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

Issued by the Department of Transportation on **April 26, 2001**

NOTICE OF ACTION TAKEN -- DOCKET OST 96-1988 - 32
OST-97-3237 - 32
OST-99-6481 - 8

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **United Air Lines, Inc.** filed **4/4/01** to:

XX Renew for two years exemption under 49 U.S.C. §40109 to provide the following services (Docket OST-96-1988):

Scheduled foreign air transportation of persons, property, and mail between the following city-pair markets for the purpose of code-sharing on flights operated by Compania Mexicana de Aviacion, S.A. de C.V. (Mexicana): Chicago-Guadalajara, Denver-Mazatlan, Denver-Puerto Vallarta, Denver-San Jose del Cabo, Los Angeles-Cancun, San Francisco-Guadalajara, and San Jose-Guadalajara.

XX Renew for two years exemption under 49 U.S.C. §40109 to provide the following services (Docket OST-97-3237):

A. Scheduled foreign air transportation of persons, property, and mail between the following city-pair markets for the purpose of code-sharing on flights operated by Mexicana: Chicago-Morelia and San Francisco-Morelia.

B. Scheduled foreign air transportation of persons, property, and mail between the following city-pair markets for the purpose of code-sharing on flights operated by Mexicana: Chicago-Puerto Vallarta, Los Angeles-San Jose del Cabo, Los Angeles-Guadalajara, Miami-Cancun, New York/Newark-Mexico City, Oakland-Guadalajara, and San Antonio-Mexico City.

C. Scheduled foreign air transportation of persons, property, and mail between points in the United States and points within Mexico beyond United's authorized Mexican gateway points for transborder services, for the purpose of blind-sector code-sharing services between the Mexican gateway points and other points within Mexico on services operated by either United or Mexicana.

XX Renew for two years exemption under 49 U.S.C. §40109 to provide the following services (Docket OST-99-6481):

Scheduled foreign air transportation of persons, property, and mail between the following city-pair markets for the purpose of code-sharing on flights operated by Mexicana: Chicago-Monterrey, Denver-Zacatecas, and Los Angeles-Leon.

Applicant rep: **Jeffrey A. Manley (202) 663-6670** DOT Analyst: **Linda L. Lundell (202) 366-2336**

DISPOSITION

XX Granted (subject to conditions, see below)

The action above was effective when taken: **April 26, 2001**, through **April 26, 2003**, or until 90 days after final Department action on a corresponding certificate application, whichever occurs earlier.

Action taken by: Paul L. Gretch, Director
Office of International Aviation

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

See next page

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

XX Holder's certificates of public convenience and necessity
XX Standard Exemption Conditions (attached)
XX June 4, 1999, statements of authorization approving United/Mexicana code-share operations, and conditions therein (see Order 99-6-6)

Conditions: The U.S.-Mexico exemption authority granted is subject to the dormancy notice requirements set forth in condition 7 of Appendix A of Order 88-10-2. In addition, the exemption authority granted is limited to services provided on a code-share basis only.

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the application was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports_aviation.asp

APPENDIX A

U.S. CARRIER
Standard Exemption Conditions

In the conduct of operations authorized by the attached notice, 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 requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;

(5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR Part 203, concerning waiver of Warsaw Convention liability limits and defenses;

(6) Comply with the applicable requirements of the Federal Aviation Administration Regulations, including all FAA requirements concerning security; 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 shall be effective only during the period when the holder is in compliance with the conditions imposed above.