

JETBLUE AIRWAYS CORP
Form PRE 14A
March 30, 2010

**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.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

JETBLUE AIRWAYS CORPORATION
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) 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 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:

Fee paid previously with preliminary materials.

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

Edgar Filing: JETBLUE AIRWAYS CORP - Form PRE 14A

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:
-

JETBLUE AIRWAYS CORPORATION
118-29 Queens Boulevard
Forest Hills, New York 11375

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To be held on May 20, 2010

To Our Stockholders:

The Annual Meeting of Stockholders of JetBlue Airways Corporation (the Company or JetBlue) will be held at the Company's corporate headquarters located at 118-29 Queens Boulevard, Forest Hills, New York, on Thursday, May 20, 2010, beginning at 10:00 a.m. EDT for the following purposes:

- (1) Election to the Company's Board of Directors of seven persons duly nominated by the Board of Directors, each to hold office until our Annual Meeting of Stockholders in 2011 and until his successor has been duly elected and qualified;
- (2) Ratification of the appointment of the Company's independent registered public accounting firm for the fiscal year ending December 31, 2010;
- (3) Approval of a proposal to amend our Amended and Restated Certificate of Incorporation to increase the number of shares of common stock authorized for issuance from 500,000,000 shares to 900,000,000 shares; and
- (4) Transaction of such other business, if any, as may properly come before the annual meeting in accordance with the Company's Bylaws or any adjournments thereof.

The Board of Directors has fixed the close of business on Thursday, March 25, 2010, as the record date for the determination of stockholders entitled to notice of and to vote at the annual meeting and any adjournments thereof.

IF YOU PLAN TO ATTEND:

Please note that space limitations make it necessary to limit attendance to stockholders and one guest. Admission to the annual meeting will be on a first-come, first-served basis. Registration will begin at 9:00 a.m. Either an admission ticket or proof of ownership of JetBlue stock, as well as a form of government-issued photo identification, such as a driver's license or passport, must be presented in order to be admitted to the annual meeting. If you are a stockholder of record, your admission ticket is attached to your proxy card. Stockholders holding stock in brokerage accounts (street name holders) will need to bring a copy of a brokerage statement reflecting their stock ownership as of the record date. Cameras, recording devices and other electronic devices will not be permitted at the annual meeting.

By Order of the Board of Directors,

James G. Hnat
Executive Vice President, General Counsel and
Corporate Secretary

April 9, 2010
Forest Hills, New York

IMPORTANT

Whether or not you plan to attend the annual meeting in person, it is important that your shares be represented. Please vote your shares now either by completing and returning the enclosed proxy card by mail, or by following the instructions on your proxy card to vote using the Internet or, if applicable, the designated toll-free telephone number.

JETBLUE AIRWAYS CORPORATION
118-29 Queens Boulevard
Forest Hills, New York 11375

PROXY STATEMENT

2010 ANNUAL MEETING OF STOCKHOLDERS

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of JetBlue Airways Corporation (the Company or JetBlue) for use at the Annual Meeting of Stockholders to be held on Thursday, May 20, 2010, beginning at 10:00 a.m. EDT at the Company s corporate headquarters located at 118-29 Queens Boulevard, Forest Hills, New York, 11375, and at any postponements or adjournments thereof. This proxy statement and the enclosed proxy card are being furnished to stockholders on or about April 9, 2010.

ABOUT THE MEETING

What is the purpose of the annual meeting?

At our annual meeting, stockholders will act upon the matters outlined in the notice of meeting on the cover page of this proxy statement, namely the election of directors nominated by the Board of Directors, the ratification of the appointment of the Company s independent registered public accounting firm, and approval of an increase to our authorized shares of common stock. In addition, management will review the performance of the Company and respond to questions from stockholders.

Who is entitled to vote at the annual meeting?

All stockholders of record at the close of business on March 25, 2010, the record date for the annual meeting, are entitled to receive notice of and to participate in the annual meeting. If you were a stockholder of record on that date, you will be entitled to vote all of the shares that you held on that date at the meeting, or any postponements or adjournments of the meeting. Additional Information at the end of this proxy statement contains a description of restrictions on voting by stockholders who are not United States citizens, as defined by applicable laws and regulations.

What are the voting rights of the holders of JetBlue common stock?

Each outstanding share of JetBlue common stock will be entitled to one vote on each matter considered at the annual meeting. Additional Information at the end of this proxy statement contains a description of certain restrictions on voting.

Who can attend the annual meeting?

All stockholders as of the record date, or their duly appointed proxies, may attend the annual meeting, and each may be accompanied by one guest.

An admission ticket is attached to your proxy card if you hold shares directly in your name as a stockholder of record. If you plan to attend the annual meeting, please vote your proxy but keep the admission ticket and bring it with you to the annual meeting.

Edgar Filing: JETBLUE AIRWAYS CORP - Form PRE 14A

Registration will begin at 9:00 a.m. EDT. Admission to the annual meeting will be on a first-come, first-served basis. If you attend, please note that you may be asked to present government-issued picture identification, such as a driver's license or passport. Cameras, recording devices and other electronic devices will not be permitted at the meeting.

Please also note that if you hold your shares in street name (that is, through a broker or other nominee) and plan to attend the annual meeting, you will need to bring a copy of a brokerage

statement reflecting your stock ownership as of the record date as well as government-issued picture identification and check in at the registration desk at the meeting.

What constitutes a quorum, and why is a quorum required?

We are required to have a quorum of stockholders present to conduct business at our Annual Meeting. The presence at the Annual Meeting, in person or by proxy, of the holders of a majority of the shares entitled to vote on the record date will constitute a quorum, permitting us to conduct the business of the Annual Meeting. Proxies received but marked as abstentions, if any, and broker non-votes will be included in the calculation of the number of shares considered to be present at the Annual Meeting for quorum purposes. If we do not have a quorum, we will be forced to reconvene the Annual Meeting at a later date. As of the March 25, 2010 record date, 292,525,061 shares of common stock, representing the same number of votes, were outstanding. Thus, the presence of the holders of common stock representing at least 146,262,531 votes will be required to establish a quorum.

How do I vote?

If you complete and properly sign the accompanying proxy card and return it in the envelope provided, it will be voted as you direct. If you are a registered stockholder and attend the annual meeting, you may deliver your completed proxy card in person. Street name stockholders who wish to vote at the annual meeting will need to obtain a proxy form from the institution that holds their shares.

Can I vote by telephone or electronically?

Yes. You may vote by telephone, if applicable, or electronically through the Internet by following the instructions included with your proxy card. Telephonic and electronic votes are counted immediately and there is no need to send in your proxy card. The deadline for voting by telephone or electronically through the Internet is 11:59 p.m. EDT on May 19, 2010.

YOU CAN SAVE THE COMPANY MONEY IF YOU USE THE VOTE BY TELEPHONE OR INTERNET OPTIONS.

May I revoke a proxy?

Yes. You may revoke a proxy at any time before the proxy is exercised by filing with the Secretary of the Company a notice of revocation, or by submitting a later-dated proxy by mail, telephone or electronically through the Internet. You may also revoke your proxy by attending the annual meeting and voting in person. The powers of the proxy holders with respect to your shares will be suspended if you attend the annual meeting in person and so request, although attendance at the meeting will not by itself revoke a previously granted proxy.

Can I change my vote after I have delivered my proxy?

Yes. You may revoke your proxy at any time before its exercise. You may also revoke your proxy by voting in person at the Annual Meeting. If you are a beneficial stockholder, you must contact your brokerage firm or bank to change your vote or obtain a proxy to vote your shares if you wish to cast your vote in person at the Annual Meeting.

How do I vote my 401(k) plan shares?

If you are a stockholder through participation in the JetBlue 401(k) Retirement Plan, the proxy also serves as voting instructions to the plan trustees. The plan trustees will cause allocated shares held under the plan, for which the

trustees have not received direction, to be present at the meeting for purposes of determining a quorum but not voted in respect of any matter to come before the annual meeting.

What if I abstain or withhold authority to vote on a proposal?

If you sign and return your proxy marked *abstain* or *withhold* on any proposal, your shares will not be voted on that proposal and will not be counted as votes cast in the final tally of votes with regard to that proposal. However, your shares will be counted for purposes of determining whether a quorum is present.

What if I sign and return my proxy without making any decisions?

If you sign and return your proxy without making any selections, your shares will be voted *for* each of the proposals. If other matters properly come before the Annual Meeting, Edward Barnes, our Chief Financial Officer, and James Hnat, our General Counsel, as proxies, will have the authority to vote on those matters for you at their discretion. As of the date of this proxy statement, we are not aware of any matters that will come before the Annual Meeting other than those disclosed in this proxy statement.

What if I am a beneficial stockholder and I do not give the nominee voting instructions?

If you are a beneficial stockholder and your shares are held in the name of a broker, the broker is bound by the rules of the New York Stock Exchange regarding whether or not it can exercise discretionary voting power for any particular proposal if the broker has not received voting instructions from you. Brokers have the authority to vote shares for which their customers do not provide voting instructions on certain *routine* matters. If the broker does not vote on a particular proposal because that broker does not have discretionary voting power, this is referred to as a *broker non-vote*. Broker non-votes will be considered as represented for purposes of determining a quorum, but will not otherwise affect voting results.

On July 1, 2009, the U.S. Securities and Exchange Commission (the *SEC*) approved a change to the NYSE rules that stated that the election of directors would no longer be considered a *routine* matter, whether or not the election was contested. Consequently, if you do not give your broker instructions, your broker will not be able to vote on the election of directors. If you are a beneficial stockholder and your shares are held in the name of a broker, the broker is permitted to vote your shares on the ratification of the appointment of Ernst & Young LLP (*E&Y*) and approval of the Amendment to our Amended and Restated Certificate of Incorporation to increase the authorized shares of common stock, even if the broker does not receive voting instructions from you.

The table below sets forth, for each proposal on the ballot, whether a broker can exercise discretion and vote your shares absent your instructions and if not, the impact of such broker non-vote on the approval of the proposal.

Proposal	Can Brokers Vote Absent Instructions?	Impact of Broker Non-Vote
Election of Directors	No	None
Ratification of Auditors	Yes	N/A
Approval of Amendment to the Amended and Restated Certificate of Incorporation	Yes	N/A

Who pays for soliciting the proxies?

The Company pays the cost of soliciting the proxies. We have retained Morrow & Co.,LLC, 470 West Avenue, Stamford, CT 06902, a professional soliciting organization, to assist in soliciting proxies from brokerage firms,

custodians and other fiduciaries. The Company expects the fees for Morrow & Co., LLC to be \$10,000 plus expenses. In addition, the Company's directors, officers and associates may, without additional compensation, also solicit proxies by mail, telephone, personal contact, facsimile or through similar methods.

Will the annual meeting be webcast?

Yes. Our annual meeting will be broadcast live on the Internet. To listen to the audio broadcast, log on to <http://Investor.Jetblue.com> at 10:00 a.m. EDT on May 20, 2010. The audio broadcast will be archived on that website for at least 120 days. Except for the committee charters referred to herein, information on this website is not incorporated by reference into this proxy statement or our other SEC filings.

What are the recommendations of the Board of Directors?

Unless you give other instructions on your proxy card, or by telephone or electronically as noted above, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors. The recommendations of the Board of Directors are set forth together with the description of the applicable item in this proxy statement. The Board of Directors recommends a vote:

for election of the nominated slate of directors (see Item 1);

for ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2010 (see Item 2); and

for approval of an increase to the Company's authorized shares of common stock (see Item 3).

With respect to any other matter that properly comes before the annual meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

What vote is required to approve each item?

Election of Directors. Directors will be elected by a plurality of the votes cast at the meeting for directors by the holders of common stock entitled to vote thereon.

In the vote to elect directors, stockholders may:

vote in favor of all nominees;

withhold votes as to all nominees; or

withhold votes as to specific nominees.

Pursuant to our director resignation policy, if any of our director nominees receives more withhold votes than votes for his or her re-election, the director would be required to submit his or her resignation and our Board of Directors (or a committee designated by our Board) would be required to consider whether to accept the director's resignation. For further discussion of this policy, please see Corporate Governance Director Resignation Policy below.

Other Items. With respect to item 2, the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2010, the affirmative vote of a majority of the votes cast is required for approval. Abstentions and broker non-votes, if any, are not counted as votes cast for this proposal and will therefore have no impact on the approval of the proposal.

With respect to Item 3, the approval of an amendment to our Amended and Restated Certificate of Incorporation increasing our authorized shares of common stock authorized for issuance from 500,000,000 shares to

Edgar Filing: JETBLUE AIRWAYS CORP - Form PRE 14A

900,000,000 shares, the affirmative vote of a majority of the outstanding shares of our common stock is required for approval. Abstentions and broker non-votes, if any, will have the same effect as negative votes.

A properly executed proxy marked **ABSTAIN** with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum present at the annual meeting.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

We have one class of voting securities outstanding which is entitled to one vote per share, subject to the limitations on voting by non-U.S. citizens described below under Additional Information. The following tables set forth certain information regarding the beneficial ownership of common stock by our directors, each executive officer named in the Summary Compensation Table under Executive Compensation below, our directors and executive officers as a group, and each person known to us to be a beneficial owner of more than 5% of our outstanding common stock. All share and option amounts and share prices and option exercise prices contained in this proxy statement have been adjusted for our December 2002, November 2003 and December 2005 three-for-two stock splits. Except as otherwise indicated below, all information in the following table is as of the March 25, 2010 record date. As of March 25, 2010, there were 292,525,061 shares of our common stock outstanding. Except as otherwise indicated below, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them. Unless otherwise indicated, the address of each person listed below is c/o JetBlue Airways Corporation, 118-29 Queens Boulevard, Forest Hills, New York 11375.

5% Stockholders Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned
Deutsche Lufthansa AG(1)	46,704,967	17.2
FMR LLC(2)	43,428,609	14.9
Wellington Management Co., LLP(3)	20,307,097	7.0
BlackRock, Inc.(4)	18,270,297	6.3
Whitebox Advisors, LLC(5)	17,223,103	5.9
Federated Investors, Inc.(6)	16,385,139	5.6

Executive Officers and Directors Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned
David Barger(7)	1,083,993	*
Edward Barnes(8)	55,289	*
Russell Chew(9)	59,975	*
Robin Hayes	28,447	*
James Hnat(10)	99,811	*
Robert Maruster(11)	93,727	*
Peter Boneparth		*
David Checketts(12)	60,504	*
Robert Clanin(13)	54,000	*
Kim Clark(14)	121,500	*
Christoph Franz(15)	54,000	*
Virginia Gambale(16)	67,500	*
Stephan Gemkow		*

Edgar Filing: JETBLUE AIRWAYS CORP - Form PRE 14A

Joel Peterson(17)	771,246	*
Ann Rhoades(18)	174,217	*
Frank Sica(19)	190,144	*
All executive officers and directors as a group (16 persons)(23)	2,914,353	1%

* Represents ownership of less than one percent.

(1) The information reported is based on a Schedule 13G dated January 22, 2008, filed with the SEC, in which Deutsche Lufthansa AG reported that, as of that date, it held sole voting and dispositive power over all 42,589,347 shares. Additional shares listed above are based on the Company's records following a public equity offering in June 2009, in which Deutsche Lufthansa AG

participated. The principal business address of Deutsche Lufthansa AG is Von-Gablenz-Strasse 2-6, 50679 Koln, Germany.

- (2) The information reported is based on a Schedule 13G/A dated February 12, 2010, filed with the SEC, in which FMR Corp. and certain of its affiliates reported that at December 31, 2009, FMR LLC, a parent holding company, and Edward C. Johnson, 3d, the chairman of FMR LLC, had sole dispositive power over all of the shares, sole voting power over 456,866 of such shares and shared voting power over none of the shares. The 43,428,609 share number includes (a) 42,971,743 shares beneficially owned by Fidelity Management & Research Company, as a result of acting as investment advisor to various investment companies which amount includes 30,691 shares of common stock resulting from the assumed conversion of \$150,000 principal amount of JetBlue Airways Corporation 6.75% convertible debentures series C due 2039, (b) 29,354,243 shares owned by Fidelity Growth Company Fund, (d) 388,746 shares owned by Pyramis Global Advisors, LLC, a wholly owned subsidiary of FMR LLC, which amount includes 194,373 shares of common stock resulting from the assumed conversion of \$950,000 principal amount of JetBlue Airways Corporation 6.75% convertible debentures series C due 2039 and includes 194,373 shares of common stock resulting from the assumed conversion of \$950,000 principal amount of JetBlue Airways Corporation 6.75% convertible debentures series D due 2039, and (e) 68,120 shares held by Pyramis Global Advisors Trust Company, which amount includes 20,460 shares of common stock resulting from the assumed conversion of \$100,000 principal amount of JetBlue Airways Corporation 6.75% convertible debentures series C due 2039 and 20,460 shares of common stock resulting from the assumed conversion of \$100,000 principal amount of JetBlue Airways Corporation 6.75% convertible debentures series D due 2039. The principal business address of each of FMR LLC and Fidelity Management & Research Company is 82 Devonshire Street, Boston, MA 02109. The principal business address of each of Pyramis Global Advisors, LLC and Pyramis Global Advisors Trust Company is 900 Salem Street, Smithfield, RI 02917.
- (3) The information reported is based on a Schedule 13G/A dated February 12, 2010, filed with the SEC, in which Wellington Management Co. LLP reported that at December 31, 2009, it held sole dispositive power over no shares, shared voting power over 10,678,770 shares and shared dispositive power over all of the shares. The principal business address of Wellington Management Co. LLP is 75 State Street, Boston, MA 02109.
- (4) The information reported is based on a Schedule 13G dated January 20, 2010, filed with the SEC, in which BlackRock, Inc. and certain of its subsidiaries reported that it had sole voting and sole dispositive power over all of the shares. The principal business address of BlackRock, Inc. is 40 East 52 St., New York, NY 10022.
- (5) The information reported is based on a Schedule 13G dated February 9, 2010 filed with the SEC, in which Whitebox Advisors, LLC (WA) had shared voting and shared dispositive power over 17,223,103 shares. This number includes (a) 17,223,103 shares acting as investment advisor to its client, (b) 7,003,805 shares beneficially owned by Whitebox Convertible Arbitrage Advisors, LLC (WCAA), (c) 7,003,805 shares beneficially owned by Whitebox Convertible Arbitrage Partners, L.P. (WCAP), as a result of indirect ownership of convertible bonds of the Company (d) 7,003,805 shares beneficially owned by Whitebox Concentrated Convertible Arbitrage Fund, L.P. (WCCAFLP) as a result of indirect ownership of convertible bonds of the Company, (e) 7,003,805 shares beneficially owned by Whitebox Concentrated Convertible Arbitrage Fund, Ltd. (WCCAFLTD) as a result of indirect ownership of convertible bonds of the Company, (f) 8,236,602 shares beneficially owned by Whitebox Combined Advisors, LLC (WCA), (g) 8,236,602 shares beneficially owned by Whitebox Combined Partners, L.P. (WCP) as a result of indirect ownership of convertible bonds of the Company, (h) 8,236,602 shares beneficially owned by Whitebox Multi-Strategy Fund, L.P. (WMSFLP) as a result of indirect ownership of convertible bonds of the Company, (i) 8,236,602 shares beneficially owned by Whitebox Multi-Strategy Fund, Ltd. (WMSFLTD) as a result of indirect ownership of convertible bonds of the Company, (j) 353,647 shares beneficially owned by HFR RVA Combined Master Trust

(HFR), and (k) 1,629,049 shares beneficially owned by IAM Mini-fund 14 Limited (IAM). WA, WCAA, WCCAFLP, WCCAFLTD, WCA, WMSFLP and WMSFLTD each disclaim indirect beneficial ownership of the shares except to the extent of their pecuniary interest therein. The principal business address of WA, WCAA, WCCAFLP, WCA and WMSFLP is 3033 Excelsior Blvd., Suite 300, Minneapolis, MN 55416. The principal business address of WCAP, WCP and WMSFLTD is Trident Chambers, P. O. Box 146, Waterfront Drive, Wickhams Cay, Road Town, Tortola, British Virgin Islands. The principal business address of HFR is 65 Front Street, Hamilton, HM 11, Bermuda. The principal business address of IAM is Boundary Hall, Cricket Square, George Town, Grand Cayman, KY1-1102 Cayman Islands.

- (6) The information reported is based on a Schedule 13G dated February 10, 2010 filed with the SEC, in which Federated Investors, Inc. had sole voting and sole dispositive power over all of the shares. This number includes 16,385,139 shares beneficially owned through voting shares irrevocable trust, (b) 16,385,139 shares beneficially owned (shared voting and shared dispositive power) by each of John F. Donahue, Rhodora J. Donahue, and J. Christopher Donahue. The principal business address of Federated Investors, Inc., the voting shares irrevocable trust and each of John F., Rhodora J. and J. Christopher Donahue is Federated Investors Tower, Pittsburgh, PA 15222-3779.
- (7) Includes options to purchase 223,707 shares, all of which are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan. Mr. Barger, our President and Chief Executive Officer, is a member of our Board of Directors. As of the record date, Mr. Barger has pledged 524,667 shares in conjunction with a brokerage account.
- (8) Includes options to purchase 22,500 shares, of which 18,000 are immediately exercisable, and 14,044 restricted stock units, which vest within 60 days of the record date, both pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (9) Includes 16,667 restricted stock units, which vest within 60 days of the record date pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (10) Includes options to purchase 82,125 shares, of which 73,125 are immediately exercisable and 9,000 of which are exercisable within 60 days of the record date, pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (11) Includes options to purchase 72,000 shares, of which 67,500 are immediately exercisable and the remaining 4,500 are exercisable within 60 days of the record date, pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (12) Includes options to purchase 54,000 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (13) Includes options to purchase 54,000 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan, 13,500 of which are subject to our right of repurchase, which right lapses in 2011.
- (14) Includes options to purchase 121,500 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (15) Consists of options to purchase 54,000 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan, 27,000 shares of which are subject to our right of repurchase, which right

lapses in equal installments beginning in 2011.

- (16) Consists of options to purchase 67,500 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan, 13,500 shares of which are subject to our right of repurchase, which right lapses on May 9, 2010.
- (17) Includes options to purchase 121,500 shares, that options are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (18) Includes options to purchase 67,500 shares, that options are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan.

- (19) Includes options to purchase 121,500 shares, that are immediately exercisable pursuant to our Amended and Restated 2002 Stock Incentive Plan.
- (20) See footnotes (7) through (22) above. Includes options to purchase an aggregate of 1,052,332 shares exercisable within 60 days of the record date.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the rules promulgated thereunder require our executive officers, directors and persons who beneficially own more than ten percent of a registered class of our equity securities to file reports of ownership and changes in ownership with the SEC and to furnish to us copies of all such filings. We believe, based solely upon a review of (i) those reports and amendments thereto furnished to us during and with respect to our fiscal year ended December 31, 2009, and (ii) written representations from reporting persons, that all of our directors and executive officers complied with the reporting requirements of Section 16(a) of the Exchange Act during fiscal 2009, except each of Mr. Checketts and Ms. Rhoades filed a late Form 5 reporting a bona fide gift and Mr. Chew filed a late Form 4 reporting a restricted stock unit grant. All of the filings have been made.

CORPORATE GOVERNANCE

At JetBlue, as noted in our Compensation Discussion and Analysis, one of our core values is integrity. As a company, we try to do the right thing for our Company, including our employees, whom we call crewmembers, our customers, our stockholders and our communities. One of the ways in which we try to live the value is through our governance practices, which we hope will enhance transparency for our stockholders and our crewmembers. We are known for innovation in areas of our business and we strive to bring those values of integrity and innovation into the governance arena as well. We have adopted the following practices:

-Separation of Chairman of the Board and Chief Executive Officer. We believe this governance structure empowers both the Board of Directors and our Chief Executive Officer. In our independent Chairman, our CEO has a counterpart who can be a thought partner. We believe this corporate structure also permits the Board of Directors to have a healthy dynamic that enables them to function to the best of their abilities, individually and as a unit.

-Annual Elections of Board Members. JetBlue's Bylaws provide that directors are elected annually. We are in the second year of a three year phase in of this provision.

-Executive Compensation Recoupment Policy (the clawback). With the approval of our Board of Directors, we adopted a policy which requires reimbursement of all or a portion of any bonus, incentive payment, or equity-based award granted to or received by any executive officer and certain other officers after January 1, 2010 where: a) the payment was predicated upon the achievement of certain financial results that were subsequently the subject of a restatement, b) in the Board's view the executive engaged in willful misconduct that caused or partially caused the need for the restatement, and c) a lower payment would have been made to the executive based upon the restated financial results.

-Director Stock Ownership. Our Board of Directors adopted a policy encouraging directors to hold at least 4,000 shares of JetBlue stock. Deferred Stock Unit ownership is included in determining the number of shares held. All of our current directors meet these ownership guidelines.

-Director Resignation Policy. Our Board of Directors approved a policy by which a director who receives more withheld votes than for votes in an uncontested election of directors shall submit a resignation to the Board. The

Board will either accept the resignation or disclose its reasons for not accepting the resignation in a report filed with the Commission within 90 days of the certification of election results. The policy is embedded in our governance guidelines and in our amended Bylaws.

-Removal Of Supermajority Provisions from our Charter Documents. As approved by our stockholders, we removed supermajority voting requirements from our Bylaws in order to give our stockholders a more meaningful vote in various corporate matters.

-Executive Compensation Practices. We strive for transparent and realistic compensation packages, as discussed more fully in the Compensation Discussion and Analysis, which starts on page .

-Retirement and Pension Practices. We do not provide our executives with significant post-employment retirement or pension benefits. We sponsor a retirement plan with a 401(k) component for all of our crewmembers.

-Corporate Sustainability Practices. We have issued corporate sustainability reports for 2006 and 2007, which discuss our greenhouse gas emissions efforts, our environmental awareness programs which we call Jetting to Green and our community efforts, involving business partners in endeavors to, for example, build playgrounds, plant trees and donate books to the communities in which we live and work. More information on these efforts, and our corporate sustainability reports, is available at <http://www.jetblue.com/green>.

-Corporate Governance Guidelines. We have adopted governance guidelines to help us maintain the vitality of our Board, including areas relating to Board and committee composition, annual meeting attendance, stockholder communication with the Board, qualifications and director candidate selection process including our policy on consideration of candidates recommended by stockholders and our Code of Business Conduct and our Values Safety, Integrity, Caring, Fun and Passion. These guidelines are available at <http://investor.jetblue.com>.

Code of Business Conduct

We are committed to operating our business with high levels of accountability, integrity and responsibility. The Code of Business Conduct governs our affairs and is a means by which we commit ourselves to conduct our business in an honest and ethical manner. The Code governs the members of our Board of Directors and our crewmembers and includes provisions relating to how we strive to deal with each other, our business partners, our investors and the public. The Code is available at <http://investor.jetblue.com>.

Related Party Transaction Policy

We have established written policies and procedures that require approval or ratification by our Audit Committee of any transaction in excess of \$120,000, which involves a Related Person's entry into an Interested Transaction. As defined in our policy, an Interested Transaction is any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which (i) the aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year, (ii) the Company is a participant, and (iii) any Related Person has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10 percent beneficial owner of another entity). A Related Person is defined as any (1) person who is or was (since the beginning of the last fiscal year for which the Company has filed a Form 10-K and proxy statement, even if he or she does not presently serve in that role) an executive officer, director or nominee for election as a director, (2) greater than 5 percent beneficial owner of the Company's common stock, or (3) immediate family member of any of the foregoing. Immediate family member includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person's home (other than a tenant or employee). Our policies and procedures further provide that only disinterested directors are entitled to vote on any Interested Transaction presented for Audit Committee approval.

In June 2009, the Company sold 4,115,620 shares of common stock to Deutsche Lufthansa AG in connection with a registered public offering of common stock offered to the public at a price of \$4.25

per share and convertible debt. This transaction was approved by the Board of Directors and the Pricing Committee thereof.

Stockholder Communications with the Board of Directors.

Stockholders may communicate with our Board of Directors by sending a letter to the JetBlue Board of Directors, c/o Corporate Secretary, JetBlue Airways Corporation 118-29 Queens Boulevard, Forest Hills, New York 11375. The name of any specific intended director should be noted in the letter. Our Corporate Secretary will forward such correspondence to the intended recipient or as directed by such correspondence; however, our Corporate Secretary, prior to forwarding any correspondence, has the authority to disregard any communications he deems to be inappropriate, or to take any other appropriate actions with respect to such inappropriate communication.

Board Oversight of Risk.

Our Board of Directors oversees the management of risks inherent in the operation of the Company's businesses and the implementation of its strategic plan. The Board of Directors performs this oversight role by using several different levels of review. In connection with its reviews of the operations of the Company's business and corporate functions, the Board addresses the primary risks associated with those units and functions. In addition, the Board reviews the risks associated with the Company's strategic plan at an annual strategic planning session and periodically throughout the year as part of its consideration of the strategic direction of the Company. Each of the Board's Committees also oversees the management of Company risks that fall within the Committee's areas of responsibility. In performing this function, each Committee has full access to management, as well as the ability to engage advisors.

The Company has an enterprise risk management program. The Audit Committee oversees the operation of the Company's enterprise risk management program, including the identification of the primary risks to the Company's business and interim updates of those risks, and periodically monitors and evaluates the primary risks associated with particular business units and functions. The Company's Vice President - Audit and Process Effectiveness assists the Company in identifying, evaluating and implementing risk management controls and methodologies to address identified risks. In connection with its risk management role, at each of its meetings the Audit Committee meets privately with representatives from the Company's independent registered public accounting firm, the Company's Vice President - Audit and Process Effectiveness and the Company's General Counsel. The Audit Committee provides reports to the Board which include these activities.

As part of its oversight of the Company's executive compensation program, the Compensation and Leadership Development Committee (the CLD Committee) considers the impact of the Company's executive compensation program, and the incentives created by the compensation awards that it administers, on the Company's risk profile. Our management, with the CLD Committee, reviews our compensation policies and procedures, including incentives that may create, and factors that may reduce, the likelihood of excessive risk taking, to determine whether such incentives and factors present a significant risk to the Company. Based on this review, the CLD Committee has concluded that the Company's compensation policies and procedures are not reasonably likely to have a material adverse effect on the Company.

ITEM 1. ELECTION OF DIRECTORS

The Board of Directors currently consists of eleven directors and, immediately following the annual meeting, it will consist of ten directors. Prior to the 2009 Annual Meeting, the Company's directors were divided into three classes, with each director holding office for a term of three years. Pursuant to an amendment to Article VI of the Amended and Restated Certificate of Incorporation and Article III, Sections 1 and 2 of the Company's Bylaws adopted following the 2008 Annual Meeting

of Stockholders, beginning with 2009 Annual Meeting, the Board is being declassified over a period of not more than three years, so that when the amendment is fully phased in the Company's directors will each serve for a one year term and be subject to annual election by the stockholders. The remainder of the phase-in schedule is as follows:

At the 2010 Annual Meeting, seven directors will be elected for one year terms, including three directors elected to succeed the three Class III directors whose terms expire in 2010.

At the 2011 Annual Meeting and following, all members of the Board of Directors will be elected for one year terms, including three directors elected to succeed the three Class II directors whose terms expire in 2011.

As such, the stockholders will elect seven directors at this Annual Meeting, each to hold office until the Annual Meeting of Stockholders in 2011.

Based on the recommendation of the Corporate Governance and Nominating Committee, the Board of Directors has nominated current directors David Barger, Peter Boneparth, David Checketts, Stephan Gemkow, Virginia Gambale, Joel Peterson and Ann Rhoades, each a current director of the Company, to be elected as a director of the Company. If elected, each of the nominees will serve until the next Annual Meeting of Stockholders to be held in 2011, or until such time as their respective successors have been duly elected and qualified.

Kim Clark, a director of the Company since 2002, notified the Company on March 23, 2010 that, due to his increasing responsibilities at BYU-Idaho, he will be resigning from the Board of Directors and the Corporate Governance and Nominating Committee immediately following the annual meeting and, therefore, his term will end on May 20, 2010. The Company deeply appreciates Dr. Clark's exemplary service and contributions to the Board. We anticipate that the Board will appoint a new Corporate Governance and Nominating Committee member to replace Dr. Clark at the meeting of the Board of Directors scheduled immediately following the annual meeting.

The remaining directors will continue to serve as set forth below.

The Board believes that each of the nominees will be available and able to serve as a director. If a nominee is unable to serve, the shares of common stock represented by all valid proxies will be voted at the annual meeting for the election of such substitute as the Board may recommend, the Board may reduce the number of directors to eliminate the vacancy or the Board may fill the vacancy at a later date after selecting an appropriate nominee.

Board Criteria, Qualifications and Experience

JetBlue Airways is a passenger airline that we believe has established a new airline category—a value airline—based on cost, service and style. Our Board is composed of a diverse group of leaders in their respective fields. Many of the current directors have leadership experience at major domestic and international companies with operations inside and outside the United States, as well as experience on other companies' boards, which provides an understanding of different business processes, challenges and strategies. Other directors have experience at academic institutions, which brings unique perspectives to the Board. Further, the Company's directors also have other experience that makes them valuable members, with experience of value to JetBlue such as financial literacy, talent and brand management, customer service experience and crewmember relations, as well as other experience that provides insight into issues faced by companies.

The Corporate Governance and Nominating Committee expects the Company's directors to contribute to the Board's overall diversity—diversity being broadly construed to mean a variety of opinions, personal and professional experiences, perspectives and backgrounds, such as ethnicity, gender and race differences, as well as other differentiating characteristics. The directors should contribute positively to the existing chemistry and collaborative

culture among the Board members. Further, the directors should possess a commitment to the success of the Company, proven leadership, sound

judgment and a willingness to engage in constructive debate. The Governance and Nominating Committee seeks directors who have these qualities to achieve an ultimate goal of a well-rounded Board that functions well as a team, something which is critically important to the Company.

Periodically, the Corporate Governance and Nominating Committee assesses the skills of the current membership of the Board of Directors. The Corporate Governance and Nominating Committee then reviews the Company's short- and long-term business plans of the Company to gauge what additional current and future skills and experience may be required of the Company's Board and any future Board candidates. The Corporate Governance and Nominating Committee seeks to use the results of the assessment process as it identifies and recruits potential director candidates. While the Company does not have a formal policy on Board diversity, diversity is a part of our culture and the Corporate Governance and Nominating Committee considers diversity as one aspect in its efforts to recruit and nominate directors as noted above. The Corporate Governance and Nominating Committee and the Board believe that the above-mentioned attributes, along with the skills and experiences of its Board members described below, provide the Company with the perspectives and judgment necessary to guide the Company's strategies and monitor their execution.

In evaluating director candidates and considering incumbent directors for renomination to the Board, the Governance and Nominating Committee considers a variety of factors. These include each nominee's experience, financial literacy, independence, and personal and professional accomplishments in light of the needs of the Company. For incumbent directors, the factors include contributions to their respective committees and past performance on the Board. Certain information concerning the nominees and those directors whose terms of office will continue following the annual meeting is set forth below.

Our Board of Directors recommends that stockholders vote FOR the election of each of the nominees.

Nominees Standing for Election for an Annual Term

DAVID BARGER

Director since 2001
Airline Safety Committee

Mr. Barger, 52, is our President and Chief Executive Officer. He has served as our Chief Executive Officer since May 2007 and our President since June 1, 2009. He previously served as our President from August 1998 until September 12, 2007, and as our Chief Operating Officer from August 1998 until March 26, 2007. Mr. Barger is a member of the team that founded JetBlue. Mr. Barger is on