

**AirNet Systems, Inc.**  
**Charter of the Nominating and Corporate Governance Committee**  
**of the Board of Directors**

**PURPOSE**

The purpose of the Nominating and Corporate Governance Committee (the "Committee") of AirNet Systems, Inc. (the "Company") is to provide oversight on the broad range of issues surrounding the composition and operation of the Board of Directors (the "Board") of the Company, including identifying individuals qualified to become Board members, recommending to the Board director nominees for election at the annual meeting of shareholders or to fill vacancies occurring from time to time in the Board for the unexpired term and developing and recommending to the Board a set of corporate governance guidelines applicable to the Company.

The Committee also has responsibility for making recommendations to the Board and the Chairman of the Board in the areas of committee selection, including committee chairs, rotation practices, evaluation of the overall effectiveness of the Board and management, and review and consideration of developments in corporate governance practices.

The Committee has the authority to undertake the specific duties and responsibilities set forth below and will have the authority to undertake such other duties and responsibilities as the Board may from time to time prescribe.

**COMMITTEE MEMBERSHIP**

The Committee shall consist of at least three members of the Board, each of whom shall (1) qualify as an "independent director" under the corporate governance requirements of the American Stock Exchange ("AMEX"); (2) be free from any relationship with the Company or any of its subsidiaries that would interfere with the exercise of such individual's independent judgment; and (3) satisfy any other standards of independence that may from time to time be in effect and applicable to the Committee.

The members of the Committee shall be appointed by the Board based primarily upon experience, education and skills necessary to contribute to the Committee. To the extent deemed appropriate by the Committee, the Committee may recommend successor members of the Committee to the Board. The members of the Committee shall serve at the discretion of the Board. The Board may fill any vacancies on the Committee and may remove a Committee member at any time, with or without cause. The Board shall designate a Chairman of the Committee. The Committee may designate its own Secretary, who may be a non-Committee member.

## **DUTIES AND RESPONSIBILITIES:**

In furtherance of its purpose, the Committee shall have the following specific duties and responsibilities:

1. Establishing and articulating qualifications, desired background and selection criteria for members of the Board. The Committee may consider any factors it deems appropriate, including: judgment; skill; diversity; strength of character; experience with businesses and organizations of comparable size or scope; experience as an executive of, or adviser to, a publicly traded or private company; experience and skill relative to other Board members; specialized knowledge or experience; and desirability of the candidate's membership on the Board and any committees of the Board. In identifying and selecting a nominee, the Committee shall consider (a) the nominee's independent judgment, strength of character, ethics and integrity; (b) the nominee's business or other relevant experience and skills and knowledge useful to the oversight of the Company's business; and (c) such other factors as the members of the Committee conclude are appropriate in light of the needs of the Board. The Committee shall also consider whether a potential nominee has the ability to devote sufficient time to carry out his responsibilities as a director in light of such potential nominee's occupation and the number of boards of directors of other public companies on which he serves.
2. Developing a policy with regard to the consideration of candidates for election or appointment to the Board recommended by shareholders of the Company and procedures to be followed by shareholders in submitting such recommendations, consistent with any shareholder nomination requirements set forth in the Company's Code of Regulations and applicable laws, rules, regulations and listing standards.
3. Making recommendations to the full Board concerning all nominees for Board membership, including the re-election of existing Board members and the filling of any vacancies.
4. Evaluating and making recommendations to the full Board concerning the number and accountability of Board committees and committee assignments.
5. Annually soliciting input from the full Board and conducting an annual review of the effectiveness of the operation of the Board and Board committees, including a review of governance and operating practices and the development, recommendation and periodic review of corporate governance guidelines for operation of the Board.
6. Developing and periodically reviewing a set of corporate governance guidelines applicable to the Company in accordance with applicable laws, rules, regulations and listing standards, including, without limitation, the AMEX corporate governance requirements and recommending any desirable changes to the Board.

7. Considering matters relating to the retirement of Board members, including consideration of a recommended retirement age.
8. Periodically reviewing and making recommendations to the full Board regarding director compensation and stock ownership, and recommending to the Board compensation programs for directors.
9. Monitoring the orientation and training needs of directors and recommending action to the Board, individual directors and management, where appropriate.
10. Reviewing and reassessing the adequacy of this Charter and the charters of other committees of the Board and conducting annual Committee performance evaluations.

The foregoing duties and responsibilities shall be common, recurring activities of the Committee in carrying out its purpose. The Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other duties and responsibilities delegated to it by the Board from time to time that are related to the purpose of the Committee.

## **MEETINGS**

The Committee may fix its own rules of procedure, which shall be consistent with the Company's Code of Regulations and this Charter. Although no minimum number of meetings is required, the Committee will endeavor to meet at least two times a year at the times and locations determined by the Committee Chairman or a majority of the Committee. The Committee Chairman or any other member of the Committee may call a meeting of the Committee. A majority of the Committee members shall constitute a quorum for the transaction of business. The Committee may act by a majority of its members present at a meeting at which a quorum is present. To the extent permitted by the Company's Amended Articles and Code of Regulations, the Committee may also take action by unanimous written consent.

The Committee, in its sole discretion, may invite members of management, independent advisors and others to attend meetings for any purpose, including the provision of pertinent information or the implementation of the Committee's recommendations or decisions. The Committee shall prepare minutes of its meetings, which minutes shall be filed with the books and records of the Company. At each regularly scheduled meeting of the Board, the Chairman of the Committee or his designee shall provide the Board with a report of the Committee's activities and proceedings since the previous Board meeting.

## **COMMITTEE RESOURCES**

Subject to applicable laws, rules, regulations and listing standards, the Committee shall have the authority to designate, and delegate any of its duties and responsibilities to, such sub-committees, consisting of one or more Committee members, as the Committee in its sole discretion deems appropriate.

The Committee shall have the resources and authority to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of any search firm to be used to identify director candidates, outside counsel, whether the Company's general outside counsel or special counsel, and such other experts or consultants as it deems appropriate, without seeking additional approval of the Board or management. With respect to consultants or search firms used to identify director candidates, this authority shall be vested solely in the Committee.

## **GENERAL**

In performing their responsibilities, Committee members are entitled to rely in good faith on information, opinions, reports or statements prepared or presented by:

- One or more officers or employees of the Company whom the Committee members reasonably believe to be reliable and competent in the matters prepared or presented;
- Counsel, consultants or other persons as to matters which the Committee members reasonably believe to be within the professional or expert competence of such persons; and

Another committee of the Board, upon which the Committee members do not serve, as to matters within such other committee's designated authority, which committee the Committee members reasonably believe to merit confidence.