

In support of its application, JAA states as follows:

1. JAA is a corporation organized and existing under the laws of Japan. It holds authority from the Japanese Government to operate international scheduled air transportation and is specifically designated by the Government of Japan to operate between Nagoya and Guam/Saipan.

2. On December 17, 1991, the Department authorized JAA to engage in foreign air transportation of persons, property, and mail between Nagoya and Guam/Saipan, effective December 25, 1991. This authority was confirmed by Order 92-9-5, and renewed by Orders 93-10-29, 94-12-45, 95-2-51, 96-2-48, 97-4-28, 98-3-16 and NOATs issued on March 11, 1999 and March 16, 2000.

3. In Order 92-9-5, the Department explicitly found that: the authority sought by JAA was provided for in the 1985 Memorandum of Understanding between the United States and Japan; JAA was licensed and designated by the Japanese Government under the 1952 Civil Air Transport Agreement between the United States and Japan; JAA was substantially owned and effectively controlled by nationals of Japan; and JAA was financially and operationally qualified to conduct scheduled Nagoya-Guam/Saipan service. In the Orders and NOATs mentioned above, the Department found that the authority sought by JAA was consistent with the public interest. In Order 98-3-16, the Department

found that JAA was qualified to perform the Nagoya-Guam/Saipan operations under the January 30, 1998 Memorandum of Consultations between the United States and Japan (which formed the basis for the subsequent Memorandum of Understanding (MOU) between the two governments that entered into force on April 20, 1998). These findings continue to be valid.

4. Renewal of JAA's exemption authority to provide service between Nagoya and Guam/Saipan is warranted by the 1998 MOU and is, accordingly, in the public interest.

WHEREFORE, Japan Asia Airways Co., Ltd., respectfully requests that the Department of Transportation renew, for a period of not less than two years, its authority to conduct scheduled foreign air transportation of persons, property, and mail between Nagoya, Japan, and Guam and Saipan.

Respectfully submitted,



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