

Order 2003-10-13
Served: October 15, 2003



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

Issued by the Department of Transportation
on the 14th day of August, 2003

Application of

RELIANT AIRLINES, INC.
and
KALITTA CHARTERS II, LLC

Docket OST-2003-14525

for transfer of certificate authority under
49 U.S.C. 41105

ORDER ISSUING FOREIGN CERTIFICATE

By Order 2003-8-18, issued August 14, 2003, we found that it was in the public interest to transfer the interstate and foreign cargo charter authority held by Reliant Airlines, Inc., to Kalitta Charters II, LLC. By that order, we transferred Reliant's interstate cargo charter certificate to Kalitta Charters II.

By this order, we are transferring the foreign charter air transportation authority held by Reliant Airlines to Kalitta Charters II. Instead of repeating our findings and conclusions in Order 2003-8-18, we incorporate them here by reference.

ACCORDINGLY,

1. We transfer to Kalitta Charters II, LLC, the foreign charter property and mail authority issued to Reliant Airlines, Inc., by Order 98-11-23, dated November 24, 1998, in the form and subject to the Terms, Conditions and Limitations, attached.
2. Unless disapproved by the President of the United States under section 41307 of the Transportation Code, this order shall become effective on the 61st day after its submission for section 41307 review or upon the date of receipt of advice from the President or his designee under Executive Order 12597 and implementing regulations that he or she does not intend to disapprove the Department's order under that section, whichever occurs earlier.¹

¹ This order was submitted for section 41307 review on August 14, 2003. On October 14, 2003, we received notification that the President's designee under Executive Order 12597 and its implementing regulations did not intend to disapprove the Department's order.

3. Should Kalitta Charters II, LLC, propose to operate more than two aircraft, we direct it to notify the Department in writing at least 45 days prior to the proposed operations and demonstrate its fitness for such operations before their commencement.
4. We direct Kalitta Charters II, LLC, to submit to the Air Carrier Fitness Division a first-year progress report within 45 days following the end of its first year of operations.²
5. We will serve a copy of this order on the persons listed in Attachment A.

By:

MICHAEL W. REYNOLDS
Acting Assistant Secretary
for Aviation and International Affairs

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

² The report shall include a description of Kalitta Charters II's current operations (number and type of aircraft, principal markets served, total number of full-time and part-time employees), a summary of how these operations have changed during the year, a discussion of any changes it anticipates from its current operations during its second year, current financial statements, and a listing of current senior management and key technical personnel.



**Certificate of Public Convenience and
Necessity
for
Foreign Charter Air Transportation
(as reissued)**

This Certifies That

KALITTA CHARTERS II, LLC

is authorized, subject to the provisions of Subtitle VII of Title 49 of the United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign charter air transportation of property and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

Secretary By Direction of the

Issued by Order 2003-10-13
On August 14, 2003
Secretary for
Effective on (see attached)
International Affairs

Michael W. Reynolds
Acting Assistant
Aviation and



Terms, Conditions, and
Limitations

KALITTA CHARTERS II, LLC

is authorized to engage in foreign charter air transportation of property and mail:

Between any place in the United States and any place outside thereof.

This authority is subject to the following provisions:

(1) The authority to operate under this certificate will not become effective until six (business) days after the Department has received the following documents; provided, however, that the Department may stay the effectiveness of this authority at any time prior to that date:

(a) A copy of the holder's Air Carrier Certificate and Operations Specifications authorizing such operations from the Federal Aviation Administration (FAA).

(b) A certificate of insurance on OST Form 6410 evidencing liability insurance coverage meeting the requirements of 14 CFR 205.5(b) for all of its aircraft.

(c) A statement of any changes the holder has undergone in its ownership, key personnel, operating plans, financial posture, or compliance history, since the date of the Show Cause Order in this case.

(d) A revised list of pre-operating expenses already paid and those remaining to be paid, as well as independent verification that the holder has available to it funds sufficient to cover any remaining pre-operating expenses and to provide a working capital

reserve equal to the operating costs that would be incurred in three months of operations.

(2) Pending receipt of effective authority, the holder may not accept payment of any kind (i.e., cash, check, or credit card), or enter into contracts for the operations proposed under this certificate, and any advertisement by the holder must prominently state: "This service is subject to receipt of government operating authority."

*This certificate is being reissued to reflect the transfer of authority from Reliant Airlines, Inc., to Kalitta Charters II, LLC.

(3) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.

(4) The holder is not authorized to carry passengers (other than cargo attendants accompanying freight shipments).

(5) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.

(6) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.

(7) The holder's authority is effective only to the extent that such operations are also authorized by the FAA, and comply with all Department of Transportation and Department of Homeland Security requirements concerning security.

(8) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(9) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.

(10) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(1)), it must first comply with the requirements of 14 CFR 204.5.

(11) In the event that the holder does not commence actual flying operations under this certificate within one year of the date of the Department's determination of its fitness, its authority shall be revoked for dormancy, unless the holder is conducting operations under another type of certificate authority. Further, in the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under all certificates held shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

**SERVICE LIST FOR KALITTA CHARTERS II, LLC
AND RELIANT AIRLINES, INC.**

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