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BEFORE THE UNITED STATES
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

_____)
 Application of _____)
 _____)
 _____)
PERSONAS Y PAQUETES POR AIRE, _____)
S.A. de C.V. _____)
 _____)
 _____)
 for an exemption pursuant to _____)
 49 U.S.C. 40109 (U.S./Mexico _____)
 Charter Air Transportation _____)
 _____)

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DEPT OF TRANSPORTATION

Docket No. OST-99-6031-4

APPLICATION OF
PERSONAS Y PAQUETES POR AIRE, S.A. de C.V.
FOR RENEWAL OF EXEMPTION

Communications concerning this document may be served upon:

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Counsel for
 Personas y Paquetes Por Aire,
 S.A. de C.V.

December 21, 2000

NOTICE: Any person may support or oppose this application by filing an answer and serving a copy of that answer on counsel for Personas Y Paquetes Por Aire, S.A. de C.V. and upon each person served with this application. The due date for answers is January 5, 2001.

The Department granted the above authorities to PPA pursuant to a Notice of Action Taken dated January 13, 2000.^{1/} PPA requests that the Department renew this authority, which is scheduled to expire January 13, 2001, for a period of at least two years.

PPA invokes the automatic extension provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, to maintain its exemption authority in effect pending a final Department determination on this renewal application.

In support of this application, PPA states as follows:

1. PPA continues to be fit, willing and able to provide the small aircraft charter services for which it requests renewed authority. The relevant circumstances under which PPA received its current grant of exemption authority are unchanged. As disclosed in Exhibit A, however, there were minor changes within the company during the past year. As modified in this renewal application, PPA hereby validates and resubmits by reference information previously submitted by PPA in Docket OST-99-6231.

^{1/} See also DOT Order 99-7-23 (July 30, 1999) which exempted all Mexican foreign air carriers holding Department authority from the requirement to obtain a statement of authorization before operating Third or Fourth Freedom charter flights so long as these air carriers submit an advance notice of such operations.

2. PPA's Mexican authority to engage in transborder passenger and cargo charter services remains in full force and effect, as does its U.S. authority pursuant to the company's Part 129 Operations Specifications from the Federal Aviation Administration (FAA).^{2/}

3. PPA's Third and Fourth Freedom charter authority is authorized by Annex II to the U.S.-Mexico Air Transport Agreement, and is, therefore, presumptively in the public interest. PPA's Fifth Freedom charter authority is based on principles of comity and reciprocity, as is its grant of relief from the notice requirement for Mexico-U.S. transborder charter flights. PPA submits that continuation of these extra-bilateral authorizations is warranted given the harmonious state of aviation relations between Mexico and the United States. In addition, the services provided by PPA satisfy a continuing need and otherwise serve the public interest by fostering commerce with Mexico consistent with the objectives of the North American Free Trade Agreement (NAFTA). Accordingly, renewal of all elements of PPA's authority would be consistent with the public interest.

² Personas Y Paquetes Por Aire received its initial grant of Part 129 Operations Specifications from the FAA on January 3, 2000.

4. PPA's renewal application is limited in scope and is non-controversial. Transportation services proposed by PPA are substantially identical to those it performed between Mexico and the United States during the past year, *i.e.*, charter transportation of passengers and cargo using small aircraft.

WHEREFORE, Personas Y Paquetes Por Aire, S.A. de C.V. respectfully requests renewal of its authority to engage in charter foreign air transportation of passengers and cargo with small aircraft, as set forth herein, and such other relief as may be in the public interest.

Respectfully submitted,



Lee A. Bauer
ROLLER & BAUER, PLLC

Counsel for
Personas Y Paquetes Por Aire,
S.A. de C.V.

December 21, 2000

CHANGES IN OPERATIONS

1. CORPORATE ADDRESS. PPA changed its mailing address.
The new address is:

Personas Y Paquetes Por Aire, S.A. de C.V.
San Gonzalo 1859
Santa Isabel
C.P. 45110, Zapopan, Jalisco
MEXICO

2. AIRCRAFT. PPA recently dry leased a second aircraft, a Learjet 25 with Mexican registration XA-ALV. This aircraft can be configured for both passenger (nine passenger seats) and cargo operations (2200 pounds). The aircraft lessor is USMX Airlink, LLC, a Delaware corporation located at 1945 North Carson Street, Carson City, NV 89701.

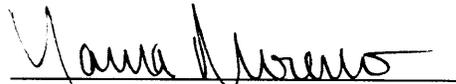
PPA insures its aircraft through Seguros Comercial America and maintains combined single limit of liability coverage that exceeds the requirements of 14 CFR Part 205. Seguros Comercial America will prepare an appropriate Foreign Air Carriers Certificate of Insurance (OST Form 6411) for submission to the Federal Aviation Administration.

3. KEY PERSONNEL. PPA promoted Jaime Madrid Sanchez to the positions of Director of Operations and Chief Pilot. Capt. Madrid has 23 years of aviation experience and more than 10,000 hours of flight time. He is qualified to operate the company's aircraft and receives annual pilot refresher training from PanAm Flight Academy in Miami, FL.

Prior to joining PPA in 1999, Capt. Madrid was employed as a pilot by several companies, including Procuraduria Federal de la Republica, Lineas Aereas Ejecutivas de Durango, and Grupo Empresarial Aereo. Capt. Madrid is a citizen of Mexico and resides in Tlaquepaque, Jalisco, MEXICO. His complete address is available on request.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing application of Personas Y Paquetes Por Aire, S.A. de C.V. was served upon all parties named on the following Service List via first-class mail, postage prepaid, this 21st day of December 2000.


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December 21, 2000

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