



Certificate of Public Convenience and Necessity
for
Foreign Charter Air Transportation

(as reissued)

This Certifies That

PACE AIRLINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of the United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign charter air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

*Issued by Order 2002-1-17
On January 31, 2002
Effective on January 22, 2002*

*Randall D. Bennett
Director
Office of Aviation Analysis*

Attachment
**As reissued by Order*
2002-1-17



Terms, Conditions, and Limitations

PACE AIRLINES, INC.

is authorized to engage in foreign charter air transportation of persons, property, and mail

Between any place in the United States and any place outside thereof.

This authority is subject to the following provisions:

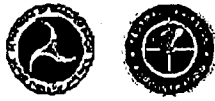
- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.*
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.*
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.*
- (4) The holder's authority under this certificate is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA), and comply with all FAA requirements concerning security.*
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).*

**This certificate is being reissued to reflect a corporate reorganization and the reissuance of the certificate issued to Piedmont Aviation Services, Inc. d/b/a Pace Airlines to PACE Airlines, Inc.*

(6) *The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render this certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.*

(7) *Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(l)), it must first comply with the requirements of 14 CFR 204.5.*

(8) *In the event that the holder commences but subsequently ceases all operations for which it was found "fit, willing, and able," its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.*



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Avenue, S.W.
Washington, D.C. 20591

Certificate of Insurance

This notice confirms that a war risk hull and liability insurance policy has been issued by the United States of America, Department of Transportation, Federal Aviation Administration to:

Pace Airlines, Inc.

The policy number is P4-WR-010105-PCE.

The policy covers the following resulting from War Risk Occurrence:

Hull Values — Same as Insured's commercial insurance policy.

Passenger, Crew, and Property Liability — Same as the per-occurrence limit on the Insured's commercial insurance policy.

Third Party Liability — Maximum of 2.0 times the Insured's Passenger, Crew, and Property Liability limit with no aggregate limit.

The policy extension is effective from 00:00 GMT on 1/1/2005 until 23:59 GMT on 8/31/2005.

On 1/3/2005

John Rodgers

Director,
FAA Aviation Insurance Program Office
AEP-20