



U.S. Department of  
Transportation

Office of the Secretary  
of Transportation

400 Seventh St., S.W.  
Washington, D.C. 20590

JUL 3 1997

24503  
QA

Mr. Mark W. Atwood  
Sher & Blackwell  
2000 L Street, N.W., Ste 612  
Washington, D.C. 20036

OST-97-2648-2  
OST-97-2646-4  
OST-95-418-53

DEPARTMENT OF TRANSPORTATION  
97 JUL -7 PM 2:20  
DOCUMENT SECTION

Dear Mr. Atwood:

This is in reply to your letter of June 13, regarding the involvement of Mansour Rasnavad in Florida West International Airlines, Inc. (FWIA).

Mr. Rasnavad holds 70 percent of FWIA's stock. During our 1996 fitness review of FWIA, the carrier advised us that Mr. Rasnavad intended to divest himself of his interest in FWIA. Pending the sale of his stock, Mr. Rasnavad transferred the rights to vote his stock to Richard Haberly, FWIA's President and also a minority shareholder in the company. According to your letter, Mr. Rasnavad has not been able to sell his stock and he has now decided that he would like to retain his ownership interest in the carrier, as well as vote his own stock and serve on the carrier's Board of Directors.

In our 1996 show cause order discussing FWIA's fitness (Order 96-6-19), we noted the concerns we had about the compliance disposition of Mr. Rasnavad, and, thus, of FWIA under Mr. Rasnavad's control. These concerns included our uncertainty about Mr. Rasnavad's role in the failure of Buffalo Airways to file required Form 41 reports as well as concerns the FAA had about that carrier during a period when Mr. Rasnavad served as Buffalo's Chief Executive Officer. We also noted that FWIA and Mr. Rasnavad were less than forthcoming, at least initially, about his relationship with Farhad Azima, Buffalo's owner and a long-time associate of Mr. Rasnavad. Included with your June 13 letter was new information responding to the issues raised in our order.

This is to advise you that, based on our review of this material, we are tentatively of the view that Mr. Rasnavad's performance at Buffalo Airways does not reflect an unsatisfactory compliance disposition. We note that FWIA has recently applied to the Department for renewal of its operating authority beyond the current August 6, 1997, expiration date. The

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issue of Mr. Rasnavad's participation will be taken up in that proceeding. In the meantime, we have no objection to Mr. Rasnavad's voting his stock interest and serving on the carrier's Board of Directors.

Sincerely,



John V. Coleman  
Director  
Office of Aviation Analysis

cc: Mr. Marshall S. Sinick  
Counsel for Florida West International Airlines, Inc.

Mr. Jeffrey N. Shane  
Counsel for Fine Airlines, Inc.

Docket OST-95-418

Dockets OST-97-2646 and OST-97-2648