

Subpart A—General**§ 295.1 Purpose.**

Air charter brokers, defined as an indirect air carrier, foreign indirect air carrier or a bona fide agent, provide indirect air transportation of passengers on single entity charters aboard large and small aircraft. This part grants exemptions to such air charter brokers from certain provisions of Subtitle VII of Title 49 of the United States Code (Transportation), and establishes rules, including consumer protection provisions, for the provision of such air transportation by air charter brokers.

§ 295.3 Applicability.

This part applies to any person or entity acting as an air charter broker as defined in this part with respect to single entity charter air transportation that the air charter broker, as an indirect air carrier, foreign indirect air carrier, or a *bona fide agent*, holds out, sells or undertakes to arrange aboard large and small aircraft.

§ 295.5 Definitions.

For the purposes of this part:

(a) *Air transportation* means interstate or foreign air transportation, as defined in 49 U.S.C. 40102(a)(5), 40102(a)(23), and 40102(a)(25).

(b) *Air charter broker* means a person or entity that, as an indirect air carrier, foreign indirect air carrier, or a *bona fide agent*, holds out, sells, or arranges single entity charter air transportation using a direct air carrier.

(c) *Bona fide agent* means a person or entity that acts as an agent on behalf of a single entity charterer seeking air transportation or a direct air carrier seeking to provide single entity charter air transportation, when such charterer or direct air carrier, as principal, has appointed or authorized such agent to act on the principal's behalf.

(d) *Charterer* means the person or entity that contracts with an air charter broker, direct air carrier, or foreign direct air carrier, for the transportation of the passengers flown on a charter flight.

(e) *Charter air transportation* means charter flights in air transportation authorized under Part A of Subtitle VII of Title 49 of the United States Code.

(f) *Direct air carrier and foreign direct air carrier* mean a U.S. or foreign air carrier that provides or offers to provide air transportation and that has control over the operational functions performed in providing that transportation.

(g) *Indirect air carrier and foreign indirect air carrier* mean a person or entity that, as a principal, holds out, sells, or arranges air transportation and separately contracts with direct air carriers and/or foreign direct air carriers.

(h) *Single entity charter* means a charter for the entire capacity of the aircraft, the cost of which is borne by the charterer and not directly or indirectly by individual passengers, except when individual passengers self-aggregate to form a single entity for flights to be operated using small aircraft.

(i) *Statute* means Subtitle VII of Title 49 of the United States Code (Transportation).

(j) *Large aircraft* means any aircraft originally designed to have a maximum passenger capacity of more than 60 seats or a maximum payload capacity of more than 18,000 pounds.

(k) *Small aircraft* means any aircraft originally designed to have a maximum passenger capacity of 60 seats or fewer or a maximum payload capacity of 18,000 pounds or less.

§ 295.7 Agency relationships.

An air charter broker acting as an indirect air carrier or foreign indirect air carrier may choose to act as a bona fide agent in individual cases where a charterer, direct air carrier, or foreign direct air carrier has expressly authorized such agency relationship.

Subpart B—Exemption Authority**§ 295.10 Grant of economic authority; exemption from the statute.**

To the extent necessary to permit air charter brokers, acting as indirect air carriers or foreign indirect air carriers, to hold out, sell, and undertake to arrange single entity charter air transportation, such air charter brokers are exempted from the following provisions of Subtitle VII of Title 49 of the United States Code, except for the provisions