

January 6, 2007

## **Chelton Flight System's Memo to Direct-To Avionics Customers**

Direct-To Avionics has ceased operations. Direct-To Avionics was an independent distributor in the experimental amateur-built market. Systems sold and distributed by Direct-To Avionics contained components supplied by Chelton Flight Systems, Crossbow Technologies, Pinpoint Inertial, TruTrack Flight Systems, FreeFlight Systems, and others. Every order placed by Direct-To Avionics to Chelton Flight Systems was manufactured and shipped in a timely fashion by Chelton Flight Systems. Despite Chelton's timely response to Direct-To Avionics orders, Chelton Flight Systems has learned that Direct-To customers paid for, but have not received all or part of the products ordered.

Chelton Flight Systems will continue to sell its synthetic vision components into the experimental market through existing Chelton dealers. Chelton Flight Systems will also continue to provide customer technical support and warranty service to all existing dealers and aircraft builders. To facilitate our commitment, Chelton appointed Greg Schmidt, Chelton Flight Systems' Western Region Sales Manager, as Sales Manager for Experimental Sales. Mr. Schmidt has built several experimental aircraft, currently flies his own experimental aircraft, is a licensed A&P Mechanic, and is an instrument rated flight instructor.

In a goodwill gesture to help minimize the detrimental impact to those customers who have purchased Chelton Flight System components from Direct-To Avionics and have not received them, Chelton Flight Systems will provide replacement Chelton and Pinpoint Inertial components at significantly below cost pricing: \$10,300 for a dual Integrated Display Units (IDU) and a single Pinpoint Inertial ADAHRS/GADAHRS system, or \$4,000 for a Pinpoint Inertial ADAHRS/GADAHRS.

Chelton Flight Systems currently has inventory. Due to the anticipated high demand, replacement orders will be prioritized based on entry into service of the customer's aircraft and the total number of requests for replacement components.

To accept this offer, Customers must provide Chelton Flight Systems with satisfactory documentation verifying payment to Direct-To Avionics for Chelton components. Other terms and conditions may apply to this offer and it is subject to termination at CFS' discretion.

Please contact Chelton Flight Systems at 208-389-9959 for instructions on documentation verification and order placement.

Chelton Flight System Contacts:

Bruce Bunevich, Vice President – Sales and Marketing  
Greg Schmidt, Sales Manager – Experimental Sales