

Order 97-12-15

Served: December 16, 1997



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Issued by the Department of Transportation  
on the 10<sup>th</sup> day of December, 1997

**Applications of**

**American Airlines, Inc.  
American International Airways, Inc.  
Continental Airlines, Inc.  
Federal Express Corporation  
Gemini Air Cargo LLC  
Laker Airways, Inc.  
Northwest Airlines, Inc.  
Polar Air Cargo, Inc.  
United Air Lines, Inc.**

**Dockets OST-97-2815  
OST-97-3126  
OST-97-3031  
OST-96-1695  
OST-96-1736  
OST-97-3012  
OST-96-1592  
OST-96-1849  
OST-95-299  
OST-96-1592  
OST-96-1668**

for exemptions or authorities under 49 U.S.C. section  
40109 and the orders and regulations of the  
Department of Transportation

**ORDER**

The captioned U.S. air carriers have applied for various forms of authority or relief from Title 49 of the U.S. Code or regulations or orders of the Department in order to perform the air transportation activities shown in the attached Notices of Action Taken. Except as noted, no answers were filed to these requests. Because of the imminence of

these operations, we approved them by telephone, subject to adherence, by each applicant, conditions attached.

We carefully considered the information set forth in each application described in the consistent with the public interest and was consistent with an applicable bilateral aviation agreement and/or the aviation relationship between the United States and the foreign and that each application should be approved.

Under authority assigned by the Department in its Regulations, 14 CFR Part 385, we Department policy; (2) grant of the exemption or authority was consistent with the public interest; and (3) grant of this authority would not constitute a major regulatory action

1

ACCORDINGLY,

granted the referenced U.S. air carriers (1) exemptions from the provisions of Section 41101 and where necessary 41504 or as noted in the attached notices, other sections of

of the Department, to the applicants to perform the operations described in the attached Notices of Action Taken;

in the Appendix, and to any other conditions as noted in the attached Notices of Action Taken;

Action Taken, these applications are denied; and

4. We may amend, modify, or revoke this order at any time without hearing.

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<sup>1</sup> On the basis of data officially noticeable under Rule 24(n) of the Department's regulations, we found that each U.S. air carrier applicant for an operating exemption is qualified to provide the services authorized.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, may file their petitions within ten (10) days after the date of service of this order. The filing of a petition for review of a particular action shall affect this order only as it concerns that action.

These actions were effective when taken, and the filing of a petition for review will not alter their effectiveness.

By:

PAUL L. GRETCH  
Director  
Office of International Aviation

(SEAL)

*An electronic version of this order is available on the World Wide Web at  
<http://dms.dot.gov/general/orders/aviation.html>*

**U.S. Carrier**  
**Standard Exemption Conditions**

In the conduct of the operations authorized by the attached order, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with the requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted or confirmed by the attached order shall be effective only during the period when the holder is in compliance with the conditions imposed above.

## RENEW



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**October 31, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of American Airlines, Inc. filed 8/14/97 in Docket OST-97-2815 for:

**XX** Renew for two years allocation of 3.5 weekly U.S.-Peru frequencies to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between Dallas/Ft. Worth, Texas, and Lima, Peru.**

Applicant rep.: Carl B. Nelson, Jr., 202-496-5647 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

**XX** Granted (Subject to conditions, see below)

The above action was effective when taken: October 31, 1997, through October 31, 1999

**XX** Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

**XX** Authority granted is consistent with the aviation agreement between the United States and Peru.

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

- XX** Holder's certificate of public convenience and necessity
- XX** Standard Exemption Conditions (attached)

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**Conditions:** Consistent with our standard practice, the frequency allocation granted is subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days.

NEW



**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**November 19, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of American International Airways, Inc. filed 11/13/97 in Docket OST-97-3126 for:

XX Exemption from Order 97-1-17; start-up date:

By Order 97-8-20 the Department granted American International Airways exemption authority to provide scheduled all-cargo service in the U.S.-Ecuador market and allocated it three weekly all-cargo frequencies for this service. That award was subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days. Under the terms of the order AIA's frequency allocation would expire November 20, 1997, if AIA did not begin service by that date. AIA seeks exemption from that condition to the extent necessary to extend its proposed start-up date to January 20, 1998. AIA states that because of delays in completing operational arrangements, including the necessary licenses from the Ecuadorian government, the optimum date to commence its operations is January 20, 1998.

Applicant rep.: Mark Atwood, 202-463-2500 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

XX Granted (see below)

The above action was effective when taken: November 19, 1997, through January 20, 1998

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

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**Remarks:** The 90-day dormancy period will begin January 20, 1998, AIA's proposed new start-up date for its U.S.-Ecuador service.

We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served.

NEW



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

November 14, 1997

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of Continental Airlines, Inc. filed 10/20/97 in Docket OST-97-3031 for:

**XX** Exemption for two years under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between Newark, New Jersey, and Dublin, Ireland, and to integrate this authority with its existing certificate and exemption authority.**

Applicant rep.: Rebecca G. Cox 202-289-6060 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

**XX** *Granted (subject to conditions, see below)*

*The above action was effective when taken: November 13, 1997, through November 13, 1999*

**XX** *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)*

**XX** **Authority granted is consistent with the aviation agreement between the United States and Ireland.**

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

- XX** **Holder's certificate of public convenience and necessity**
- XX** **Standard Exemption Conditions (attached)**

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**Conditions:** The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon Continental rights (including fifth freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless Continental notifies us of its intent to serve such a market and unless and until the Department has completed any necessary

carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited entry route rights that are included in Continental's authority by virtue of the route integration exemption granted here, but that are not then being used by Continental, the holding of such authority by route integration will not be considered as providing any preference for Continental in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

**Remarks:** The U.S.-Ireland aviation agreement requires that U.S. carriers serving Dublin must also be providing service to Shannon.

NEW



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**November 3, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of **Federal Express Corporation** filed 9/12/96, and supplemented 10/15/97 in Docket OST-96-1695 for:

**XX** Exemption for two years under 49 U.S.C. 40109 to provide the following service:

Scheduled all-cargo service between points in the United States and Macau, in conjunction with its existing scheduled all-cargo air transportation between points in the United States, on the one hand, and points in the Asia/Pacific region, on the other. Federal Express states that it plans to initiate service on or about October 26, 1997, with two round-trip flights a week between Anchorage and Macau, using MD-11 freighter aircraft. One weekly round-trip flight will operate eastbound between Macau and Anchorage via Tokyo, and will operate westbound via Tokyo and Subic Bay; and the second weekly round-trip flight will operate eastbound between Macau and Anchorage via Osaka and will operate westbound via Osaka, Subic Bay and Manila.

Applicant rep.: Nathaniel P. Breed, Jr. 202-663-8078 DOT analyst: Linda Senese, 202-366-2367

### DISPOSITION

**XX** *Granted*

The above action was effective when taken: November 3, 1997, through November 3, 1999

**XX** Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

**XX** Authority granted is consistent with the Air Transport Agreement between the United States and Macau.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

**XX** Holder's certificate of public convenience and necessity

**XX** Standard Exemption Conditions (attached)

## RENEW & AMEND



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**November 5, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of Gemini Air Cargo LLC filed 8/21/97 in Docket OST-96-1736 for:

**XX** Renew and amend exemption under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of property and mail between New York, New York; Los Angeles and San Francisco, California; and Chicago, Illinois; on the one hand, and Seoul, Korea, on the other. Gemini also requests amendment of its exemption authority to add Anchorage, Alaska, as an additional U.S. point.**

Applicant rep.: Moffett B. Roller, 202-962-9440 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

**XX** *Granted*

The above action was effective when taken: November 3, 1997, through November 3, 1998

**XX** Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

**XX** Authority granted is consistent with the aviation agreement between the United States and Korea.

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

**XX** Holder's certificate of public convenience and necessity

**XX** Standard Exemption Conditions (attached)

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**Remarks:** The authority for which Gemini requested renewal expired October 24, 1997, but had been kept in force pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, pending action on Gemini's timely filed renewal application.

NEW



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**November 5, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Applications of Laker Airways, Inc. filed 10/14/97 in Docket OST-97-3012 for:

XX Allocation of two U.S.-Toronto combination frequencies

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between Orlando and Ft. Lauderdale, Florida, on the one hand, and Toronto, Canada, on the other.**

Applicant rep.: Robert M. Beckman, 202-828-4100 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

XX *Granted (subject to conditions, see below)*

The above action was effective when taken: November 4, 1997, through November 4, 1999

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

XX Authority granted is consistent with the aviation agreement between the United States and Canada signed on February 24, 1995.

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

XX **Holder's certificate of public convenience and necessity**

XX **Standard Exemption Conditions (attached)**

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**Conditions:** Consistent with our standard practice with respect to Canada, the frequency allocation granted is subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 45 days. (See Order 97-4-4.) The 45-day dormancy period for these frequencies will begin December 18, 1997, Laker's proposed startup date.

**CORRECTED COPY\***

**RENEW**



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

**NOTICE OF ACTION TAKEN**

**October 30, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of Northwest Airlines, Inc. filed 8/26/97 in Docket OST-96-1592 for:

**XX** Renew allocation of seven weekly round-trip U.S.-Poland third-country code-share frequencies to perform the following service:

**Scheduled foreign air transportation of persons, property, and mail between a point or points in the United States and Warsaw, Poland, via Amsterdam, pursuant to a code-share arrangement with KLM Royal Dutch Airlines.**

Applicant rep.: Megan Rae Poldy (202) 842-3193 DOT analyst: Sylvia Moore, 202-366-6519

*DISPOSITION*

**XX** *Granted (Subject to conditions, see below)*

*The above action was effective when taken: October 29, 1997, through October 31, 1998*

**XX** *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)*

**XX** **Authority granted is consistent with the aviation agreements between the United States and Poland, and the United States and the Netherlands.**

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, limitations indicated:*

- XX** **Holder's certificate of public convenience and necessity**
- XX** **Standard exemption conditions (attached)**

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**Conditions:** Consistent with our standard practice, the frequency allocation granted is subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days.

\*Corrects Notice of Action Taken dated October 29, 1997, to reflect that the authority granted is consistent with the aviation agreements between the United States and Poland, and the United States and the Netherlands.

## RENEW & AMEND



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**November 5, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of Polar Air Cargo, Inc. filed 8/22/97 in Docket OST-96-1849 for:

**XX** Renew and amend exemption under 49 U.S.C. 40109 to:

**Integrate its existing authority to provide scheduled foreign air transportation of property and mail on Routes 651, 696, and 705, and under exemption authority it holds to permit foreign air transportation services involving any points named on the above certificates of public convenience and necessity and exemptions. Polar requests amendment of this authority to also integrate Route 727 and its exemption authority granted by Orders 97-1-17, 97-6-26, and 97-6-16 with its other certificate and exemption authorities.**

Applicant rep.: Alfred J. Eichenlaub, 202-637-9034 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

**XX** *Granted (Subject to conditions, see below)*

*The above action was effective when taken: November 3, 1997, through November 3, 1998*

**XX** *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)*

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

**XX** **Holder's certificate of public convenience and necessity**

**XX** **Standard Exemption Conditions (attached)**

(See Reverse Side)

**Conditions:** The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon Polar rights (including fifth freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless Polar notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited entry route rights that are included in Polar's authority by virtue of the route integration exemption granted here, but that are not then being used by Polar, the holding of such authority by route integration will not be considered as providing any preference for Polar in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

**Remarks:** The authority for which Polar requested renewal expired October 24, 1997, but had been kept in force pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, pending action on its timely filed renewal application.

**CORRECTED COPY\***  
**RENEW**



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

**NOTICE OF ACTION TAKEN**

**November 21, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of United Air Lines, Inc. filed 7/22/97 in Docket OST-95-299 for:

**XX** Renew for two years exemption under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between Miami, Florida, and Bonaire, Netherlands Antilles. United intends to operate this service pursuant to a code-share arrangement with ALM 1997 Airline, N.V. United also requests authority to integrate these services with its authority on Routes 57 and 632, and with other existing authority to enable United to coterminimize its Bonaire services with other Caribbean points, including Curacao, Port-au-Prince, and Aruba.**

Applicant rep.: Joel Burton (202) 636-9130 DOT analyst: Sylvia Moore, 202-366-6519

*DISPOSITION*

**XX** *Granted (subject to conditions, see below)*

*The above action was effective when taken: November 18, 1997, through November 18, 1999*

**XX** Under assigned authority (14 CFR 385) by:

*Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness  
of this action.)*

**XX Exemption authority granted is consistent with the overall state of aviation relations between the United States and the Netherlands.**

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

- XX** Holder's certificate of public convenience and necessity
- XX** Standard Exemption Conditions (attached)

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**Conditions:** The code-sharing operations conducted herein must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject

\*Corrects Notice of Action Taken dated November 21, 1997, to reflect renewal of exemption instead of new exemption.

(See Reverse Side)

foreign air transportation be sold in the name of the carrier holding out such service in computer reservations systems and elsewhere, and that the carrier selling such transportation accept all obligations established in its contract of carriage with the passenger (i.e., the ticket) any that the operator shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

The route integration authority granted is subject to the condition that any service under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon United additional rights (including fifth freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless United notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited entry route rights that are included in United's authority by virtue of the route integration exemption granted here, but that are not then being used by United, the holding of such authority by route integration will not be considered as providing any preference for United in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

The exemption authority for which United requested renewal expired September 27, 1997, but had been kept in force pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, pending action on United's timely filed renewal application.

# RENEW



**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**October 29, 1997**

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*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Application of United Air Lines, Inc. filed 8/21/97 in Docket OST-96-1592 for:

**XX** Renew allocation of seven weekly round-trip U.S.-Poland third-country code-share frequencies to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between a point or points in the United States and Warsaw, Poland, via Frankfurt and Munich, Germany, pursuant to a code-share arrangement with Lufthansa Airlines.**

Applicant rep.: Joel Burton (202) 637-9130 DOT analyst: Sylvia Moore, 202-366-6519

### DISPOSITION

**XX** *Granted (Subject to conditions, see below)*

*The above action was effective when taken: October 29, 1997, through October 31, 1998*

**XX** *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director*

*Office of International Aviation*

*(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.*

*Filing of a petition shall not stay the effectiveness of  
this action.)*

**XX** **Authority granted is consistent with the aviation agreements between the United States and Poland, and the United States and Germany.**

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, limitations indicated:*

**XX** **Holder's certificate of public convenience and necessity**

**XX** **Standard exemption conditions (attached)**

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**Conditions:** Consistent with our standard practice, the frequency allocation granted is subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days.



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

**RENEW**

**NOTICE OF ACTION TAKEN**

**October 28, 1997**

*This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.*

Joint application of **United Air Lines, Inc. and Saudi Arabian Airlines Corporation** filed 8/4/97 in Docket OST-96-1668 for:

**XX** Renew exemption for two years from 49 U.S.C. 41101 for United to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between New York, New York, and Dhahran, Jeddah, and Riyadh, Saudi Arabia.**

**XX** Renew exemption for two years from 49 U.S.C. 41301 for Saudia to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between a point or points in Saudi Arabia, and Los Angeles, California.**

**XX** Renew Statement of Authorization for two years under 14 CFR Part 207 to:

**Display Saudia's designator code on flights operated by United between New York and Los Angeles for carriage of Saudia's Saudi Arabia-Los Angeles traffic.**

**XX** Renew Statement of Authorization for two years under 14 CFR Part 212 to:

**Display United's designator code on flights operated by Saudia in the New York-Dhahran/Jeddah/Riyadh, Saudi Arabia markets.**

Applicant rep.: Joel Stephen Burton 202-637-9130 DOT analyst: Sylvia Moore, 202-366-6519

**DISPOSITION**

**XX** *Granted in part and subject to conditions (See below)*

**XX** *Balance dismissed*

The above action was effective when taken: October 28, 1997, through October 28, 1998

**XX** Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director  
Office of International Aviation  
(Petitions for review may be filed from now until  
10 days after the confirming order/letter issues.  
Filing of a petition shall not stay the effectiveness of  
this action.)

(See Reverse Side)

**XX Authority granted is consistent with the Annexes to the 1993 U.S.-Saudi Arabia Air Transport Agreement.**

*Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:*

- XX Holder's certificate of public convenience and necessity**
- XX Holder's foreign air carrier permit**
- XX Standard Exemption Conditions (attached)**

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**Conditions:** The code-sharing operations authorized herein must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere, and that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept all obligations established in its contract of carriage with the passenger, and that the operator shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

**Remarks:** The authority for which the carriers requested renewal expired October 9, 1997, but had been kept in force pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, pending action on their timely filed joint renewal application.

We dismissed that portion of the carriers' application to the extent it requested authority for a two-year period without prejudice to refiling. It is our normal practice for limited-entry markets to grant such authorizations for a period of one year, and we followed that practice here.