

BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Application of

JuniPogo LLC dba 70 North

for a certificate of public convenience and necessity under
49 U.S.C. 41102 to engage in interstate scheduled air
transportation

DOCKET _____

APPLICATION OF
JuniPogo LLC dba 70 North

Communications with respect to this document should be sent to:

Mike McCrary
70 North LLC
3705 Arctic Boulevard, Ste 480
Anchorage, AK 99503
(907) 659-2544
operations@seventynorth.com

Danielle Troll
Aven Consulting LLC
3288 Vassar Dr
Anchorage, AK 99508
(907) 244-2986
Danielle@seventynorth.com

March 20, 2020

Notice: Any person who wishes to support or oppose this application must file an answer by 21 days after receipt of the application by the Department of Transportation and serve that answer on all persons served with this application.

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APPLICATION OF

JuniPogo LLC dba 70 North

JuniPogo LLC dba 70 North submits this application for a certificate of public convenience and necessity authorizing interstate scheduled air transportation pursuant to section 41102 of Title 49 of the United States Code (“the Statute”).

In support of its application JuniPogo LLC dba 70 North states the following:

Applicant is a limited liability company organized on January 18, 2012 under the laws of the State of Alaska. Its mailing address is 3704 Arctic Blvd #480, Anchorage, AK 99508. Its phone number is (907) 659-2544 and email is operations@seventynorth.com.

Applicant is a citizen of the United States as defined in section 40102(a)(15) of the Statute.

JuniPogo LLC is owned by 70 North, LLC, whose managing members are citizens of the United States.

Applicant is currently engaged in 14 CFR Part 135 on-demand operations in common carriage. The operations transport passenger and cargo during the day and/or night under visual and instrument flight rules with airplanes having a passenger seating configuration of nine or fewer passenger seats.

Applicant requests authority to engage in interstate scheduled air transportation of persons, property and mail as detailed in Exhibit 1.1.

Information in support of the applicant's fitness to conduct the proposed air transportation operations is contained in *Exhibits 1.1 through 5.1*

§204.3(v)

The contents of this application and the attached exhibits are true and correct to the best of my knowledge and belief. Pursuant to Title 18 United States Code Section 1001, I in my individual capacity and as the authorized representative of the applicant, have not in any manner knowingly and willfully falsified, concealed or covered up 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 no more than \$10,000 or imprisoned not more than five years, or both.

Submitted by,



Michael McCrary
Director of Operations
JuniPogo LLC dba 70 North

Attachments:

- Exhibit 1.1 – Application Data
- Exhibit 1.2 – Affidavit of Safety Compliance
- Exhibit 1.3 – Certificate of Good Standing: 70 North LLC
- Exhibit 1.4 – Member Data: Bryan Montgomery
- Exhibit 1.5 – Certificate of Good Standing: JuniPogo LLC
- Exhibit 1.6 – Affidavit of Citizenship: JuniPogo LLC
- Exhibit 2.1 – Resume Michael McCrary
- Exhibit 2.2 – Resume Robert Gill
- Exhibit 2.3 – Resume Matthew Lacewell
- Exhibit 2.4 – Resume Danielle Troll
- Exhibit 3.1 – Consolidated Financial Statements 70 North, LLC
Years Ended December 31, 2019 and 2018
- Exhibit 3.2 – Forecast Balance Sheet and Income Statement
- Exhibit 3.3 – Proposed Schedule
- Exhibit 3.4 – Traffic Seasonality
- Exhibit 3.5 – Commuter Traffic Projection per Quarter
- Exhibit 3.6 – Forecast Income Statement by Quarter
- Exhibit 4.1 – OST Form 4523
- Exhibit 5.1 – Certificate of Service

EXHIBIT 1.1 – APPLICATION DATA

GENERAL

COMPANY CONTACT INFORMATION

§204.3(a)

JuniPogo LLC dba 70 North
3705 Arctic Boulevard, Ste 480
Anchorage, AK 99503
(907) 659-2544
operations@seventynorth.com

CURRENT OPERATIONS AND AUTHORITY HELD

§204.3(r)&(s)

70 North has been serving the North Slope of Alaska since 2010. 70 North supports transportation to and from the villages of the North Slope. The Company primarily operates out of Deadhorse, AK to surrounding remote locations.

The JuniPogo LLC dba 70 North operations are conducted under the authority of Air Carrier Certificate number 3JPA708N and operations specifications issued under 14 CFR Part 119.

JuniPogo LLC dba 70 North currently holds economic authority with the Department of Transportation under the exemption provisions of 14 CFR Part 298.

PROPOSED OPERATIONS AND REQUEST OF AUTHORITY

§204.3(t)

JuniPogo LLC dba 70 North is requesting a certificate of public convenience and necessity authorizing interstate scheduled air transportation pursuant to 49 U.S.C. 41102. This authorization will permit the company to provide scheduled service between Deadhorse, Alaska and North Slope villages. This authorization will also permit the company to contract with the United States Postal Service for the transportation of mail.

Upon Department of Transportation approval, commuter authority will be requested from the following responsible Federal Aviation Administration Flight Standards Office:

§204.3(s)

Federal Aviation Administration
Paula Huckleberry
Principal Operations Inspector
FSDO-AL03
701 S. Knik-Goose Bay Road, Suite E
Wasilla, AK 99654
(907) 352-2004 (office)
(907) 841-3850 (mobile)

PROPOSED OPERATIONS AND REQUEST OF AUTHORITY (Continued)

The specific routes for which the Company will request approval is as follows:

- PASC (Deadhorse) – PAQT (Nuiqsut) – PASC, for which the Company proposes to schedule five round trips per week

This route is within the State of Alaska and the Company does not intend to operate any covered flight segments in the foreseeable future. Notwithstanding, the certificate authority sought would authorize the Company to operate a covered flight segment, so the summary statement of passenger manifest information required by 14 CFR Part 243 has been filed with the U.S. Department of Transportation in Docket DOT-OST-1998-3305.

FLEET

§204.3(n)

JuniPogo LLC dba 70 North currently operates a Piper Navajo, model PA31-350, which seats up to nine passengers and can carry a payload of about 2,000 pounds, depending on range. The aircraft is leased by JuniPogo LLC from 70 North LLC. A copy of the lease follows on the next page.

See Exhibit 1.2 – Affidavit of Safety Compliance

FLEET (Continued)

Copy of Aircraft Lease:



RELIABLE LOGISTICS SOLUTIONS IS OUR BUSINESS

70 North LLC 3705 Arctic Blvd #480 Anchorage, AK 99503 (907) 659-2544 operations@seventynorth.com

EXCLUSIVE USE AIRCRAFT LEASE AGREEMENT

OF PIPER PA-31-350 SERIAL NUMBER 31-7305125
REGISTRATION NUMBER N34WM

This Aircraft Exclusive Use Lease Agreement ("Agreement") is entered into this 23rd day of December 2019 by and between 70 North LLC an Alaskan corporation headquartered at Birchwood, Alaska ("Lessor") and JuniPogo LLC dba 70 North, headquartered in Alaska ("Lessee"). The lease term shall be from December 23rd, 2019 to November 1, 2020.

DEFINITIONS

- A. Lessor has the rights to and desires to lease to Lessee the Aircraft (defined below) according to the terms of this agreement.
- B. Lessor is the legal Lessee of an Aircraft described as N34WM.
- C. Lessee desires to lease the Aircraft according to the terms of this Agreement and is legally empowered to do so.
- D. Throughout the term of this Exclusive Use Aircraft Lease Agreement and in compliance with the Lessees FAA Interstate Common Carriage Certificate 3JPA708N the Lessee has responsibility for operational control of the Aircraft and will maintain the aircraft in accordance with 100 hour/Annual maintenance and aircraft record keeping standards until FAA approval of the Approved Aircraft Inspection Program at which time the Lessee with maintain the aircraft in accordance with the FAA approved AAIP.

70 North LLC

A blue ink signature, appearing to be a stylized "J" or "P", written over a horizontal line.

JuniPogo LLC dba 70 North

A blue ink signature, appearing to be a stylized "J" or "P", written over a horizontal line.

CORPORATE STRUCTURE AND OWNERSHIP

70 North, LLC

§204.3(b)-(d)

70 North LLC is the parent company of JuniPogo LLC. 70 North LLC is a Limited Liability Company organized under the laws of the state of Alaska on November 17, 2009. It was purchased by Michael McCrary on January 1, 2018, although his membership was recorded with the State of Alaska eleven days prior as stated below. See the following:

Exhibit 1.3 – Certificate of Good Standing: 70 North LLC

§204.3(g)

The corporation is managed by two members: Michael McCrary who currently owns 51% and became a member on December 20, 2017, and Bryan Montgomery who currently owns 49% and became a member on April 1, 2019. They are both citizens of the United States.

Member Information:

Michael McCrary
3705 Arctic Boulevard, Ste 480
Anchorage, AK 99503
(907) 659-2544
operations@seventynorth.com

Bryan Montgomery
3704 Arctic Boulevard, Ste 480
Anchorage, AK 99503
(907) 602-1878
bryan@seventynorth.com

See Exhibit 1.4 – Member Data: Bryan Montgomery

Subsidiaries

§204.3(h)&(i)

70 North LLC is the parent company of JuniPogo LLC, M.A.A. Inc., and Husky Air Services, LLC, for which 70 North LLC owns 100%. Each of these companies conduct operations in common carriage under the operating rules of 14 CFR Part 135 under the authority of their respective operating certificates and operations specifications issued under FAR Part 119.

As these three companies are each managed by 70 North LLC, they are principally operated as one system.

70 North LLC also owns 51% of DTE LLC. The other 49% is held by Matthew Lacewell, the JuniPogo LLC Director of Maintenance (see Key Personnel on p. 1-6). This company currently provides Part 91 and Part 135 aircraft maintenance and support.

CORPORATE STRUCTURE AND OWNERSHIP (Continued)

JuniPogo LLC

§204.3(c)

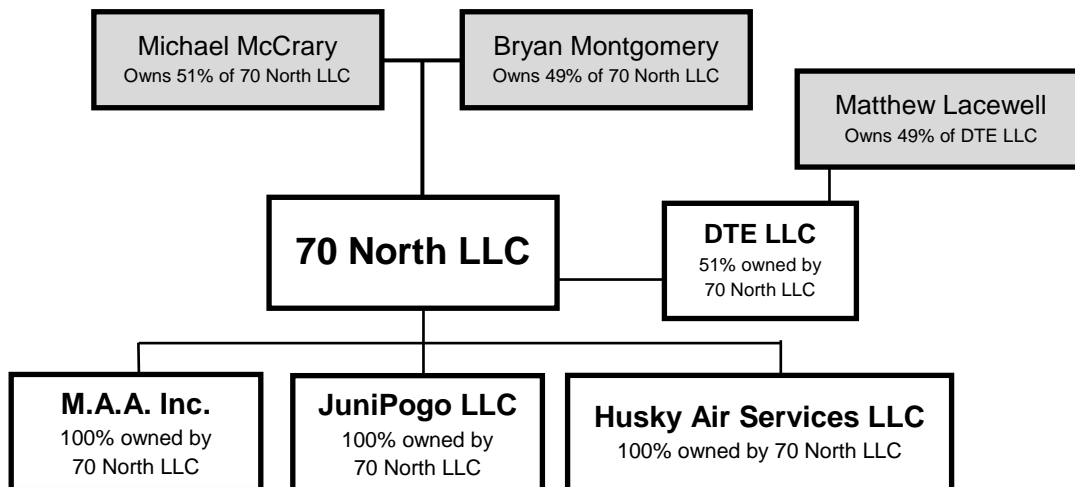
JuniPogo LLC was organized on January 18, 2012 under the laws of the state of Alaska by Robert Gill. It was acquired by 70 North LLC on October 24, 2016. See the following:

§204.3(d)&(e)

Exhibit 1.5 – Certificate of Good Standing: JuniPogo LLC

Exhibit 1.6 – Affidavit of Citizenship: JuniPogo LLC

Corporate Structure Diagram



MANAGERIAL EXPERTISE AND TECHNICAL ABILITY

KEY PERSONNEL

§204.3(f)

Name	Position	Date Position Held
Michael McCrary	President	10/24/16
Michael McCrary	Director of Operations	1/27/16 to Present
Robert Gill	Chief Pilot	11/6/19 to Present
Robert Gill	Director of Maintenance	1/27/16 to 11/6/19
Matthew Lacewell	Director of Maintenance	11/6/19 to Present
Danielle Troll	Director of Quality Assurance	8/19/19 to Present

These individuals meet the requirements for their respective management positions as set forth in 14 CFR 119.69 and 119.71 and are qualified by their training, experience, and expertise. They are all citizens of the United States of America. See the following:

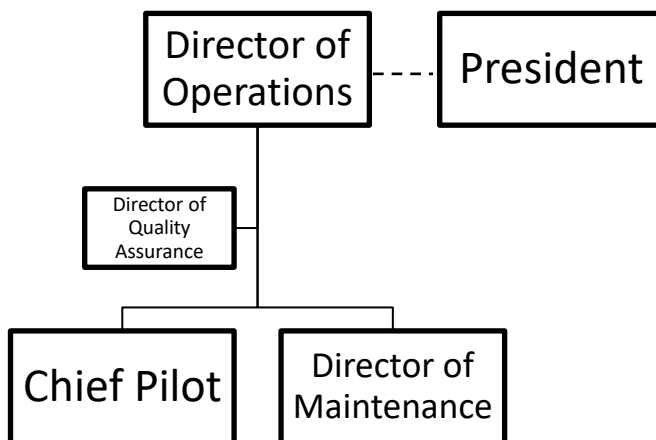
Exhibit 2.1 – Resume Michael McCrary

Exhibit 2.2 – Resume Robert Gill

Exhibit 2.3 – Resume Matthew Lacewell

Exhibit 2.4 – Resume Danielle Troll

ORGANIZATIONAL CHART



KEY PERSONNEL RESPONSIBILITIES

§204.3(f)(2)

President

The President's responsibilities include, but are not limited to the following:

1. Daily business management of the company.
2. Fiscal fitness/economic authority of the company.
3. Providing the resources and tools for management and personnel to accomplish their operational control responsibilities and duties.

Director of Operations (DO)

The DO responsibilities include, but are not limited to the following:

1. Exercise operational control and restrict or suspend operations when a hazardous condition exists.
2. Ensure that all flight operations are conducted safely and in compliance with all Federal Aviation Regulations, Operations Specifications, and Company policies.
3. Supervise the Chief Pilot (CP) and Director of Maintenance (DM) in the completion of their responsibilities.
4. Ensure a system is in place for scheduling aircraft availability, including scheduling the aircraft for required inspections.
5. Coordinate with the DM the timely correction of aircraft mechanical irregularities.
6. Supervise support personnel including freight handlers, expeditors, reservation and accounting staff.
7. Coordinate customer scheduling.
8. Acquire and maintain adequate ground facilities to meet company needs.
9. Hire and terminate all flight personnel.
10. Ensure a system is in place to manage the MEL Program.
11. Devise revisions to required manuals as needed, submit the proposed revisions to the FSDO, receive confirmation from the FSDO that the revisions are acceptable, and then disseminate those revisions to all manual copies.
12. Act for the Certificate holder, including the signing of FAA correspondence and operations specifications.

Chief Pilot (CP)

The Chief Pilot reports directly to the DO. His responsibilities include, but are not limited to the following:

General:

1. Report to the DO.
2. Assist the DO in formulating and coordinating operations policies.
3. Maintain proficiency as Pilot-in-Command.
4. Schedule and supervise pilots to meet company mission in accordance with applicable regulations and the guidance of the Company General Operations Manual.
5. Supervise the daily duties of pilots.
6. Disseminate information to all crewmembers pertaining to routes, airports, NOTAMS, NAVAIDS, company policies, and regulations.
7. Ensure all aircraft are properly equipped for applicable operations.

Training:

8. Recommend hiring, retention, and termination of flight personnel to the DO.
9. Supervise all training activities of flight crewmembers in accordance with the Company Training program.
10. Ensure all flight crewmembers are certified according to the requirements specified in the FARs.
11. Advise the DO regarding the training of flight crewmembers.

Recordkeeping:

12. Prepare and maintain proficiency records, pilot files, flight schedules, duty time records, reports, and correspondence pertaining to flight operations activities.
13. Ensure all pilot paperwork is finished in a timely and complete manner.
14. Review and keep current all Company Manuals, ensuring all policies, references, and illustrations are current and in compliance.
15. Submit all reports regarding flight personnel to the DO.
16. Coordinate with the DM and the DO to ensure the MEL is kept current.

FAA Liaison:

17. Maintain liaison with the FAA to ensure regulatory compliance.
18. Ensure the FAA has current copies of all operations manuals as well as updated information regarding any change in management personnel.
19. Ensure prompt reporting, filings, and follow-up action on accident reports to the appropriate FAA agencies.

Director of Maintenance (DM)

The DM is responsible for the airworthiness of Company aircraft. He reports directly to the DO. His responsibilities include, but are not limited to:

1. Supervise the daily duties of maintenance and inspection personnel.
2. Ensure all Company aircraft are maintained in airworthy condition in accordance with all applicable manufacturer manuals as well as any airworthiness directives, service bulletins, or any other required technical data.
3. Ensure each person performing maintenance or preventive maintenance functions for the Company is appropriately certificated, properly trained, qualified, and competent to perform that person's duties.
4. Coordinate with maintenance contracting agencies when maintenance activities are being performed on Company aircraft.
5. Provide the DO with the current airworthiness status of the aircraft and the forecast down times to facilitate maintenance scheduling and insure timely deferral or correction of aircraft discrepancies.
6. Make available to maintenance personnel the necessary overhaul manuals, service bulletins, service letters, airworthiness directives, applicable sections of this manual, and any other required technical data.
7. Maintain all necessary work records and logbooks and ensure they are properly documented, including certification in the aircraft permanent maintenance records that the aircraft is approved for return to service.
8. Manage the aircraft maintenance activities including overhaul, modifications, maintenance, and repair of aircraft structure, engines, and accessories.
9. Coordinates with both the DO and the CP to ensure that all discrepancies are addressed and all inspections are completed prior to aircraft being returned for service.
10. Maintain weight and balance records of Company aircraft.
11. Maintain close liaison with manufacturer's representatives, parts supply houses, repair facilities and local FAA personnel on maintenance matters.
12. Amend and sign OpSpecs as authorized in OpSpec A007.
13. Complete the required MRR and MIS reports and submit them to the DO for forwarding to the FAA.

Director of Quality Assurance (DQA)

The DQA reports directly to the DO. Her responsibilities include but are not limited to:

1. Maintain quality assurance program.
2. Identify possible errors and areas of improvement.
3. Ensure that company recordkeeping procedures conform to FAA requirements.
4. Assist the DO, CP, and DM with their FAA liaison duties.

FINANCIAL POSITION AND OPERATING PLANS

CURRENT FINANCIAL POSITION

§204.3(k)

The financial exhibits included in the application are that of 70 North LLC. Under 70 North LLC, all relevant corporations are united and accounted for as one financial unit.

Upon Mr. McCrary's acquisition of 70 North LLC in 2018, the financial documents were prepared in accordance with Generally Accepted Accounting Principles (GAAP). It has been determined that the financial information prior to acquisition was not prepared in accordance with GAAP. In addition, much of the prior data was not made available to the new ownership. As a result, only the past two years of financial data is being included as a part of this application.

Financial accounts are maintained by 70 North LLC and are reviewed by the following certified public accounting firm:

Swalling & Associates, P.C.
3201 C St, Ste 405
Anchorage, AK 99503

Rita DeLattore of Swalling & Associates, P.C. reviewed 70 North accounts for the financial data of 2018 and 2019 and prepared the following exhibit:

*Exhibit 3.1 Consolidated Financial Statements 70 North, LLC
Years Ended December 31, 2019 and 2018.*

A statement of significant events that occurred subsequent to the most recent Balance Sheet has been included in Note I of Exhibit 3.1 (§204.3(k)(4)).

OPERATING FORECAST

§204.3(t)

Forecast Balance Sheet and Income Statement

The forecast financial statements are for the first year ending after the initially proposed operations are normalized. The statements were prepared on a cash basis. The projected cost of revenues for flight operations are based on hours of aircraft operation. The other projected revenues and costs were developed using the financial data of 2018 and 2019, incorporating projected changes and appropriate allocations for each operating segment. The statements are contained in the following exhibit:

Exhibit 3.2 – Forecast Balance Sheet and Income Statement

The Forecast Income Statement shows a positive net income assuming a minimal addition to revenues (also see Exhibit 3.5).

Additional notes to Exhibit 3.2 – Forecast Income Statement (see Exhibit 3.2 pp 3-3 & 3-4):

- The expense account “Labor” includes all payroll, transportation, lodging, and supplies, and has been allocated between cost of revenues (direct) and general and administrative (indirect) expenses.
- The expense account “General business expenses” includes advertising, office supplies, bank charges, subscriptions, meals, and other general expenses.
- The operating segment labeled “Other” is for consolidation of DTE, LLC hangar rental payment to 70 North LLC and DTE, LLC estimated earnings.

Proposed Schedule – Exhibit 3.3

	Miles	Block Hours	ASM	ATM	Dep/Wk
PASC - PAQT	51.6	0.34	361.2	38.7	5
PAQT - PASC	51.6	0.34	361.2	38.7	5
Per Week	516	3.44	3,612	387	10
Per Year	26,832	178.9	187,824	20,124	520
Per Quarter	6,708	44.7	46,956	5,031	130

Notes to Exhibit 3.3:

Seats per leg – 7

Pounds per leg – 1,500

Tons per leg – .75

Traffic Seasonality – Exhibit 3.4

	Passengers	Freight	Mail
Q1	18%	13%	16%
Q2	25%	18%	21%
Q3	30%	37%	30%
Q4	27%	32%	33%

Commuter Traffic Projection per Quarter – Exhibit 3.5

	PAX	Freight	Mail	PAX REV	Freight REV	Mail REV	RPM	ASM	RTM	ATM
PASC - PAQT	78	52,780	24,245	\$17,160	\$73,892	\$28,367	4,025	23,478	1,987	2,516
PAQT - PASC	52	1,365	26	\$11,440	\$1,911	\$30	2,683	23,478	36	2,516
TOTAL	130	54,145	24,271	\$28,600	\$75,803	\$28,397	6,708	46,956	2,023	5,031
Load Factor							14%		40%	

Notes to Exhibit 3.5:

Estimates are for the first normal year after proposed operations are incorporated.

Traffic projection based on historic DOT T-100 data and historic 70 North load data. The T-100 data analyzed was that of 2017 – 2019, and less than 17% of the T-100 recorded traffic per year was projected to be flown by JuniPogo LLC in 2021.

It was estimated that about 30% of the historical 70 North load data would be flown by JuniPogo LLC.

Key to Exhibits 3.3 – 3.5:

PASC	Deadhorse Airport, Alaska
PAQT	Nuiqsut Airport, Alaska
RPM	Revenue Passenger Miles
ASM	Available Seat Miles
RTM	Revenue Ton Miles
ATM	Available Ton Miles

Exhibit 3.6 – Forecast Income Statement by Quarter

The operating forecast shows four quarters for the first year ending after the initially proposed operations are normalized. This data is for JuniPogo LLC operations only.

	2021 Total	Q1	Q2	Q3	Q4
On-Demand	409,921	65,587	86,083	131,175	127,075
Commuter	531,200	78,184	107,032	180,585	165,400
TOTAL REVENUES	941,121	143,771	193,115	311,760	292,475
 TOTAL COST OF REVENUES	 759,670	 121,547	 159,531	 243,094	 235,498
 GROSS PROFIT	 181,451	 22,224	 33,584	 68,665	 56,978
 TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	 170,968	 42,742	 42,742	 42,742	 42,742
 NET INCOME	 \$ 10,484	 \$ (20,518)	 \$ (9,157)	 \$ 25,923	 \$ 14,236

COMPLIANCE DISPOSITION

§204.3(l)&(m)

There are no actions or outstanding judgments against JuniPogo LLC dba 70 North or any relevant corporation, key personnel employed by any relevant corporation, or any person having a substantial interest in any relevant corporation.

§204.3(o)

There are no pending investigations, enforcement actions, or formal complaints filed by the DOT or the FAA involving JuniPogo LLC dba 70 North or any relevant corporation, any personnel employed by any relevant corporation, or any person having a substantial interest in any relevant corporation, regarding compliance with 49 U.S.C. Subtitle VII or orders, rules, regulations, or requirements issued pursuant to 49 U.S.C. Subtitle VII.

§204.3(p)

There have been no charges of unfair or deceptive or anticompetitive business practices, or of fraud, felony or antitrust violation, brought against JuniPogo LLC dba 70 North or any relevant corporation or person having substantial interest in any relevant corporation, or member of the key personnel employed by any relevant corporation in the past 10 years.

§204.3(q)

There are no aircraft accidents or incidents experienced by JuniPogo LLC dba 70 North, its personnel, or any relevant corporation which occurred during the year preceding the date of this application nor at any time in the past which remain under investigation by the FAA, NTSB, or by the Company.

FAMILY ASSISTANCE PLAN

49 U.S.C. 41113

A JuniPogo LLC dba 70 North Family Assistance Plan has been developed to address the needs of families of passengers and other victims involved in any aircraft accident involving an aircraft of JuniPogo LLC dba 70 North and resulting in any loss of life. This plan has been submitted to the Department of Transportation in Docket DOT-OST-1996-1960. A copy has been mailed to the National Transportation Safety Board at the following address:

Office of Public Affairs
National Transportation Safety Board
490 L'Enfant Plaza East, SW
Washington, DC 20594

EXHIBIT 1.2 – AFFIDAVIT OF SAFETY COMPLIANCE

§204.3(n)(3)

AFFIDAVIT OF SAFETY COMPLIANCE

STATE OF Alaska

COUNTY OF Anchorage

Michael McCrary being first duly sworn, deposes and says:

1. That he is duly elected, qualified, and serving as MANAGER of JuniPogo, LLC and that he is authorized to and does make this affidavit for it.
2. That all aircraft owned and leased by JuniPogo, LLC have been certified by the Federal Aviation Administration and currently comply with all applicable Federal Aviation Administration safety standards under Part 135, as well as the noise standards of Part 36, of the Federal Aviation Regulations.


Signature

Subscribed and sworn to before me this 20th day of December, 2019.




Signature of Notary Public

EXHIBIT 1.3 – CERTIFICATE OF GOOD STANDING: 70 NORTH LLC

§204.3(d)

Alaska Entity #124930	
State of Alaska Department of Commerce, Community, and Economic Development Corporations, Business, and Professional Licensing	
Certificate of Compliance	
The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, and custodian of corporation records for said state, hereby issues a Certificate of Compliance for:	
70 North, LLC	
This entity was formed on November 17, 2009 and is in good standing. This entity has filed all biennial reports and fees due at this time.	
No information is available in this office on the financial condition, business activity or practices of this corporation.	
	IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective January 2, 2020 .
	
	Julie Anderson Commissioner

EXHIBIT 1.4 – MEMBER DATA: BRYAN MONTGOMERY

JuniPogo LLC dba 70 North
Application for Air Carrier Authority

MEMBER DATA

Write "N/A" to the right of the description that is NOT APPLICABLE to you.
If the statement is applicable, attach a description to this form.

A. Compliance Disposition Statement

Description	N/A
1. A description of the current status of all pending enforcement actions against you or against a company for which you own 10% or more.	N/A
2. If you were affiliated (as an officer, director, or stockholder) with any air carrier or other aviation-related company which, at the time of such affiliation, was found to have committed knowing, willful violations of Title 49 USC or any order, rule or regulation issued pursuant to that Statute, a description of such actions.	N/A
3. A description of any charges (civil or criminal) within the past 10 years brought against you of fraud, felony, or antitrust violations or of unfair, anticompetitive or deceptive business practices, including their final disposition or current status.	N/A
4. A description of any aviation-related accidents or incidents in the past year experienced by you or a company for which you own 10% or more.	N/A
5. A description of any aviation-related accidents or incidents from any time in the past if the matter remains under investigation by the FAA, NTSB, or the Company.	N/A

Include in the aviation-related accident or incident description:

- Date of the occurrence
- Type of flight (Part 135 etc.)
- Number of passengers on board
- Extent of injuries to persons and damage to the aircraft
- Pilot name
- Any other pertinent information
- The FAA and NTSB file numbers and status of the investigations, including any enforcement actions initiated.
- Positive actions taken to prevent recurrence.

B. Statement of Other Interests

Description	N/A
1. A description of the officerships, directorships, stock (if 10% or more), or other interests you hold or have held in any other air carrier or any other business/person engaged in the business of aeronautics.	N/A

Note: In most instances, the failure to disclose the information is far more damaging than the matter being disclosed, since it is likely to cause delays in processing the application or even the dismissal or denial of the application for providing false or misleading information about the compliance background of the Company and its key personnel.

certify that the information submitted in this application is true and correct to the best of my knowledge:

12/19/2019

Signature

Date

EXHIBIT 1.5 – CERTIFICATE OF GOOD STANDING: JUNIPOGO LLC

§204.3(d)

Alaska Entity #10002498	
State of Alaska Department of Commerce, Community, and Economic Development Corporations, Business, and Professional Licensing	
Certificate of Compliance	
The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, and custodian of corporation records for said state, hereby issues a Certificate of Compliance for:	
Junipogo LLC	
This entity was formed on January 18, 2012 and is in good standing. This entity has filed all biennial reports and fees due at this time.	
No information is available in this office on the financial condition, business activity or practices of this corporation.	
	IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective January 2, 2020 .
	
	Julie Anderson Commissioner

EXHIBIT 1.6 – AFFIDAVIT OF CITIZENSHIP: JUNIPOGO LLC

§204.3(e)

AFFIDAVIT OF CITIZENSHIP

STATE OF Alaska

COUNTY OF Anchorage

Michael McCrory being first duly sworn, deposes and says:

1. That he is duly elected, qualified, and serving as MANAGER of JuniPogo LLC and that he is authorized to and does make this affidavit for it.
2. That JuniPogo LLC is a citizen of the United States within the meaning of 49 U.S.C. 40102(a)(15).

[Signature]
Signature

Subscribed and sworn to before me this 20th day of December, 2019.



Tina Miller
Signature of Notary Public

MICHAEL P. MCCRARY

3705 Arctic Blvd. #807 Anchorage, AK 99503 • (907) 685-7054 • mccrary907@gmail.com

INDUSTRY EXPERIENCE

MANAGEMENT EXPERIENCE

1993-PRESENT

Managing air logistics across Alaska. Primarily responsible for providing operational control directly related to passenger and freight air transportation. Responsibilities include agency compliance, safety management, training and duty assignment of pilots, mechanics, ramp, administration and accounting personnel.

70 NORTH LLC - PRUDHOE BAY, ALASKA
FBO and Air Carrier operations

2009 - PRESENT

ALASKA BUSH SPORTS - NAKNEK, ALASKA

1993-2008

Single Pilot FAR Part 135 operations on the Alaska Peninsula and the North Slope.

PHOENIX AIR - CARTERSVILLE, GEORGIA

1990-1992

Crew chief and First Officer duties in public use operations, primarily conduction operations in Anchorage, AK.

OTHER EXPERIENCE

TRAPPER CREEK TIMBER PRODUCTS - TRAPPER CREEK, ALASKA

1983-1989

Owned, operated and managed logging, saw-milling and dry kiln enterprise and sales.

ROWEN DRILLING - ANCHORAGE, ALASKA

1975-1982

North Slope rig mechanic and electrician.

ADDITIONAL BACKGROUND

Served in the military and received Honorable Discharge from the United States Marine Corp. Became and Alaska Resident in 1974.

CERTIFICATES AND RATINGS

AIRFRAME AND POWERPLANT, 1976

280392

Tanana Valley Community College, Fairbanks, Alaska

COMMERCIAL PILOT, 1978

2803912

Total Time: 10,000 + Hours

SAFETY MANAGEMENT TRAINING

MEDALLION FOUNDATION, INC

Safety Management System

System Safety Course

TapRooT Incident Investigation Root Cause Analysis

FLIGHT SAFETY

Lear 30 Series

JuniPogo LLC dba 70 North
Application for Air Carrier Authority

KEY PERSONNEL DATA

Write "N/A" to the right of the description that is NOT APPLICABLE to you.

If the statement is applicable, attach a description to this form.

B. Compliance Disposition Statement

Description	N/A
1. A description of the current status of all pending enforcement actions against you.	<u>N/A</u>
2. If you were affiliated (as an officer, director, or stockholder) with any air carrier or other aviation-related company which, at the time of such affiliation, was found to have committed knowing, willful violations of Title 49 USC or any order, rule or regulation issued pursuant to that Statute, a description of such actions.	<u>N/A</u>
3. A description of any charges (civil or criminal) within the past 10 years brought against you of fraud, felony, or antitrust violations or of unfair, anticompetitive or deceptive business practices, including their final disposition or current status.	<u>N/A</u>
4. A description of any aviation-related accidents or incidents in the past year.	<u>N/A</u>
5. A description of any aviation-related accidents or incidents from any time in the past if the matter remains under investigation by the FAA, NTSB, or the Company.	<u>N/A</u>

Include in the aviation-related accident or incident description:

- Date of the occurrence
- Type of flight (Part 135 etc.)
- Number of passengers on board
- Extent of injuries to persons and damage to the aircraft
- Pilot name
- Any other pertinent information
- The FAA and NTSB file numbers and status of the investigations, including any enforcement actions initiated.
- Positive actions taken to prevent recurrence.

C. Statement of Other Interests

Description	N/A
1. A description of the officerships, directorships, stock (if 10% or more), or other interests you hold in any other air carrier or any other business/person engaged in the business of aeronautics	<u>N/A</u>
2. If you are employed by 70 North on less than a full-time basis, state what percentage of your time is spent on 70 North and what percent is spent on your concurrent occupation. Describe concurrent occupation(s) (if it is not included in description #1 above).	<u>N/A</u>

Note: In most instances, the failure to disclose the information is far more damaging than the matter being disclosed, since it is likely to cause delays in processing the application or even the dismissal or denial of the application for providing false or misleading information about the compliance background of the Company and its key personnel.

I certify that the information submitted in this application is true and correct to the best of my knowledge:

Signature 

Date December 12, 2019

ROBERT S. GILL (BOB)

6527 240th Street SE
Woodinville, WA 98072
(206) 930-2065

INDUSTRY EXPERIENCE

April 2010 – Present	70 North – Birchwood, AK Part 135 PIC/Chief Pilot/Check Airman; Operate C-206/207, PA 31-350, PA 32-301. Maintain pilot records, manuals, and conduct training program.
Dec 2006 – Feb 2010	Alaska Air Taxi – Deadhorse, AK Part 135 PIC; Operated DHC-3T, DH-2, C-206 & C-207. Operated SC-7 and PA31-350.
Aug 2005 – Sep 2009	Branham Adventures – Anchorage, AK PIC; Operated Helio Courier in the Alaska Range and Alaskan Peninsula
Nov 1993 – Aug 2005	Flight Instructor, Pilot: Self-employed. Operated King Air for Sierra Construction in Northwest United States. Operated C-206 in British Columbia, Washington, Idaho, Guatemala, and Honduras. Performed instruction in mountain flying, tailwheel transition, instrument, primary and multi-engine training.

CERTIFICATES AND RATINGS

Airline Transport Pilot	Airplane multi engine land, single engine land and sea.				
Flight Instructor	Airplane single and multiengine, instrument airplane.				
Medical	Second Class				
FLIGHT TIME:	Total: 13,940				
Single Engine Land	10,150+	Night	5,602+	Instrument	2,665+
Multi Engine Land	2,700+	X-Country	11,255+	Simulated	388+
Single Engine Sea	1,090+	Turboprop	1,825+	Instructor	1,600+

EDUCATION

Embry Riddle Aeronautical University	2007 - Present
Currently in the Master's program; I am one and a half classes from completion of the Bachelor level program.	
SimCom	2009
King Air 90 Series flight training	

JuniPogo LLC dba 70 North
Application for Air Carrier Authority

KEY PERSONNEL DATA

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2. If you were affiliated (as an officer, director, or stockholder) with any air carrier or other aviation-related company which, at the time of such affiliation, was found to have committed knowing, willful violations of Title 49 USC or any order, rule or regulation issued pursuant to that Statute, a description of such actions.	<u>N/A</u>
3. A description of any charges (civil or criminal) within the past 10 years brought against you of fraud, felony, or antitrust violations or of unfair, anticompetitive or deceptive business practices, including their final disposition or current status.	<u>N/A</u>
4. A description of any aviation-related accidents or incidents in the past year.	<u>N/A</u>
5. A description of any aviation-related accidents or incidents from any time in the past if the matter remains under investigation by the FAA, NTSB, or the Company.	<u>N/A</u>

Include in the aviation-related accident or incident description:

- Date of the occurrence
- Type of flight (Part 135 etc.)
- Number of passengers on board
- Extent of injuries to persons and damage to the aircraft
- Pilot name
- Any other pertinent information
- The FAA and NTSB file numbers and status of the investigations, including any enforcement actions initiated.
- Positive actions taken to prevent recurrence.

C. Statement of Other Interests

Description	N/A
1. A description of the officerships, directorships, stock (if 10% or more), or other interests you hold in any other air carrier or any other business/person engaged in the business of aeronautics	<u>N/A</u>
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Note: In most instances, the failure to disclose the information is far more damaging than the matter being disclosed, since it is likely to cause delays in processing the application or even the dismissal or denial of the application for providing false or misleading information about the compliance background of the Company and its key personnel.

I certify that the information submitted in this application is true and correct to the best of my knowledge:


Signature

1-2-20
Date

MATTHEW LACEWELL

17922 Hillcrest Dr #4, Eagle River, AK | Akplanemech@gmail.com
| 503-894-3031

OBJECTIVE | To advance my career and join a quality team in an exciting sector of the aviation industry.

SKILLS & ABILITIES | A&P mechanic with 10+ years in aviation maintenance. I started my career in GA aircraft maintenance and have worked my way up to lead mechanic for a FAR part 135 air taxi, then to Regional Maintenance Manager for a FAR part 121 regional airline and now to DOM of a 135 Air Taxi.

EXPERIENCE

4/15/2019 – Current

DTE LLC

Managing Partner/A&P/IA – Maintaining GA and commercial aircraft in accordance with applicable FARs.

2/1/2019 – Current

70 North

Director of Maintenance – Part 135 Air Taxi – Managing the maintenance of all company aircraft for 135 ops. Managing the company maintenance programs and revisions thereof.

10/29/18 – 9/30/2019

Grant Aviation

Anchorage, AK

Maintenance Controller – Part 135 Air Taxi – Managing all maintenance at several maintenance bases. Managing movement of aircraft to and from maintenance bases. Managing out sourced maintenance providers for compliance to company policies and procedures. Verifying compliance with applicable FARs and Ads as required for 135 ops.

8/20/17 – 8/30/18

Bald Mountain Air Service

Deadhorse, AK

Line mechanic – Part 135 Air Taxi – Performing line maintenance on Viking DHC-6-300, -400, and DHC-3 Texas turbine conversion. Working in remote arctic area 2 weeks on 2 weeks off. Managing all maintenance and inspections that are required while on shift.

5/15/17 – 8/15/17

Aviation Technical services

Everett, WA

Master Mechanic – Part 145 repair station - Performing depot level maintenance on Boeing and Airbus aircraft. As a master mechanic I also supervise junior mechanics as needed to complete project goals.

1/24/2013-4/3/2017

PenAir

Portland, OR

Northwest Maintenance Manager – Part 121 Air carrier - Working with SAAB 340 turbo prop aircraft. Managing all maintenance and aircraft RON schedules for the northwest region. Overseeing routine, non-routine, and heavy maintenance. To include overseeing of outsourced vendor supported maintenance.

I managed the startup operations of the maintenance base in Portland Oregon. To include requisition of needed tooling and equipment, setting maintenance rotations and mechanic shift schedules. Also working with operation scheduling department to set the flight schedule that best accompanied our maintenance needs.

1/24/11-1/15/13

Grant Aviation
Bethel, AK

Lead mechanic - Part 135 Air Taxi - Lead Mechanic, overseeing and scheduling of inspections and all maintenance at remote base, consisting of a fleet of B200 King Airs, C-208B Caravans, PA-31 Navajos, and C-207's. Supervision of employees at remote base. Retrieval of disabled aircraft in the field.

Feb,2010 – Nov,2010

Spinnaker beach club
Server/bar back
Panama City Beach, FL

June,2008-January,2010

Horizon aircraft maintenance llc
Panama City, FL
A&P - Maintaining GA aircraft

November,2006 - April 2008

Boomerang aviation
Pembroke Pines, FL
A&P - MAINTAINING GA AIRCRAFT

EDUCATION | BROWARD COMMUNITY COLLEGE, PEMBROOKE PINES FL

A&P MECHANIC LICENSE

A&P license - obtained 2007

IA – obtained 2017

Private pilot's license – Obtained 2007

Type schooling – DHC-6-400 factory training, Airbus A320 gen fam by Aircraft Technical services, Boeing 737 gen fam by Aircraft Technical Services.

Supported Airframes – Various GA aircraft, Saab 340, Viking DHC-6-400, DHC-6-300, DHC-3T, King Air B200, Cessna C-208, Cessna C-207, Piper PA-18, Piper PA-31, Boeing 777, Boeing 737, Airbus A320.

LEADERSHIP | As lead mechanic for Grant Aviation I worked a two week on two weeks off rotation at a remote base. During my shift I was the sole supervisor for multiple bases in the Kuskokwim River Delta.

As Regional Maintenance Manager for PenAir I was responsible for all maintenance on aircraft in the northwest region, supervision of mechanics at multiple bases, and responsible for general regulatory compliance with government regulations.

REFERENCES | MARTY SIMMONS, DIRECTOR OF MAINTENANCE

GRANT AVIATION

907-444-9493

JEREMY GARDEN, CREW CHIEF

10 TANKER

720-327-3030

SCOTT SIMMINS, ASSISTANT DIRCECTOR OF MAINTENACE

GRANT AVIATION

907-841-1195

|

JuniPogo LLC dba 70 North
Application for Air Carrier Authority

KEY PERSONNEL DATA

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If the statement is applicable, attach a description to this form.

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2. If you are employed by 70 North on less than a full-time basis, state what percentage of your time is spent on 70 North and what percent is spent on your concurrent occupation. Describe concurrent occupation(s) (if it is not included in description #1 above).	<u>See attachment</u>

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I certify that the information submitted in this application is true and correct to the best of my knowledge:

Signature

Date

12-11-19

Key Personnel Data attachment

C.

1. I am 49% owner and managing member of DTE LLC which is an aircraft maintenance company of which 70 North LLC is 51% owner.

2. I current spend approximately 20 hours a week on 70 North business, and 20 – 30 hours on DTE business. However, DTE and 70 North share a facility at the Birchwood airport. As such I am readily available to 70 north at most times.

DANIELLE E. TROLL

3288 Vassar Dr. Anchorage, Alaska 99508 • (907) 244-2986 • dtrollak@gmail.com

INDUSTRY EXPERIENCE

70 NORTH LLC

AUG 2019 – PRESENT

Director of Quality Assurance: Management of air operator records and company recordkeeping procedures, FAA liaison.

AVEN CONSULTING LLC

OCT 2018 – PRESENT

Compliance Agent: assist clients with federal regulatory compliance, client and FAA liaison.

Managing Member: 100% owner.

HUSKY AIR SERVICE, LLC

DEC 2017 – OCT 2018

FAR Part 119 Commercial Operator, operating under the rules of Part 135.

Single Pilot Operator & Agent for Service

ALASKA FLY-BY-NIGHT, LLC

DEC 2015 – DEC 2017

FAR Part 119 Air Carrier operating under the rules of Part 135.

Single Pilot Operator & Agent for Service

ZITA AIR SERVICE, LLC

OCT 2013 – DEC 2018

Managing Member of the corporation. Projects of interest: creation and maintenance of catalog and ordering system for the grocery/general store; creation and maintenance of scheduling program and associated record system for the air service.

Functions: management, accounting/payroll, customer service, HR, piloting, and aircraft maintenance assistance.

BIRCHWOOD AIR SERVICES

OCT 2014 - AUG 2015

FAR Part 119 Commercial Operator under the rules of Part 135.

Single Pilot Operator & Agent for Service

DENA'INA AIR TAXI, LLC

OCT 2013 - AUG 2015

FAR Part 119 Air Carrier operating under the rules of Part 135.

Functions: Flight dispatch, ramp management, customer service agent.

KAMIKAZE GENERAL STORE

DEC 2009 - SEPT 2013

Provided supplies to villages of Southwest Alaska.

Functions: Customer service agent, expeditor, manager, ramp hand, accounting/payroll.

Member of the Company April 2013 - Sept 2013

CERTIFICATES AND RATINGS

COMMERCIAL PILOT **3513147**
Airplane Single & Multiengine Land
Instrument Airplane
TOTAL TIME: 3,700 HOURS

EDUCATION

UNIVERSITY OF ALASKA ANCHORAGE **MAY 2013**
Bachelor of Science in Aviation Technology
Aviation Management Emphasis
Minor in Business Administration
National Weather Service Observer Certification

GRACE CHRISTIAN SCHOOL, ANCHORAGE AK **MAY 2009**
High School Diploma: Ranked 3rd, GPA: 4.05

STATEMENT OF OTHER INTERESTS

Through Aven Consulting LLC, I am a consultant to 70 North, LLC and the air operator certificates held by its subsidiaries. Sixty percent of my billable hours are spent on 70 North, LLC and its subsidiaries and the other 40% are spent on various clients.
(See form on the following page.)

JuniPogo LLC dba 70 North
Application for Air Carrier Authority

KEY PERSONNEL DATA

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B. Compliance Disposition Statement

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3. A description of any charges (civil or criminal) within the past 10 years brought against you of fraud, felony, or antitrust violations or of unfair, anticompetitive or deceptive business practices, including their final disposition or current status.	<u>N/A</u>
4. A description of any aviation-related accidents or incidents in the past year.	<u>N/A</u>
5. A description of any aviation-related accidents or incidents from any time in the past if the matter remains under investigation by the FAA, NTSB, or the Company.	<u>N/A</u>

Include in the aviation-related accident or incident description:

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- Pilot name
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- Positive actions taken to prevent recurrence.

C. Statement of Other Interests

Description	N/A
1. A description of the officerships, directorships, stock (if 10% or more), or other interests you hold in any other air carrier or any other business/person engaged in the business of aeronautics	<u>See Resume</u>
2. If you are employed by 70 North on less than a full-time basis, state what percentage of your time is spent on 70 North and what percent is spent on your concurrent occupation. Describe concurrent occupation(s) (if it is not included in description #1 above).	<u>See Resume</u>

Note: In most instances, the failure to disclose the information is far more damaging than the matter being disclosed, since it is likely to cause delays in processing the application or even the dismissal or denial of the application for providing false or misleading information about the compliance background of the Company and its key personnel.

I certify that the information submitted in this application is true and correct to the best of my knowledge:

Signature

Date

12/11/19

Consolidated Financial Statements

70 NORTH, LLC

Years Ended December 31, 2019 and 2018

SWALLING & ASSOCIATES
P.C.
Certified Public Accountants & Business Advisers

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Accountant's Compilation Report

To Management
70 North, LLC
Anchorage, Alaska

Management is responsible for the accompanying consolidated financial statements of 70 North, LLC (a limited liability company), which comprise the balance sheets as of December 31, 2019 and 2018, and the related consolidated statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed the compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained in the schedules on pages 17 to 19 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagements. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to 70 North, LLC.

Swalling & Associates, P.C.

Anchorage, Alaska
February 24, 2020

70 NORTH, LLC
CONSOLIDATED BALANCE SHEETS
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 34,504	\$ 27,098
Receivables	92,916	55,680
Prepaid expenses	38,522	32,936
Inventory	<u>27,082</u>	<u>27,422</u>
Total current assets	193,024	143,136
Property and equipment, net of accumulated depreciation	765,784	527,198
Licenses	<u>25,010</u>	<u>25,010</u>
	<u><u>\$ 983,818</u></u>	<u><u>\$ 695,344</u></u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ -	\$ 25,148
Accrued payroll expenses	12,054	11,412
Insurance liability	23,867	20,221
Accrued interest	2,727	788
Due to affiliate	11,705	-
Accrued wages due to members	108,000	-
Note payable to member	60,000	-
Current portion of deposit liability	40,362	41,338
Current portion of long-term debt	<u>34,582</u>	<u>214,857</u>
Total current liabilities	293,297	313,764
DEPOSIT LIABILITY, net of current portion	-	40,362
LONG-TERM DEBT, net of current portion	<u>224,899</u>	<u>260,240</u>
Total liabilities	<u>518,196</u>	<u>614,366</u>
EQUITY		
Members' equity	<u>466,144</u>	<u>80,978</u>
Controlling interest	466,144	80,978
Noncontrolling interest	<u>(522)</u>	<u>-</u>
Total equity	<u>465,622</u>	<u>80,978</u>
	<u><u>\$ 983,818</u></u>	<u><u>\$ 695,344</u></u>

See accountant's compilation report and notes to financial statements.

70 NORTH, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
REVENUES	\$ 1,297,855	\$ 1,130,055
COST OF REVENUES		
Labor and related costs	467,673	254,196
Fuel	170,248	137,452
Repairs and maintenance	107,334	52,875
Insurance	92,873	57,752
Employee transportation and lodging	81,927	46,755
Supplies	66,502	54,504
Subcontractors	60,166	286,590
Facilities rent and utilities	53,860	40,812
Depreciation	38,566	34,897
Security	<u>-</u>	<u>2,396</u>
TOTAL COST OF REVENUES	<u>1,139,149</u>	<u>968,229</u>
GROSS PROFIT	<u>158,706</u>	<u>161,826</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Legal and professional services	61,540	21,917
Labor and related costs	51,568	64,242
Taxes and licenses	28,632	19,682
Office supplies and software	21,643	5,543
Facilities rent and utilities	8,162	10,797
Meals and entertainment	7,436	6,042
Dues and subscriptions	6,187	6,504
Other business expenses	3,654	3,075
Satellite phone	2,196	2,165
Advertising and marketing	1,974	519
Bank charges and fees	1,157	969
Insurance	<u>306</u>	<u>-</u>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>194,455</u>	<u>141,455</u>
(LOSS) INCOME FROM OPERATIONS	(35,749)	20,371
OTHER INCOME (EXPENSE)		
Interest expense	(21,909)	(21,827)
(Loss) gain on sale of assets	<u>(14,200)</u>	<u>6,267</u>
	<u>(36,109)</u>	<u>(15,560)</u>
NET (LOSS) INCOME	(71,858)	4,811
NET LOSS ATTRIBUTABLE TO THE NONCONTROLLING INTEREST	<u>(522)</u>	<u>-</u>
NET (LOSS) INCOME ATTRIBUTABLE TO THE CONTROLLING INTEREST	<u>\$ (71,336)</u>	<u>\$ 4,811</u>

See accountant's compilation report and notes to financial statements.

70 NORTH, LLC
CONSOLIDATED STATEMENTS OF EQUITY
Years ended December 31, 2019 and 2018

	<u>Controlling Interest</u>	<u>Non- Controlling Interest</u>	<u>Non- Total Equity</u>
Balance, January 1, 2018	\$ 109,764	\$ -	\$ 109,764
Distributions	(33,597)	-	(33,597)
Net income	<u>4,811</u>	<u>-</u>	<u>4,811</u>
Balance, December 31, 2018	80,978	-	80,978
Contributions	520,000	-	520,000
Distributions	(63,498)	-	(63,498)
Net loss	<u>(71,336)</u>	<u>(522)</u>	<u>(71,858)</u>
Balance, December 31, 2019	<u>\$ 466,144</u>	<u>\$ (522)</u>	<u>\$ 465,622</u>

See accountant's compilation report and notes to financial statements.

70 NORTH, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
OPERATING ACTIVITIES		
Net income (loss) attributable to the controlling interest	\$ (71,336)	\$ 4,811
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Net loss attributable to the noncontrolling interest	(522)	-
Depreciation	38,566	34,897
(Gain) loss on sale of assets	14,200	(6,267)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	(37,236)	40,365
Prepaid expenses	(5,586)	(32,936)
Inventory	340	(27,422)
Accounts payable	(25,148)	(56,893)
Accrued payroll expenses	642	4,214
Insurance liabilities	3,646	20,221
Accrued interest	1,939	788
Due to affiliate	11,705	-
Accrued wages due to members	108,000	-
Deposit liability	<u>(41,338)</u>	<u>81,700</u>
Net cash (used in) provided by operating activities	<u>(2,128)</u>	<u>63,478</u>
INVESTING ACTIVITIES		
Purchase of equipment	(341,352)	(66,000)
Proceeds from sale of equipment	50,000	19,000
Insurance proceeds from damaged equipment	-	120,000
Purchase of license	<u>-</u>	<u>(10)</u>
Net cash (used in) provided by investing activities	<u>(291,352)</u>	<u>72,990</u>
FINANCING ACTIVITIES		
Repayments on long-term debt	(215,616)	(99,619)
Loan from member	60,000	-
Capital contributions by members	520,000	-
Distributions to member	<u>(63,498)</u>	<u>(33,597)</u>
Net cash provided by (used in) financing activities	<u>300,886</u>	<u>(133,216)</u>

Continued

See accountant's compilation report and notes to financial statements.

70 NORTH, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 7,406	\$ 3,252
CASH AND CASH EQUIVALENTS Beginning of year	<u>27,098</u>	<u>23,846</u>
CASH AND CASH EQUIVALENTS End of year	<u>\$ 34,504</u>	<u>\$ 27,098</u>
SUPPLEMENTAL DISCLOSURES Interest paid	\$ 19,888	\$ 21,040

See accountant's compilation report and notes to financial statements.

70 NORTH, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

70 North, LLC (Company) provides specialized air transportation to the scientific, natural resource exploration, health care and tourism industries. Maintaining a fleet of short takeoff and landing single and twin engine powered aircraft, the Company delivers custom flight solutions for clients that require aerial survey work, passenger and freight delivery to remote locations. The Company maintains fixed base facilities in Anchorage and Deadhorse, Alaska. The Company was a single member LLC taxed as a sole proprietorship from January 1, 2018 through March 31, 2019. On April 1, 2019, a 49% member interest was transferred to another individual. After March 31, 2019, 70 North, LLC is treated as a partnership for income tax purposes.

DTE, LLC, an aircraft maintenance company, was established in April of 2019. Its members include an individual, owning 49% of the member interests, and 70 North, LLC owning 51%. The entity is treated as a partnership for income tax purposes.

Principles of Consolidation

The Company's consolidated financial statements have been prepared in accordance with U.S. GAAP and include the accounts of the Company and the majority-owned subsidiary with which the Company is the primary beneficiary. All major intercompany balances and transactions are eliminated in consolidation.

Noncontrolling Interests

The noncontrolling interests of DTE, LLC are reported on the consolidated balance sheets, statements of operations and statements of changes in equity.

Liabilities of Member

Except as otherwise expressly provided by the Alaska Revised Limited Liability Company Act, a person who is a member of a limited liability company is not liable, solely by being a member, under a judgment, decree, or order of a court, or in another manner, for a liability of the company to a third party, whether liability arises in contract, tort, or another form, or for the acts or omissions of another member, manager, agent, or employee of the company to a third party.

Basis of Accounting

The consolidated financial statements of the Company have been prepared on the accrual basis of accounting.

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in bank accounts and financial instruments with original maturities of three months or less.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company operates and grants credit primarily to customers in Alaska. The Company does not normally obtain collateral for trade accounts receivable. The Company has not provided an allowance for doubtful accounts based upon prior experience and management's assessment of the collectability of existing specific accounts. All accounts were considered collectible at December 31, 2019 and 2018. Management believes its customer acceptance, billing and collection policies are adequate to minimize potential credit risk.

Inventories

Inventories consist primarily of parts and equipment held for resale and are valued at the lower of actual cost or market. Cost is determined by specific identification of each unit.

Property and Equipment

Property and equipment is stated at cost. The total cost recorded by the Company for purchased property and equipment includes all acquisition expenditures, including any additions or modifications that qualify for capitalization. Depreciation is generally provided by the straight-line method over estimated useful lives of the assets after reduction of the cost for the estimated salvage value as follows:

Transportation and other equipment	3 – 7 years
Flight equipment	10 years
Office furniture and equipment	5 – 7 years
Buildings and leasehold improvements	Lease term – 39 years

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Expenditures for major repairs and betterments that extend the useful lives of property and equipment are capitalized. Expenditures associated with self-constructed assets including building and modifying equipment for revenue producing activities are capitalized.

Depreciation begins when the asset is placed in service, which generally coincides with the date when the asset is ready for its intended use.

Intangible Assets

Intangible assets recorded consist exclusively of indefinite-lived intrastate common carriage licenses issued by the Federal Aviation Administration. Indefinite-lived intangibles are not amortized, but are tested at least annually for impairment. An impairment loss is considered when estimated future undiscounted cash flows expected to result from the use of the intangible are less than its carrying amount. If the intangible is not considered recoverable, a write-down equal to the excess of the carrying amount over the fair value will be recorded. As of December 31, 2019, no impairment loss was recorded.

Repairs and Maintenance

The Company utilizes the expense as incurred method of accounting for planned major maintenance activities performed under established programs for regulatory safety compliance. Under this method, all maintenance costs are expensed in the period incurred because maintenance activities do not represent separately identifiable assets or property units in and of themselves; rather, they serve only to restore assets to their original operating condition.

Concentrations

Three customers accounted for 52% of revenues in 2019. Two customers accounted for 65% of accounts receivable as of December 31, 2019.

Three customers accounted for 61% of revenues in 2018. Two customers accounted for 98% of accounts receivable as of December 31, 2018.

Debt Issuance Costs

Debt issuance costs related to a recognized debt liability are presented in the balance sheets as a direct deduction from the carrying amount of the related debt liability. Amortization of the debt issuance costs is reported as interest expense in the income statement.

See accountant's compilation report

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Advertising

Advertising costs are expensed as incurred and are a component of general and administrative expenses. Total advertising costs for the years ended December 31, 2019 and 2018 were \$1,974 and \$519, respectively.

Adoption of New Accounting Standards

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Company adopted the new standard effective January 1, 2018, the first day of the Company’s fiscal year, using the full retrospective method.

As part of the adoption of the ASU, the Company elected to use the following transition practical expedients: (i) completed contracts that begin and end in the same annual reporting period have not been restated; and (ii) the company used the known transaction price for completed contracts.

The Company’s revenue is recognized at a point in time based on the transfer of control. In addition, the Company’s contracts do not contain variable consideration and contract modifications are generally minimal. For these reasons, there is not a significant impact as a result of electing these transition practical expedients

The adoption of this ASU did not have a significant impact on the Company’s financial statements. The Company’s revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. Based on the Company’s evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption.

See accountant’s compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Statement of Cash Flows

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 provides clarification with respect to classification of several cash flow issues on the Statement of Cash Flows including debt prepayment or extinguishment costs, proceeds from the settlement of insurance claims, and distributions received from equity method investees. The new standard is effective for fiscal years beginning after December 15, 2018 (January 1, 2019 for the Company). The Company early adopted ASU 2016-15. The adoption of this guidance had no impact on the Company's consolidated financial statements.

NOTE B – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Flight equipment	\$ 425,016	\$ 216,000
Buildings and leasehold improvements	293,666	283,829
Vehicles and other equipment	54,000	51,000
Office furniture and equipment	<u>5,000</u>	<u>5,000</u>
	777,682	555,829
Construction in progress	53,499	-
Less accumulated depreciation	<u>(65,397)</u>	<u>(28,631)</u>
	<u><u>\$ 765,784</u></u>	<u><u>\$ 527,198</u></u>

Depreciation expense was \$38,566 and \$34,897 for the years ended December 31, 2019 and 2018, respectively.

Certain property and equipment is collateral on various debt instruments of the Company.

NOTE C – NOTE PAYABLE TO MEMBER

In 2019, the minority member loaned funds to the Company. The amount outstanding at December 31, 2019 was \$60,000 and is due June 2020. Interest compounds monthly on the outstanding balance at 5.00%. Interest expense totaling \$2,029 was accrued as of December 31, 2019.

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE D – LONG-TERM DEBT**

Long-term debt at December 31 consisted of:

	<u>2019</u>	<u>2018</u>
Note payable to First National Bank Alaska in monthly installments of \$1,953, including interest at 4.50% above the yield on U.S. Treasury securities adjusted to a constant maturity of three years as published by the Federal Reserve Board (6.14% at December 31, 2019), collateralized by aircraft with a book value of \$134,000, maturing in 2020, guaranteed by the Company's members.	\$ 21,000	\$ 42,314
Note payable to First National Bank Alaska in monthly installments of \$2,368, including interest at 4.50% above the yield on U.S. Treasury securities adjusted to a constant maturity of three years as published by the Federal Reserve Board (6.14% at December 31, 2019), collateralized by aircraft hangar with a book value of \$251,185, maturing in 2031.	238,481	252,046
Note payable to previous owner maturing in 2020 with no stated interest.	<u>-</u>	<u>180,737</u>
Total long-term debt	259,481	475,097
Less current portion	<u>34,582</u>	<u>214,857</u>
	<u><u>\$ 224,899</u></u>	<u><u>\$ 260,240</u></u>

Scheduled future maturities in each of the next five years and thereafter are as follows:

2020	\$ 34,582
2021	14,472
2022	15,420
2023	16,431
2024	17,508
Thereafter	<u>161,068</u>
	<u><u>\$ 259,481</u></u>

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE E – INCOME TAXES**

70 North, LLC and DTE, LLC are limited liability companies and do not pay federal or state income taxes and all taxable income or loss is passed through to the members. Accordingly, no provision or liability for income taxes is included in the accompanying financial statements. The Company had no deferred tax liabilities or assets or tax carryforwards as of December 31, 2019 and 2018, and no current or deferred tax expense for the years then ended. The Company's federal income tax returns for years 2018 and 2019 remain subject to potential examination, generally for three years after they are filed. No previously filed tax returns are currently under examination and the Company has not been notified of any deficiencies in those returns.

Generally accepted accounting principles impose a threshold for determining when an income tax benefit can be recognized. The threshold imposed for financial statement reporting generally is higher than the threshold imposed for claiming deductions in income tax returns. Any interest and penalties associated with tax uncertainties are recognized as part of operating expenses. Management evaluates statutes of limitations, changes in tax law, new authoritative rulings, and examinations, if any. The Company believes it has taken no significant uncertain tax positions.

NOTE F – REVENUE RECOGNITIONRevenue Recognition Policy

The Company derives its revenues primarily from the sale of charter flight services, aircraft maintenance and inspection services and aircraft space rental. As a result, the Company's contracts and resulting revenue are indirectly impacted by weather conditions. Revenues are recognized when control of goods or services is transferred to its customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods and services. Sales and other taxes the Company collects concurrent with revenue-producing activities are excluded from revenue. The Company does not have any significant financing components as payment is received at or shortly after the point of sale.

Performance Obligations

For performance obligations related to charter flight services, control transfers to the customer at a point in time. The services are sold under fixed price contracts. Revenue under fixed price contracts is recognized when air transportation services are completed. The majority of payment terms require charge card information to be collected prior to airplane departure. Billings and subsequent payment by charge card are recognized upon completion of transportation services.

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE F – REVENUE RECOGNITION (Continued)**

For performance obligations related to maintenance and inspection services, control transfers at a point in time. The services are sold under fixed price plus materials contracts. Transaction price under fixed price plus materials contracts is determined by the type of service performed, plus materials expense incurred. Revenue is recognized upon completion of service. Billings and subsequent payment for services is collected when aircraft is returned to the customer.

For performance obligations related to aircraft space rental, control transfers over a period of time. Space is sold by the month, day or hour required by the customer and is billed accordingly. Revenue is recognized as control transfers to customer, which is measured on a straight-line basis over the term of the contract. Payment is collected prior to the period with which control transfers.

Disaggregation of Revenue from Contracts with Customers

The Company disaggregates revenue from customers by the type of service performed and believes it best depicts how the nature, timing and uncertainty of revenue and cash flows are affected by economic factors. The following table disaggregates the Company's revenue based upon service performed for the years ended December 31:

	<u>2019</u>	<u>2018</u>
Charter flight services	\$ 1,237,359	\$ 1,110,855
Aircraft maintenance and inspection	30,396	-
Aircraft space rental	<u>30,100</u>	<u>19,200</u>
Total revenue	<u><u>\$ 1,297,855</u></u>	<u><u>\$ 1,130,055</u></u>

Contract Balances

The beginning and ending balances were as follows at December 31:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Receivables	\$ 92,916	\$ 55,680	\$ 96,045
Deposit liability	40,362	81,700	-

See accountant's compilation report.

70 NORTH, LLC**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****December 31, 2019 and 2018****NOTE G – LEASING ARRANGEMENTS**

The Company conducts operations in Deadhorse, Alaska from facilities that are leased under a 34 year noncancelable operating lease expiring in September 2044.

The Company conducts operations in Birchwood, Alaska from facilities that are leased under a 30 year noncancelable operating lease expiring in June 2035.

The following is a schedule of future minimum rental payments required under the above operating lease as of December 31, 2019:

2020	\$ 17,135
2021	17,135
2022	17,135
2023	17,135
2024	<u>17,135</u>
	<u>\$ 85,675</u>

Rental expense amounted to \$18,909 and \$18,740 in 2019 and 2018, respectively.

NOTE H – RELATED PARTY TRANSACTIONSSupport 907, LLC

The Company provides transportation to customers of Support 907, LLC (dba Happy Valley), a lodge and outdoor recreation area in Alaska. Support 907, LLC is wholly owned by the majority member of the Company. Additionally, administrative transactions occur regularly between parties including short-term loans to extend working capital.

Below is a summary of transactions for the year ending December 31:

	<u>2019</u>	<u>2018</u>
Air transportation services	\$ 22,805	\$ 24,680
Rental sales	1,832	-

The following liability is payable to Support 907, LLC as of December 31:

	<u>2019</u>	<u>2018</u>
Due to affiliate	\$ 11,705	\$ -

See accountant's compilation report.

70 NORTH, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
December 31, 2019 and 2018

NOTE I – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 24, 2020, the date the consolidated financial statements were available to be issued.

Subsequent to December 31, 2019, the Company entered into a commercial lease for a lot at a hangar located at the airport in Deadhorse, Alaska. As of January 2020, the Company elected an option to purchase the property for \$835,000 and paid a non-refundable deposit of \$45,000. The transaction shall close on or before August 31, 2020.

Subsequent to December 31, 2019, the Company purchased equipment totaling \$30,330.

Subsequent to December 31, 2019, the Company sold an aircraft for \$55,000.

Subsequent to December 31, 2019, the Company received a short-term loan of \$50,000 from a member.

See accountant's compilation report.

Supplementary Information

Schedule I
70 North, LLC
CONSOLIDATING BALANCE SHEET
December 31, 2019

	<u>70 North, LLC</u>	<u>DTE, LLC</u>	<u>Consolidating Entries</u>	<u>70 North, LLC Consolidated</u>
ASSETS				
CURRENT ASSETS				
Cash	\$ 28,727	\$ 5,777	\$ -	\$ 34,504
Accounts receivable, net of allowance	92,556	360	-	92,916
Prepaid expenses	37,757	765	-	38,522
Inventory	<u>-</u>	<u>27,082</u>	<u>-</u>	<u>27,082</u>
Total current assets	159,040	33,984	-	193,024
Investment in affiliates	36,878	-	(36,878)	-
Property and equipment, net of accumulated depreciation	763,367	2,417	-	765,784
Licenses	<u>25,010</u>	<u>-</u>	<u>-</u>	<u>25,010</u>
	<u>\$ 984,295</u>	<u>\$ 36,401</u>	<u>\$ (36,878)</u>	<u>\$ 983,818</u>

See accountant's compilation report.

Schedule I (Continued)
70 North, LLC
CONSOLIDATING BALANCE SHEET (Continued)
December 31, 2019

	<u>70 North, LLC</u>	<u>DTE, LLC</u>	<u>Consolidating entries</u>	<u>70 North, LLC Consolidated</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and related liabilities	12,009	45	-	12,054
Insurance liability	23,867	-	-	23,867
Accrued interest	2,727	-	-	2,727
Due to affiliate	11,705	-	-	11,705
Accrued wages due to members	108,000	-	-	108,000
Note payable to member	60,000	-	-	60,000
Current portion of deposit liability	40,362	-	-	40,362
Current portion of long-term debt	34,582	-	-	34,582
Total current liabilities	293,252	45	-	293,297
DEPOSIT LIABILITY, net of current portion	-	-	-	-
LONG-TERM DEBT, net of current portion	224,899	-	-	224,899
Total liabilities	518,151	45	-	518,196
EQUITY				
Members' equity	466,144	36,878	(36,878)	466,144
Controlling interest	466,144	36,878	(36,878)	466,144
Noncontrolling interest	-	(522)	-	(522)
Total equity	466,144	36,356	(36,878)	465,622
	<u>\$ 984,295</u>	<u>\$ 36,401</u>	<u>\$ (36,878)</u>	<u>\$ 983,818</u>

See accountant's compilation report.

Schedule II
70 North, LLC
CONSOLIDATING STATEMENT OF OPERATIONS
Year ended December 31, 2019

	<u>70 North, LLC</u>	<u>DTE, LLC</u>	<u>Consolidating Entries</u>	<u>70 North, LLC Consolidated</u>
REVENUES	\$ 1,267,459	\$ 173,672	\$ (143,276)	\$ 1,297,855
COST OF REVENUES				
Labor and related costs	466,308	27,855	(26,490)	467,673
Fuel	169,976	272	-	170,248
Repairs and maintenance	89,924	104,546	(87,136)	107,334
Insurance	84,707	8,166	-	92,873
Employee transportation and lodging	81,259	668	-	81,927
Supplies	79,095	6,557	(19,150)	66,502
Subcontractors	54,496	5,670	-	60,166
Facilities rent and utilities	53,785	10,575	(10,500)	53,860
Depreciation	37,983	583	-	38,566
Security	-	-	-	-
TOTAL COST OF REVENUES	1,117,533	164,892	(143,276)	1,139,149
GROSS PROFIT	149,926	8,780	-	158,706
GENERAL AND ADMINISTRATIVE EXPENSES				
Legal and professional services	59,202	2,338	-	61,540
Labor and related costs	50,400	1,168	-	51,568
Taxes and licenses	28,632	-	-	28,632
Office supplies and software	19,346	2,297	-	21,643
Facilities rent and utilities	8,162	-	-	8,162
Meals and entertainment	6,447	989	-	7,436
Dues and subscriptions	6,113	74	-	6,187
Other business expenses	2,154	1,500	-	3,654
Satellite phone	2,196	-	-	2,196
Advertising and marketing	1,852	122	-	1,974
Bank charges and fees	426	731	-	1,157
Insurance	-	306	-	306
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	184,930	9,525	-	194,455
LOSS FROM OPERATIONS	(35,004)	(745)	-	(35,749)
OTHER INCOME (EXPENSE)				
Earnings from investments in affiliates	(544)	-	544	-
Loss on sale of assets	(14,200)	-	-	(14,200)
Interest expense	(21,588)	(321)	-	(21,909)
	(36,332)	(321)	544	(36,109)
NET LOSS	(71,336)	(1,066)	544	(71,858)
NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST	-	(522)	-	(522)
NET LOSS ATTRIBUTABLE TO CONTROLLING INTEREST	<u>\$ (71,336)</u>	<u>\$ (544)</u>	<u>\$ 544</u>	<u>\$ (71,336)</u>

See accountant's compilation report.

EXHIBIT 3.2 – FORECAST BALANCE SHEET AND INCOME STATEMENT

FORECAST BALANCE SHEET – 70 NORTH LLC

	<u>2020</u>	<u>2021</u>	
ASSETS			
CURRENT ASSETS			NOTES & ASSUMPTIONS
Cash	45,407	109,580	
Accounts receivable, net of allowance	128,000	150,000	Assumption is one month revenue in receivables
Prepaid expenses	43,090	43,090	Assumption is that Hangar 2 will add \$5,333 of prepaid insurance each year
Total current assets	<u>216,497</u>	<u>302,670</u>	
Investment in affiliates	37,878	38,878	Increased by \$1000 estimated income from subsidiary - no distributions
Property and equipment, net of accumulated depreciation	1,432,719	1,347,264	Bought Hangar 2 and depreciation from schedule
Licenses	<u>25,010</u>	<u>25,010</u>	No change - no additional licenses needed
Total Assets	<u>\$1,712,104</u>	<u>\$1,713,822</u>	

FORECAST BALANCE SHEET – 70 NORTH LLC (Continued)

	<u>2020</u>	<u>2021</u>	
LIABILITIES AND EQUITY			NOTES & ASSUMPTIONS
CURRENT LIABILITIES			
Accounts payable	-	-	Assume all bills paid by end of each year
Accrued payroll and related liabilities	15,000	15,000	Estimate 2 weeks pilots
Insurance liability	40,905	40,905	Increase by 4 months insurance
Accrued interest	4,927	4,927	One month interest
Current portion of long-term debt	<u>41,528</u>	<u>44,145</u>	See amortization schedule
Total current liabilities	102,360	104,977	
LONG-TERM DEBT, net of current portion	<u>1,144,706</u>	<u>1,100,561</u>	From amortization schedule
Total liabilities	1,247,066	1,205,538	
EQUITY			
Members' equity	<u>465,038</u>	<u>508,284</u>	Add net income, assume no distributions
	<u>\$1,712,104</u>	<u>\$1,713,822</u>	

FORECAST INCOME STATEMENT – 70 NORTH LLC

		Pathfinder Hangar	Deadhorse Facility	MAA Inc.	Juni Pogo LLC		
			Hangar 1 & Exp. Revenue				
		Other	Hangar 2 Revenue	MQAA C207	3JPA PA31	Total	
REVENUES	Flight			523,727	941,121	1,464,848	
	Maintenance & Inspections						
	Hangar Rental	12,600	300,000	22,400		335,000	
	Other: Expediting, Fuel, Misc			10,000		10,000	
		12,600	300,000	32,400	523,727	941,121	1,809,848
COST OF REVENUES							
	Subcontractors			2,715	2,715	5,430	
	Labor		15,565	5,249	284,599	409,478	714,890
	Fuel				96,000	153,600	249,600
	Insurance		16,000	2,986	25,881	54,748	99,615
	Repairs and maintenance		15,384	1,810	22,623	50,676	90,492
	Facilities rent and utilities		49,000	6,334	19,003	38,007	112,345
	Depreciation		21,410	933	12,666	50,446	85,456
TOTAL COST OF REVENUES		-	117,359	17,312	463,487	759,670	1,357,827
GROSS PROFIT		12,600	182,641	15,088	60,240	181,451	439,421

For notes to this table see Exhibit 1.1 p 1-11

FORECAST INCOME STATEMENT – 70 NORTH LLC (Continued)

	Other	Pathfinder Hangar	Deadhorse Facility	MAA Inc.	Juni Pogo LLC	Total
GENERAL AND ADMINISTRATIVE EXPENSES						
Labor and related costs		3,000	3,000	32,000	62,000	100,000
Legal and professional services		8,000	4,000	24,000	44,000	80,000
Taxes and licenses		24,000	3,436	13,743	17,179	58,358
Facilities rent and utilities		34,992	1,959	3,918	3,918	44,786
General business expenses		3,031	769	5,475	13,751	23,026
Office supplies and software		4,643	696	5,804	13,929	25,072
Interest expense		56,944	1,079	4,318	16,191	78,532
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES						
	-	134,610	14,940	89,257	170,968	409,775
INCOME FROM OPERATIONS						
	12,600	48,031	148	(29,017)	10,484	42,246
OTHER INCOME (EXPENSE)						
Earnings from investments in affiliates	1,000					1,000
Loss on sale of assets	-	-				
	1,000	-	-	-	-	1,000
NET INCOME						
	\$13,600	\$48,031	\$148	\$(29,017)	\$10,484	\$43,246

For notes to this table see Exhibit 1.1 p 1-11

EXHIBIT 4.1 - OST FORM 4523
Signed Montreal Agreement 18900

§204.3(u)



U.S. Department of Transportation
Office of the Secretary of Transportation

Docket OST 95-236

AGREEMENT

The undersigned carriers (hereinafter referred to as "the Carriers") hereby agree as follows:

1. Each of the Carriers shall, effective May 16, 1966, include the following in its conditions of carriage, including tariffs embodying conditions of carriage filed by it with any government:

"The Carrier shall avail itself of the limitation of liability provided in the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw October 12th, 1929, or provided in the said Convention as amended by the Protocol signed at The Hague September 28th, 1955. However, in accordance with Article 22(1) of said Convention, or said Convention as amended by said Protocol, the Carrier agrees that, as to all international transportation by the Carrier as defined in the said Convention or said Convention as amended by said Protocol, which, according to the contract of Carriage, includes a point in the United States of America as a point of origin, point of destination, or agreed stopping place

- (1) The limit of liability for each passenger for death, wounding, or other bodily injury shall be the sum of US \$75,000 inclusive of legal fees and costs, except that, in case of a claim brought in a State where provision is made for separate award of legal fees and costs, the limit shall be the sum of US \$58,000 exclusive of legal fees and costs.
- (2) The Carrier shall not, with respect to any claim arising out of the death, wounding, or other bodily injury of a passenger, avail itself of any defense under Article 20(1) of said Convention or said Convention as amended by said Protocol.

Nothing herein shall be deemed to affect the rights and liabilities of the Carrier with regard to any claim brought by, on behalf of, or in respect of any person who has willfully caused damage which resulted in death, wounding, or other bodily injury of a passenger."

2. Each Carrier shall, at the time of delivery of the ticket, furnish to each passenger whose transportation is governed by the Convention, or the Convention as amended by the Hague Protocol, and by the special contract described in paragraph 1, the following notice, which shall be printed in type at least as large as 10 point modern type and in ink contrasting with the stock on (i) each ticket; (ii) a piece of paper either placed in the ticket envelope with the ticket or attached to the ticket; or (iii) on the ticket envelope:

"ADVICE TO INTERNATIONAL PASSENGER ON LIMITATION OF LIABILITY

Passengers on a journey involving an ultimate destination or a stop in a country other than the country of origin are advised that the provisions of a treaty known as the Warsaw Convention may be applicable to the entire journey, including any portion entirely within the country of origin or destination. For such passengers on a journey to, from, or with an agreed stopping place in the United States of America, the Convention and special contracts of carriage embodied in applicable tariffs provide that the liability of [certain] carriers parties to such special contracts for death of or personal injury to passengers is limited in most cases to proven damages not to exceed US \$75,000 per passenger, and that this liability up to such limit shall not depend on negligence on the part of the carrier. For such passengers traveling by a carrier not a party to such special contracts or on a journey not to, from, or having an agreed stopping place in the United States of America, liability of the carrier for death or personal injury to passengers is limited in most cases to approximately US \$10,000 or US \$20,000.

The names of Carriers parties to such special contracts are available at all ticket offices of such carriers and may be examined on request.

Additional protection can usually be obtained by purchasing insurance from a private company. Such insurance is not affected by any limitation of the carrier's liability under the Warsaw Convention or such special contracts of carriage. For further information please consult your airline or insurance company representative."

3. [This Agreement was filed with the Civil Aeronautics Board of the United States. The Board approved it by Order E-23680, adopted May 13, 1966. The Agreement (Agreement 18900) became effective May 16, 1966. On January 1, 1985, this Agreement became the responsibility of the Department of Transportation (DOT) by operation of law.]

4. This Agreement may be signed in any number of counterparts, all of which shall constitute one Agreement. Any Carrier may become a party to this Agreement by signing a counterpart hereof and depositing it with DOT.

5. Any Carrier party hereto may withdraw from this Agreement by giving twelve (12) months' written notice of withdrawal to DOT and the other Carriers parties to the Agreement.

*Either alternative may be used.

(Signature and Date)

12-26-19

(Printed Name and Title)

MICHAEL MCCRARY MANAGER

(Name and Address of Carrier)

JuniPogo LLC 3705 Arctic Blvd.
#480 ANCHORAGE, AK 99503

CERTIFICATE OF SERVICE

Exhibit 5.1

I hereby certify that I have on this day served the foregoing motion for interstate scheduled air transportation authority by first class mail, postage prepaid, upon the persons shown in the following service list.



Michael McCrary
Director of Operations
JuniPogo LLC dba 70 North

March 20, 2020

SERVICE LIST

Nuiqsut Airport Manager
Nuiqsut, Alaska

North Slope Borough
Roads, Airports, & Sanitation Division Manager
Jack Frantz
PO Box 69
Barrow, AK 99723