

Served: November 25, 1997



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

Issued by the Department of Transportation
on the 25th day of November, 1997

Application of

GLOBAL AIR CARGO, INC.

for certificates of public convenience and necessity under 49 U.S.C. 41102 to engage in interstate and foreign charter air transportation of property and mail

Docket OST-97-2683

**ORDER TO SHOW CAUSE
PROPOSING ISSUANCE OF CERTIFICATE AUTHORITY**

Summary

By this order, we tentatively find that Global Air Cargo, Inc., is fit, willing, and able to provide interstate and foreign charter air transportation of property and mail as a certificated air carrier.

Background

Section 41102 of Title 49 of the United States Code (Transportation) ("the statute") directs us to determine whether applicants for certificate authority to provide interstate and foreign charter air transportation are fit, willing, and able to perform such transportation, and to comply with the statute and the regulations of the Department. In making fitness findings, the Department uses a three-part test that reconciles the Airline Deregulation Act's liberal entry policy with Congress' concern for operational safety and consumer protection. The three areas of inquiry that must be addressed in order to determine a company's fitness are whether the applicant (1) will have the managerial skills and technical ability to conduct the proposed operations, (2) will have access to resources sufficient to commence operations without posing an undue risk to consumers, and (3) will comply with the statute and regulations imposed by Federal and State agencies. We must also find that the applicant is a U.S. citizen.

On July 3, 1997, Global Air Cargo, Inc., filed an application in Docket OST-97-2683 for a certificate to provide interstate scheduled air transportation of property and mail pursuant to section 41102. Global accompanied its application with a portion of the fitness information required by section 204.3 of our regulations.¹ On October 31, 1997, Global amended its application to request interstate and foreign charter authority, instead of the interstate scheduled authority originally sought.²

No answers opposing Global's application were filed and no special issues regarding the applicant have come to our attention. Under these circumstances, we propose to decide the issue of the applicant's fitness on the basis of the written record, and we tentatively conclude that Global is a U.S. citizen and is fit, willing, and able to operate its proposed interstate and foreign charter service. However, we will give interested persons an opportunity to show cause why we should not adopt as final the tentative findings and conclusions stated herein.

The Company

Global, a non-operating company based in Winston-Salem, was organized as a corporation under the laws of the State of North Carolina in September 1996. Ownership of the company is distributed between six individuals, with Mr. Gene Sharp (43.6 percent), Mr. David Vander Lugt (20.5 percent), Mr. John D. Paschal (20.5 percent), and Mr. William D. Carico (11.4 percent), the only shareholders with more than a five percent interest in the company. According to the applicant, each of its shareholders is a U.S. citizen.

If its application is approved, Global intends to initiate charter cargo operations using a B747-100 freighter aircraft, and adding two B747-200 freighter aircraft to its fleet within its first year of operations. Global has stated that it will concentrate its operations on providing subservice to other certificated air carriers, with a secondary focus on developing its own cargo operations from its North Carolina base.

¹ Global filed information completing and supplementing its application on September 15, October 7 and 31, and November 13, 1997.

² Global stated in its original application that it did not intend to directly conduct scheduled operations. Rather, it was seeking scheduled certificate authority so that it could wet lease its aircraft to both scheduled and charter carriers. However, such subservice operations are considered to be charter operations by the Department. Specifically, section 208.6(c) of the Department's rules authorizes a charter air carrier to perform cargo charter flights on behalf of other direct air carriers, both scheduled and charter. The only economic licensing restriction is that any long-term wet leases (*i.e.*, for more than 60 days) on behalf of a foreign air carrier must receive the Department's prior approval. (The Federal Aviation Administration has its own safety-related wet leasing regulations, 14 CFR 119.53.) Therefore, Global has amended its application to seek the appropriate certificate authority for the types of operations it intends to conduct.

Managerial Competence

At present, Global's Board of Directors consists of two of its key personnel, Mr. Gene Sharp, its President, Chief Executive Officer, and Director of Operations, and Mr. David Vander Lugt, its Vice President of Marketing and Sales, as well as one independent director, Mr. William F. Simpson.³ When its financing is completed, Global expects to add a fourth person to its Board. All of its current directors are U.S. citizens.

Mr. Gene F. Sharp, one of Global's co-founders, serves as its President, Chief Executive Officer, and Director of Operations. Mr. Sharp has been involved in the aviation industry for more than 43 years, beginning as a pilot with various air taxi operators. In 1961, Mr. Sharp joined Piedmont Airlines as a pilot and during his 28 years with that carrier he rose to become its Vice President of Flight Operations. He continued as a pilot and, later, Vice President of Flight Operations with USAir when that carrier took over Piedmont's operations. Mr. Sharp remained with USAir until his retirement in 1995 and, since that time, he has served as President and Chief Executive Officer of Integrated Airline Solutions, a consulting company he formed.⁴

Global's other co-founder, Mr. David Vander Lugt, serves as its Vice President of Marketing and Sales. Immediately prior to helping form the applicant, Mr. Vander Lugt co-founded Air 21, Inc., a former certificated air carrier that operated between December 1995 and December 1996, and served as its Director of Sales and Marketing. Prior to his involvement in the aviation industry, Mr. Vander Lugt spent approximately 18 years in various marketing and/or sales positions with companies such as Bank of America, Xerox Corporation, and Control Data Corporation. He also worked for a few years in real estate sales.

Mr. Paul R. Justus serves as Global's Director of Safety. Mr. Justus worked from 1969-1990 for the Federal Aviation Administration (FAA), first as an air traffic controller and then as an operations inspector and air carrier safety inspector. After retiring from the FAA, Mr. Justus formed Justus Aviation Compliance Associates, a consulting firm that specialized in aviation safety and compliance issues, which he operated until 1993. Since then, and until his association with Global, Mr. Justus has been retired.

³ Mr. Simpson is a North Carolina businessman involved in developing land and buildings for various business ventures.

⁴ Should Global receive effective certificate authority, Mr. Sharp will devote almost no time to Integrated Airline Solutions other than to maintain it as a continuing entity.

Mr. Donald E. Collins serves as Global's Director of Maintenance.⁵ Mr. Collins, an Airframe and Powerplant Mechanic, retired from Piedmont Airlines/USAir in 1994 after 34 years with these companies in various maintenance positions, including serving as manager of base maintenance at Greensboro (1985-1989) and a manager of line maintenance (1989-1994). Since his retirement, Mr. Collins has not been actively employed other than serving for approximately six months as shop supervisor of Todd Motion Control.

Mr. Claude T. "Tommy" Redmon will serve as Global's Chief Inspector. Mr. Redmon, an Airframe and Powerplant Mechanic, has over 36 years of experience in aircraft maintenance and inspection. After beginning his career as a general aviation mechanic with Yadkin Valley Flying Service (1961-1963), Mr. Redmon joined the maintenance department of Piedmont Airlines and has continued with that company and its successor, USAir, since that time. During his career with Piedmont/USAir, Mr. Redmon has worked both as a mechanic and in senior management positions, including serving as Piedmont's Manager-Quality Assurance and as Chief Inspector and Manager-Inspection at various USAir stations.

Mr. William Dean Carico, an Airline Transport Pilot with over 19,800 total flight hours, serves as Global's Chief Pilot.⁶ Mr. Carico has over 34 years of aviation experience,⁷ including serving as Chief Pilot with Polar Air Cargo (1994-1996) and Piedmont Airlines (1979-1985). In addition, Mr. Carico has held pilot positions with Piedmont Airlines, USAir, and Air South.

Global's Chief Financial Officer is Ms. Bettylien W. Smith, a certified public accountant. Prior to joining the applicant, Ms. Smith served for approximately three years as Vice President of Finance of Hampshire Group, Ltd., and Shogren Industries, both North Carolina-based manufacturers. Earlier, Ms. Smith served for five years as Director of Financial Planning of Dudley Products, for four years as audit supervisor with McGladney & Pullen, and for 11 years as a clerk with McCain Hospital.

⁵ Global has stated that it intends to contract out all maintenance except for minor routine maintenance items. Mr. Collins will have responsibility for all of Global's maintenance contracts. However, oversight of the maintenance contractor(s) will be the responsibility of Mr. Claude Redmon, Global's Chief Inspector.

⁶ Training of Global's flight crews will be contracted to Northwest Aerospace Training Corporation. Oversight of this contract will be the responsibility of Mr. Carico.

⁷ Mr. Carico began his aviation career in 1963 as a customer service agent for Piedmont Airlines, and became a pilot with that company in 1967.

In view of the experience and background of the applicant's key personnel, we tentatively conclude that Global has demonstrated that it has the management skills and technical ability to conduct its proposed service.⁸

Financial Plan and Operating Proposal

If granted the certificate authority it seeks, Global plans to commence all-cargo operations using a single B747-100 freighter aircraft, with a B747-200 freighter aircraft to be added during its fifth month of operations and a second B747-200 aircraft to be added during its twelfth month of operations. Global forecasts that it will operate each aircraft approximately 240 block hours per month and that approximately 75 percent of its operations will be that of wet leasing these aircraft to other air carriers, with the remainder of its operations directed at developing independent services for freight forwarders and major manufacturers/shippers out of Greensboro and Charlotte, North Carolina.

In support of its financial fitness to undertake charter cargo operations, Global has provided detailed forecasts of its anticipated pre-operating expenses and its operating expenses for its first year of operations. Global's forecasts indicate that it anticipates that it will incur approximately \$2.7 million in start-up costs. In addition, the carrier will incur another \$6.92 million in operating expenses during three months of normal operations. We have reviewed Global's first year expense forecasts, on a unit basis, and find that they appear to be reasonable.

Based on the information before us, Global will need approximately \$9.62 million in funds to meet our financial fitness criteria.⁹ Global has presented to the Department a fully executed

⁸ Before authorizing a carrier to conduct air transportation operations, the FAA also evaluates certain of the carrier's key personnel with respect to the minimum qualifications for those positions as prescribed in the Federal Aviation Regulations. The FAA's evaluation of these key personnel provides an added practical and in-person test of the skills and technical ability of these individuals.

⁹ In evaluating an applicant's financial fitness, the Department generally asks that the company have available to it resources sufficient to cover all pre-operating costs plus a working capital reserve equal to the operating costs that would be incurred in three months of normal certificated operations. Because projected operations during one or more of the first three months of anticipated actual air transportation services frequently do not include all costs of operations that will be incurred during a normal period of operations, it is our practice to base our three-month test on one quarter of the first year's operating cost forecast. In calculating available resources, projected revenues may not be used.

financial services agreement and letter of intent between itself and American Fidelity Trust of Decatur, Georgia, under which that company will assist Global in obtaining debt funding of \$12.0 million.¹⁰ Based on our review, we tentatively conclude that, if this plan is carried out, Global will have sufficient financial resources available to it to enable it to commence its proposed charter cargo operations without posing an undue risk to consumers or their funds. However, as is our practice when a company does not yet have its funding in hand, we will condition the effectiveness of any certificate authority which may be issued to Global upon its first providing certain additional financial information, including a verification of its funding.¹¹

Compliance Disposition

We also tentatively conclude that Global has the proper regard for the laws and regulations governing its services to ensure that its aircraft and personnel conform to applicable safety standards and that acceptable consumer relations practices will be followed.

Global has stated that there are no actions or outstanding judgments against it, its owners, or its key personnel, nor have there been any charges of unfair, deceptive, or anti-competitive business practices, or of fraud, felony or antitrust violations brought against any of these parties in the past ten years. Global further stated that there are no pending investigations against it, its key personnel, or persons having a substantial interest in it with respect to compliance with the statute or the Department's regulations.

Our search of the Department's records found no compliance problems with the applicant, its owners or key personnel. Further, the FAA has advised us that Global has applied for certification under Part 121 of the Federal Aviation Regulations, that the management presented thus far appear to be qualified for their positions with the company, and that it knows of no reason why we should act unfavorably on the company's application.

CITIZENSHIP

Section 41102 requires that certificates to engage in air transportation be held only by citizens of the United States as defined in 49 U.S.C. 40102(a)(15). That section requires that the president and two-thirds of the Board of Directors and other managing officers be U.S. citizens and that at least 75 percent of the outstanding voting stock be owned by U.S. citizens. We have also interpreted the statute to mean that, as a factual matter, the carrier must actually be controlled by U.S. citizens.

¹⁰ Information supporting American Fidelity's ability to perform under this agreement was also provided. In addition, Global supplied two other financing plans that were not fully developed, but which if carried out would raise approximately \$11-15 million in total funding for the applicant. While Global has stated that it will most likely secure its financing from the American Fidelity Trust plan noted above, it is still actively negotiating with other possible funding sources and depending on the outcome of these negotiations, Global may chose to obtain its funding from one of these other sources.

¹¹ See the **Certificate Conditions & Limitations** section of this order for a detailed list of the information that will be required.

As noted elsewhere in this order, all of Global's stock is currently held by six individuals, each of whom is a U.S. citizen, and all of Global's directors and managing officers are also citizens of the United States. Further, Global has provided an affidavit attesting that it is a citizen of the United States within the meaning of the statute and that it is actually controlled by U.S. citizens. Finally, our review of the applicant's citizenship has uncovered no reason to suggest that control of Global rests with non-U.S. citizens.

Based on the above, we tentatively conclude that Global is a citizen of the United States and is fit, willing, and able to conduct the interstate and foreign charter cargo operations proposed in its application.

PUBLIC CONVENIENCE AND NECESSITY

No finding of consistency with the public convenience and necessity is required for the award of authority for interstate charter air transportation under section 41102, although such a finding is required for authority to engage in foreign charter air transportation.

We tentatively find that the foreign charter air transportation proposed by Global is consistent with the public convenience and necessity. By Order 78-7-106, which instituted the *Former Large Irregular Air Service Investigation*, the Civil Aeronautics Board found that there was a continuing demand and need for additional charter air carriers. These findings remain valid and apply to the authority sought by Global. Therefore, if Global meets the fitness requirements of the statute, it will receive certificates authorizing it to engage in interstate and foreign charter air transportation of property and mail under section 41102.¹²

OBJECTIONS

We will give interested persons 15 days following the service date of this order to show cause why the tentative findings and conclusions set forth here should not be made final; answers to objections will be due within 10 days thereafter. We expect such persons to direct their objections, if any, to the applications and points at issue and to support such objections with detailed economic analyses. If an oral evidentiary hearing or discovery procedures are requested, the objector should state in detail why such a hearing or discovery is considered necessary, and what material issues of decisional fact the objector would expect to establish through a hearing or discovery that cannot be established in written pleadings. The objector should consider whether discovery procedures alone would be sufficient to resolve material issues of decisional fact. If so, the type of procedure should be specified (*See* Part 302, Rules 19 and 20); if not, the reasons why not should be explained. We will not entertain general, vague, or unsupported objections. If no substantive objections are filed, we will issue an order that will make final our tentative findings and conclusions with respect to Global's fitness and certification.

CERTIFICATE CONDITIONS & LIMITATIONS

¹² Pursuant to 49 U.S.C. 41307, issuance of foreign authority to Global is subject to Presidential review.

If Global is found fit and issued the certificates it seeks, its authority will not become effective until the company has fulfilled all requirements for effectiveness as set forth in the terms and conditions attached to its certificates. Among other things, this includes our receipt of evidence that Global has been certified by the FAA to engage in the subject operations, a fully-executed OST Form 4520 evidencing liability insurance coverage that meets the requirements of Part 205 of our rules, and a revised list of pre-operating expenses already paid and those remaining to be paid, along with third-party verification that the company has available, either through deposits in its own name or a line-of-credit, sufficient funds to meet our financial fitness criteria.

Furthermore, we remind Global of the requirements of 49 U.S.C. 41110(e). Specifically, that section requires that, once a carrier is found fit initially, it must remain fit in order to hold its authority. To be assured that certificated air carriers continue to be fit after effective authority has been issued to them, we require that they supply information describing any subsequent substantial changes they may undergo in areas affecting fitness.

Our tentative findings stated above are based on the operating plan described in Global's application which utilizes a limited number of aircraft. These findings might no longer apply if the company were to substantially change the scope of its operations through the introduction of several additional aircraft. Therefore, once the applicant's certificate becomes effective, should Global propose to acquire aircraft which would expand its entire fleet size to more than 3 aircraft, it must notify the Department in writing at least 45 days in advance and demonstrate its fitness for such operations prior to implementing service with those additional aircraft.¹³ Furthermore, should Global propose other substantial changes in its ownership, management, or operations, it must first comply with the requirements of section 204.5 of our rules.¹⁴ The compliance of the company with this requirement is essential if we are to carry out our responsibilities under section 41110(e).¹⁵

¹³ Global's long term forecasts call for a gradual expansion in its fleet size during its second and third year of operations. However, since the actual level of funding available to support Global's proposed operations has not yet been determined, being dependent on the outcome of its fund-raising efforts, we are unwilling to approve the carrier for the operation of more aircraft than proposed in its first year plan at this time.

¹⁴ The carrier may contact our Air Carrier Fitness Division to report proposed substantial changes in its operations, ownership, or management, and to determine what additional information, if any, will be required under section 204.5. If the carrier fails to file the information or if the information fails to demonstrate that the carrier will continue to be fit upon implementation of the substantial change, the Department may take such action as is appropriate, including enforcement action or steps to modify, suspend, or revoke the carrier's certificate authority.

¹⁵ We also remind Global about the requirements of section 204.7 of our rules. This section provides, among other things, that (1) the certificate authority granted to a company shall be revoked if the company does not commence actual flying operations under that authority within one year of the date of the Department's determination of its fitness; (2) if the company commences operations for which it was found fit and subsequently ceases such operations, it may not resume certificated

ACCORDINGLY,

1. We direct all interested persons to show cause why we should not issue orders making final the tentative findings and conclusions stated above and award certificates to Global Air Cargo, Inc., authorizing it to engage in interstate and foreign charter air transportation of property and mail, subject to the attached specimen Terms, Conditions, and Limitations.
2. We direct any interested persons having objections to the issuance of orders making final any of the proposed findings, conclusions, or the certificate awards set forth here to file them with the Documentary Services Division, Department of Transportation, 400 Seventh Street, SW, Washington, D.C. 20590, in Docket OST-97-2683, and serve them upon all persons listed in Attachment A no later than 15 days after the service date of this order; answers to objections shall be filed no later than 10 days thereafter.
3. If timely and properly supported objections are filed, we will accord full consideration to the matters or issues raised by the objections before we take further action.¹⁶
4. In the event that no objections are filed, we will consider all further procedural steps to be waived and we will enter orders making final our tentative findings and conclusions.
5. We will serve a copy of this order on the persons listed in Attachment A.

operations unless its fitness has been redetermined; and (3) if the company does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

¹⁶ Since we have provided for the filing of objections to this order, we will not entertain petitions for reconsideration.

6. We will publish a summary of this order in the Federal Register.

By:

CHARLES A. HUNNICUTT
Assistant Secretary for Aviation
and International Affairs

(SEAL)

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



SPECIMEN

Terms, Conditions, and Limitations

GLOBAL AIR CARGO, INC.

is authorized to engage in interstate charter air transportation of property and mail between any point in any State, territory, or possession of the United States or the District of Columbia, and any other point in any of those entities.

This authority is subject to the following provisions:

- (1) The authority to operate under this certificate will not become effective until six (business) days after the Department has received the following documents; provided, however, that the Department may stay the effectiveness of this authority at any time prior to that date:
 - (a) A copy of the holder's Air Carrier Certificate and Operations Specifications authorizing such operations from the Federal Aviation Administration (FAA).
 - (b) A certificate of insurance on OST Form 6410 evidencing liability insurance coverage meeting the requirements of 14 CFR 205.5(b) for all of its aircraft.
 - (c) A statement of any changes the holder has undergone in its ownership, key personnel, operating plans, financial posture, or compliance history, since the date of the Show Cause Order in this case.
 - (d) A revised list of pre-operating expenses already paid and those remaining to be paid, as well as independent verification that the holder has available to it funds sufficient to cover any remaining pre-operating expenses and to provide a working capital reserve equal to the operating costs that would be incurred in three months of operations.
- (2) Pending receipt of effective authority, the holder may not accept payment of any kind (i.e., cash, check, or credit card), or enter into contracts for the operations proposed under this certificate,, and any advertisement by the holder must prominently state: "This service is subject to receipt of government operating authority."
- (3) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (4) The holder is not authorized to carry passengers (other than cargo attendants accompanying freight shipments).
- (5) The holder's authority is effective only to the extent that such operations are also authorized by the FAA.
- (6) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(7) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.

(8) The holder is not authorized to engage in air transportation operations between points within the State of Alaska.

(9) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.

(10) In the event that the holder does not commence actual flying operations under this certificate within one year of the date of the Department's determination of its fitness, its authority shall be revoked for dormancy. Further, in the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.



SPECIMEN

Terms, Conditions, and Limitations

GLOBAL AIR CARGO, INC.

is authorized to engage in foreign charter air transportation of property and mail:

Between any place in the United States and any place outside thereof.

This authority is subject to the following provisions:

- (1) The authority to operate under this certificate will not become effective until six (business) days after the Department has received the following documents; provided, however, that the Department may stay the effectiveness of this authority at any time prior to that date:
 - (a) A copy of the holder's Air Carrier Certificate and Operations Specifications authorizing such operations from the Federal Aviation Administration (FAA).
 - (b) A certificate of insurance on OST Form 6410 evidencing liability insurance coverage meeting the requirements of 14 CFR 205.5(b) for all of its aircraft.
 - (c) A statement of any changes the holder has undergone in its ownership, key personnel, operating plans, financial posture, or compliance history, since the date of the Show Cause Order in this case.
 - (d) A revised list of pre-operating expenses already paid and those remaining to be paid, as well as independent verification that the holder has available to it funds sufficient to cover any remaining pre-operating expenses and to provide a working capital reserve equal to the operating costs that would be incurred in three months of operations.
- (2) Pending receipt of effective authority, the holder may not accept payment of any kind (i.e., cash, check, or credit card), or enter into contracts for the operations proposed under this certificate, and any advertisement by the holder must prominently state: "This service is subject to receipt of government operating authority."
- (3) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (4) The holder is not authorized to carry passengers (other than cargo attendants accompanying freight shipments).

(5) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.

(6) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.

(7) The holder's authority is effective only to the extent that such operations are also authorized by the FAA.

(8) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(9) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.

(10) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.

(11) In the event that the holder does not commence actual flying operations under this certificate within one year of the date of the Department's determination of its fitness, its authority shall be revoked for dormancy. Further, in the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

SERVICE LIST FOR GLOBAL AIR CARGO, INC.

Attachment A

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