

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

Issued by the Department of Transportation On the 20th day of August, 2009

3095-7633 Quebec, Inc., d/b/a Univair Aviation

Violations of 49 U.S.C. §§ 41301 and 41712

Served August 20, 2009

OST 2009-0001

CONSENT ORDER

This order concerns unauthorized air transportation by 3095-7633 Quebec Inc., d/b/a Univair Aviation (Univair) between Canada and the United States in violation of 49 U.S.C. §§ 41301 and 41712. It directs Univair to cease and desist from further violations of these statutory provisions and assesses a compromise civil penalty of \$15,000 (US).

Univair, a foreign air carrier within the meaning of 49 U.S.C. § 40102(a)(21), provides charter air service from its base in Saint-Hubert, Quebec, Canada. At all times relevant to the violations described herein, Univair did not hold economic authority from the U.S. Department of Transportation or safety authority from the Federal Aviation Administration (FAA) to conduct operations to or from the United States. Notwithstanding its lack of economic authority, Univair operated air service between Canada and various points in the United States, in contravention of 49 U.S.C. § 41301, which requires that foreign air carriers obtain permit authority from the Department prior to commencing service to the United States.¹ Violations of section 41301 also constitute an unfair and deceptive practice and an unfair method of competition in violation of 49 U.S.C. § 41712.

In mitigation, Univair states that its charter flights are limited in scope and are mainly intended as a marketing tool for a sister company that operates a flight school. Univair also

Part 294 of the Department's regulations (14 CFR Part 294) provides an exemption for "Canadian charter air taxis" from the permit requirements of section 41301, provided that such carriers register with the Department and have the requisite level of liability insurance. The exemption authority conferred under Part 294 is available only to carriers that operate "small" aircraft, which is defined in section 294.2(i) as "any aircraft designed to have a maximum passenger capacity of not more than 30 seats" Although Univair has contacted the Department seeking information on obtaining the proper authority to operate to and from the United States as a Canadian charter air taxi pursuant to Part 294, as of the date of issuance of this order, it has not filed an application.

states that it has taken the necessary steps with the Department to obtain the appropriate authority.

The Enforcement Office has carefully considered all of the information provided by 3095-7633 Quebec, Inc., d/b/a Univair Aviation, but continues to believe that enforcement action is warranted. In this connection and in order to avoid litigation, the Enforcement Office and 3095-7633 Quebec, Inc., d/b/a Univair Aviation have reached a settlement of this matter. Without admitting or denying the violations described above, 3095-7633 Quebec, Inc., d/b/a Univair Aviation agrees to the issuance of this order to cease and desist from future violations of 49 U.S.C. §§ 41301 and 41712 and to the assessment of \$15,000 (US) in compromise of potential civil penalties otherwise assessable. The Enforcement Office believes this compromise is appropriate in view of the nature and extent of the violations in question, serves the public interest, and creates an incentive for all foreign air carriers to comply fully with the requirements of 49 U.S.C. §§ 41301 and 41712.

This order is issued under the authority contained in 49 CFR 1.57a and 14 CFR 385.15.

ACCORDINGLY,

- 1. Based on the above discussion, we approve this settlement and the provisions of this order as being in the public interest.
- 2. We find that 3095-7633 Quebec, Inc., d/b/a Univair Aviation violated 49 U.S.C. § 41301 by operating air service between Canada and the United States without economic authority from the Department.
- 3. We find that, by engaging in the conduct and violations described in paragraph 2, above, 3095-7633 Quebec, Inc., d/b/a Univair Aviation engaged in an unfair and deceptive practice and unfair method of competition in violation of 49 U.S.C. § 41712.
- 4. We order 3095-7633 Quebec, Inc., d/b/a Univair Aviation and all other entities owned and controlled by, or under common ownership and control with 3095-7633 Quebec, Inc., d/b/a Univair Aviation and their successors and assignees, to cease and desist from future violations of 49 U.S.C. §§ 41301 and 41712.
- 5. We assess a compromise civil penalty of \$15,000 (US) in lieu of civil penalties that might otherwise be assessed for the violations found in paragraphs 2 and 3 of this order. Of this total amount, \$7,500 will become due and payable with 20 days of the issuance of this order. The remaining \$7,500 will become due and payable if 3095-7633 Quebec, Inc., d/b/a Univair Aviation violates this order's cease and desist provisions within one year following the date of the issuance of this order, in which case the entire unpaid portion of the civil penalty shall become due and payable immediately, and 3095-7633 Quebec, Inc., d/b/a Univair Aviation may be subject to additional enforcement action for failure to comply with this order.
- 6. Payment shall be made by wire transfer through the Federal Reserve Communications System, commonly known as "Fed Wire," to the account of the U.S. Treasury in accordance

with the instructions contained in the Attachment to this order. Failure to pay the penalty as ordered shall subject 3095-7633 Quebec, Inc., d/b/a Univair Aviation to the assessment of interest, penalty, and collection charges under the Debt Collection Act and to possible enforcement action for failure to comply with this order.

This order will become a final order of the Department ten days after its service unless a timely petition for review is filed or the Department takes review on its own initiative.

BY:

ROSALIND A. KNAPP Deputy General Counsel

(SEAL)

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