

CHANGES IN OPERATIONS

1. AIRCRAFT. Transpais Aereo reduced the size of its fleet to six aircraft with the recent sale of its Dassault Falcon 20E aircraft (Mexican registration XA-SAG).

2. INSURANCE. Transpais Aereo changed its aircraft liability insurance company to Seguros Comercial America, S.A. de C.V. Transpais Aereo carries a combined single limit of liability on its aircraft that exceeds the requirements of 14 C.F.R. 205. Seguros Comercial America is preparing the Foreign Air Carriers Certificates of Insurance (OST Forms 6411) for submission to the Federal Aviation Administration.