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Order 99-Z-10



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

SERVED FEB 11 1999

Issued by the Department of Transportation
on the 11th day of February, 1999

Application of

NATIONAL AIRLINES, INC.

Docket OST-98-4538- 13

for a certificate of public convenience and necessity under
49 U.S.C. 41102 to engage in interstate scheduled air
transportation of persons, property and mail

**FINAL ORDER MAKING FITNESS DETERMINATION
AND ISSUING CERTIFICATE**

By Order 99-1-13, issued January 26, 1999, we directed all interested persons to show cause why we should not make final our tentative findings and conclusions stated in it and award a certificate of public convenience and necessity to National Airlines, Inc., authorizing it to engage in interstate scheduled air transportation of persons, property and mail. Interested persons were given 14 days to file objections to the order.

No objections to the show-cause order were received within the answer period provided

ACCORDINGLY,

1. We find that National Airlines, Inc., is fit, willing, and able to engage in interstate scheduled air transportation of persons, property, and mail.
2. We issue a certificate of public convenience and necessity to National Airlines, Inc., authorizing it to engage in interstate scheduled air transportation in the form and subject to the Terms, Conditions, and Limitations attached.

3. We direct that, once its certificate becomes effective, should National Airlines, Inc., propose to utilize more than eight aircraft in its operations, it must notify the Department in writing at least 45 days in advance and demonstrate its fitness for such operations prior to placing the additional aircraft into service.¹
4. We direct National Airlines, Inc.. to submit to the Air Carrier Fitness Division a first-year progress report within 45 days of the end of its first year of scheduled passenger operations.
5. We will serve a copy of this order on the persons listed in Attachment A to this order.

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/reports/reports_aviation.asp*

¹ Furthermore, in accordance with the Department's Notice dated July 21, 1998, National is requested to give the Department a 30day advance notification of any proposed change in ownership, restructuring or **recapitalization**. This notice should be submitted to the Air Carrier Fitness Division. The carrier may contact the Air Carrier Fitness Division prior to submitting its notice to determine what fitness information should be provided.



**Certificate of Public Convenience and Necessity
for
Interstate Air Transportation**

(as reissued)

This Certifies That

NATIONAL AIRLINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in interstate air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation

By Direction of the Secretary

*Issued by Order 99-2-10
On February 11, 1999
'Effective on (see attached)*

*Charles A. Hunnicutt
Assistant Secretary for Aviation
and International Affairs*



Terms, Conditions, and Limitations

NATIONAL AIRLINES, INC.

is authorized to engage in interstate air transportation of persons, property, and mail between any point in any State, territory, or possession of the United States or the District of Columbia, and any otherpoint 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.*

(2) *Pending receipt of effective authority, the holder may not accept payment of any kind (i.e., cash, check, or credit card) or issue tic&s for the operations proposed under this certificate, and any advertisement or listing of flights 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's authority is effective only to the extent that such operations are also authorized by the FAA.*

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

(6) *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.*

(7) *In the event that the holder receives effective **scheduled** passenger authority, the following additional conditions will apply:*

(a) *The holder may reduce or terminate service at any point or **between** any two points, subject to compliance with the provisions of 49 U.S.C. 41734 and all orders and regulations issued by the Department of Transportation under that section*

(b) *The holder may not provide **scheduled passenger** air transportation to or from Dallas (Love Field), Texas, except within the limits set forth in section 29 of the International Air Transportation Competition Act of 1979, as amended by section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998.*

(8) *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 jnt comply with the requirements of 14 CFR 204.5.*

(9) *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**.*

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