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August 4, 2016

OUR FILE NUMBER
530,799-029

VIA E-MAIL AND FEDERAL EXPRESS

Joe Daichendt
Chief Executive Officer
OC Jet Center
3200 Park Center Drive, Suite 300
Costa Mesa, California 92626

WRITER'S DIRECT DIAL
(213) 430-6670

WRITER'S E-MAIL ADDRESS
tallan@omm.com

Re: Notice to OC Jet Center to Cease and Desist

Dear Mr. Daichendt,

After I emailed my August 3 letter to you yesterday, you called and asked for a meeting with Lou Pepper, Atlantic's CEO, so that you could make a "business proposal." That meeting occurred this morning. Lou has reported to me about what transpired at the meeting. I write to advise you of the serious legal consequences of your statements to him this morning.

First, in a phone call with Lou last night to arrange the meeting, you reiterated what you have told Atlantic's tenants: that you have "4 out of 5" votes on the Board of Supervisors. Then, in the meeting this morning, you said that you "have the votes" to replace Atlantic with OC Jet Center. The "business proposal" you made to Lou was that your dispute with Atlantic could be resolved by you abandoning OC Jet Center's efforts to take over Atlantic's FBO at JWA, clearing the way for Atlantic to obtain the 2 ½ year extension recommended to the Board of Supervisors by County staff, in exchange for Atlantic allowing you to run its FBO at JWA, under the name of OC Jet Center.

You told Lou that if Atlantic were to agree to your proposal, you could go to the County Supervisors and "make it happen," meaning that you could assure that Atlantic would get its 2 ½ year extension. Lou was very surprised and frustrated with the amount of influence you claimed to have over the Board, and asked where and how you got to this point in such a short time. You said "it took years to get this far." Lou replied that he thought that the Supervisors' job was to do what was best for the County, and not repay donors.

Lou asked why you were so confident about winning a potential RFQ, and your answer once again was puzzling to him. You seemed to know what minimum standards would need to

be met—including a “local ownership” requirement—and that Atlantic wouldn’t qualify. Since it is our understanding that the RFQ has not yet been drafted, how could you possibly know its content? We are very troubled by the influence and advance knowledge you claim to have about the County’s procurement process, including details that have not been publicly disclosed.

Whether or not your comments about your inside knowledge of what will happen next and your ability to influence decisions by the Board of Supervisors are true, and Atlantic sincerely hopes they are not, your statements implicate the many laws and regulations that exist to ensure fair and honest contracting by public entities. The Board of Supervisors does not exist to carry out your wishes. As to the “business proposal” you made to Lou this morning, please be advised that Atlantic has no interest in participating in such a scheme.

Sincerely yours,

A handwritten signature in black ink that reads "Tad Allan". The signature is written in a cursive, flowing style with a long horizontal line extending to the right.

Tad Allan
of O'MELVENY & MYERS LLP

TMA:dab