U.S. Department of Transportation

Office of the Secretary of Transportation

1200 New Jersey Avenue SE
Washington, DC 20590

March 3, 2020

Mr. Itai Shoshani
Zip Aviation, LLC
Pier 6 East River
Downtown Manhattan Heliport
New York, NY 10004

RE: Docket DOT-OST-2018-0089
Application of Zip Aviation, LLC
for Authority to Conduct Commuter Operations

Dear Mr. Shoshani:

The U.S. Department of Transportation (the "Department") has completed its review of the information filed on behalf of Zip Aviation, LLC ("Zip") on October 12, 2018, for the determination of its fitness to conduct commuter operations. The Department has determined that it will need additional and/or clarifying information before we may complete our review. The attached Information Request lists the areas where further information and/or clarification is necessary. I ask that you respond fully to this request within 30 days of the date of this letter.

In the meantime, as is the Department's practice, further processing of your application will be deferred pending receipt of this material. Thank you for your cooperation in this matter. If you have any questions regarding this letter or the requested information, please contact me at (202) 366-9998 or via email at Catherine.O'Toole@dot.gov.

Sincerely,

Catherine J. O'Toole
Analyst, Air Carrier Fitness Division
Office of Aviation Analysis

cc: Docket DOT-OST-2018-0089

Mr. Dennis Kaskovich
Mr. Thomas Mancuso
Mr. Joseph Martuge

DEPARTMENT OF TRANSPORTATION
2020 MAR -4 P 1:56
DOCKET OPERATIONS

ZIP AVIATION LLC
REQUEST FOR INFORMATION

OPERATIONS AND FINANCIAL POSITION

1. Please provide a recent resume for Chief Pilot Adam Chunn along with proof of his Airline Transport Pilot license.

2. Please provide a current (within three months) copy of Zip's balance sheet and income statement.[1] Please provide balance sheet and income statements for 2018 and 2019.

3. Zip's 2018 Income Statements show line items "Salary-Other" "Helicopter maintenance-Other" and "Rent or Lease-Other". Please further explain what is included in these "other" line items.

4. In assessing Zip's fitness to operate scheduled commuter service, we will apply the financial fitness criteria to the incremental cost associated with its scheduled operations. Please provide an updated income statement forecast for Zip's first year of commuter operations, broken down per quarter, between Zip's current charter operations and its proposed scheduled operations.

5. In Zip's previous forecast from its August 2018 submittal, the company highlighted "Dry Lease" as it only cost for its proposed scheduled operation. Is this correct? If so, please provide further explanation and detailed information on what the Dry Lease contract is meant to cover. If not, please allocate forecasted costs for the scheduled service including but not limited to fuel, pilot salary, aircraft insurance, and overhead, separate from Zip's current charter operation.

6. Please provide updated third party verification of all available funds intended to be used to demonstrate Zip's financial fitness. If using a line of credit, this verification should include the total line-of-credit being made available, the amount such credit line has been drawn down to date, any conditions that must be met before funds will be advanced, the terms of repayment, and the expiration date. Further, if the line-of-credit is being supplied by an individual or organization (other than a

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[1] In evaluating an applicant's financial fitness, the Department generally asks that the applicant have available to it resources sufficient to cover all pre-operating costs and any negative working capital balance, plus a working capital reserve equal to the operating costs that would be incurred in three months of normal operations. Because projected expenses during the first several months of operations frequently do not include all the costs that will be incurred during a "normal" period of operations, it is our practice to base our three-month standard on one quarter of the first year's operating cost forecast. In calculating available resources, projected revenues may not be used.

recognized financial institution) copies of the personal or corporate financial statements of the individual or organization should also be provided

7. Please provide a list of all current key management personnel.[2] For each person, please provide citizenship information and a resume, if not already provided in earlier information requests. Please provide an organization chart of the key personnel.

COMPLIANCE DISPOSITION

The information provided pursuant to this Information Request should be accompanied by the following certification:

> The contents of this application and the attached exhibit (s) are true and correct to the best of my knowledge and belief. Pursuant to Title 18 United States Code Section 1001, I [*the individual signing the application, who shall be a principal owner, senior officer, or internal counsel of the applicant*], in my individual capacity and as the authorized representative of the applicant, have not in any manner knowingly and willfully falsified, concealed or failed to disclose any material fact or made any false, fictitious, or fraudulent statement or knowingly used any documents which contain such statements in connection with the preparation, filing or prosecution of the application. I understand that an individual who is found to have violated the provisions of 18 U.S.C section 1001 shall be fined or imprisoned not more than five years, or both.

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[2] "Key personnel" refers to the President, Chief Executive Officer, Chief Operating Officer, General Manager, Chief Financial Officer, Vice President(s), the Director of Operations, the Director of Maintenance, the Chief Pilot, the Director of Safety, and the Chief Inspector, as well as the Chairman and members of the Board or other key officials who may not be involved with the day-to-day operation of the carrier but who are primary stockholders and/or whose influence on the actions or policies of the company is, or potentially could be, substantial.