

Office of the Secretary of Transportation

February 16, 2024

Jason E. Maddux Kellen R. Cody Garofalo Goerlich Hainbach PC Counsel for 7 Air, LLC 1200 New Hampshire Avenue NW Suite 410 Washington, D.C. 20036-6809

RE: DOT-OST-2023-0141 and DOT-OST-2023-0142 - Applications of 7 Air, LLC

Dear Mr. Maddux and Ms. Cody:

On February 2, 2024, 7 Air, LLC ("7 Air") filed a Motion requesting that the following material be afforded confidential treatment under 14 CFR § 302.12 ("Rule 12"):

- a. Exhibit 4 Aircraft Lease Documents.
- b. Exhibit 13 Haines Capital Group ("HCG") Letter.

In support of its request, 7 Air states that the information for which confidential treatment is requested falls under Exemption 4 to the Freedom of Information Act ("FOIA"), which prevents public disclosure of trade secrets and commercial or financial information obtained from a person and is privileged and confidential. The applicant further states that the information is commercial and financial in nature, and that because 7 Air is a private company, this information could be of value to potential competitors in terms of accessing 7 Air's operations and making competitive responses.

Rule 12 instructs us to evaluate requests for confidential treatment by the standards of disclosure found in Exemption 4 of the Freedom of Information Act (5 U.S.C. 552(b)(4)). Information may be withheld from disclosure under Exemption 4 if it is "commercial or financial information obtained from a person and privileged or confidential." Information is "confidential" within the meaning of Exemption 4 "[a]t least where . . . information is both customarily and actually treated

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Even though the Motion for Confidential Treatment was filed on February 2, 2024, the confidential sealed envelope received by Docket section contained the Motion only and did not include any attachments. The confidential Exhibits 4 and 13 were delivered to the Docket section only on February 7, 2024.

as private by its owner and provided to the government under an assurance of privacy." *Food Marketing Inst. v. Argus Leader Media*, 139 S. Ct. 2356, 2366 (2019).

There is no question that the information for which 7 Air seeks confidentiality is commercial or financial in nature and that it was obtained from a person outside the government. Therefore, the grant of the requested Rule 12 motion depends on whether the information is "confidential," consistent with *Food Marketing*.

While the Department has not provided an absolute promise of confidentiality regarding this information, Rule 12 does provide for the protection of information submitted to the Department and protectable under one or more FOIA exemptions, subject to limited disclosure to parties participating in the proceeding, upon submission of affidavits protecting the confidentiality of the information at issue. The Department has reviewed the material submitted and our decision is as follows:

- a. With regards to Exhibit 4 containing aircraft lease documents related to two aircraft that 7 Air is leasing, 7 Air states that the lease documents contain sensitive commercial information, including commercial terms negotiated by the parties, and that, release of such information will give 7 Air's competitors an unfair competitive advantage as soon as 7 Air begins revenue operations. The Department has in the past afforded confidential treatment to lease agreements and we see no reason not to do so here. Therefore, we grant confidential treatment for the information for which such treatment is sought in Exhibit 4.
- b. With regards to Exhibit 13 containing a letter from HCG responding to several questions from the Department about the ownership and financial wherewithal of the company, 7 Air states that the letter contains sensitive financial and commercial information, including information regarding the financial assets of HCG and terms of the promissory note negotiated with 7 Air. The Department reviewed the information and has decided to deny the request for confidential treatment for the information for which such treatment is sought in Exhibit 13. The financial information related to HCG is necessary for determining the financial fitness of 7 Air as HCG is the primary source of financing for the applicant and enough information about the company is not available publicly to determine its financial wherewithal. The Department also notes that the terms of the promissory note referenced in the motion has already been afforded confidential treatment in the Department's previous ruling dated December 4, 2023. Therefore, we ask that 7 Air file the information contained in Exhibit 13 in the public dockets of this proceeding within five (5) days of the date of this letter.

Thank you for your cooperation in this matter. If you have any questions regarding this letter, please feel free to contact my staff Jerish Varghese by email at jerish.varghese@dot.gov.

Sincerely,

Lauralyn J. Remo

Associate Director, Air Carrier Fitness Division

Office of Aviation Analysis

cc: Dockets DOT-OST-2023-0141 and DOT-OST-2023-0142

Mr. Vincent Rossi Principle Operations Inspector, FAA