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

DEPARTMENT ACTION ON APPLICATION IN DOCKET OST-2002-11537-4

(Application of Alaska Airlines, Inc. for a Statement of Authorization filed February 8, 2002)

Approved* under assigned authority (14 CFR §385.13).

Date of Action: FEB 28 2002

Director, Office of International Aviation

This action is subject to the conditions attached. Persons entitled to petition the Department for review of this action under the Department's regulations, 14 CFR §385.30, should file their petitions within seven days of the date of this action. This action is effective immediately, and the filing of a petition for review will not alter its effectiveness.

Application of Alaska Airlines, Inc., for a Statement of Authorization to Code Share with Linea Aerea Nacional Chile S.A. ("Lan Chile"), filed February 8, 2002, Docket OST-2002-11537 (Los Angeles-Vancouver/Calgary)

*The authority granted is subject to the following conditions:

(a) The statement of authorization will remain in effect only as long as (i) Alaska and Lan Chile continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement providing for the code-share operations remains in effect.

(b) Alaska and/or Lan Chile must promptly notify the Department (Office of International Aviation) if the code-share agreement providing for the code-share operations is no longer effective or the carriers decide to cease operating any or all of the approved code-share services.[1] (Such notice should be filed in Docket OST-2002-11537.)

(c) The code-sharing operations conducted under this authority must comply with Part 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. Notwithstanding any provisions in the contract between the carriers, our approval here is 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; that the carrier selling such transportation (*i.e.* the carrier shown on the ticket) accept responsibility for the entirety of the code share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected.

(d) The authority granted here is specifically conditioned so that neither Alaska nor Lan Chile shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions.[2]

We may amend, modify, or revoke the authority granted at any time without hearing at our discretion.

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[1]We expect this notification to be received within ten (10) days after such non-effectiveness or of such decision.
[2]We note that the code-share agreement as submitted in Docket OST-99-6296 did not include provisions regarding exclusive dealings between the code-share parties. Should the parties subsequently decide to amend their code-sharing agreement or any other agreement between them to include any provision relating to an exclusive arrangement between the parties regarding their code-share services, that amended language must first be submitted for consideration by the Department.