

public

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August 3, 2001

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Via Facsimile Transmission
Originals to Follow via U.S. Mail

Teresa Bingham
Chief, U.S. Carrier Branch
Licensing Division
U.S. Department of Transportation
400 Seventh Street, S.W.
Room 6412
Washington, D.C. 20590

2001-14

RECEIVED
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U.S. DEPARTMENT OF TRANSPORTATION
LICENSING DIVISION

Re: Falcon Air Express
Application for a Long-Term Wet Lease

Dear Ms. Bingham:

On behalf of Falcon Air Express, Inc. ("Falcon"), and pursuant to 14 C.F.R. §212.10(a) of the Department's Regulations, we respectfully submit this original application plus two (2) copies for a Statement of Authorization to permit Falcon to wet lease Boeing B-727-200 to the Peruvian-flag carrier Aero Continente, S.A. ("Aero Continente") for use in Aero Continente's scheduled combination operations to the U.S. Falcon and Aero Continente entered into an agreement which commenced on August 2, 2001 for a period of one (1) year. Falcon is therefore applying herein for a statement of authorization for long-term authority¹.

Set forth below is the detailed information concerning the wet lease:

APPLICANT

The Applicant is Falcon Air Express, Inc., a U.S.-flag carrier with domestic and international charter authority.

¹ Unless action on this long term application is taken, Falcon is operating on behalf of Aero Continente on a week-to-week basis.

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CHARTERER

The charterer is Aero Continente. Falcon understands that Aero Continente is authorized to operate U.S.-Peru scheduled combination service from points in Peru to Miami, Florida via intermediate points; and charters pursuant to 14 C.F.R. §212 of the Department's regulations². See: Notice of Action Taken dated October 6, 1999 and Notice of Action Taken dated November 12, 1999.

AIRCRAFT AND REGISTRATION

The aircraft to be chartered is a Boeing B-727-200 from Falcon's fleet and is under U.S. registration.

ROUTING

Falcon has agreed to be available to Aero Continente to operate flights between Lima, Peru to Miami, Florida via intermediate points.

TERM

The arrangement with Aero Continente is for one year.

RECIPROCITY

It is Falcon's understanding that the Government of Peru would grant reciprocal privileges to U.S. carriers under comparable circumstances. Aviation relations between the US and Peru are governed by an "Open Skies" agreement.

The proposed wet lease agreement and operations will provide significant economic benefits to a U.S. carrier which it would otherwise not enjoy. Therefore, it is in the public interest.

Pursuant to 14 C.F.R. §207.10(d), all applications for long-term wet lease authority are required to be filed at least forty-five (45) days before the first flight. Falcon only recently concluded negotiations with Aero Continente to perform these flights, and therefore respectfully

² **NB:** Aero Continente is required by the Department to conduct all its operations to the US using "only aircraft wet-leased from a duly authorized and properly . . . carrier." See: Notice of Action Taken dated November 12, 1999.

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requests a waiver of this forty-five (45) day provision. Falcon will serve all interested parties on the attached service list via facsimile transmission, conduct a telephone poll, and advise the Department of the results as soon as possible.

Respectfully submitted,


Pierre Murphy
Attorney for Falcon Air Express, Inc.

Enclosure: Check

cc: Emilio Dirube (Falcon Air Express, Inc.)
Jaime Sanchez (Aero Continente, S.A.)
Service List

CERTIFICATE OF SERVICE

I hereby certify that I have, on this 3rd day of August 2001, served via facsimile transmission, the foregoing Application of Falcon Air Express, Inc. on the following persons:

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Washington, DC 20036

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Crispin & Brenner
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ARROW AIR
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William Callaway
CHALLENGE AIR CARGO
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Bruce Keiner
CONTINENTAL AIRLINES
Crowell & Moring
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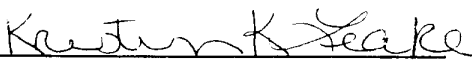
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Kristin K. Leake