ATLAS AIR WORLDWIDE HOLDINGS INC
Form DEFR14A
April 17, 2007

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 (Amendment No. 1)

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Under Rule 14a-12

ATLAS AIR WORLDWIDE HOLDINGS, INC.

(Name of Registrant as Specified In Its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

þ No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11

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

(2) Aggregate number of securities to which transaction applies:

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a) (2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

On April 16, 2007, Atlas Air Worldwide Holdings, Inc. filed a Proxy Statement for its Annual Meeting of Stockholders to be held on Wednesday, May 23, 2007. The Proxy Statement which is being filed today and which follows below includes corrected information in the 2006 Total Compensation of Directors table on page 12. The corrected information appears in the Total column. Except for inclusion of this corrected information, all other information presented in the Proxy Statement filed today is identical to that set forth in the document filed on April 16, 2007.

ATLAS AIR WORLDWIDE HOLDINGS, INC.
2000 Westchester Avenue
Purchase, New York 10577-2543

April 16, 2007

Dear Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2007 Annual Meeting of Stockholders of Atlas Air Worldwide Holdings, Inc. The Annual Meeting will be held at 10:00 a.m., local time, on Wednesday, May 23, 2007, at the offices of Ropes & Gray LLP, 1211 Avenue of the Americas, 38th Floor, New York, NY 10036.

The business to be conducted at the meeting is outlined in the attached Notice of Annual Meeting and Proxy Statement. The annual report for the year ended December 31, 2006 is also enclosed.

The shares represented by your proxy will be voted at the Annual Meeting as therein specified (if the proxy is properly executed, returned and not revoked). Accordingly, we request that you promptly sign, date and mail the enclosed proxy in the accompanying prepaid envelope provided for your convenience. You may revoke your proxy at any time before its use by delivering to the Secretary of the Company a written notice of revocation or a duly executed proxy bearing a later date or by attending the Annual Meeting and voting in person. Attending the Annual Meeting in and of itself will not constitute a revocation of a proxy.

Sincerely,

EUGENE I. DAVIS
Chairman of the Board of Directors

ATLAS AIR WORLDWIDE HOLDINGS, INC.
2000 WESTCHESTER AVENUE
PURCHASE, NEW YORK 10577-2543

Notice of 2007 Annual Meeting of Stockholders
To be held on May 23, 2007

We will hold the 2007 Annual Meeting of Stockholders of Atlas Air Worldwide Holdings, Inc., a Delaware corporation, on Wednesday, May 23, 2007, at 10:00 a.m., local time, at the offices of Ropes & Gray LLP, 1211 Avenue of the Americas, 38th Floor, New York, NY 10036, for the following purposes:

1. To elect a board of directors to serve until the 2008 Annual Meeting of Stockholders or until their successors are elected and qualified;

2. To consider and vote on a proposal to approve our 2007 Incentive Plan; and

3. To transact such other business, if any, as may properly come before the meeting and any adjournments thereof.

The foregoing matters are described in more detail in the Proxy Statement that is attached to this notice.

Only stockholders of record at the close of business on March 26, 2007, which date has been fixed as the record date for notice of the Annual Meeting, are entitled to receive this notice and to vote at the meeting and any adjournments thereof.

YOUR VOTE IS VERY IMPORTANT. WE HOPE YOU WILL ATTEND THIS ANNUAL MEETING IN PERSON, BUT IF YOU CANNOT, PLEASE SIGN AND DATE THE ENCLOSED PROXY. RETURN THE PROXY IN THE ENCLOSED ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY VOTE IN PERSON EVEN IF YOU HAVE RETURNED A PROXY. IF YOU HAVE RECEIVED MORE THAN ONE PROXY CARD, IT IS AN INDICATION THAT YOUR SHARES ARE REGISTERED IN MORE THAN ONE ACCOUNT. PLEASE COMPLETE, DATE, SIGN AND RETURN EACH PROXY CARD YOU RECEIVE.

By Order of the Board of Directors

WILLIAM J. FLYNN
President and Chief Executive Officer

April 16, 2007

ATLAS AIR WORLDWIDE HOLDINGS, INC.
2000 Westchester Avenue
Purchase, New York 10577-2543

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
MAY 23, 2007

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the Board of Directors or Board) of Atlas Air Worldwide Holdings, Inc., a Delaware corporation (AAWW), for use at the Annual Meeting of Stockholders (the Annual Meeting) to be held on Wednesday, May 23, 2007, at the offices of Ropes & Gray LLP, 1211 Avenue of the Americas, 38th Floor, New York, NY 10036 at 10:00 a.m., local time, and at any adjournments or postponements of the Annual Meeting. It is expected that this Proxy Statement and the accompanying proxy will first be mailed or delivered to stockholders beginning on or about April 16, 2007. Proxies may be solicited in person, by telephone or by mail, and the costs of such solicitation will be borne by AAWW.

AAWW was incorporated in Delaware in 2000 and is a holding company with two principal wholly owned operating subsidiaries Atlas Air, Inc. (Atlas) and Polar Air Cargo, Inc. (Polar). Except as otherwise noted, Atlas, Polar and AAWW (along with AAWW s other subsidiaries) are collectively referred to herein as the Company, AAWW, we, or our.

ABOUT THE ANNUAL MEETING

At our Annual Meeting, the holders of shares of our Common Stock, par value $0.01 per share (the Common Stock), will act upon the matters outlined in the notice of meeting on the cover page of this Proxy Statement, in addition to transacting such other business, if any, as may properly come before the meeting or any adjournments thereof. The shares represented by your proxy will be voted as indicated on your proxy, if properly executed. If your proxy is properly signed and returned, but no directions are given on the proxy, the shares represented by your proxy will be voted:

FOR the election of the director nominees named herein, to serve until the 2008 Annual Meeting or until their successors are elected and qualified (Proposal No. 1).

FOR approving AAWW s 2007 Incentive Plan (the Incentive Plan) in conformance with Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code) (Proposal No. 2).

In addition, if any other matters are properly submitted to a vote of stockholders at the Annual Meeting, the accompanying form of proxy gives the proxy holders the discretionary authority to vote your shares in accordance with their best judgment on that matter. Unless you specify otherwise, it is expected that your shares will be voted on those matters as recommended by our Board of Directors, or if no recommendation is given, in the proxy holders discretion.

Record Date and Voting Securities

All of our stockholders of record at the close of business on March 26, 2007 (the Record Date) are entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof. As of the Record Date, there were 21,267,947 shares of Common Stock issued and outstanding. Each outstanding share of Common Stock will be entitled to one vote on each matter considered at the Annual Meeting. A description of certain restrictions on voting by stockholders who are not U.S. citizens, as defined by applicable laws and regulations, can be found in Additional Information Limited Voting by Foreign Owners at the end of this Proxy Statement.

Shares Registered in the Name of a Bank, Broker or Nominee

Brokerage firms and banks holding shares in street name for customers are required to vote such shares in the manner directed by their customers. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker, bank or nominee which is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or other nominee how to vote and are also invited to attend the meeting. Your broker, bank or nominee has enclosed herein or separately provided a voting instruction card for you to use in directing the broker, bank or nominee how to vote your shares. However, since you are not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a signed proxy from the record holder giving you the right to vote these shares.

Quorum, Vote Required

A majority of the outstanding shares of Common Stock as of the Record Date must be present, in person or by proxy, at the Annual Meeting in order to have the required quorum for the transaction of business. If the number of shares of Common Stock present, in person and by proxy, at the Annual Meeting does not constitute the required quorum, the Annual Meeting may be adjourned to a subsequent date for the purpose of obtaining a quorum.

Proposal 1: Election of Directors. Members of the Board (each, a Director and collectively, the Directors) are elected by a plurality of the votes cast at the Annual Meeting. This means that the director nominees with the most votes will be elected.

Proposal 2: Approval of AAWW s 2007 Incentive Plan. The affirmative vote of a majority of the shares represented at the Annual Meeting, either in person or by proxy, and entitled to vote on this proposal is required to approve the 2007 Incentive Plan.

Shares of Common Stock that are voted FOR, AGAINST, or ABSTAIN are treated as being present at the Annual Meeting for purposes of establishing a quorum. A properly executed proxy marked ABSTAIN with respect to any matter will not be voted for or against that matter, although it will be counted for purposes of determining whether there is a quorum present at the Annual Meeting. An abstention will have the effect of a negative vote with regard to the 2007 Incentive Plan; however, as each nominee to the Board of Directors must receive a plurality of the votes cast at the Annual Meeting in order to be elected as a director, an abstention will have no effect on the election of director nominees.

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to a particular matter to be acted upon. Thus, if you do not give your broker or nominee specific instructions regarding that matter, your shares may not be voted. Such shares, commonly known as broker non-votes, will not be counted in determining the number of shares necessary for approval of a specific matter but will be counted in determining whether there is a quorum present at the Annual Meeting. As a result, unlike abstentions, broker non-votes will have no effect on the vote for the 2007 Incentive Plan. With respect to the election of directors, even if your broker or nominee does not receive specific voting instructions from you, he or she will be permitted to vote your shares for the election of directors.

Revocability of Proxies

If you hold your shares registered in your name, you may revoke your proxy at any time before its use by delivering to the Secretary of AAWW a written notice of revocation or a duly executed proxy bearing a later date or by attending the Annual Meeting and voting in person. Attending the Annual Meeting in and of itself will not constitute a revocation of a proxy.

If your shares are held in street name and you wish to revoke your proxy and vote at the Annual Meeting, you must contact your broker, bank or other nominee and follow the requirements set by your broker, bank or nominee. We cannot guarantee you that you will be able to revoke your proxy or attend and vote at the Annual Meeting.

Proxy Solicitation

This proxy solicitation is being made by our Board, and the cost of soliciting proxies will be borne by us. We expect to reimburse brokerage firms, banks, custodians and other persons representing beneficial owners of shares of Common Stock for their reasonable out-of-pocket expenses in forwarding solicitation material to such beneficial owners. Proxies may be solicited by certain of our directors, officers and other employees, without additional compensation, in person or by telephone, e-mail or facsimile. We have retained Morrow & Co., Inc., 470 West Avenue, Stamford, Connecticut 06902, to assist us in the solicitation of proxies and will pay Morrow & Co. a fee estimated not to exceed $6,000, plus out-of-pocket expenses.

Proxy Tabulation

Proxies and ballots will be received and tabulated by an independent entity that is not affiliated with us. The inspectors of election will also be independent of us. Comments on written proxy cards will be provided to the Secretary of AAWW without disclosing the vote unless the vote is necessary to understand the comment.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of March 26, 2007, information regarding beneficial ownership of our Common Stock by:

Each stockholder who is known by us to own beneficially 5% or greater of the Common Stock;

Each Director;

Each of our Named Executive Officers; and

All of our executive officers and members of our Board as a group.

Unless otherwise indicated, each stockholder has sole voting and investment power with respect to the shares of Common Stock beneficially owned by that stockholder. The number of shares of Common Stock beneficially owned is determined under rules issued by the Securities and Exchange Commission (the SEC). This information is not necessarily indicative of ownership for any other purpose. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power and any shares as to which the individual or entity has the right to acquire beneficial ownership within 60 days of March 26, 2007, through the exercise of any stock option or other right. The number of shares of our Common Stock issued and outstanding as of March 26, 2007 was 21,267,947.

Beneficial Ownership Table

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned (a)	Percentage of Outstanding Shares Beneficially Owned
5% Stockholders		
HMC Atlas Air, L.L.C.(b) 555 Madison Avenue, 16th Floor New York, NY 10022	7,939,690	37.3%
JGD Management Corp.(c) c/o York Capital Management 767 Fifth Avenue, 17th Floor New York, NY 10153	1,458,245	6.9%
Ore Hill Partners LLC(d) 650 Fifth Avenue, 9th Floor New York, NY 10019	1,247,904	5.9%
Stanfield Capital Partners, LLC(e) 430 Park Avenue New York, NY 10022	1,097,007	5.2%
Board of Directors:		
Robert F. Agnew	14,011	*
Timothy J. Bernlohr	10,000	*
Keith E. Butler	19,725	*
Eugene I. Davis	20,000	*
Jeffrey H. Erickson	104,223	*
James S. Gilmore	20,000	*
Carol B. Hallett	10,000	*
Frederick McCorkle	17,511	*
Director and Executive Officer:		
William J. Flynn	74,120	*
Executive Officers:		
John W. Dietrich	64,686	*
Ronald A. Lane	37,114	*
Michael L. Barna	43,900	*
James R. Cato	11,634	*
Directors and executive officers as a group (17 persons)	521,395	2.5%

* Represents less than 1% of the outstanding shares of Common Stock.

(a) Includes shares subject to vested options exercisable as of March 26, 2007 or within 60 days thereafter as follows:

John W. Dietrich	21,467
Ronald A. Lane	15,433
Michael L. Barna	18,800
(Executive Officers other than Named Executive Officers)	21,386

(b) This information is based on a Schedule 13D/A dated March 12, 2007 and filed with the SEC on March 16, 2007 for HMC Atlas Air, L.L.C., along with Harbinger Capital Partners Offshore Manager, L.L.C., HMC Investors, L.L.C., Harbinger Capital Partners Special Situations Fund, L.P., Harbinger Capital Partners Special Situations GP, LLC, HMC-New York, Inc., Harbert Management Corporation, Philip Falcone, Raymond J. Harbert, and Michael D. Luce. We have not made any independent determination as to the beneficial ownership of such stockholder and are not restricted in any determination we may make by reason of inclusion of such stockholder or its shares in this table.

(c) This information is based on a Schedule 13G/A dated December 31, 2006 and filed with the SEC on February 14, 2007. The total number and percentage of outstanding shares owned, provided above, includes shares owned by York Capital Management, L.P., York Investment Limited, York Select, L.P., York Credit Opportunities Fund, L.P., York Select Unit Trust, York Global Value Partners, L.P., and York Enhanced Strategies Fund LLC, all of which share the same address as JGD Management Corp. We have not made any independent determination as to the beneficial ownership of such stockholder and are not restricted in any determination we may make by reason of inclusion of such stockholder or its shares in this table.

(d) This information is based on a Schedule 13G/A dated February 13, 2007 and filed with the SEC on February 13, 2007. The total number and percentage of outstanding shares owned, provided above, includes shares owned by Ore Hill Partners LLC and Ore Hill Hub Fund Ltd. We have not made any independent determination as to the beneficial ownership of such stockholder and are not restricted in any determination we make by reason of inclusion of such stockholder or its shares in this table.

(e) This information is based on a Schedule 13G dated December 31, 2006 and filed with the SEC on February 14, 2007. The total number and percentage of outstanding shares owned, provided above, includes shares owned by Stanfield Capital Partners LLC and Stanfield Offshore Leveraged Assets, Ltd. We have not made any independent determination as to the beneficial ownership of such stockholder and are not restricted in any determination we make by reason of inclusion of such stockholder or its shares in (e) this table.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act) requires certain of our executive officers, as well as our Directors and persons who own more than ten percent (10%) of a registered class of AAWW s equity securities, to file reports of ownership and changes in ownership with the SEC. Based solely on our review of the copies of such forms received by us or written representations from reporting persons, we believe that during the last fiscal year all executive officers and Directors complied with their filing requirements under Section 16(a) for all reportable transactions during the year, and we have no reason to understand that our 10% stockholders have not complied with their filing requirements under Section 16(a).

Certain Relationships and Related Person Transactions

Our Code of Ethics Applicable to our Chief Executive Officer, Senior Financial Officers, and Members of the Board of Directors (the Code of Ethics), which is available on our website at www.atlasair.com, provides that our executive officers and Directors should follow the guidelines outlined in our Employee Compliance Manual and communicate any potential or actual conflicts of interest (however immaterial) to the Chairman of the Audit Committee of the Board of Directors, so that an objective, third-party review can be made of the matter. Pursuant to our Audit Committee Charter, which is also available on our website at www.atlasair.com, the Audit Committee reviews reports and disclosures of insider and affiliated party transactions and/or conflicts of interest or potential conflicts of interest involving corporate officers and members of the Board of Directors. The Audit Committee, where appropriate, will also review and approve any involvement of corporate officers and members of the Board of Directors in matters that might constitute a conflict of interest or that may otherwise be required to be disclosed as a related party transaction under SEC regulations. Our Nominating and Governance Committee separately determines Director Independence as summarized in Director Independence below.

Transactions with Directors

One of our independent Directors, James S. Gilmore III, is a partner at the law firm of Kelley Drye & Warren LLP, outside counsel to us. We paid legal fees to the firm of Kelley Drye & Warren LLP of approximately $600,000 for the year ended December 31, 2006. A discussion of the Nominating and Governance Committee s determination regarding Mr. Gilmore s status as an independent director can be found in Director Independence below.

Relationships and Related Person Transactions with Stockholders

On February 13, 2007, we entered into a registration rights agreement with our largest stockholder, HMC Atlas Air, L.L.C. and its affiliate, Harbinger Capital Partners Special Situations Fund, L.P. (together, the Harbinger Entities), as required by our Plan of Reorganization related to our bankruptcy filing (the Plan of Reorganization), which was approved by the Bankruptcy Court in July 2004. Under the registration rights agreement, which was amended on March 12, 2007, we have agreed to file with the SEC, on the earlier of the date on which we become eligible to use SEC Form S-3 for the registration of securities under the Securities Act of 1933 or April 18, 2007, a shelf registration statement, registering the resale of shares of our Common Stock that are covered by the agreement and naming the Harbinger Entities as the selling security holders. In addition, at any time after we become eligible to file a registration statement on Form S-3, HMC Atlas Air, L.L.C. will have the right to request that we file with the SEC up to two additional registration statements, registering the resale of registrable shares by the Harbinger Entities, subject to certain limitations, including certain black-out rights.

We also granted the Harbinger Entities piggyback registration rights with respect to registration statements filed by us for public offerings, and the Harbinger Entities have agreed to enter into customary lock-up agreements that may be requested by an underwriter in connection with any offerings of Common Stock by us.

The Harbinger Entities may transfer their rights under the agreement to certain persons that acquire at least 5% of our issued and outstanding Common Stock, provided that HMC Atlas Air, L.L.C. will retain the right (i) to request that we file a registration statement with the SEC and (ii) to amend, terminate or waive any term set forth in the agreement. We have agreed to pay for certain registration expenses incurred in connection with any registration statement filed in accordance with the terms of the registration rights agreement and to reimburse the Harbinger Entities for certain legal expenses.

PROPOSAL 1

ELECTION OF DIRECTORS

Our By-laws provide for no fewer than one and no more than eleven directors, with the exact number to be fixed by our Board of Directors. Our Board currently consists of nine Directors. The current term of all of our Directors expires at the Annual Meeting.

Our Directors have been recommended for nomination by our Nominating and Governance Committee and nominated by our Board for election at the Annual Meeting. In making its recommendations for nomination, the Nominating and Governance Committee evaluated the size and composition of the Board, performed its biennial review of the Directors continuation on the Board and reviewed each member s skills, characteristics and independence.

Each nominee has consented to be named as a nominee for election as a Director and has agreed to serve if elected. Except as otherwise described below, if any of the nominees is not available for election at the time of the Annual Meeting, discretionary authority will be exercised to vote for substitutes designated by our Board of Directors, unless the Board chooses to reduce the number of directors. Management is not aware of any circumstances that would render any nominee unavailable. At the Annual Meeting, Directors will be elected to hold office until the 2008 Annual Meeting or until their successors are elected and qualified, as provided in our By-laws.

The following list sets forth the names of our incumbent Directors up for election. Additional biographical information concerning these individuals is provided as of March 31, 2007 in the text following the list.

Eugene I. Davis
Robert F. Agnew
Timothy J. Bernlohr
Keith E. Butler
Jeffrey H. Erickson
William J. Flynn
James S. Gilmore III
Carol B. Hallett
Frederick McCorkle

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE.

Nominees for Director

Eugene I. Davis, age 52, has been the Chairman of our Board of Directors and a member of our Audit Committee and our Compensation Committee since July 2004 and of our Nominating and Governance Committee since its establishment in March 2006. Mr. Davis is Chairman and Chief Executive Officer of PIRINATE Consulting Group, LLC, a privately held consulting firm specializing in turnaround management, merger and acquisition consulting, hostile and friendly takeovers, proxy contests and strategic planning advisory services for domestic and international public and private business entities. Since forming PIRINATE in 1997, Mr. Davis has advised, managed, sold, liquidated and served as a Chief Executive Officer, Chief Restructuring Officer, Director, Committee Chairman and Chairman of the Board of a number of businesses operating in diverse sectors such as telecommunications, automotive, manufacturing, high-technology, medical technologies, metals, energy, financial services, consumer products and services, import-export, mining and transportation and logistics. Previously, Mr. Davis served as President, Vice Chairman and Director of Emerson Radio Corporation and Chief Executive Officer and Vice Chairman of Sport Supply Group, Inc. He began his career as an attorney and international negotiator with Exxon Corporation and Standard Oil Company (Indiana) and as a partner in two Texas-based law firms, where he specialized in corporate/securities law, international transactions and restructuring advisory. Mr. Davis holds a bachelor s degree from Columbia College, a master of international affairs degree (MIA) in international law and organization from the School of International Affairs of Columbia University, and a Juris Doctorate from Columbia University School of Law. He is also a member of the Board of Directors of American Commercial Lines Inc., Knology, Inc., PRG Schultz International Inc., Foamex, Inc., and Silicon Graphics Inc. It is expected that Mr. Davis will join the Board of Directors of Delta Air Lines upon its emergence from bankruptcy.

Robert F. Agnew, age 56, has been a member of our Board since July 2004 and a member of our Nominating and Governance Committee since its establishment in March 2006. Mr. Agnew also has served as Chairman of our Audit Committee since June 2006. Mr. Agnew is President and Chief Executive Officer of Morten Beyer & Agnew, an international aviation consulting firm experienced in the financial modeling and technical due diligence of airlines and aircraft funding. Mr. Agnew has over 30 years experience in aviation and marketing consulting and has been a leading provider of aircraft valuations to banks, airlines and other financial institutions worldwide. Previously, he served as Senior Vice President of Marketing and Sales at World Airways. Mr. Agnew began his commercial aviation career at Northwest Airlines, where he concentrated on government and contract sales, schedule planning and corporate operations research. Earlier, he served in the U.S. Air Force as an officer and instructor navigator with the Strategic Air Command. Mr. Agnew is a graduate of Roanoke College and holds a master s degree in business administration from the University of North Dakota. In addition, Mr. Agnew serves on the board of The National Defense Transportation Association and chairs the Military Airlift Committee for the Commander of the USAF Air Mobility Command.

Timothy J. Bernlohr, age 48, has been a member of our Board since June 2006 and a member of our Audit Committee and Nominating and Governance Committee since that time. Mr. Bernlohr is the managing member of TJB Management Consulting, LLC, which specializes in providing project specific consulting services to businesses in transformation, plan administration, and interim executive management. Mr. Bernlohr founded the consultancy in 2005. Mr. Bernlohr is the former President and Chief Executive Officer of RBX Industries, Inc. and is a nationally recognized leader in the design, manufacture, and marketing of closed cell rubber and plastic materials to the automotive, construction, and industrial markets. Prior to joining RBX in 1997, Mr. Bernlohr spent 16 years in the International and Industry Products division of Armstrong World Industries, where he served in a variety of management positions including Division Sales and Marketing Manager, North American Operations for Armstrong s closed cell foam rubber and foam plastic business now known as Armacell International, Gmbh. Mr. Bernlohr is a graduate of Penn State University. He is also a director of General Chemical Industrial Products, Cadence Innovation, WCI Steel, and General Insulation Company Inc.

Keith E. Butler, age 53, has been a member of our Board since July 2004 and a member of our Audit Committee since June 2006. Mr. Butler is the sole owner of BCS Placements, LLC, a broker dealer registered with the National Association of Securities Dealers, Inc. Mr. Butler joined Paine Webber in 1997, which later merged with UBS Warburg, a global securities and investment banking firm. He is currently a financial advisor and was an investment banker with UBS Warburg until 2003. Mr. Butler s focus was on the transportation sector (air, shipping and rail), including the financing of freighter aircraft. Before Paine Webber merged with UBS, Mr. Butler was a Managing Director at Paine Webber, where he launched and built the first structured finance product group for transportation assets and at Alex Brown, where he initiated the transportation debt practice. Mr. Butler graduated from Harvard College and received a master s degree in business administration from Harvard Business School.

Jeffrey H. Erickson, age 62, retired as our President and Chief Executive Officer in June 2006, but he continues to serve as a member of our Board of Directors, a position he has held since March 2003. In 2002, Mr. Erickson joined Atlas as President and Chief Operating Officer. He was subsequently named President and Chief Executive Officer of AAWW, Atlas and Polar. From 1994 to 1997, Mr. Erickson was President and Chief Executive Officer of Trans World Airlines following its emergence from bankruptcy. From 1990 to 1994, Mr. Erickson was President and Chief Executive Officer at Reno Air. Mr. Erickson also previously served as President and Chief Operating Officer of Midway Airlines, following operations experience with Aloha Airlines and Continental Airlines and engineering experience at Pan American World Airways. Mr. Erickson received his bachelor s degree in Aeronautical Engineering from Rensselaer Polytechnic Institute and a master s degree in Transportation Planning and Engineering from Polytechnic University.

William J. Flynn, age 53, became our President and Chief Executive Officer in June 2006, and has been a member of the Board of Directors since May 2006. Prior to joining us, Mr. Flynn served as President and Chief Executive Officer of GeoLogistics Corporation since 2002. Mr. Flynn was initially recruited in 2002 to lead that company s turnaround to profitability and was asked to remain as President and Chief Executive Officer when PWC Logistics acquired GeoLogistics Corporation in 2005. Mr. Flynn also joined the Executive Management Committee of PWC Logistics in 2005. Prior to his tenure at GeoLogistics Corporation, from 2000 until 2002, Mr. Flynn served as Senior Vice President to the Merchandise Service Group of CSX Transportation, Inc., the operating unit serving the traditional rail shippers of CSX Transportation, Inc., one of the largest Class 1 railroads operating in the U.S. Mr. Flynn holds a Bachelors degree, *summa cum laude*, in Latin American studies from the University of Rhode Island and a Masters degree in the same field from the University of Arizona. Mr. Flynn is also a director of Allied Waste Industries, Inc. and Horizon Lines, Inc.

James S. Gilmore III, age 57, has been a member of our Board since July 2004 and a member of our Nominating and Governance Committee since its establishment in March 2006. Mr. Gilmore has served as Chairman of the Nominating and Governance Committee since June 2006. Mr. Gilmore has been a partner in the law firm of Kelley Drye & Warren LLP since 2002 and was Governor of the Commonwealth of Virginia from 1998 to 2002. He is currently the Chair of his firm s Homeland Security Practice Group, and his practice also focuses on corporate, technology, information technology and international matters. In 2003, President George W. Bush appointed former Governor Gilmore to the Air Force Academy Board of Visitors and he was elected Chairman of the Air Force Board in the fall of 2003. He served as the Chairman of the Republican National Committee from 2001 to 2002. Mr. Gilmore also served as Chairman of the Congressional Advisory Panel to Assess Domestic Response Capabilities for Terrorism involving Weapons of Mass Destruction, a national panel established by Congress to assess federal, state and local government capabilities to respond to the consequences of a terrorist attack. Also known as the Gilmore Commission, this panel was influential in developing the Office of Homeland Security. Mr. Gilmore is a graduate of the University of Virginia and the University of Virginia School of Law. He is also a director of Barr Laboratories, Windmill International, Rampart Financial Services, Inc. and Cypress Communications Inc.

Carol B. Hallett, age 69, has been a member of our Board since June 2006 and a member of our Compensation Committee since June 2006. She has been of counsel at the U.S. Chamber of Commerce since 2003. From 1995 to 2003, Ms. Hallett was President and Chief Executive Officer of the Air Transport Association of America (ATA), Washington, D.C., the nation s oldest and largest airline trade association. Prior to joining the ATA in 1995, Ms. Hallett served as senior government relations advisor with Collier, Shannon, Rill & Scott from 1993 to 1995. Ms. Hallett has also been a member of the board of directors of Mutual of Omaha Insurance Company since 1998, Rolls Royce-North America since 2003 and Wackenhut Services Inc., since 2006. From 2003 to 2004, Ms. Hallett was chair of Homeland Security at Carmen Group, Inc. where she helped to develop the homeland security practice for the firm. Additionally, from 1993 to 2003, she was a director of Fleming Companies, Inc., and from 1993 to 2002, she was a director of Litton Industries.

Frederick McCorkle, age 62, has been a member of our Board and Compensation Committee since July 2004 and a member of our Nominating and Governance Committee since its establishment in March 2006. General McCorkle has served as Chairman of the Compensation Committee since June 2006. General McCorkle retired from the United States Marine Corps in October 2001 after serving since 1967. He last served as Deputy Commandant for Aviation, Headquarters, Marine Corps, Washington, D.C. General McCorkle is a graduate of East Tennessee State University and holds a master s degree in Administration from Pepperdine University. General McCorkle is currently a Senior Advisor and a member of the board of directors of GKN Aerospace Services. He is also a member of the board of directors of Lord Corporation, Jura Corporation and Rolls-Royce North America. In addition to his board memberships, General McCorkle serves as a Senior Strategic Advisor for Optical Air Data Systems and the Purdy Corporation.

CORPORATE GOVERNANCE, BOARD AND COMMITTEE MATTERS

Our Board held five in person meetings in 2006. It also held 19 telephonic meetings in 2006, including meetings held principally to discuss monthly financial results. Pursuant to Board policy, Directors are expected to attend all Board and committee meetings, as well as our annual meeting of stockholders. Each Director attended at least 75% of the meetings of the Board and committees of the Board on which such Director serves. All of the Directors who were serving at the time of our 2006 annual meeting of stockholders attended the 2006 annual meeting.

Executive Sessions

The outside members of the Board, as well as our Board committees, meet in executive session (with no management directors or management present) on a regular basis, and upon the request of one or more outside Directors, at least two times a year. The sessions are generally scheduled and chaired by the Chairman of the Board or by the respective committee chairman, as applicable. The executive sessions include whatever topics the outside Directors deem appropriate.

Our independent Directors met in executive sessions without management present at various times in 2006. Executive sessions of the Board were chaired by Eugene I. Davis, Chairman of the Board, and executive sessions of our committees were chaired, respectively, by Robert F. Agnew, Chairman of the Audit Committee, Frederick McCorkle, Chairman of the Compensation Committee, or James S. Gilmore III, Chairman of the Nominating and Governance Committee, as applicable.

Compensation of Outside Directors

Cash Compensation. As of the date of this Proxy Statement, each of our outside Directors is paid $50,000 in cash compensation annually, which is payable quarterly in advance, and also receives the following additional cash compensation as applicable:

Standing Committee Membership

Each member of the Audit Committee, $15,000 annually;

Each member of the Compensation Committee, $5,000 annually; and

Each member of the Nominating and Governance Committee, $5,000 annually.

Chairman Position

Chairman of the Board, $75,000 annually; and

Chairman of each of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee, $25,000 annually.

Meeting Fees

For each meeting of the Board or a Committee of the Board, including any ad hoc committee, attended in person by a member, a fee to such member of $1,500 or $3,000 if such member is its Chairman;

For each meeting of the Board or a Committee of the Board, including any ad hoc committee, attended via teleconference or videoconference, a fee to each such member of $500 or $1,000 if such member is its Chairman; and

For each meeting of the Board or a Committee of the Board, including any ad hoc committee, attended in person by a member, all customary out-of-pocket expenses of such member are reimbursed.

Equity Compensation

On August 24, 2004, each of our outside Directors serving as members of the Board at such time received a grant of 5,000 shares of Common Stock, which shares vested in equal increments over three years. On November 4, 2004, each of our outside Directors at such time received a grant of 15,000 shares of Common Stock, vesting in equal increments over three years. Effective March 17, 2005, Mr. Kerber, who became a member of our Board on December 21, 2004 and ceased serving as a member of our Board on June 27, 2006, received a grant of 15,000 shares of Common Stock. On April 25, 2006, Herbert J. Lanese resigned as a member of our Board of Directors, at which time 6,500 restricted shares of our Common Stock granted to Mr. Lanese that had not yet vested, immediately vested. Mr. Bernlohr and Ms. Hallett each received 10,000 shares of Common Stock on June 27, 2006, which shares vest in equal increments over five years. Pursuant to the restricted share agreements related to all such grants and our Amended and Restated 2004 Long Term Incentive and Share Award Plan (the 2004 LTIP), any shares not yet vested are forfeited upon a termination of a director s service as a member of the Board, subject to certain limitations and exceptions. Each of our outside Directors has all of the rights of a stockholder with respect to the Common Stock described above prior to forfeiture, if any, of such shares, including the right to vote such shares and, to the extent declared, the right to receive dividends on such shares. At and effective as of May 23, 2007, each of our Directors will receive a grant of Common Stock units for a number of shares having a value of $50,000 on the date of grant, which shares will vest on the earlier of the date of the next annual meeting or the one-year anniversary of the date of this grant. The underlying shares will become payable on the three-year anniversary of the date of grant. It is anticipated that on each annual meeting date thereafter, the Board will receive a similar grant.

2006 Total Compensation of Directors

The following table shows (i) the cash amount paid to each non-employee director for his or her service as a non-employee director in 2006, including amounts paid to Messrs. Cocroft, Kerber and Lanese, who are no longer members of our Board of Directors or any committee thereof, and (ii) the dollar value of restricted shares recognized for financial statement purposes that were awarded to each such person in prior years. In accordance with SFAS 123R, we record expense for this grant ratably over the vesting period.

Name (1)	Fees Earned Or Paid in Cash ($)	Stock Awards ($)(2)	Total ($)
Eugene I. Davis	218,000	125,667	343,667
Robert F. Agnew	117,500	125,667	243,167
Timothy J. Bernlohr	48,500	45,209	93,709
Keith E. Butler	115,500	125,667	241,167
Duncan H. Cocroft	64,000	48,972	112,972
Jeffrey H. Erickson	28,833		28,833
James S. Gilmore III	89,500	125,667	215,167
Carol B. Hallett	40,500	45,209	85,709
Ronald L. Kerber	57,000	106,300	163,300
Herbert J. Lanese	46,500	241,428	287,928
Frederick McCorkle	107,500	125,667	233,167

(1) Payments to Mr. Erickson include retainer and meeting fees paid after July 2006, when Mr. Erickson s status as an employee of the Company was terminated. Excluded are payments made to Mr. Erickson in connection with his employment and his retirement as an employee, which are discussed in the Compensation Discussion and Analysis section of this document. While an employee, Mr. Erickson was not paid additional compensation for his service as a Director. Mr. Lanese resigned from the Board on April 25, 2006. Messrs. Cocroft and Kerber ceased being board members on June 27, 2006. Mr. Bernlohr and Ms. Hallett joined the board on June 27, 2006 at the annual meeting. This table does not include compensation paid to Mr. Flynn, who joined the Company as President and Chief Executive Officer on June 22, 2006 and who has been a member of our Board since May 2006. Mr. Flynn s compensation is described in the sections covering executive compensation. Mr. Flynn was not paid additional compensation for his service as a director.

(2) Reflects the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2006, calculated in accordance with Statement of Financial Accounting Standards No. 123(R), and includes amounts from awards granted prior to 2006. The underlying valuation assumptions are disclosed in footnote 13 to our audited financial statements filed with our Annual Report on Form 10-K for fiscal 2006.

As of December 31, 2006, the following stock awards held by our non-employee directors are outstanding:

Mr. Davis holds 20,000 restricted shares (awarded in connection with a grant in August 2004, for 5,000 shares, with a grant date fair value of $83,350 and November 2004, for 15,000 shares, with a grant date fair value of $326,250), of which 15,000 shares have vested;

Mr. Agnew holds 14,011 restricted shares (awarded in connection with a grant in August 2004, for 5,000 shares, with a grant date fair value of $83,350 and November 2004, for 15,000 shares, with a grant date fair value of $326,250, net of sales and shares withheld for tax purposes of 5,989), of which 9,011 shares have vested;

Mr. Bernlohr holds 10,000 restricted shares (awarded in connection with a grant in June 2006, for 10,000 shares, with a grant date fair value of $500,000), none of which has vested;

Mr. Butler holds 19,725 restricted shares (awarded in connection with a grant in August 2004, for 5,000 shares, with a grant date fair value of $83,350 and November 2004, for 15,000 shares, with a grant date fair value of $326,250, net of 275 shares withheld for tax purposes), of which 14,725 shares have vested;

Mr. Erickson beneficially holds 104,223 shares, which represent restricted shares granted to Mr. Erickson while he was an employee of the Company, all of which have vested. Mr. Erickson s compensation is discussed under Compensation of Named Executive Officers.

Mr. Gilmore holds 20,000 restricted shares (awarded in connection with a grant in August 2004, for 5,000 shares, with a grant date fair value of $83,350 and November 2004, for 15,000 shares, with a grant date fair value of $326,250), of which 15,000 shares have vested;

Ms. Hallett holds 10,000 restricted shares (awarded in connection with a grant in June 2006, for 10,000 shares, with a grant date fair value of $500,000), none of which has vested; and

Mr. McCorkle holds 17,511 restricted shares (awarded in connection with a grant in August 2004, for 5,000 shares, with a grant date fair value of $83,350 and November 2004, for 15,000 shares, with a grant date fair value of $326,250, net of 2,489 shares withheld for tax purposes), of which 12,511 shares have vested.

Our non-employee directors do not hold any options to purchase shares of our Common Stock.

Communications with the Board

Stockholders and other interested parties who wish to communicate with the Board may do so by writing to our Chairman, c/o Atlas Air Worldwide Holdings, Inc., 2000 Westchester Avenue, Purchase, New York 10577. All communications received by Board members from third parties that relate to matters within the scope of the Board s responsibilities will be forwarded to the Chairman of the Board. All communications received by Board members from third parties that relate to matters within the responsibility of one of the Board committees will be forwarded to the Chairman of the Board and the Chairman of the appropriate committee. All communications received by Board members from third parties that relate to ordinary business matters that are not within the scope of the Board s responsibilities are forwarded to AAWW s General Counsel.

Board Committees

Our Board maintains three standing committees, an Audit Committee, Compensation Committee and Nominating and Governance Committee. Prior to March 23, 2006, the Board had maintained an Audit and Governance Committee, Compensation Committee and Nominating Committee. On March 23, 2006, the Board revamped its committee structure by creating a Nominating and Governance Committee to replace the Nominating Committee and by renaming our Audit and Governance Committee the Audit Committee. The main corporate governance functions previously performed by the Audit and Governance Committee were assumed by the Nominating and Governance Committee.

Nominating and Governance Committee

General

The Nominating and Governance Committee was formed on March 23, 2006 and replaced our Nominating Committee, which was established on September 19, 2005. Our Nominating and Governance Committee consists of Mr. Gilmore (Chairman) and Messrs. Agnew, Bernlohr, Davis and McCorkle, each of whom is an independent director within the meaning of the applicable rules of the NASDAQ Stock Market, Inc. (NASDAQ). The principal functions of the Nominating and Governance Committee are to:

- identify and approve individuals qualified to serve as members of our Board;
- select director nominees for the next annual meeting of stockholders;
- review at least annually the independence of our Board members;

oversee our Corporate Governance Principles; and

perform or oversee an annual review of the Chief Executive Officer, the Board and its committees.

The Nominating and Governance Committee held four in person meetings and three telephonic meetings in 2006.

Director Qualifications

Our Nominating and Governance Committee is responsible for reviewing and developing the Board s criteria for evaluating and selecting new directors based on our needs from time to time. Pursuant to the skills and characteristics as described in the Nominating and Governance Committee charter, members of the Board should possess core competencies in accounting, finance and disclosure, business judgment, management, crisis response, industry knowledge, international markets, leadership and strategy and vision. The Nominating and Governance Committee will also consider, in addition to whether such individuals have the aforementioned skills and characteristics, whether such individuals are independent, as defined in applicable rules and regulations of the SEC and NASDAQ. The Board will nominate new directors only from candidates identified, screened and approved by the Nominating and Governance Committee. The Board will take into account the nature of and time involved in a director s service on other boards in evaluating the suitability of individual directors and making its recommendation to AAWW s stockholders. Service on boards of other organizations must be consistent with our conflict of interest policies applicable to directors and other legal requirements. The Nominating and Governance Committee identifies new director candidates from a variety of sources.

Evaluation of Stockholder Nominees

Our Nominating and Governance Committee will consider stockholder recommendations for candidates to serve on the Board, provided that such recommendations are made in accordance with the procedures required under our By-laws and as described in this Proxy Statement under Advance Notice Procedures below. The Nominating and Governance Committee also has adopted a policy on security holder recommendations of director nominees (the Stockholder Nominating Policy), which is subject to a periodic review by the Nominating and Governance Committee. Among other things, the Stockholder Nominating Policy provides that a stockholder recommendation notice must include the stockholder s name, address and the number of shares beneficially owned, as well as the period of time such shares have been held, and should be submitted to: Attention: Secretary, Atlas Air Worldwide Holdings, Inc., 2000 Westchester Avenue, Purchase, New York 10577. A copy of our current Policy on Security Holder Recommendation of Director Nominees is available on our website at www.atlasair.com. In evaluating stockholder nominees, the Board and the Nominating and Governance Committee seek to achieve a balance of knowledge, experience and capability. As a result, the Nominating and Governance Committee evaluates stockholder nominees using the same membership criteria set forth above under Director Qualifications.

Corporate Governance Principles

We have adopted Corporate Governance Principles, believing that sound corporate governance practices provide an important framework to assist the Board in fulfilling its responsibilities. The business and affairs of AAWW are managed under the direction of our Board, which has responsibility for establishing broad corporate policies, setting strategic direction and overseeing management. An informed, independent and involved Board is essential for ensuring our integrity, transparency and long-term strength, and maximizing stockholder value. The Corporate Governance Principles address such topics as codes of conduct, director nominations and qualifications, Board committees, Director compensation, conflicts and waivers of compliance, powers and responsibilities of the Board, Board independence, serving on other boards and committees, meetings, Director access to officers and employees, stockholder communications with the Board, annual Board evaluations, financial statements and disclosure matters, delegation of power and oversight and independent advisors. A copy of our Corporate Governance Principles is available on our website at www.atlasair.com.

Code of Ethics Applicable to the Chief Executive Officer, Senior Financial Officers and Members of the Board of Directors

We have a long standing commitment to conduct our business in accordance with the highest ethical principles. We have adopted a Code Ethics that is monitored by our Audit Committee and that includes certain provisions regarding disclosure of violations and waivers of, and amendments to, the Code of Ethics by covered parties. Any person who wishes to obtain a copy of our Code of Ethics may do so by writing to Atlas Air Worldwide Holdings, Inc., Attn: Secretary, 2000 Westchester Avenue, Purchase, NY 10577. A copy of the Code of Ethics is available on our website at www.atlasair.com under the heading Code of Conduct .

Code of Conduct and Employee Handbook

We have adopted a Code of Conduct and Employee Handbook that sets forth the policies and business practices that apply to all of our employees and Directors. The Code of Conduct and Employee Handbook addresses such topics as compliance with laws, moral and ethical conduct, equal employment opportunity, promoting a work environment free from harassment or discrimination and the protection of intellectual property and proprietary information, among other things.

Director Independence

Our Nominating and Governance Committee Charter, which is available on our website at www.atlasair.com, includes categorical standards to assist the Committee in making its determination of Director independence within the meaning of the rules of the SEC and the Marketplace Rules of NASDAQ. The Nominating and Governance Committee will not consider a Director to be independent if, among other things, he or she was employed by us at any time in the last three years; has an immediate family member who is, or in the past three years was, employed by us as an executive officer; has accepted or has an immediate family member who has accepted any compensation from us in excess of $100,000 during a period of 12 consecutive months within the three years preceding the determination of independence (other than compensation for Board service, compensation to a family member who is a non-executive employee or benefits under a tax-qualified retirement plan or non-discretionary compensation); is, was or has a family member who is or was a partner, controlling stockholder or executive officer of any organization to which we made or from which we received payments for property or services in the current year or any of the past three fiscal years in an amount that exceeds the greater of $200,000 or 5% of the recipient s consolidated gross revenues for the year; is or has a family member who is employed as an executive officer of another entity where at any time during the last three years any of the Company s executive officers serve or served on the entity s compensation committee; or is or has a family member who is a current partner of the Company s outside auditors or was or has a family member who was a partner or employee of the Company s outside auditors who worked on the Company s audit at any time during the last three years.

Pursuant to the Nominating and Governance Committee Charter and as further required by NASDAQ rules, the Nominating and Governance Committee made a subjective determination as to each outside Director that no relationship exists which, in the opinion of the Board, would interfere with such individual s exercise of independent judgment in carrying out his or her responsibilities as a Director. As part of such determination, the Nominating and Governance Committee examined, among other things, whether there were any transactions or relationships between AAWW and an organization of which a Director or director nominee has been a partner, stockholder or officer within the last fiscal year. The purpose of this review was to determine whether any such relationships or transactions were inconsistent with a determination that a Director is independent.

In accordance with its annual review and the policies and procedures outlined above, the Nominating and Governance Committee affirmatively determined that the following Directors nominated for election at the Annual Meeting are independent directors: Messrs. Agnew, Bernlohr, Butler, Davis, Gilmore, McCorkle and Ms. Hallett. In reaching this decision, the Nominating and Governance Committee considered Mr. Gilmore s partnership in Kelley Drye & Warren LLP, a law firm of which we are a client. Given the small percentage of our total legal fees that were paid to Kelley Drye & Warren LLP in 2006, and given Mr. Gilmore s indirect interest in those legal fees, we deemed that relationship immaterial.

The Nominating and Governance Committee also determined that two of our Directors are not independent pursuant to the NASDAQ rules and the Nominating and Governance Committee Charter. Mr. Erickson is not an independent Director because he was our President and Chief Executive Officer until June 22, 2006 and remained employed by us as a Senior Advisor until July 28, 2006. Mr. Flynn is not an independent Director because he is our President and Chief Executive Officer.

Audit Committee Report

The Audit Committee of the Board of Directors consists of four outside Directors, Messrs. Agnew (Chairman), Bernlohr, Butler and Davis, each of whom is an independent Director within the meaning of the applicable rules and regulations of the SEC and NASDAQ (see also Director Independence above). The Board has determined that Messrs. Butler and Davis are audit committee financial experts as defined under applicable SEC rules. The Audit Committee s primary function, as set forth in its written charter, is to assist the Board in overseeing:

- the integrity of our financial reports and other financial information provided to the public;
- our system of controls;
- our legal, regulatory and ethical compliance; and
- the auditing process.

The Audit Committee is also responsible for appointing and approving in advance all audit and permitted non-audit services and monitoring our Code Ethics (see also Code of Ethics above) and our related party transactions. The Audit Committee held three in person meetings and six telephonic meetings in 2006.

The Audit Committee charter is available on our website at www.atlasair.com.

Management is responsible for our financial statements and financial reporting process, including our systems of internal controls. Ernst &Young LLP (E&Y), which served as our independent registered public accounting firm prior to March 15, 2007, was responsible for performing an independent audit of AAWW s consolidated financial statements for the fiscal year ended December 31, 2006 in accordance with standards of the Public Company Oversight Board (United States) and issuing a report relating to their audit. In the 2006 period, the Audit Committee held meetings with E&Y in private without members of management present.

In this context, the Audit Committee (1) reviewed and discussed AAWW s audited consolidated financial statements with management and E&Y; (2) discussed with E&Y the matters required to be discussed under Statement on Auditing Standards No. 61 (Communication with Audit Committees), as amended by Statement on Auditing Standards No. 90 (Audit Committee Communications); and (3) received the written disclosures and the letter from E&Y regarding their independence required by Independence Standards Board Standard No. 1 (Independence Discussion with Audit Committees). The Audit Committee has also discussed with E&Y the firm s independence from AAWW and its management.

Based upon such reviews and discussions, the Audit Committee recommended, and the Board of Directors approved, that AAWW s audited consolidated financial statements be included in the annual report on Form 10-K for the fiscal year ended December 31, 2006, for filing with the SEC.

On February 21, 2007, after the completion of a formal request for a proposal process, we notified E&Y that we had determined to replace them as AAWW s independent registered public accounting firm, effective upon completion of the audit of AAWW s consolidated financial statements and the issuance of a report thereon. During the two fiscal years ended December 31, 2006, and through the period ended March 12, 2007, there were no disagreements with E&Y on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, nor were there any reportable events, other than one material weakness in AAWW s internal control over financial reporting that was communicated to us by E&Y in connection with our audit for the 2005 fiscal year, which has been remedied. The dismissal of E&Y became effective on March 15, 2007.

On March 1, 2007, the Company engaged PricewaterhouseCoopers LLP (PwC) as its new principal independent registered public accounting firm. PwC s appointment takes effect for the fiscal year ended December 31, 2007, and for all interim periods therein. It is expected that representatives of each of E&Y and PwC will be present at the Annual Meeting to respond to appropriate questions of stockholders, and representatives of both E&Y and PwC will have the opportunity to make a statement if they desire to do so.

THE AUDIT COMMITTEE

Robert F. Agnew, Chairman
Timothy J. Bernlohr
Keith E. Butler
Eugene I. Davis

Fees to Independent Registered Public Accounting Firm

Our independent public accounting firm for the calendar years ended December 31, 2006 and 2005 was E&Y. Services provided to us by E&Y for each of the fiscal years are described below (dollars in thousands).

	2006	2005
Audit Fees	$ 3,861	$ 4,246
Audit-Related Fees	94	597
Tax Fees		
All other Fees		
Total	$ 3,955	$ 4,843

Audit-Related Fees in 2005 relate to E&Y s initial review and evaluation of our internal controls over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. Audit-Related Fees in 2006 relate to accounting consultations regarding the structuring of our transaction with DHL Network Operations (USA), Inc. (DHL).

Pre-Approval Policies and Procedures

The Audit Committee pre-approves all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services and other services. The Audit Committee may delegate pre-approval authority to its Chairman, who then reports any decisions to the Audit Committee at the next scheduled meeting. The Audit Committee will meet with management and the independent auditor to review and approve the proposed overall plan and scope of the audit for the current year.

Compensation Committee

Committee Responsibility. The Compensation Committee of the Board of Directors was established by the Board to assist it in discharging and performing its duties with respect to senior management compensation, succession planning and employee benefits, among other things. The Compensation Committee consists of three outside Directors, Mr. McCorkle (Chairman), Mr. Davis and Ms. Hallett, each of whom is an independent director within the meaning of applicable NASDAQ rules.

Process and Procedures

The Compensation Committee is responsible for reviewing, evaluating and establishing compensation policies for, and reviewing and approving the total compensation of, our executive officers at the level of senior vice president and above, including our Chief Executive Officer. The Compensation Committee also monitors the search for, and approves the proposed compensation for, any executive officers at the level of senior vice president and above; periodically reviews and approves the compensation of directors; advises the Audit Committee regarding management perquisites; reviews and approves employment terms and agreements for new executive officers at the level of senior vice president and above; reviews employee relations policies; and reviews and makes recommendations with respect to stockholder proposals related to compensation matters. In addition, the Compensation Committee oversees the consulting firm that provides advice regarding compensation decisions. The Compensation Committee held six in person meetings and eight telephonic meetings in 2006.

The current Compensation Committee charter, as amended as of April 6, 2007, is available on our website at www.atlasair.com. Recent amendments to the Compensation Committee Charter specify that: (i) the Compensation Committee reviews and approves the performance and compensation of executive officers at the level of senior vice president and above; (ii) such decisions by the Compensation Committee are not reviewed and approved by a separate panel consisting of the independent directors of the Board; and (iii) the Compensation Committee monitors the search for, reviews the terms of employment and term agreements for, and approves the compensation of, any employees and officers whose base annual salary exceeds $250,000.

Role of Executive Officers in Compensation Process. Decisions regarding the non-equity compensation of executives at the level of senior vice president and above are made by the Compensation Committee. To the extent that long-term incentive compensation is a component of those executive officer s compensation, the Compensation Committee shall consider all relevant factors in determining the appropriate level of such compensation, including without limitation the factors applicable with respect to the Chief Executive Officer. In evaluating and making recommendations with respect to the annual incentive portion of compensation for those executive officers at the senior vice president level and above, the Compensation Committee shall review their performance against annual measures pre-established by the Compensation Committee.

The Compensation Committee meets at least four times annually. When appropriate, the Compensation Committee may meet in separate executive sessions with management, employees, the General Counsel, outside counsel, compensation consultants, and the head of internal audit to discuss any matters that the Compensation Committee or any of these groups believes warrant the Compensation Committee s attention. The Chair may also request that members of management, legal counsel, or other advisors attend the meetings of the Committee, but any individual whose performance or compensation is to be discussed at a Compensation Committee meeting should not attend such meeting unless specifically invited by the Compensation Committee (and the Chief Executive Officer may not be present during voting or deliberations as to his or her compensation).

Role of Compensation Consultants in the Compensation Process

In 2006, the Compensation Committee engaged Mercer Human Resource Consulting (Mercer) to assist it in reviewing the total compensation levels of our executives, as compared to the competitive market. For this purpose, the Compensation Committee uses information provided by Mercer, including a blend of compensation data from a group of companies, as well as nationally published survey data for the transportation industry. For positions recruited from outside the transportation industry, general published survey industry data was also used. Mercer also generally attends Compensation Committee meetings.

Director Compensation

The process of setting director compensation generally follows the processes and procedures that the Compensation Committee employs in setting the compensation for our executive officers.

Compensation Discussion and Analysis

Overview and Objectives

We have a philosophy of performance-based compensation, placing a greater proportion of senior executive officers compensation at-risk as responsibilities and position increase. The fundamental objectives of our senior executive compensation policies are to:

- enhance stockholder value;

- provide a performance-oriented environment that motivates senior executive officers to achieve collectively a high level of earnings;
- reward strong individual performance by linking incentive-based compensation to the performance of each senior executive officer s annual individual performance objectives;
- emphasize performance-based programs versus guaranteed perquisites and fringe benefits; and
- enhance our ability to attract and retain top quality management.

Total compensation is delivered through a combination of three primary elements:

- base salary;
- performance-based annual incentive compensation, which may be paid in cash; and
- periodic grants of long-term equity-based compensation.

Total Compensation

Our total compensation program consists of base salary and incentive compensation and is comprised of both annual and long-term components, which are payable in cash and in stock. As part of our emergence from bankruptcy in July 2004, 10% of our then fully-diluted shares were designated for issuance to management under a long-term incentive plan. Significant grants of stock options and restricted stock were made to management in August 2004 and March 2005 under order of the bankruptcy court. In view of these bankruptcy grants, our Compensation Committee has not made additional grants from our emergence from bankruptcy through the end of 2006, except in cases of select promotion and new hire grants. Thus, the Compensation Committee does not apply a formula in determining the portion of total compensation payable in the form of cash incentive compensation or share-based compensation. In addition to benefits provided to the broader employee population, certain of our senior executives receive certain change of control benefits and limited perquisites.

In making compensation decisions with respect to each of the primary compensation components, our Compensation Committee takes measure of the competitive market for senior executives by looking at compensation levels provided by comparable companies, although it does not benchmark compensation paid to our executives to specified levels of compensation paid to executives at the comparable companies. For 2006, this group of comparable companies includes 16 companies whose primary lines of business are in transportation, logistics and outsourced transportation service industries. This group was identified and recommended by Mercer Human Resource Consulting based on criteria developed with management and the Compensation Committee and is reviewed and approved by the Compensation Committee. We refer to these companies in this discussion as our reference group.

Our Compensation Committee reviews and approves the performance and compensation of executive officers at the level of senior vice president and above. To the extent that long-term incentive compensation is a component of the compensation for senior executive officers, the Compensation Committee shall consider all relevant factors in determining the appropriate level of such compensation, including without limitation the factors applicable with respect to the Chief Executive Officer. In evaluating and making recommendations with respect to the annual incentive portion of compensation for those senior executive officers, the Compensation Committee reviews their performance against annual measures pre-established by the Committee.

Base Salary

Base salary is designed to compensate senior executives for their responsibility, experience, sustained performance and contribution to our success. The amount of any senior executive salary increase is determined by the Compensation Committee based on a number of factors, including but not limited to: the nature and responsibilities of the position; the expertise of the individual; market competitiveness for the senior executive s position; and recommendations of the Chief Executive Officer (except in the case of his own compensation). Salary levels for senior executives are generally reviewed annually by the Chief Executive

Officer and the Compensation Committee as part of the performance review process, as well as on a promotion or material change in job responsibility for any senior executive.

The Compensation Committee uses competitive information provided by Mercer to compare base salaries and make decisions on salary increases as well as to determine competitive annual incentive targets. Published survey data and proxy data for our reference group is reviewed at both the 50th and 75th percentiles in order to access the competitiveness of our compensation programs. In 2007, the Compensation Committee will refer to our reference group and nationally published data in order to determine the proportion of cash and equity compensation paid to our senior executives.

Performance Based Annual Incentive Compensation

We believe that a significant portion of a senior executive s performance-based compensation should be based upon the Company s overall performance. In 2006, our Named Executive Officers (our five most highly compensated individuals) were Messrs. William J Flynn (President and Chief Executive Officer), Jeffrey H. Erickson (Director and former President and Chief Executive Officer), Michael L. Barna (Chief Financial Officer), John W. Dietrich (Chief Operating Officer), Ronald A. Lane (Chief Marketing Officer), and James R. Cato (Vice President of Flight Operations and Labor Relations). Annual cash incentive compensation awards to our Named Executive Officers for 2006 were made under our 2006 Annual Incentive Plan for Senior Executives, except for James R. Cato, whose award was made pursuant to the 2006 Annual Incentive Plan for Vice Presidents (collectively, the 2006 Plans). Additional detail on the bonus awards made under the 2006 Plans is provided under the heading Determination of 2006 Compensation below. If our proposed 2007 Incentive Plan is approved by stockholders, future annual cash incentive awards will be made under that plan. The 2007 Incentive Plan is intended to qualify with Section 162(m) of the Internal Revenue Code of 1986. Our Named Executive Officers, other than Mr. Flynn, have a maximum bonus opportunity under such plan that ranges from 75% to 120% of annual base salary, depending on the senior executive s position. Mr. Flynn has a maximum bonus opportunity of 160% of base salary. Performance-based compensation aligns senior executive compensation with our goals for corporate financial and operating performance and encourages a high level of individual performance.

Long-Term Equity Incentive Compensation

We also believe that a significant portion of our senior executives total compensation should be equity based, providing a strong linkage between the senior executive s compensation and the return to stockholders. Stock options deliver value only if the market price of our stock increases and the senior executive officer continues in service through the vesting period. Vesting of restricted stock awards depends on meeting service conditions and, in some instances performance conditions.

Under our 2004 LTIP, the Compensation Committee may grant participants shares of common stock, restricted stock, share units, stock options, stock appreciation rights, performance units and/or performance bonuses. In granting these awards, the Compensation Committee may establish any conditions or restrictions it deems appropriate. All stock options are granted at a strike price at or above the market price of the Company s stock at the time of the award.

As discussed earlier, the majority of our outstanding equity awards were granted in connection with our emergence from bankruptcy in July 2004. In fiscal year 2006, we granted equity incentives, including stock options and performance-based restricted stock under our 2004 LTIP, only to newly hired employees or in connection with promotions. The only Named Executive Officers to receive stock and option grants in fiscal year 2006 were Mr. Flynn, in connection with the commencement of his employment, and Mr. Dietrich in connection with his promotion. Mr. Flynn received a grant of 18,000 shares of AAWW restricted stock with a value of $900,000, which shares will vest one-quarter on each of the first four anniversaries of the date on which his employment commenced, as part of his sign-on payment (see Employment Agreements below). In addition, Messrs. Flynn and Dietrich received new option grants in 2006 that vest in four equal installments over four years, based on the anniversary of the date of grant. Also, performance-based grants of restricted stock were made to Messrs. Flynn and Dietrich in 2006. Such stock vests only if our stock price reaches a value specified by the Compensation Committee and maintains such value for a duration specified by the Compensation Committee. If the price point is not met and maintained for the specified period within the term of the grant (four years), the shares are forfeited. More detail concerning these stock grants can be found in the section headed Determination of 2006 Compensation below. If our proposed 2007 Incentive Plan is approved by stockholders, future annual incentive awards will be made under that plan.

Other Elements of Compensation

Other than standard benefits, such as health insurance, uniform severance benefits commensurate with position, medical insurance, annual physical and 401(k) plan participation, the Compensation Committee believes that perquisites should be limited to unusual circumstances. For senior executive new hires, retirees, and senior executives requested to relocate, we also provide legal fee reimbursement and housing relocation expenses. In 2006, the perquisites that we provided to our Named Executive Officers were limited to home purchase benefits provided to Mr. Flynn, a housing stipend paid to Mr. Cato, an automobile allowance provided to Messrs. Cato and Lane, and life insurance provided to each of our Named Executive Officers. More detail concerning these perquisites can be found in the footnotes to the Summary Compensation Table for Fiscal 2006 below.

Our Compensation Committee sometimes also grants sign-on payments in connection with the commencement of employment, which generally reflect remuneration for any compensation or benefits forfeited by the commencing employee upon leaving his or her previous employment. For example, in 2006, Mr. Flynn received $200,000 and a sign-on grant of 18,000 shares of restricted stock, with a value of $900,000. This grant vests one-quarter on each of the first four anniversaries of June 22, 2006, the date Mr. Flynn commenced employment with us. In line with the Compensation Committee s policy, Mr. Flynn s sign-on benefits reflect remuneration for the value of compensation that Mr. Flynn forfeited upon leaving his previous employer.

Determination of 2006 Compensation

As described in the Compensation Committee s processes and procedures section set forth above, in March 2007 the Compensation Committee determined each element of total compensation for each senior executive officer. The Compensation Committee applies a four-step process in administering the 2006 Plans. The first two steps occurred before the commencement or during the first quarter of the year, and the last two at the conclusion of the year.

1. Based on the business plan established by the Board, the Compensation Committee set the annual financial and operational goals at the Company level. The goals were established at a level determined by the Compensation Committee, which took into account many factors, including the business climate and the Compensation Committee s assessment of the Company s business plan. In order for awards to be payable under the 2006 Plans, a minimum financial performance threshold had to be achieved. Above this threshold, the plan is funded on a sliding scale, providing for payouts ranging from 33.3% to 183% of budget for vice presidents and up to 200% of budget for our Named Executive Officers. At the same time, senior executives draft their own individual management business objectives, which were submitted to and approved by the Compensation Committee.

2. The Compensation Committee determined threshold, budget and maximum performance for each financial and operational goal, taking into account various factors, including management s assessment of the probability of achieving higher levels of financial performance within the fiscal year.

3. Upon completion of year-end results, the Compensation Committee reviewed our actual financial performance against the established goals to determine the amount of awards funded by financial performance.

4. The Compensation Committee reviewed the performance of each senior executive officer against the goals established for that executive to determine the actual award earned.

The amount of the award actually earned by individual senior executives under the 2006 Plans was determined based on performance on the following three goals:

30% of the funded award was determined based on our pre-tax profits, as adjusted after deducting certain nonrecurring expenses.

30% was determined based on cost reduction versus a pre-established goal.

The final 40% was earned based on achievement of the individual s performance objectives. Individual objectives include measurable goals related to key Company initiatives.

Upon review of the individual performance measures established for each Named Executive Officer, the Compensation Committee determined that the overall performance of each such Named Executive Officer, and our outstanding performance, supported awarding each of the officers the maximum bonus generated by the achievement of the corporate financial budget.

On March 9, 2007, the Compensation Committee approved discretionary bonuses for 2006 for certain executive officers of the Company. Mr. Flynn s discretionary bonus was awarded by the Committee based on the leadership he provided after joining the Company; Mr. Dietrich s discretionary bonus was based on his leadership and direction to the Company throughout the year, and particularly throughout the management transition period, during which time Mr. Erickson retired as our President and Chief Executive Officer and Mr. Flynn joined as our new President and Chief Executive Officer; and Mr. Barna s discretionary bonus was based on the Company s achievement of certain goals related to our status as a timely filer, relisting on a national exchange and Sarbanes-Oxley compliance.

Chief Executive Officer Compensation

Mr. Flynn s compensation is largely governed by his employment agreement with us. Pursuant to that agreement, Mr. Flynn received a base annual salary of $650,000, pro rated for 2006. Mr. Flynn is also entitled to receive an annual incentive bonus at a budget of 80% of his annual base salary, with a maximum of 160% of his annual base salary, based on our financial and Mr. Flynn s individual performance. Mr. Flynn received a bonus for 2006 of $263,126 under our 2006 Annual Incentive Plan for Senior Executives, which represents 77% of his 2006 pro rated salary, and a discretionary bonus of $65,781. In addition, Mr. Flynn received a grant of 18,000 shares of restricted stock, vesting in four equal annual installments on the first four anniversaries of June 22, 2006 (the date Mr. Flynn became our President and Chief Executive Officer), a grant of 50,000 stock options, vesting in four equal parts on the first four anniversaries of June 22, 2006, and 25,000 shares of performance-based restricted stock which will vest only if our stock price reaches a value specified by the Compensation Committee and maintains such value for a duration specified by the Compensation Committee. If the price point is not met and maintained for the specified period on or before June 22, 2010, or if Mr. Flynn ceases to be an employee of the Company before the shares vest, he will forfeit those shares. Mr. Flynn received additional compensation in connection with the commencement of his employment with us, which is discussed in further detail under the heading Employment and Other Agreements below.

Other Named Executive Officers

Pursuant to his amended employment agreement and upon his promotion to Chief Operating Officer, Mr. Dietrich s base annual salary was increased to $425,000. Mr. Dietrich is entitled to receive an annual incentive bonus ranging from 60% to 120% of his annual base salary, based on our financial and Mr. Dietrich s individual performance for the year. For 2006, Mr. Dietrich received a bonus of $170,376 under our 2006 Annual Incentive Plan for Senior Executives, which represents 50% of his 2006 salary, and a discretionary bonus of $42,594. In connection with his promotion, Mr. Dietrich also received 10,000 options and 5,000 shares of performance-based restricted stock that vest subject to the same time vesting and stock price criteria as are applicable to Mr. Flynn.

In 2006, Mr. Barna received a bonus of $147,195 under our 2006 Annual Incentive Plan for Senior Executives, which represents 49% of his 2006 salary, and a discretionary bonus of $36,798. In 2006, Mr. Lane received a bonus of $168,605, which represents 48% of his 2006 salary, and Mr. Cato received a bonus of $86,847, representing 36% of his 2006 salary.

Jeffrey H. Erickson

On January 29, 2006, we and Mr. Erickson entered into a Retirement and General Release Agreement establishing Mr. Erickson s retirement, effective no later than six months after January 29, 2006. Mr. Erickson formally retired from his position as Chief Executive Officer and President on June 22, 2006 (the retirement date) and was an active employee until July 28, 2006. In recognition of his contribution and leadership through bankruptcy and during the period following our emergence from bankruptcy, Mr. Erickson received a lump sum payment of $524,400 on his retirement date and additional retirement payments that runs for a period of 18 months, commencing six months after his retirement date and that were based on his annual base salary. Additionally, we agreed to provide Mr. Erickson with his continued medical, dental and vision coverage through January 1, 2007. Mr. Erickson was reimbursed for his attorney s fees, up to a maximum of $30,000, incurred in connection with his retirement and negotiation of his retirement agreement, among other things.

On the retirement date, 58,733 restricted shares of Common Stock granted to Mr. Erickson vested. Further, on his retirement date, 42,233 options (at an exercise price of $16.70) and 17,333 options (at an exercise price of $27.50), all of which would not have otherwise vested until various times in 2007, vested. Mr. Erickson exercised these options prior to December 31, 2006, as required. Additionally, Mr. Erickson received a bonus for 2006 of $262,200, which was paid on the same date that bonuses for other senior executives were paid under the 2006 Annual Incentive Plan for Senior Executives.

Policies Regarding Executive Stock Ownership

In support of the Board philosophy that performance and equity incentives provide the best incentives for management and ensure stockholder value, the Board adopted Stock Ownership Guidelines (the Guidelines) for all officer level executives, including the Chief Executive Officer, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents. The Guidelines encourage executives to achieve certain levels of share ownership over a three-to-five year period based on the lesser of a percentage of annual base salary or a fixed number of shares. The recommended amount of retained shares increases under the Guidelines with the level of the executive s position. For example, the Chief Executive Officer is expected to own shares with a value equal to the lesser of four times his annual base salary or 50,000 shares.

Tax and Accounting Considerations

Section 162(m) of the Code limits the deductibility of compensation in excess of $1 million paid to the Company s CEO and to each of the other four highest-paid executive officers unless this compensation qualifies as performance-based. Based on the applicable tax regulations, the Company intended for any taxable compensation derived from the exercise of stock options by senior executives under the Company s 2006 Annual Incentive Plan for Senior Executives to qualify as performance-based. The Company s stockholders have previously approved terms under which the Company s annual and long-term performance incentive awards should qualify as performance-based, as required by the Internal Revenue Service. These terms do not preclude the Compensation Committee from making any payments or granting any awards, whether or not such payments or awards qualify for tax deductibility under section 162(m), which payments or grants may be appropriate to retain and motivate key executives.

We adopted the provisions of Statement of Financial Accounting Standard No. 123(R) for the year commencing January 1, 2006, the date the standard became effective. In general, we and the Compensation Committee seek to have all of the equity awards qualify for fixed grant date accounting, rather than variable accounting.

Equity Grant Practices

Following our emergence from bankruptcy through year-end 2006, there were no annual equity grants other than those grants made by the bankruptcy court or those grants made in connection with new hires or promotions. The Compensation Committee does not have any programs, plans or practices of timing these awards in coordination with the release of material non-public information. We have never backdated, repriced or spring-loaded stock options.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis section with management. Based on this review, the Compensation Committee recommends to the Board of Directors that the Compensation Discussion and Analysis section be included in this proxy statement.

By the Compensation Committee,

Frederick McCorkle, Chairman
Eugene I. Davis
Carol B. Hallett

Compensation Committee Interlocks and Insider Participation

No member of our Compensation Committee serves as a member of the board of directors or the compensation committee of any entity that has one or more our executive officers serving as members of our Board or our Compensation Committee.

Compensation of Named Executive Officers

Summary Compensation Table for Fiscal 2006

The following table provides information concerning compensation for our Named Executive Officers during fiscal year 2006. Mr. Erickson resigned as Chief Executive Officer and President on June 22, 2006 and was replaced by Mr. Flynn on that date. In September 2006, Mr. Dietrich was promoted from the position of Senior Vice President, General Counsel and Secretary to Executive Vice President and Chief Operating Officer, and in connection with his promotion, we executed a new employment agreement with him dated September 8, 2006.

Name and Principal Position (1) (a)	Year (b)	Salary ($) (c)	Bonus ($)(2) (d)	Stock Awards ($)(3) (e)	Option Awards ($)(3) (f)	Non-Equity Incentive Plan Compensation ($)(4) (g)	All Other Compensation ($)(5) (i)	Total ($) (j)