a. Eight hundred foot (800) ceiling or greater with at least two (2) statute miles visibility or greater, or

   b. One thousand foot (1,000) ceiling or greater with at least one (1) statute mile visibility.

B. Night VFR conditions uncontrolled airspace: There must be visual light reference to properly control the helicopter.

1. Local: Local is defined as locale of urban area with enough ground lighting or sufficient moon lighting at night for suitable ground reference. This area must be within a thirty (30) nautical mile radius from base of operations.

   a. Five hundred (500) foot ceiling or greater.

   b. Two (2) statute miles visibility or greater.

2. Cross Country is defined as any area greater than a thirty (30) nautical mile radius from base of operations.

   a One thousand (1,000) foot ceiling or greater.

   b. Three (3) statute miles visibility or greater.

C. Aeronautical Weather Data: Pilot-In-Command shall obtain all pertinent weather for route of flight.

212 Icing Conditions:

A. Icing Conditions: Helicopter flights during icing conditions are prohibited.

1. TEMSCO shall not fly into known icing conditions. If icing conditions are encountered the Pilot-In-Command will deviate from course to avoid and navigate around any encountered icing conditions.

2. TEMSCO shall not takeoff on any flight without removal of frost, snow and ice from the aircraft. Particular attention will be placed on the removal of frost, snow and ice on airfoils, engine(s) to include engine intake areas, and portions of exposed flight controls and flight control areas.

TEMSCO HELICOPTERS, INC.

315 Cargo Operation:

A. Cargo Carried In Passenger Compartments:

1. Will be secured by means approved by the FAA.

2. Will be carried in accordance with each of the following:

   a. Will be properly secured by a safety belt or other tie down having enough strength to eliminate the possibility of shifting under normally anticipated flight and ground conditions.

   b. Will be packaged or covered to avoid possible injury to passengers.

   c. It will not impose any load on seats or on the floor structure that exceeds the load limitations for those requirements.

   d. It will not be located in a position that restricts the access to or use of any required emergency or regular exit, or the use of the aisle between the crew and the passenger compartment.

   e. It will not be carried directly above seated passengers.

B. Limitations of carriage of cargo In the Passenger compartments:

1. Each bay or bin will be able to withstand the load factor as applicable to passenger seats of the aircraft.

2. The maximum weight of cargo that each bin or bay is approved to carry will not be exceeded.

3. Each bay will be loaded to insure proper weight distribution when using cargo loading schedule.

4. The load will not impose any load on the floor or other structure of the aircraft that exceeds the limitations of that structure. The maximum concentrated load for each compartment will not be exceeded.

5. The bin or netting for loose cargo will be attached to the seat tracks or to the floor structure of the aircraft and its attachment must withstand the load factors applicable to the passenger seats.

6. The cargo will not restrict access to or use of any required exit or aisle in the passenger compartment.

7. It will be the responsibility of the Pilot-In-Command to check and insure that all cargo and passenger doors are properly secured prior to any flight.

Sharing of Safety Reporting Information

Safety Reporting information will be "de-identified" to remove names, locations, and other identifying information (unless critical to the content of the safety report) and disseminated as "Safety Briefs".

Safety Briefs are given to Top Management and certain front line managers and supervisors who will then share this information with employees.

The goal of the Safety Briefs is to bring awareness to all employees and give a broader audience for input regarding preventative or corrective actions. Everyone at TEMSCO is encouraged to bring forward ideas which will reduce risks, improve safety, improve procedures, and benefit all employees.

Risk Assessment

Risk Assessments shall be completed by managers when looking at general working environments and may utilize a risk matrix but there are other methods to complete a risk assessment. An example of a risk matrix is grouping a risk according to severity and likelihood. TEMSCO's Safety Department also incorporates a cost factor and frequency to more accurately portray the risk to the company. The risk assessment process may also incorporate a risk analysis to see the real risk to the company based upon certain criteria, a plan on how to deal with the risk that is discovered, then a method to monitor that risk and the risk controls that were developed to verify performance. TOP Management will have the responsibility for completing the risk assessment and accepting risks or not accepting risks. All available resources should be used to decide which risks are acceptable.

Flight Risk Assessments (see SMS Forms Section) will be utilized when applicable in EMS and tour operations. Flight Risk Assessments are primarily a front line or employee completed procedure with an operational control person verifying or approving the job as required. These types of risk assessments are specific to a task. They incorporate employee experience, environmental factors, historic safety data, and a form of checks and balances, allowing management to have oversight on all jobs but also allowing the employee a quantitative method in accepting risk or refusing risk.

Risk Management and Change

When new equipment, a new product, or any change in work procedure occurs there will also be a corresponding change in risk. Employees and managers need to be aware that any change may have negative effects on safety and production. Attempt to limit the amount of change and consult other resources to assist our company with risk management when designing a new product, using new equipment or different equipment, or when pursuing any modification to company procedures including corrective and preventative actions.

These changes to TEMSCO procedures should be validated through a risk control system based on historic data, models, risk matrix, experience staff members, or other tools available to TEMSCO to reduce any risks to acceptable levels. TOP Management will have the responsibility of completing the risk assessment for change and will be tasked with deciding which risks are acceptable or not acceptable based on their experience and knowledge of company liability. All available resources should be used to decide which risks are acceptable. The risk assessment for change is the same process for normal risk assessment and does not require a separate process. This process will be documented so others may learn from the process and to prevent loss of information due to employee/manager attrition.