

Chart Acquisition Corp.
Form PRE 14A
February 06, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant

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Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
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CHART ACQUISITION CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.

(3) Filing Party:

(4) Date Filed:

CHART ACQUISITION CORP.

c/o The Chart Group, L.P.
555 5th Avenue, 19th Floor
New York, New York 10017

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD MARCH 11, 2015

TO THE STOCKHOLDERS OF CHART ACQUISITION CORP.:

You are cordially invited to attend a special meeting of stockholders of Chart Acquisition Corp. (the “Company” or “Chart”) to be held at 11:00 a.m., local time, at the Company’s headquarters at 555 5th Avenue, 19th Floor, New York, New York 10017 on Wednesday, March 11, 2015, for the sole purpose of considering and voting upon two proposals to amend the Company’s amended and restated certificate of incorporation (the “Extension Amendment”) to:

- extend the date before which the Company must complete a business combination (the “Termination Date”) from March 13, 2015 (the “Current Termination Date”) to June 13, 2015 (the “Extended Termination Date”), and provide that the date for cessation of operations of the Company if the Company has not completed a business combination would similarly be extended; and
- allow holders of the Company’s public shares to redeem their public shares, in connection with the Extension Amendment, for a pro rata portion of the funds available in the trust account (the “trust account”) established in connection with the Company’s initial public offering (“IPO”), and authorize the Company and the trustee to disburse such redemption payments.

and a proposal (the “Trust Amendment”) to amend and restate the Company’s amended and restated investment management trust agreement, dated September 5, 2014 (the “trust agreement”) by and between the Company and Continental Stock Transfer & Trust Company (the “trustee”) to:

- permit distributions from the trust account to pay public stockholders properly demanding redemption in connection with the Extension Amendment and the Trust Amendment; and extend the date on which to commence liquidating the trust account in the event the Company has not consummated a business combination from the Current Termination Date to the Extended Termination Date.

Each proposal of the Extension Amendment and the Trust Amendment are essential to the overall implementation of the board of directors’ plan to extend the date by which the Company must consummate its initial business combination, and, therefore, the Company’s board of directors will abandon the Extension Amendment and the Trust Amendment unless each of the above proposals is approved by stockholders. Notwithstanding stockholder approval of all proposals, the Company’s board of directors will retain the right to abandon and not effect the Extension Amendment and the Trust Amendment at any time prior to its effectiveness without any further action by stockholders.

The Company’s board of directors has fixed the close of business on February 9, 2015 as the date for determining Company stockholders entitled to receive notice of and vote at the special meeting and any adjournment thereof. Only holders of record of the Company’s common stock, \$0.0001 par value (“common stock”) on that date are entitled to have their votes counted at the special meeting or any adjournment.

The purpose of the Extension Amendment and the Trust Amendment is to allow the Company more time to complete its proposed business combination with Tempus Applied Solutions, LLC (“Tempus”), pursuant to the Agreement and Plan of Merger, dated January 5, 2015 (the “Merger Agreement”) by and among Chart, Tempus, the current holders of Tempus’ membership interests (the “Sellers”), Benjamin Scott Terry and John G. Gulbin III, together, in their capacity

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under the Merger Agreement as the representative of the Sellers for the purposes set forth therein (the “Members’ Representative”), Tempus Applied Solutions Holdings, Inc., a Delaware corporation and a newly formed wholly-owned subsidiary of Chart which will be the holding company for Tempus and Chart following the consummation of the Business Combination (as defined below) (“Tempus Holdings”), Chart Merger Sub Inc., a Delaware corporation and a newly formed wholly-owned subsidiary of Tempus Holdings (“Chart Merger Sub”), TAS Merger Sub LLC, a Delaware limited liability company and a newly formed wholly-owned subsidiary of Tempus

Holdings (“Tempus Merger Sub”), Chart Acquisition Group LLC in its capacity under the Merger Agreement as the representative of the equity holders of Chart and Tempus Holdings (other than the Sellers and their successors and assigns) in accordance with the terms thereof (the “Chart Representative”) and, for the limited purposes set forth therein, Chart Acquisition Group LLC (the “Sponsor”), Joseph Wright and Cowen Investments LLC (“Cowen”) (together, the “Warrant Offerors”). Hereafter, we may also refer to the transactions contemplated by the Merger Agreement as the “Business Combination.” For purposes of this proxy statement, “Cowen” means as applicable, Cowen Investments LLC, a Delaware limited liability company, or Cowen Overseas Investment LP, a Cayman Island limited partnership, each of which is an affiliate of Cowen and Company, LLC, one of the representatives of the underwriters of Chart’s initial public offering, or their respective affiliates. Cowen Investments LLC is the assignee of the shares of Chart common stock and Chart warrants owed by Cowen Overseas Investment LP.

As a result, our board of directors has determined it is in the best interests of our stockholders to extend the Termination Date from the Current Termination Date to the Extended Termination Date, and provide that the date for cessation of operations of the Company if the Company has not completed a business combination would similarly be extended.

If the Extension Amendment and the Trust Amendment are not approved and a business combination is not consummated by the Current Termination Date, the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem all shares of the Company’s common stock sold in the IPO (the “public shares”) then outstanding at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account, including any amounts representing interest earned on the trust account, less any interest released to us for working capital purposes, the payment of taxes or dissolution expenses (although, we expect all or substantially all of the interest released to be used for working capital purposes), divided by the number of then outstanding public shares, which redemption will completely extinguish the rights of the holders of public shares (the “public stockholders”) as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, dissolve and liquidate, subject in each case to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. Our Sponsor as well as the Company’s officers and directors and certain affiliates of The Chart Group L.P., the managing member of our Sponsor, that hold founder shares (collectively, the “initial stockholders”) and Cowen have each waived their respective redemption rights with respect to the founder shares and placement shares if we fail to consummate a business combination by the Current Termination Date. References to “placement shares” are to an aggregate of 375,000 shares of our common stock included within the placement units purchased by our Sponsor, Joseph Wright and Cowen simultaneously with the closing of our IPO. References to “founder shares” are to 1,875,000 shares of restricted stock sold to our Sponsor in a private placement on August 9, 2011. There will be no redemption rights or liquidating distributions with respect to our warrants, which will expire worthless except for the right of holders of public warrants to receive a pro rata portion of the escrow account established by the Warrant Offerors in connection with their commitment to offer to purchase up to 3,750,000 public warrants in a proposed tender offer to be commenced by them in connection with our initial business combination. Since the Warrant Offerors previously purchased 7,700 public warrants pursuant to a tender offer in September 2014 in connection with the prior extension of the Termination Date, they intend to commence a tender offer to purchase up to 3,746,150 public warrants (subject to adjustment) at a purchase price of \$0.60 per warrant in connection with our business combination (the “Warrant Tender Offer”). The Company would expect to pay the costs of liquidation from its remaining assets outside of the trust fund or available to the Company from interest income on the trust account balance.

The Company filed a Form 8-K with the U.S. Securities and Exchange Commission (“SEC”) to report execution of the Merger Agreement on January 7, 2015. For additional information regarding the Merger Agreement and the Business Combination, see the Form 8-K and the Registration Statement on Form S-4 initially filed by Tempus Applied Solutions Holdings, Inc. on January 9, 2015, which includes a preliminary proxy statement of Chart and a prospectus in connection with the Business Combination.

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The proposed transaction with Tempus qualifies as a “business combination” under the Company’s amended and restated certificate of incorporation (the “amended and restated certificate”), which currently provides that if the Company does not consummate a business combination by the Current Termination Date, the Company will redeem all public shares for their pro rata portions of the trust account and promptly following such redemption, dissolve and liquidate. As explained below, the Company may not be able to complete the proposed business combination with

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Tempus by that date. The Company's board of directors believes that stockholders will benefit from the proposed business combination with Tempus and is therefore proposing an amendment (the "second amended and restated certificate") to the Company's current amended and restated certificate to extend that date to the Extended Termination Date, and to make other corresponding changes to the second amended and restated certificate and to amend and restate the amended and restated trust agreement to permit the actions contemplated by the Extension Amendment.

You are not being asked to pass on the proposed business combination with Tempus at this time. If you are a public stockholder, you will have the right to vote on the proposed business combination with Tempus when it is submitted to stockholders.

Since the completion of its IPO, the Company has been dealing with many of the practical difficulties associated with the identification of a business combination target, negotiating business terms with potential targets, conducting related due diligence and obtaining the necessary audited financial statements. Commencing promptly upon completion of its IPO, the Company began to search for an appropriate business combination target. During the process, it relied on numerous business relationships and contacted investment bankers, private equity funds, consulting firms, and legal and accounting firms. As a result of these efforts, the Company identified more than 75 possible target companies, and appropriate targets were advanced to the next phase of the selection process, including approximately 50 with whom the Company held meetings and/or telephone discussions, eight with whom non-disclosure agreements (and trust waivers) were executed and submitted letters of intent or conducted diligence with respect to approximately three potential acquisition targets (other than Tempus).

The initial discussion between the Company and Tempus management commenced in November 2013 regarding the Tempus Jets group of companies ("TJ Group"). From April 2014 until July 15, 2014, the Company, while also involved in due diligence activities, engaged in negotiations with TJ Group on the terms of the agreement to govern the business combination. The parties entered into an Equity Transfer and Acquisition Agreement (the "Acquisition Agreement") on July 15, 2014.

As diligence progressed and preparations were being undertaken to file a proxy statement with the SEC in anticipation of seeking Chart's shareholders' approval of the business combination with TJ Group, it became evident that a formerly restricted business of TJ Group had begun to show significant growth potential. In late 2011, the owners of TJ Group had sold Orion Air Group Services ("Orion"), a company that provided specialized, complex aircraft modification and integration services to governments and others, to buyers that included the DoD and others. As part of that sale transaction, the TJ Group's owners entered into a three-year non-competition agreement with the buyers. The proceeds from the sale of Orion and certain retained Orion earnings had since been used by TJ Group to purchase and start up other aviation-related lines of business, focused on providing retail aviation services in conventional, commercial, non-governmental markets.

The non-competition agreement with the Orion buyers expired in 2014. One of the two principal owners of TJ Group, Mr. Terry, continued to have extensive relationships in the previously restricted market, and wished to re-enter that market. The other principal owner of TJ Group, Mr. Gulbin, did not wish to re-enter that market and instead wished to continue to pursue the other businesses that TJ Group has been pursuing since the sale of Orion. The TJ Group owners agreed that Mr. Gulbin would continue to pursue the current TJ Group businesses, with TJ Group remaining a private entity, while Mr. Terry would separately re-enter the previously restricted market and build a new business of providing complex aircraft modification and integration services for the U.S. government, foreign governments and others. That business was to be conducted through Tempus Applied Solutions LLC ("Tempus"), a new entity that was formed in December 2014 with \$1.5 million in initial funding provided by its members.

In light of the foregoing developments in Mr. Terry's and Mr. Gulbin's desires and in Tempus' business potential, Mr. Terry, Mr. Gulbin and Chart agreed that Chart would focus its efforts on negotiating and consummating a business combination with Tempus. In November 2014, Chart began conducting due diligence regarding Tempus' formation, initial operations, business opportunities and prospects. On December 7, 2014, Tempus delivered an initial draft

merger agreement to Chart. Throughout that period, each of Chart and Tempus continued its legal and financial due diligence of the other party. Between December 7, 2014 and January 5, 2015, Chart and Tempus, along with Cowen and their respective legal counsel and Chart's financial advisors, negotiated key transaction terms. On December 22, 2014, Chart's board of directors met telephonically to consider the potential acquisition of Tempus, including the approval of the definitive Merger Agreement, which was in substantially final form as described below.

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Following the meeting of Chart's board of directors, Chart and Tempus continued to negotiate the final terms of the Merger Agreement and the terms of other ancillary agreements. On December 31, 2014, Mr. Brady sent to Chart's board of directors updated projections regarding Tempus' expected 2015 and 2016 business. On January 5, 2015, Chart and Tempus, together with the other parties thereto, entered into the Merger Agreement, and the previously executed Acquisition Agreement with TJ Group was terminated. On January 9, 2015, Tempus Holdings filed a Registration Statement on Form S-4, which includes a preliminary proxy statement of Chart and a prospectus in connection with the Business Combination.

As the Company believes the proposed business combination with Tempus to be in the best interests of the Company's stockholders, and because the Company may not be able to conclude the Tempus transaction by the Current Termination Date, the Company has determined to seek stockholder approval to extend the time for closing a business combination beyond the Current Termination Date to the Extended Termination Date.

The Company believes that given the Company's expenditure of time, effort and money on the proposed business combination with Tempus, circumstances warrant providing public stockholders an opportunity to consider the proposed business combination with Tempus. However, the Company's IPO prospectus stated that if the effect of any proposed amendments to the Company's amended and restated certificate, if adopted, would be to delay the date on which a stockholder could otherwise redeem shares for a pro rata portion of the funds available in the trust account, the Company will provide that, if such amendments are approved by holders of sixty-five percent (65%) or more of the Company's common stock, dissenting public stockholders will have the right to redeem their public shares. Accordingly, holders of public shares may elect to redeem their shares in connection with the Extension Amendment and the Trust Amendment regardless of how such public stockholders vote. The Company believes that such redemption right protects the Company's public stockholders from having to sustain their investments for an unreasonably long period if the Company failed to find a suitable acquisition in the timeframe contemplated by the second amended and restated certificate.

Public stockholders may elect to redeem their shares for a pro rata portion of the funds available in the trust account in connection with the Extension Amendment and the Trust Amendment (the "Election") regardless of how such public stockholders vote. If the Extension Amendment and the Trust Amendment are approved by the requisite vote of stockholders (and not abandoned), the remaining holders of public shares will retain their right to redeem their public shares for a pro rata portion of the funds available in the trust account upon consummation of the proposed business combination with Tempus when it is submitted to the stockholders, subject to any limitations set forth in the second amended and restated certificate and the limitations contained in the Merger Agreement described below in "The Potential Business Combination with Tempus" and related agreements. In addition, public stockholders who vote for the Extension Amendment and the Trust Amendment and do not make the Election would be entitled to redemption if the Company has not completed a business combination by the Extended Termination Date.

Subject to the foregoing, the affirmative vote of sixty-five percent (65%) or more of the Company's common stock outstanding as of the record date, voting for all proposals contained in the Extension Amendment, will be required to approve the Extension Amendment and the affirmative vote of sixty-five percent (65%) or more of the Company's common stock outstanding as of the record date will be required to approve the Trust Amendment.

In considering the Extension Amendment and the Trust Amendment, the Company's stockholders should be aware that if the Extension Amendment and the Trust Amendment are approved (and not abandoned), the Company will incur substantial expenses in seeking to complete the proposed business combination with Tempus, in addition to expenses incurred in proposing the Extension Amendment and the Trust Amendment. You should read the proxy statement carefully for information concerning the consequences of the adoption of the Extension Amendment and the Trust Amendment.

Each proposal of the Extension Amendment and the Trust Amendment are essential to the overall implementation of the board of directors' plan to extend the date by which the Company must consummate its initial business

combination, and, therefore, the Company's board of directors will abandon the Extension Amendment and the Trust Amendment unless each of the above proposals are approved by stockholders. Notwithstanding stockholder approval of all proposals, the Company's board of directors will retain the right to abandon and not effect the Extension Amendment and the Trust Amendment at any time prior to its effectiveness without any further action by stockholders.

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If the Extension Amendment and the Trust Amendment are approved and become effective and a business combination is subsequently consummated, then the underwriters will receive the portion of the underwriting commissions that was deferred and is currently held in the trust account. The underwriters will probably not receive this portion of the commission unless the Extension Amendment and the Trust Amendment are approved and become effective because the Company may not be able to complete a business combination before the Current Termination Date.

After careful consideration of all relevant factors, the Company's board of directors has determined that the Extension Amendment and the Trust Amendment are fair to and in the best interests of the Company and its stockholders, has declared them advisable and recommends that you vote or give instruction to vote "FOR" both proposals of the Extension Amendment and "FOR" the Trust Amendment.

Under Delaware law and the Company's bylaws, no other business may be transacted at the special meeting.

Enclosed is the proxy statement containing detailed information concerning the Extension Amendment, the Trust Amendment and the special meeting. Whether or not you plan to attend the special meeting, we urge you to read this material carefully and vote your shares.

I look forward to seeing you at the meeting.

Dated: February , 2015

By Order of the Board of Directors,

/s/ Joseph R. Wright

Joseph R. Wright

Chairman of the Board of Directors

/s/ Michael LaBarbera

Michael LaBarbera

Secretary

Your vote is important. Please sign, date and return your proxy card as soon as possible to make sure that your shares are represented at the special meeting. You may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank how to vote your shares, or you may cast your vote in person at the special meeting by obtaining a proxy from your brokerage firm or bank. Your failure to vote or instruct your broker or bank how to vote will have the same effect as voting against each of the proposals.

CHART ACQUISITION CORP.

c/o The Chart Group, L.P.
555 5th Avenue, 19th Floor
New York, New York 10017

SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD MARCH 11, 2015

PROXY STATEMENT

A special meeting of stockholders of Chart Acquisition Corp. (the “Company” or “Chart”), a Delaware corporation, will be held at 11:00 a.m., local time, at the Company’s headquarters at 555 5th Avenue, 19th Floor, New York, New York 10017 on Wednesday, March 11, 2015, for the sole purpose of considering and voting upon two proposals to amend the Company’s amended and restated certificate (the “Extension Amendment”) to:

- extend the date before which the Company must complete a business combination (the “Termination Date”) from March 13, 2015 (the “Current Termination Date”) to June 13, 2015 (the “Extended Termination Date”), and provide that the date for cessation of operations of the Company if the Company has not completed a business combination would similarly be extended; and
- allow holders of the Company’s public shares to redeem their public shares, in connection with the Extension Amendment, for a pro rata portion of the funds available in the trust account (the “trust account”) established in connection with the Company’s initial public offering (“IPO”), and authorize the Company and the trustee to disburse such redemption payments.

and a proposal (the “Trust Amendment”) to amend and restate the Company’s amended and restated investment management trust agreement, dated September 5, 2014 (the “trust agreement”) by and between the Company and Continental Stock Transfer & Trust Company (the “trustee”) to:

- permit distributions from the trust account to pay public stockholders properly demanding redemption in connection with the Extension Amendment and the Trust Amendment; and extend the date on which to commence liquidating the trust account in the event the Company has not consummated a business combination from the Current Termination Date to the Extended Termination Date.

Each proposal of the Extension Amendment and the Trust Amendment are essential to the overall implementation of the board of directors’ plan to extend the date by which the Company must consummate its initial business combination, and, therefore, the Company’s board of directors will abandon the Extension Amendment and the Trust Amendment unless each of the above proposals are approved by stockholders. Notwithstanding stockholder approval of all proposals, the Company’s board of directors will retain the right to abandon and not effect the Extension Amendment and the Trust Amendment at any time prior to its effectiveness without any further action by stockholders.

A stockholder’s approval of the Trust Amendment will constitute consent to the use of the Company’s trust account proceeds to pay, at the time the Extension Amendment becomes effective, and in exchange for surrender of shares, pro rata portions of the funds available in the trust account to the public stockholders making the Election in lieu of later distributions to which they would otherwise be entitled.

Under Delaware law and the Company’s bylaws, no other business may be transacted at the special meeting.

The record date for the special meeting is February 9, 2015. Record holders of the Company’s common stock at the close of business on the record date are entitled to vote or have their votes cast at the special meeting. On the record

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date, there were 8,785,309 outstanding shares of the Company's common stock including 6,535,309 outstanding public shares. The Company's warrants do not have voting rights.

This proxy statement contains important information about the meeting and the proposals. Please read it carefully and vote your shares.

This proxy statement is dated February , 2015 and is first being mailed to stockholders on or about that date.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING

These Questions and Answers are only summaries of the matters they discuss. They do not contain all of the information that may be important to you. You should read carefully the entire document, including the annexes to this proxy statement.

Q. What

is being A. You are being asked to vote on two proposals to amend Chart Acquisition Corp.'s (the "Company", "Chart",
voted "we" or "us") amended and restated certificate (the "Extension Amendment") to:
on?

- extend the date before which the Company must complete a business combination (the "Termination Date") from March 13, 2015 (the "Current Termination Date") to June 13, 2015 (the "Extended Termination Date"), and provide that the date for cessation of operations of the Company if the Company has not completed a business combination would similarly be extended; and

- allow holders of the Company's public shares to redeem their public shares, in connection with the Extension Amendment, for a pro rata portion of the funds available in the trust account, and authorize the Company and the trustee to disburse such redemption payments.

and a proposal (the "Trust Amendment") to amend and restate the Company's amended and restated investment management trust agreement, dated September 5, 2014 (the "trust agreement") by and between the Company and Continental Stock Transfer & Trust Company (the "trustee") to:

- permit distributions from the trust account to pay public stockholders properly demanding redemption in connection with the Extension Amendment and the Trust Amendment; and extend the date on which to commence liquidating the trust account in the event the Company has not consummated a business combination from the Current Termination Date to the Extended Termination Date.

Each proposal of the Extension Amendment and the Trust Amendment are essential to the overall implementation of the board of directors' plan to extend the date by which the Company must consummate its initial business combination, and, therefore, the Company's board of directors will abandon the Extension Amendment and the Trust Amendment unless each of the above proposals are approved by stockholders. Notwithstanding stockholder approval of all proposals, the Company's board of directors will retain the right to abandon and not effect the Extension Amendment and the Trust Amendment at any time prior to its effectiveness without any further action by stockholders.

A stockholder's approval of the Trust Amendment will constitute consent to the use of the Company's trust account proceeds to pay, at the time the Extension Amendment becomes effective, and in exchange for surrender of shares, pro rata portions of the funds available in the trust account to the public stockholders making the Election in lieu of later distributions to which they would otherwise be entitled.

Under Delaware law and the Company's bylaws, no other business may be transacted at the special meeting.

Q. Why is the Company proposing to amend its amended and restated certificate and the trust agreement?

A. The Company was organized to serve as a vehicle for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses focused on the provision and/or outsourcing of government services operating within or outside of the United States, although the Company may pursue acquisition opportunities in other business sectors.

On January 5, 2015, the Company entered into the Merger Agreement with Tempus and the other parties thereto. Pursuant to the Merger Agreement, subject to the terms and conditions set forth therein, (i) Chart Merger Sub will merge with and into Chart, with Chart being the surviving entity and a wholly-owned subsidiary of Tempus Holdings (such merger, the “Chart Merger”), (ii) Tempus Merger Sub will merge with and into Tempus, with Tempus being the surviving entity and a wholly owned-subsiidiary of Tempus Holdings (such merger, the “Tempus Merger”), and (iii) Tempus Holdings will become a publicly traded company. Hereafter, we may also refer to the transactions contemplated by the Merger Agreement as the “Business Combination.” The Chart Merger and the Tempus Merger (together, the “Mergers”) will occur simultaneously upon the consummation of the Business Combination (the “Closing”). Chart, Tempus Holdings, Chart Merger Sub and Tempus Merger Sub may collectively be referred to herein in reference to the Merger Agreement as the “Chart Parties”. In the Chart Merger, the outstanding equity securities of Chart will be cancelled and the holders of outstanding shares of Chart common stock and warrants will receive substantially identical securities of Tempus Holdings.

In the Tempus Merger, the outstanding membership interests of Tempus will be cancelled in exchange for the right of the Sellers to receive as the aggregate merger consideration 5,250,000 shares of Tempus Holdings common stock, subject to certain adjustments, plus an additional right to receive potentially up to 4,750,000 shares of Tempus Holdings common stock as an earn-out if certain financial milestones are achieved (such additional shares, the “Earn-out Shares”).

As a result of the consummation of the Business Combination, each of Chart Merger Sub and Tempus Merger Sub will cease to exist, Chart and Tempus will become wholly-owned subsidiaries of Tempus Holdings, and the equity holders of Chart and Tempus will become the stockholders of Tempus Holdings.

Tempus was formed to provide turnkey and customized design, engineering, modification and integration services and operations solutions that support aircraft critical mission requirements for such customers as the DoD, U.S. intelligence agencies, foreign governments, heads of state and others worldwide. Tempus’ management and employees have extensive experience in the design and implementation of special mission aircraft modifications related to intelligence, surveillance and reconnaissance systems, new generation command, control and communications systems and VIP interior components and provision of ongoing operational support, including flight crews and maintenance services to customers. In addition, Tempus will transition undervalued and underutilized aircraft to alternative configurations that are then utilized for more profitable special mission purposes.

Tempus was founded in December 2014. The formation of Tempus and its ability to successfully engage in this business has evolved from two principal sources: 1) the expiration of a non-competition

agreement relating to the Tempus owners' sale of Orion Air Group Services, LLC ("Orion") in December 2011; and 2) the availability to Tempus of a number of prospective employees who have engineering or program management skills and experience in the modification and integration of large aircraft platforms. Tempus' primary areas of expertise include: (1) modification of aircraft for airborne research and development, intelligence, surveillance and reconnaissance, and electronic warfare capabilities; (2) design and engineering of wide body aircraft VIP interior conversions; and (3) operations and support services required by the customer for the ultimate successful execution of its mission, to include leasing solutions, flight operations, planning, and other logistics support.

Tempus Holdings filed a Registration Statement on Form S-4 on January 9, 2015, which includes a preliminary proxy statement of Chart and a prospectus in connection with the Business Combination.

The proposed business combination with Tempus qualifies as a "business combination" under the Company's amended and restated certificate. The amended and restated certificate currently provides that if the business combination is not completed by the Current Termination Date, the Company will redeem all public shares and promptly thereafter dissolve and liquidate. As explained below, the Company may not be able to complete the business combination by the Current Termination Date given when the Merger Agreement was signed and the actions that must occur prior to closing.

The Company believes the proposed business combination with Tempus would be in the best interests of the Company's stockholders, and because the Company may not be able to conclude the proposed business combination with Tempus by the Current Termination Date, the Company has determined to seek stockholder approval to extend the time for completion of the business combination from the Current Termination Date to the Extended Termination Date.

The Company believes that given the Company's expenditure of time, effort and money on the proposed business combination with Tempus, circumstances warrant providing public stockholders an opportunity to consider the proposed business combination with Tempus. However, the Company's IPO prospectus stated that if the effect of any proposed amendments to the Company's amended and restated certificate, if adopted, would be to delay the date on which a stockholder could otherwise redeem shares for a pro rata portion of the funds available in the trust account, the Company will provide that, if such amendments are approved by holders of sixty-five percent (65%) or more of the Company's common stock, dissenting public stockholders will have the right to redeem their public shares. Accordingly, holders of public shares may elect to redeem their shares in connection with the Extension Amendment and the Trust Amendment regardless of how such public stockholders vote. The Company believes that such redemption right protects the Company's public stockholders from having to sustain their investments for an unreasonably long period if the Company failed to find a suitable acquisition in the timeframe contemplated by the amended and restated certificate.

You are not being asked to pass on the proposed business combination with Tempus at this time. If you are a public stockholder, you will have the right to vote on the proposed business combination with Tempus when it is submitted to stockholders.

***Q. Why should I
vote for the
Extension
Amendment and
the Trust
Amendment?***

A. Since the completion of its IPO, the Company has been dealing with many of the practical difficulties associated with the identification of a business combination target, negotiating business terms with potential targets, conducting related due diligence and obtaining the necessary audited financial statements. Commencing promptly upon completion of its IPO, the Company began to search for an appropriate business combination target. During the process, it relied on numerous business relationships and contacted investment bankers, private equity funds, consulting firms, and legal and accounting firms. As a result of these efforts, the Company identified more than 75 possible target companies, and appropriate targets were advanced to the next phase of the selection process, including approximately 50 with whom the Company held meetings and/or telephone discussions, eight with whom non-disclosure agreements (and trust waivers) were executed and submitted letters of intent or conducted diligence with respect to approximately three potential acquisition targets (other than Tempus).

As the Company believes the proposed business combination with Tempus would be in the best interests of the Company's stockholders, and because the Company may not be able to conclude the proposed business combination with Tempus by the Current Termination Date, the Company has determined to seek stockholder approval to extend the time for closing a business combination beyond the Current Termination Date to the Extended Termination Date.