§ 119.35 Certificate application requirements for all operators.

(a) A person applying to the Administrator for an Air Carrier Certificate or Operating Certificate under this part (applicant) must submit an application—

(1) In a form and manner prescribed by the Administrator; and

(2) Containing any information the Administrator requires the applicant to submit.

(b) Each applicant must submit the application to the Administrator at least 90 days before the date of intended operation.


§ 119.36 Additional certificate application requirements for commercial operators.

(a) Each applicant for the original issue of an operating certificate for the purpose of conducting intrastate common carriage operations under part 121 or part 135 of this chapter must submit an application in a form and manner prescribed by the Administrator to the Flight Standards District Office in whose area the applicant proposes to establish or has established his or her principal base of operations.

(b) Each application submitted under paragraph (a) of this section must contain a signed statement showing the following:

(1) For corporate applicants:

(i) The name and address of each stockholder who owns 5 percent or more of the total voting stock of the corporation, and if that stockholder is not the sole beneficial owner of the stock, the name and address of each beneficial owner. An individual is considered to own the stock owned, directly or indirectly, by or for his or her spouse, children, grandchildren, or parents.

(ii) The name and address of each director and each officer and each person employed or who will be employed in a management position described in §§ 119.65 and 119.69, as applicable.

(iii) The name and address of each person directly or indirectly controlling or controlled by the applicant and each person under direct or indirect control with the applicant.

(2) For non-corporate applicants:

(i) The name and address of each person having a financial interest therein and the nature and extent of that interest.

(ii) The name and address of each person employed or who will be employed in a management position described in §§ 119.65 and 119.69, as applicable.

(c) In addition, each applicant for the original issue of an operating certificate under paragraph (a) of this section...
must submit with the application a signed statement showing—

1. The nature and scope of its intended operation, including the name and address of each person, if any, with whom the applicant has a contract to provide services as a commercial operator and the scope, nature, date, and duration of each of those contracts; and

2. For applicants intending to conduct operations under part 121 of this chapter, the financial information listed in paragraph (e) of this section.

(d) Each applicant for, or holder of, a certificate issued under paragraph (a) of this section, shall notify the Administrator within 10 days after—

1. A change in any of the persons, or the names and addresses of any of the persons, submitted to the Administrator under paragraph (b)(1) or (b)(2) of this section; or

2. For applicants intending to conduct operations under part 121 of this chapter, a change in the financial information submitted to the Administrator under paragraph (e) of this section that occurs while the application for the issue is pending before the FAA and that would make the applicant’s financial situation substantially less favorable than originally reported.

(e) Each applicant for the original issue of an operating certificate under paragraph (a) of this section who intends to conduct operations under part 121 of this chapter must submit the following financial information:

1. A balance sheet that shows assets, liabilities, and net worth, as of a date not more than 60 days before the date of application.

2. An itemization of liabilities more than 60 days past due on the balance sheet date, if any, showing each creditor’s name and address, a description of the liability, and the amount and due date of the liability.

3. An itemization of claims in litigation, if any, against the applicant as of the date of application showing each claimant’s name and address and a description and the amount of the claim.

4. A detailed projection of the proposed operation covering 6 complete months after the month in which the certificate is expected to be issued including—

i. Estimated amount and source of both operating and nonoperating revenue, including identification of its existing and anticipated income producing contracts and estimated revenue per mile or hour of operation by aircraft type;

ii. Estimated amount of operating and nonoperating expenses by expense objective classification; and

iii. Estimated net profit or loss for the period.

5. An estimate of the cash that will be needed for the proposed operations during the first 6 months after the month in which the certificate is expected to be issued, including—

i. Acquisition of property and equipment (explain);

ii. Retirement of debt (explain);

iii. Additional working capital (explain);

iv. Operating losses other than depreciation and amortization (explain); and

v. Other (explain).

6. An estimate of the cash that will be available during the first 6 months after the month in which the certificate is expected to be issued, from—

i. Sale of property or flight equipment (explain);

ii. New debt (explain);

iii. New equity (explain);

iv. Working capital reduction (explain);

v. Operations (profits) (explain);

vi. Depreciation and amortization (explain); and

vii. Other (explain).

7. A schedule of insurance coverage in effect on the balance sheet date showing insurance companies; policy numbers; types, amounts, and period of coverage; and special conditions, exclusions, and limitations.

8. Any other financial information that the Administrator requires to enable him or her to determine that the applicant has sufficient financial resources to conduct his or her operations with the degree of safety required in the public interest.

(f) Each financial statement containing financial information required by paragraph (e) of this section must be based on accounts prepared and
§ 119.41 Amending a certificate.

(a) The Administrator may amend any certificate issued under this part if—

(1) The Administrator determines, under 49 U.S.C. 44709 and part 13 of this chapter, that safety in air commerce and the public interest requires the amendment; or

(2) The certificate holder applies for the amendment and the certificate-holding district office determines that safety in air commerce and the public interest allows the amendment.

(b) An application for a certificate may be denied if the Administrator finds that—

(1) The applicant is not properly or adequately equipped or is not able to conduct safe operations under this subchapter;

(2) The applicant previously held an Air Carrier Certificate or Operating Certificate which was revoked;

(3) The applicant intends to or fills a key management position listed in §119.65(a) or §119.69(a), as applicable, with an individual who exercised control over or who held the same or a similar position with a certificate holder whose certificate was revoked, or is in the process of being revoked, and that individual materially contributed to the circumstances causing revocation or causing the revocation process;

(4) An individual who will have control over or have a substantial ownership interest in the applicant had the same or similar control or interest in a certificate holder whose certificate was revoked, or is in the process of being revoked, and that individual materially contributed to the circumstances causing revocation or causing the revocation process; or

(5) In the case of an applicant for an Operating Certificate for intrastate common carriage, that for financial reasons the applicant is not able to conduct a safe operation.