

- (ii) Flight equipment (after depreciation);
- (iii) Other assets;
- (iv) Total assets (sum of (i) through (iii));
- (v) Current liabilities;
- (vi) Other liabilities;
- (vii) Long-term debt;
- (viii) Capital stock;
- (ix) Retained earnings (balance including capital surplus); and
- (x) Total liabilities and equity (sum of (v) through (ix)).
- (o) Describe the amount, type and reason for financial assistance received or expected from the applicant's home government, if any.
- (p) Submit an estimate showing the total traffic and the financial results of the proposed services for the first full year of normal operations and the supporting data employed to calculate the financial forecast.
- (q) If the air transportation proposed is not covered by an air transport agreement, state in narrative form each of the elements of reciprocity or comity relied upon for the requested authority. If the authority requested is governed by an agreement, state whether the applicant has been formally designated by its homeland government, and, if so, cite the diplomatic note.
- (r) To the extent not described in paragraph (q), state the policy of the applicant's homeland government with respect to U.S. carriers' applications for scheduled and charter authority. Specifically state whether the homeland government grants Fifth Freedom traffic rights to U.S. carriers.
- (s) For the preceeding 5 years, state whether the applicant has been involved in any safety or tariff violations or any fatal accidents. If so, furnish details.
- (t) Submit 3 completed copies of OST Form 4523 (Waiver of liability limits under the Warsaw Convention).

(Approved by the Office of Management and Budget under control number 3024-0068)

[ER-1386, 49 FR 33439, Aug. 23, 1984, as amended by ER-1397, 49 FR 50027, Dec. 26, 1984; 61 FR 34725, July 3, 1996]

§211.21 Amendments or renewal of foreign air carrier permits.

A person applying for an amendment or renewal of a foreign air carrier permit shall submit the information listed below. The applicant must comply fully with this requirement. If the applicant is unable to respond to an item, the application shall contain an explanation and include substitute information most closely approximating the information requested. The Department may require an applicant to provide any additional information necessary.

(a) The information required in paragraphs (a), (b), (i), (o), (q), (r), and (s), of §211.20.

(b) Except if seeking renewal of existing authority, the information specified in paragraphs (c) and (p) of §211.20 regarding the new or altered services proposed to be operated.

(c) If the financial material for the applicant on file with the Department is more than 2 years old, financial summaries setting forth, in U.S. dollars, the applicant's profit and loss statements and balance sheets for the 2 most recent available years (calendar or fiscal) as required in paragraph (n) of §211.20, together with the statement of completeness and accuracy required by that paragraph. If the financial material on file with the Department is 2 years old or less, the applicant may incorporate that information by reference as described in §211.14 of this part.

(d) If the ownership and control of the applicant are substantially unchanged, so state. If a change has occurred, the applicant shall respond to the paragraph in §211.20 that most closely relates to the change that has taken place.

(e) A statement that applicant's maintenance program continues to comply with the provisions of ICAO Pilots and Airmen Annexes 1, 6 (Part 1) and 7.

[ER-1386, 49 FR 33439, Aug. 23, 1984]

Subpart D—Freely Associated State Air Carriers

SOURCE: Amdt. No. 211-18, 52 FR 5442, Feb. 22, 1987, unless otherwise noted.

§211.30

EDITORIAL NOTE: Nomenclature changes to subpart D appear at 61 FR 34725, July 3, 1996.

§211.30 Eligibility.

Foreign carriers owned and controlled by citizens of the Federated States of Micronesia, the Marshall Islands, Palau and/or the United States may, in accordance with the provisions of paragraph 5(b) of Article IX of the Federal Programs and Services Agreement, implementing section 221(a)(5) of the Compact of Free Association between the United States and those governments, apply for authority as "Freely Associated State Air Carriers." The permit application for such authority shall be labeled on the front page, "Application for Freely Associated State Foreign Air Carrier Permit."

§211.31 Application.

The application shall include, in addition to other requirements of this part, documentation clearly establishing:

(a) That the carrier is organized under the laws of the Federated States of Micronesia, the Marshall Islands, Palau or the United States;

(b) That substantial ownership and effective control of the carrier are held by citizens of the Federated States of Micronesia, the Marshall Islands, Palau and/or the United States;

(c) That citizens of other countries do not have interests in the carrier sufficient to permit them substantially to influence its actions, or that substantial justification exists for a temporary waiver of this requirement;

(d) That the Administrator of the Federal Aviation Administration has determined that the carrier complies with such safety standards as the Administrator considers to be required.

(e) That the government or governments of the Freely Associated States concerned have consented to the carrier's operation as a "Freely Associated State Air Carrier."

§211.32 Issuance of permit.

If the Department is satisfied that the applicant meets the requirements of §211.31 (a) through (e), and that grant of all or part of the requested authority would otherwise be in the pub-

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lic interest, the Department may, subject to Presidential review under section 801(a) of the Federal Aviation Act, issue a "Freely Associated State Foreign Air Carrier Permit" to the applicant, including such terms, conditions or limitations as the Department may find to be in the public interest.

§211.33 Interstate and interstate authority.

(a) An application under this subpart may include a request, in addition to other foreign air transportation, for authority to engage in interstate air transportation between Guam, the Commonwealth of the Northern Mariana Islands and Honolulu, Hawaii, and interstate air transportation within the Commonwealth of the Northern Mariana Islands. A request for all or part of such limited interstate air transportation authority shall be supported by documentation establishing:

(1) The impact of such interstate air transportation services on the economic projections of the carrier's proposed operations;

(2) The need for such proposed interstate air transportation by the affected U.S. points;

(3) The economic impact of such interstate air transportation on services provided by other carriers providing essential air transportation services to eligible Freely Associated State points within the scope of part 272 of this chapter.

(b) The Department may grant a Freely Associated State Air Carrier authority to engage in all or part of the interstate air transportation requested in paragraph (a) of this section provided that the Department finds:

(1) That grant of such interstate air transportation authority would be in furtherance of the objectives of the Compact of Free Association and related agreements between the United States and the Freely Associated States, and would otherwise be in the public interest; and

(2) That grant of such interstate air transportation authority would not significantly impair the economic viability of existing services providing essential air transportation to any eligible Freely Associated State point within the scope of part 272 of this chapter,