

AirNet Systems, Inc.
Corporate Governance Guidelines

The Board of Directors (the "Board") of AirNet Systems, Inc. (the "Company") has adopted these Corporate Governance Guidelines (the "Guidelines") to promote the effective functioning of the Board and its committees and to reflect the Company's commitment to the highest standards of corporate governance. The Board shall periodically review and amend these Guidelines as it deems necessary or appropriate.

1. Director Qualifications and Board Composition

Election and Selection of Directors. Except as discussed below with respect to vacancies, the directors are elected by the Company's shareholders at the Annual Meeting of Shareholders. Nominations for the election of directors at the Company's Annual Meeting of Shareholders may be made by the Board (or a committee of the Board) or by any shareholder entitled to vote in the election of directors generally in accordance with the Company's Code of Regulations (the "Regulations"). The Board's Nominating and Corporate Governance Committee shall be responsible for identifying and recommending to the Board qualified nominees for election at the Company's Annual Meeting of Shareholders. The Board, taking into account the recommendations of the Nominating and Corporate Governance Committee, shall be responsible for the final selection of the nominees for election at the Company's Annual Meeting of Shareholders.

All incumbent directors and director nominees are encouraged to attend each Annual Meeting of Shareholders of the Company.

The Board, taking into account the recommendations of the Nominating and Corporate Governance Committee, shall select the individual to fill any vacancy in an existing directorship or a newly-created directorship.

In identifying and selecting a nominee, the Board and the Nominating and Corporate Governance Committee shall consider (1) the nominee's independence, judgment, strength of character, ethics and integrity; (2) the nominee's business or other relevant experience and skills and knowledge useful to the oversight of the Company's business; and (3) such other factors as they conclude are appropriate in light of the needs of the Board. The Board and the Nominating and Corporate Governance 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. All nominees should have the highest character and integrity, a reputation for working constructively with others, and no conflict of interest that would interfere with his performance as a director.

Independence. A majority of the directors of the Company shall meet the criteria for independence required by the American Stock Exchange ("AMEX") and any other applicable laws, rules and regulations. The Board shall monitor its compliance with such AMEX corporate governance requirements and all other applicable laws, rules and regulations relating to the independence of directors on an on-going basis. Each independent director shall notify the Chairman of the Nominating and Corporate Governance Committee, as soon as practicable, in the event his circumstances change in a manner that may affect the Board's evaluation of his independence.

Board Size. The Board is currently comprised of six directors having terms of one year each. Under the Company's Regulations, the number of directors may be changed by the directors (to no more than nine nor less than three) or by the affirmative vote of the holders of at least a majority of the common shares which are represented at a meeting called for the purpose of electing directors, in person or by proxy, and entitled to vote on the proposal. The Board shall periodically assess the size of the Board to ensure that it is neither too small to maintain the requisite expertise nor too large to be functional.

Term/Age Limits. The Board does not believe it is advisable to establish arbitrary term or age limits on directors' service. As part of its responsibilities, the Nominating and Corporate Governance Committee shall evaluate each incumbent director's qualifications, performance and ability to continue to contribute productively before recommending the nomination of that director for an additional term. The Board's self-evaluation process described below is also an important determinant of director tenure.

Change in Circumstances. A director shall offer his resignation to the Chairman of the Board in the event of any significant change in his principal occupation. Upon receipt of any such resignation, the Board, with the assistance of the Nominating and Corporate Governance Committee, shall determine whether it should accept the resignation based on a review of whether the director continues to satisfy the Board's membership criteria in light of such change.

Limitation on Board Service. The Board does not believe that it is advisable to arbitrarily limit the number of boards of directors of other public companies on which a director may serve. A director shall notify the Chairman of the Board prior to becoming a director of another public company in order to avoid potential conflicts of interest and to address whether the aggregate number of directorships held by such director would interfere with his ability to carry out his responsibilities as a director of the Company. In the event that the Board determines that such additional directorship constitutes a conflict of interest or interferes with such director's ability to carry out his responsibilities as a director of the Company, such director, upon the request of the Board, shall offer his resignation or not accept the other directorship.

II. Board Responsibilities and Operation

Basic Responsibility. In accordance with the Regulations and Ohio law, the business and affairs of the Company are managed by, and under the direction of, the Board which

serves as the ultimate decision-making body of the Company, except for those matters reserved to (or shared with) the shareholders. The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its shareholders.

The Company's business is conducted by its team members and officers under the direction of the Chief Executive Officer and the oversight of the Board. The Board is elected by the shareholders of the Company to oversee management and to ensure that the long-term interests of the shareholders are being served. The directors shall, as appropriate, take into consideration the interests of other stakeholders, including employees, customers and the members of the communities in which the Company operates.

Board Meetings.

Schedule and Participation. The Board shall hold regular meetings at least four times each year and special meetings as necessary or appropriate. The directors are encouraged to attend all Board and applicable committee meetings in person and should not participate by telephone unless such meetings are designated as telephonic meetings or telephonic participation is necessary due to unavoidable circumstances. The directors are expected to devote the time needed and meet as frequently as necessary to properly discharge their responsibilities as directors.

Agenda. The Chairman of the Board shall establish the agenda for each Board meeting. Any director may request that a subject be included on the agenda and may raise a subject that is not on the agenda at any meeting.

Advance Materials. Information and materials that are important to the directors' understanding of the business to be conducted at a Board or committee meeting shall, to the extent practical, be distributed sufficiently in advance of each meeting to permit meaningful review. Directors are expected to review such materials prior to the meeting.

Executive Sessions. The non-management directors shall meet (without management present) at regularly scheduled meetings at least twice each year and at such other times as the non-management directors deem necessary or appropriate. Each executive session shall be chaired by the lead director or, if there shall be no lead director, by one of the non-management directors on a rotating basis. In addition, the independent directors shall meet at least once each year in executive session with only the independent directors present. The lead director shall preside at all executive sessions of the independent directors; provided, however, that if there shall be no lead director, such executive sessions shall be chaired by one of the independent directors on a rotating basis.

Succession Plan. The Board, with the assistance and input of the Compensation Committee, shall annually review and discuss the Company's succession plan for the Chief Executive Officer and each of the Company's other members of senior

management, including plans for succession in the event of an emergency. The Chief Executive Officer shall annually meet with the Board to discuss his recommendations with respect to succession planning for the members of senior management and management development.

Annual Board Evaluation. The Nominating and Corporate Governance Committee shall lead the Board in an annual self-evaluation process to determine whether the Board and the Board committees are functioning effectively. The Nominating and Corporate Governance Committee shall receive comments from all of the directors, review such comments and report annually to the Board with an assessment of the Board's and each Board committee's performance. The assessment shall focus on the performance and qualifications of the individual directors, the Board's (and each Board committee's) contribution as a whole to the Company and those areas in which the Board, any Board committee and/or individual directors could improve.

III. Board Committees

Committees. The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. The Board may establish other committees or disband existing committees as it deems necessary or appropriate, subject to the Regulations and any applicable laws, rules, regulations and listing requirements. Each of the committees shall have the authority and responsibilities delineated in the Regulations, the Board resolutions creating such committee and any applicable charter.

Appointment. The Board, taking into account the recommendations of the Nominating and Corporate Governance Committee, shall appoint the members of each committee. Each member of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall meet the criteria for independence required by applicable AMEX corporate governance requirements and any other applicable laws, rules and regulations.

Charters. Each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall have its own written charter which complies with the applicable AMEX corporate governance requirements and any other applicable laws, rules and regulations. Each charter shall at a minimum set forth the purposes and responsibilities of the applicable committee, the qualifications for committee membership, the procedures for committee member appointment and removal, committee structure, operations and meetings and committee reporting to the Board. Each charter shall also require the applicable committee to annually evaluate its performance and review the adequacy of its charter. These Guidelines and each charter are posted on the Company's website, and will be available in print to any shareholder of the Company who requests them.

IV. Access to Management and Advisors

Access to Management. Directors shall have full and unrestricted access to management, other team members and the books and records of the Company. At the request of the Chairman of the Board, members of senior management may be invited to attend Board meetings to present information concerning the Company's business within their areas of responsibility.

Access to Advisors. The Board and its committees shall have the authority at any time to select, retain and terminate such financial, legal and other advisors as they deem necessary or appropriate to discharge their responsibilities.

V. Chairman of the Board and Chief Executive Officer

The Company has no fixed rule regarding whether the offices of the Chairman of the Board and the Chief Executive Officer should be vested in the same individual or two different individuals. These offices have at times been combined and at times separated. The Board believes that the combination or separation of these offices should continue to be considered as part of the succession planning process.

VI. Chief Executive Officer Evaluation

The Compensation Committee shall annually evaluate the Chief Executive Officer's performance and report its conclusions to the Board, in each case as set forth in the charter of the Compensation Committee.

VII. Director Compensation

The Compensation Committee, in accordance with its charter, shall annually review and make recommendations to the Board with respect to the form and amount of director compensation. The Board shall set the form and amount of director compensation taking into account the recommendations of the Compensation Committee and the Nominating and Corporate Governance Committee. As part of their review, the Board, the Compensation Committee and the Nominating and Corporate Governance Committee shall consider the director compensation policies and practices at the Company's principal competitors and other comparable companies to ensure that the compensation (both direct and indirect forms) paid to the Company's directors is reasonable, competitive and customary. The directors who are employees of the Company or any of its subsidiaries or affiliates shall not receive any compensation for their services as directors.

VIII. Director Orientation and Continuing Education

The Company shall maintain a director orientation program for its new directors to ensure that they are fully informed of their responsibilities as directors. Each new director must participate in the program within three months of becoming a director. The orientation program shall include familiarizing new directors with the Company's

business, its strategic plans, its significant financial, accounting and risk-management issues, its compliance programs (including compliance with Securities and Exchange Commission reporting obligations and AMEX corporate governance requirements), its Code of Business Conduct and Ethics, its members of senior management and its internal audit function and independent auditors. The new directors shall also be introduced to such other members of management and representatives of the Company's outside legal, accounting and other advisors, as is appropriate to familiarize them with the resources available to them.

It is expected that management shall from time to time make presentations to or arrange educational programs for the Board on different aspects of the Company's business, which may include business strategy, risk management, financial reporting, products and services, industry trends and developments, corporate governance and any other relevant and appropriate topics. Directors are also encouraged to take advantage of any other available educational opportunities that would further their understanding of the Company's business and enhance their performance on the Board.