BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of MAXJET AIRWAYS, INC. for a certificate of public convenience and necessity for interstate scheduled air transportation pursuant to 49 U.S.C.§ 41102	Docket OST-2004-17171

AMENDED APPLICATION OF MAXJET AIRWAYS, INC. PURSUANT TO SUBPART "B" OF THE DEPARTMENT OF TRANSPORTATION RULES OF PRACTICE FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING INTERSTATE AIR TRANSPORTATION

Communications with respect to this document should be sent to:

William A. Kutzke
Executive Vice President
And General Counsel
MAXjet Airways, Inc.
44965 Aviation Drive, Suite 260
Dulles, VA 20166

Tel: (571) 246-5574
Fax: (703) 661-6889

Gary Rogliano
Chief Executive Officer
MAXjet Airways, Inc.
44965 Aviation Drive, Suite 260
Dulles, VA 20166

Tel: (703) 661-6901
Fax:(703) 661-6889

May 12, 2005

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of MAXJET AIRWAYS, INC. for a certificate of public convenience and necessity for interstate scheduled air transportation pursuant to 49 U.S.C.§ 41102	)	Docket OST-2004-17171

AMENDED APPLICATION OF MAXJET AIRWAYS, INC. PURSUANT TO SUBPART "B" OF THE DEPARTMENT OF TRANSPORTATION RULES OF PRACTICE FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING INTERSTATE AIR TRANSPORTATION

By Order 2005-1-1 the Department of Transportation ("DOT") deferred action on MAXjet's application for interstate scheduled authority. The order notes that MAXjet did not file specific exhibits and expense forecasts for interstate operations. For that reason, DOT deferred action on the application.

MAXjet did not present an interstate scheduled service proposal for several reasons. First, the Company's focus is on foreign scheduled air transportation between cities in the United States and cities in other countries. Second, the aircraft the Company plans to use are long haul international aircraft (Boeing 767-200/300ER's) not well suited to shorter haul interstate air transportation. Finally, the Company determined that it did not plan to compete with low cost carriers such as Jet Blue, Southwest, Frontier, AirTran, Spirit and Independence Air. These carriers operate using well established successful

business plans based on shorter haul domestic aircraft such as the A-319/320, and the Boeing 737 and 717.

As the Company has moved forward with its specific plans for scheduled service between U.S. East Coast cities and Europe, it has become clear that the Company will need to operate a very limited amount of interstate services. These flights will be used to position aircraft and to provide some routing flexibility. For example, the Company would expect to operate from Baltimore and New York to Europe. It will need the ability to carry local traffic in the New York-Baltimore or New York-Orlando market to flow its aircraft through the system and to handle maintenance. In some cases, there would only be one or two scheduled flights per week over the sectors at issue but these will need to be published scheduled flights on which some local traffic will be carried.

The Company is submitting exhibits that show the limited type of interstate operation now contemplated. The costs for those operations are shown. Because the number of aircraft has not changed, overall expenses are not increased. Instead of operating seven days of non-stop service per week on a given sector such as New York-London and Baltimore-London, the Company would, for example, operate once a week on a Baltimore-New York-London routing. While daily service is maintained, by combining flights one day a week, an aircraft is freed for one day of down time for routine maintenance.

The fitness documentation reviewed in Orders 2005-1-1 and 2005-3-20, as updated by letters from the Company to the Fitness Division and filed in this Docket and Docket 2004-17172 is accurate and up to date. All of the findings and determinations already made are correct and equally applicable to this amended application. Attached to

this filing are illustrative schedules and expense exhibits with respect to this amended application.

It is respectfully requested that this application for interstate authority be processed expeditiously such that operations can commence under the interstate certificate at the same time operations commence under the foreign air transportation certificate.

For your information, MAXjet is completing the FAA processes and, anticipates that the FAA process will be complete by mid to late June. Operations would commence under the certificate immediately after DOT approves effective certificates. Interstate authority will permit integrated interstate and foreign scheduled operations and permit aircraft maintenance to be scheduled in an efficient manner consistent with a complete operating schedule.

WHEREFORE, for the foregoing reasons, MAXjet Airways, Inc. respectfully requests that the Department of Transportation issue MAXjet a Certificate of Public Convenience and Necessity for interstate scheduled air transportation.

Respectfully submitted,

William A. Kutzke

CERTIFICATE OF SERVICE

I hereby certify that I have on this day served a copy of the foregoing document upon all persons named on the attached service list by causing a copy thereof to be mailed to each of them.

William A. Kutzke

Dated: May 12, 2005

Service List

Mr. William Bertram
Chief, Air Carrier Fitness Division
Office of the Secretary
Department of Transportation
400 7th Street, S.W.
Washington, D.C. 20590

Ms. Vanessa Wilkins
Office of the Secretary
Department of Transportation
400 7th Street, S.W.
Washington, D.C. 20590

Narrative to SKY-405 Revision A

The purpose of this supplemental exhibit is to provide illustrative schedules and expenses for the interstate application of MAXjet Airways, Inc. in Docket OST-2004-17171.

The MAXjet core business plan is based on operations as a low fare airline in scheduled foreign air transportation markets. MAXjet's low fare international service will complement the growing array of domestic low fare services. The proposed service is to be operated with three Boeing 767-200ER aircraft initially. Arrangements with respect to these aircraft are set forth in the docket and described in the DOT Show Cause in this proceeding.

The initial services shown in the exhibits are based on flights between major East Coast cities and major European cities. It is highly likely that the first scheduled operations will be between East Coast airports such as Baltimore/Washington International Airport and John F. Kennedy International Airport and Stansted Airport in the United Kingdom. While not specifically shown in the initial application, there are also likely to be some seasonal services between cities such as, for example, Orlando, Florida and Stansted Airport in the winter season.

The interstate air transportation now planned by MAXjet will permit aircraft to be routed in such a manner that maintenance will be facilitated in accordance with the manuals filed with the FAA. It has been determined that regular maintenance will be

conducted at JFK and therefore each aircraft must route through JFK in order to accomplish maintenance at the lowest cost.

The attached exhibits add additional material to SKY-405. These exhibit pages show two illustrative interstate routings that are highly likely. Now that maintenance, equipment routing and similar matters are being finalized, it has become clear how the domestic interstate operation would be integrated with the foreign operation.

The attached exhibits show the combination of Baltimore-Stansted and a JFK-Stansted operation on a regularly scheduled basis consistent with the material already filed. The original exhibits filed show a seven day a week operation in the key markets by the end of the first full year of operations. The new exhibits also show a seasonal Orlando-JFK-Stansted operation. Scheduled service is maintained on the transatlantic routes but a domestic segment is included. A certain number of the trips operate as one stop or connecting services with passengers from two markets combined on the same aircraft. This approach is necessary to meet maintenance and other operational requirements. This does reduce total operating expense because block hours are reduced as compared to the earlier forecast schedule and block hours. The same approach illustrated in the attached exhibits would be applied to other East Coast cities and other European cities as operations are increased in future years.

MAXjet does not propose any adjustment in the DOT reserve requirement. When MAXjet requests effective DOT certificates, it will update the aircraft delivery plan for 2005 and 2006 and the expected first year expenses and revenues in accordance with the

Show Cause Order in these dockets. Because of the late start this year, the total number of planned aircraft in the first twelve months of operations is likely to be less than planned.

In preparing these illustrative exhibits, MAXjet has used $1.50 per gallon fuel in accordance with DOT's conclusions in the Show Cause Order.

Month 5 of Operation (Assumed to be Q4 2005)
(no interstate operation)

This page reflects costs in Exhibit SKY-405(rev) with $1.50 fuel.

Trips - Month 5 of Operations

New York to Stansted	31	round-trips
Baltimore to Stansted	31	round-trips
Total Round-Trips	62	round-trips
Total Block Hours	977.5	per month

Total Trip Cost, per Flight

a. **New York to Stansted**

Total Block Hours	15.5	hrs per round-trip
Total Fuel Burn	159,739	lbs per round-trip
Total Fuel Burn, $	$35,666	$1.50 per gallon
Maintenance Cost	$14,401	$927 per block hour
Crew Cost	$9,409	per round-trip
Station Cost	$5,568	per round-trip
Aircraft Rental & Insurance	$9,455	per round-trip
Overhead Allocation	$25,003	per round-trip
Total Operating Cost	$99,493	per round-trip
Operating Cost per Block Hour	$6,405	per block hour
(Operating Cost) x (# of Round Trips) =	**$3,084,284**	**per month total expenses**

b. **Baltimore to Stansted**

Total Block Hours	16.0	hrs per round-trip
Total Fuel Burn	164,531	lbs per round-trip
Total Fuel Burn, $	$36,726	$1.50 per gallon
Maintenance Cost	$14,832	$927 per block hour
Crew Cost	$9,692	per round-trip
Station Cost	$4,844	per round-trip
Aircraft Rental & Insurance	$9,455	per round-trip
Overhead Allocation	$25,754	per round-trip
Total Operating Cost	$101,303	per round-trip
Operating Cost per Block Hour	$6,331	per block hour
(Operating Cost) x (# of Round Trips) =	**$3,140,400**	**per month total expenses**

Route	**Freq./Mo.**	**Monthly Cost**
New York to Stansted	31	$3,084,284
Baltimore to Stansted	31	$3,140,400
Total Monthly Cost of Operations	62	$6,224,684

This page reflects the reduction of transatlantic crossings and addition of interstate segments to accommodate maintenance and aircraft routing. On the days the transatlantic service is eliminated, connecting service is provided using the interstate segments.

Total Trip Cost, per Flight

a. **New York to Stansted**

Total Block Hours	15.5	hrs per round-trip
Total Fuel Burn	159,739	lbs per round-trip
Total Fuel Burn, $	$35,656	$1.50 per gallon
Maintenance Cost	$14,401	$927 per block hour
Crew Cost	$9,409	per round-trip
Station Cost	$5,568	per round-trip
Aircraft Rental & Insurance	$9,455	per round-trip
Overhead Allocation	$27,247	per round-trip
Total Operating Cost	$101,737	per round-trip
Operating Cost per Block Hour	$6,550	per block hour
Operating Cost & # of Round Trips =	**$3,153,841**	**per month total expenses**

b. **Baltimore to Stansted**

Total Block Hours	16.0	hrs per round-trip
Total Fuel Burn	164,891	lbs per round-trip
Total Fuel Burn, $	$36,726	$1.50 per gallon
Maintenance Cost	$14,832	$927 per block hour
Crew Cost	$9,692	per round-trip
Station Cost	$4,844	per round-trip
Aircraft Rental & Insurance	$9,455	per round-trip
Overhead Allocation	$26,066	per round-trip
Total Operating Cost	$103,614	per round-trip
Operating Cost per Block Hour	$6,476	per block hour
Operating Cost & # of Round Trips =	**$2,486,746**	**per month total expenses**

c. **New York to Orlando**

Total Block Hours	4.6	hrs per round-trip
Total Fuel Burn	43,647	lbs per round-trip
Total Fuel Burn, $	$9,743	$1.50 per gallon
Maintenance Cost	$4,172	$927 per block hour
Crew Cost	$2,726	per round-trip
Station Cost	$3,875	per round-trip
Aircraft Rental & Insurance	$9,455	per round-trip
Overhead Allocation	$7,093	per round-trip
Total Operating Cost	$37,864	per round-trip
Operating Cost per Block Hour	$8,414	per block hour
Operating Cost & # of Round Trips =	**$265,048**	**per month total expenses**

Route	Freq./Mo.	Monthly Cost
New York to Stansted	31	$3,153,841
Baltimore to Stansted	24	$2,486,746
New York to Orlando	7	$265,048
Total Monthly Cost of Operations	62	$5,905,636

This page reflects the reduction of transatlantic crossings and additions of interstate segments to accommodate maintenance and aircraft routing. On the days the transatlantic services is eliminated connecting service is provided using the interstate segments.

Trips - Month 5 of Operations
Interstate Segments Added

New York to Stansted	31	round-trips
Baltimore to Stansted	24	round-trips
Orlando to New York (continues JFK-STN)	7	round-trips
Total Round-Trips	62	round-trips
Total Block Hours	897.0	per month

Total Costs (per month) (2 routes)	SKY-405(Rev) (without interstate segment)	**$6,224,684**
Total Costs (per month) (2 routes)	SKY-405(Revision A) (with interstate segments)	**$5,905,636**

Revenue associated with foreign only and foreign plus interstate services

Foreign only

Total Monthly Revenues	$6,863,400

Foreign plus interstate

Total Monthly Revenues	$6,386,263