

that our approval is based on the representations of the Paraguayan Government. Should such reciprocity not be forthcoming, we reserve the right to review our decision here and to modify it accordingly should circumstances warrant.

**Dismissal:** We decided to dismiss, without prejudice, TAM-Mercosur's application for a statement of authorization to code-share on flights operated by TAM-Mercosur in the Miami-Asuncion market. As noted above, Paraguay is a Category 3 country under the FAA's IASA Program and, as a result, foreign air carriers of Paraguay are not permitted to serve the United States with their own aircraft and crew. In the event that Paraguay is subsequently reclassified as a Category 1 country under IASA, and TAM-Mercosur seeks to serve the United States with its own aircraft and crews and to code-share with American on flights operated by TAM-Mercosur, it would be free to reapply for that authority at that time. Given our dismissal of TAM-Mercosur's application, there was no need to address the reciprocal code-sharing issues raised by Continental.