U. S. Department
of Transportation

**Federal Aviation
Administration**

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Cases Nos. 2007AL050008, 2008AL050007, 2008AL050012, 2008AL050014, & 2008AL050022

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EXPRESS MAIL, REGULAR MAIL, & CERTIFIED MAIL—RETURN RECEIPT REQUESTED

President
L. A. B. Flying Service, Inc.
Suite 112
1873 Shell Simmons Drive
Juneau, AK 99801

EMERGENCY ORDER OF REVOCATION

Under 49 U.S.C. § 46105(c), the Acting Administrator has determined that an emergency exists related to safety in air commerce and that immediate action to revoke your air carrier certificate is required. The reasons for this determination are set forth in the paragraph below entitled "Determination of Emergency."

Based on an investigation and all evidence presently before the Acting Administrator, the Acting Administrator finds that:

I. GENERAL ALLEGATIONS

1. L. A. B. Flying Service, Inc., (LAB) is now, and at all times mentioned herein it was, the holder of Air Carrier Certificate No. LABA003A and appropriate operations specifications authorizing it to conduct commuter and on-demand operations under parts 119 and 135 of the Federal Aviation Regulations (FAR).

2. Since at least 2000 LAB has been authorized by its operations specifications to operate, and has used in its operations under parts 119 and 135 of the FAR, a fleet of aircraft that primarily consists of Piper Models PA-28-181 Cherokees and PA-32-300 Cherokee Sixes.

3. In addition, since at least 2004 to June 4, 2008, LAB was authorized by its operations specifications to operate, and did use in its operations under parts 119 and 135 of the FAR, the following civil aircraft:

	Registration Number	Make	Model	Name
a.	N29884	Britten-Norman	BN2A-26	Islander
b.	N3523Y	Piper	PA-31-350	Navajo Chieftain
c.	N6314V	Helio	H-250	Courier

4. Since at least June 18, 2007, in addition to the aircraft listed in paragraph 3, LAB has been authorized by its operations specifications to operate, and has used in its operations under parts 119 and 135 of the FAR, the following civil aircraft:

	Registration Number	Make	Model	Name
a.	N2897X	Piper	PA-32-300	Cherokee Six
b.	N3957X	Piper	PA-32-300	Cherokee Six
c.	N7718C	Piper	PA-32-300	Cherokee Six
d.	N8127Q	Piper	PA-32-300	Cherokee Six
e.	N2930Q	Piper	PA-32R-300	Cherokee Lance
f.	N8493C	Piper	PA-32R-300	Cherokee Lance

5. Since at least 2004 the following aircraft have also been listed in the operations specifications issued to LAB, but LAB ceased using them in its operations under parts 119 and 135 of the FAR, and all but the Section D operations specifications associated with these civil aircraft were temporarily suspended, on the dates indicated:

	Registration Number	Make	Model	Name	End of Operations
a.	N44617	Piper	PA-28	Cherokee	10/02/2007
b.	N31602	Piper	PA-28	Cherokee	10/02/2007
c.	N4485X	Piper	PA-32	Cherokee Six	06/28/2006
d.	N3699M	Piper	PA-28	Cherokee	06/24/2006
e.	N54KA	Piper	PA-32	Cherokee Six	04/08/2006
f.	N666EB	Piper	PA-32	Cherokee Six	03/31/2006
g.	N44681	Piper	PA-28	Cherokee	02/23/2006
h.	N7333L	Piper	PA-34	Seneca	07/14/2005
i.	N3002T	Piper	PA-28	Cherokee	10/01/2004

6. During the period July 2004 to June 4, 2008, LAB was required by its operations specifications to inspect the aircraft referenced in paragraphs 2-5 under approved aircraft inspection programs (AAIP) and its general operations manual.

7. On or about June 4, 2008, the aircraft referenced in paragraph 3 as well as the authority to inspect aircraft under a AAIP were removed from the operations specifications issued to LAB.

8. On or about June 26, 2008, the authority for LAB to use civil aircraft N666EB in its operations under parts 119 and 135 of the FAR was restored.

9. At all times referenced herein, Lynn N. Bennett was the vice president, a director, and a shareholder of LAB, and he served as a pilot and mechanic in, and the general manager of, its operations under parts 119 and 135 of the FAR. In addition, from February 24, 2006, to January 22, 2008, he served as the director of maintenance for LAB.

II. SPECIFIC ALLEGATIONS

A. Count I

1. On or about February 26, 2006, LAB installed a factory-overhauled Lycoming IO-540-K1G5D engine in civil aircraft N8493C, and approved that installation for return to service.

2. At all times referenced herein, Airworthiness Directive (AD) 2005-12-06 was applicable to TCM/Bendix Model D6LN-3000 magneto, serial number G03EA055, which was installed on the engine referenced in paragraph 1.

3. At all times referenced herein, AD 2005-12-06 required an inspection of the magneto impulse coupling every 500 hours of time in service.

4. During the period from February 26, 2006, until May 28, 2007, LAB operated civil aircraft N8493C in its operations under parts 119 and 135 of the FAR for a total of 1168.54 hours.

5. At the time of the flights referenced in paragraph 4, LAB did not have records for civil aircraft N8493C that contained accurate information regarding the current status of AD 2005-12-06 and the time and date when the next action was required.

6. During the period from about July 25, 2006, until May 28, 2007, LAB operated civil aircraft N8493C for a total of 668.54 hours in its operations under parts 119 and 135 of the FAR when the inspection of the magneto required by AD 2005-12-06 was due but had not been performed.

7. During the period referenced in paragraph 6, LAB performed inspections of civil aircraft N8493C under the AAIP on 14 occasions.

8. While performing each of the inspections referenced in paragraph 7, LAB was required by the AAIP to determine the status of all applicable ADs and whether any action was required.

9. While performing the inspections referenced in paragraph 7, LAB failed to determine that the inspection required by AD 2005-12-06 was due but had not been performed.

10. On or about May 28, 2007, the TCM/Bendix Model D6LN-3000 magneto, serial number G03EA055, which was installed in civil aircraft N8493C, suffered a catastrophic distributor gear failure, and LAB replaced it with a TCM/Bendix Model D6LN-3000 magneto, serial number G06KA103.

11. The catastrophic distributor gear failure referenced in paragraph 10 was, in LAB's opinion, a failure, malfunction, or defect that endangered or might endanger the safe operation of the aircraft.

12. Prior to December 2007, LAB failed to report the failure referenced in paragraphs 10 and 11 in the manner specified in § 135.415 of the FAR.

13. The inspections on civil aircraft N8493C referenced in paragraph 7 included a phase 4 inspection on May 14, 2007.

14. While performing the phase 4 inspection referenced in paragraph 13, LAB failed to accomplish item number 26, remove, drain and clean fuel filter bowl and screen, but, nevertheless, made maintenance record entries indicating the complete inspection had been accomplished and approving the aircraft for return to service.

15. During the period from May 14, 2007, until July 1, 2007, LAB operated civil aircraft N8493C for approximately 196 hours when the inspection item referenced in paragraph 14 had not been accomplished.

16. In connection with the events referenced in paragraph 10, LAB used Lynn N. Bennett as a pilot to fly aircraft between Hoonah, Alaska, and Juneau, Alaska.

17. The flights referenced in paragraph 16 constituted commercial flying, and keeping a record of them was necessary to ensure compliance with the flight time limitations of part 135 of the FAR.

18. LAB failed to make and keep a record for Lynn N. Bennett that included the flight time referenced in paragraph 16.

19. LAB's flight time records for Lynn N. Bennett for May 25, 2007, incorrectly show a negative 0.2-hour flight beginning at 1330 and ending at 1320, and for May 26, 2007, incorrectly show a 10.7-hour flight beginning at 0100 and ending at 1120, and total flight time that day of 11.33 hours.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 43.15(a)(1) in that LAB performed an inspection required by part 91, 125, or 135 of the FAR and failed to perform the inspection so as to determine whether that aircraft, or portion(s) thereof under inspection, met all applicable airworthiness requirements.

(c) Section 43.15(a)(2) in that LAB performed an inspection provided for in part 125, 135, or § 91.409(e) of the FAR and failed to perform the inspection in accordance with the instructions and procedures set forth in the inspection program for the aircraft being inspected.

(d) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(e) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(f) Section 91.417(a)(2)(v) in that LAB operated an aircraft for which it had not kept records containing the current status of an applicable AD and the time and date when the next action was due.

(g) Section 119.5(l) in that LAB operated an aircraft under parts 119, 121, or 135 of the FAR in violation of an air carrier operating certificate, operating certificate, or appropriate operations specifications issued under part 119.

(h) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

(i) Section 135.63(a)(4)(vii) in that LAB failed to keep an individual record for a pilot used in operations under part 135 of the FAR that included the pilot's flight time in sufficient detail to determine compliance with the flight time limitations of part 135 of the FAR.

(j) Section 135.415(c) in that LAB became aware of a failure, malfunction, or defect in an aircraft that endangered or might endanger the safe operation of an aircraft, and failed to report it.

(k) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

B. COUNT II

1. On or about February 24, 2007, LAB performed phase 4 and routine inspections under the AAIP on civil aircraft N7718C, determined that the aircraft was in airworthy condition, and approved the aircraft for return to service.

2. At all times referenced herein, the inspections referenced in paragraph 1 included requirements to replace the engine oil, and remove, drain, and clean the fuel filter bowl and screen.

3. While performing the inspections referenced in paragraph 1, LAB failed to replace the engine oil and failed to remove, drain, and clean the fuel filter bowl and screen.

4. While performing inspections referenced in paragraph 1, LAB failed to note that there was a hole in the exhaust pipe for an exhaust gas temperature probe, and the steering boot was ripped in multiple places.

5. During the period from after the inspections referenced in paragraph 1 until March 14, 2007, LAB operated civil aircraft N7718C on divers flights in air commerce for some 30 hours. Most, if not all, of these flights were subject to parts 119 and 135 of the FAR.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 43.15(a)(1) in that LAB performed an inspection required by part 91, 125, or 135 of the FAR and failed to perform the inspection so as to determine whether that aircraft, or portion(s) thereof under inspection, met all applicable airworthiness requirements.

(b) Section 43.15(a)(2) in that LAB performed an inspection provided for in part 125, 135, or § 91.409(e) of the FAR and failed to perform the inspection in accordance with the instructions and procedures set forth in the inspection program for the aircraft being inspected.

(c) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(d) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(e) Section 119.5(l) in that LAB operated an aircraft under parts 119, 121, or 135 of the FAR in violation of an air carrier operating certificate, operating certificate, or appropriate operations specifications issued under part 119.

(f) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable

airworthiness requirements of the FAR, including those relating to identification and equipment.

(g) Section 135.413(a) in that LAB failed to have defects in its aircraft repaired between required maintenance under part 43 of the FAR.

(h) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

C. COUNT III

1. In about March 2007, LAB received Lycoming Model No. IO-540-K1G5D aircraft engine, serial number L-8128-48E, which had just been overhauled by Lycoming.

2. At the time LAB received the aircraft engine referenced in paragraph 1, TCM Bendix D6LN-3000 magneto, serial number G06KA103, was installed on the engine.

3. On or about May 28, 2007, LAB removed the magneto referenced in paragraph 2 from the engine referenced in paragraph 1, and installed it on civil aircraft N8493C as referenced in paragraph B.10, above.

4. On or about June 19, 2007, LAB installed TCM Bendix D6LN-3000 magneto, serial number G07CA105R, on the aircraft engine referenced in paragraph 1, and that engine was installed on civil aircraft N2930Q.

5. At no time did LAB make an entry in the maintenance records for either the aircraft engine referenced in paragraph 1 or civil aircraft N2930Q concerning either the removal of the magneto referenced in paragraph 3 or the installation of the magneto referenced in paragraph 4.

6. At all times referenced herein, AD 2005-12-06 was applicable to the magneto referenced in paragraph 4, and it required an inspection of the impulse coupling every 500 hours of time in service.

7. On or about June 19, 2007, LAB made an entry in the AD compliance portion of the maintenance records for civil aircraft N2930Q indicating that the inspection required by AD 2005-12-06 was due in 500 hours of time in service.

8. The entry referenced in paragraph 7 did not include either the aircraft total time or tachometer time when the 500 hours of time in service began or the aircraft total time or tachometer time when the inspection was due to be performed, and it did not include the date the entry was made.

9. During the period from June 19, 2007 to December 9, 2007, LAB operated civil aircraft N2930Q for 530.4 hours of time in service.

10. On some ten occasions during the period referenced in paragraph 9, LAB performed phase and/or routine inspections under the AAIP on civil aircraft N2930Q.

11. While performing each of the inspections referenced in paragraph 10, LAB was required to review the AD compliance record to determine whether AD-mandated maintenance was required. Hence, each such inspection presented an opportunity for LAB to recognize and correct the deficiencies in the entry referenced in paragraphs 7 and 8.

12. During the last 30.4 hours of the period referenced in paragraph 9, LAB operated civil aircraft N2930Q in its operations under parts 119 and 135 of the FAR when the inspection required by AD 2005-12-06 was due but had not been performed.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 43.9(a) in that LAB maintained, performed preventive maintenance, rebuilt, or altered an aircraft, airframe, aircraft engine, propeller, appliance, or component part and failed to make an entry in the maintenance record of that equipment containing the information specified in this section.

(c) Section 43.15(a)(2) in that LAB performed an inspection provided for in part 125, 135, or § 91.409(e) of the FAR and failed to perform the inspection in accordance with the instructions and procedures set forth in the inspection program for the aircraft being inspected.

(d) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(e) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(f) Section 91.407(a)(2) in that LAB operated an aircraft that had undergone maintenance, preventive maintenance, rebuilding, or alteration when the maintenance record entry required by § 43.9 or § 43.11 of the FAR, as applicable, had not been made.

(g) Section 91.417(a)(2)(v) in that LAB operated an aircraft for which it had not kept records containing the current status of an applicable AD and the time and date when the next action was due.

(h) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

(i) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

D. COUNT IV

1. On March 12, 2008, the Federal Aviation Administration issued AD 2008-06-51 on an emergency basis.

2. AD 2008-06-51 was effective upon receipt, and it required that all aircraft equipped with certain Lycoming, Teledyne Continental, and Superior Air Parts reciprocating engines with certain Precision Airmotive LLC fuel injection servos be inspected before further flight.

3. On March 12, 2008, personnel at the Juneau Flight Standards District Office (FSDO) sent a copy of AD 2008-06-51 to LAB by facsimile transmission.

4. On March 13, 2008, an aviation safety inspector from the Juneau FSDO hand-delivered a copy of AD 2008-06-51 to LAB.

5. At all times referenced herein, AD 2008-06-51 was applicable to civil aircraft N3523Y.

6. LAB did not recognize that AD 2008-06-51 was applicable to civil aircraft N3523Y until March 18, 2008, when the principal maintenance inspector for LAB recommended to LAB's director of maintenance that he actually read AD 2008-06-51.

7. During the period March 14-17, 2008, LAB operated civil aircraft N3523Y in its operations under parts 119 and 135 of the FAR on some five flights.

8. At the time of the flights referenced in paragraph 7, the inspection required by AD 2008-06-51 was due but had not been performed.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(c) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(d) Section 91.417(a)(2)(v) in that LAB operated an aircraft for which it had not kept records containing the current status of an applicable AD and the time and date when the next action was due.

(e) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

E. COUNT V

1. During the period June 2-4, 2008, the Administrator inspected civil aircraft N6314V, N29884, and N3523Y.

2. At the time of the inspections referenced in paragraph 1, each of the aircraft was sitting on the ramp at the airport in Juneau, and appeared to be available for another flight.

3. At the time of the inspection referenced in paragraph 1, civil aircraft N6314V was not in an airworthy condition because:

   a. The forward right exhaust stack was cracked.
   b. The right trim tab on the horizontal stabilizer had a repair with loose rivets, including one rivet that was hanging out of the repair.
   c. The brake disks on both main wheel assemblies were installed incorrectly, and both the right and left tires had deep grooves in the sidewall that had been cut by the brake calipers.
   d. There were cracks on both sides of the propeller spinner.
   e. The exhaust stacks were secured to the engine mount with safety wire.
   f. The aircraft had been repaired by the installation of a new wing center section on April 28, 1978. The maintenance record for this work, however, lists an invalid part number for the assembly installed, and does not indicate the part number of the wing center section that was installed.
   g. The installation of the supplemental type certificate mandated by AD 82-16-08 had not been accomplished.
   h. LAB had performed the dye-penetrant inspection of the carry-through spar required by AD 82-16-08 on July 1, 2001, but LAB was not authorized by AD 82-16-08 to perform this inspection. Hence, during the period from July 1, 2001, until June 4, 2008, the inspection required by AD 82-16-08 was due but had not been performed in accordance with the AD.

4. Civil aircraft N6314V had undergone a phase inspection under LAB's AAIP and been approved for return to service only 35.7 flight hours before the inspection referenced in paragraphs 1 and 3.

5. On or about June 2, 2008, while performing the inspection referenced in paragraphs 1 and 3, an aviation safety inspector (ASI) explained to a line mechanic employed by LAB where gear leg cracks occur on Helio H-250 aircraft, and told him what to look for when the gear leg fairings are removed.

6. On or about June 13, 2008, the ASI referenced in paragraph 5 noticed the gear leg fairings on civil aircraft N6314V were removed, and he inspected the gear legs for cracks.

7. During the inspection referenced in paragraph 6, the ASI noticed a crack in a gear leg that had not been found by the mechanic referenced in paragraph 5 when that mechanic performed an inspection of the gear legs during the period June 2-13, 2008, after the leg fairings had been removed.

8. On multiple occasions since 2004, LAB performed inspections of civil aircraft N6314V under the AAIP.

9. While performing each of the inspections referenced in paragraph 8, LAB was required by the AAIP to determine the status of all applicable ADs and whether any action was required.

10. While performing the inspections referenced in paragraph 8, LAB failed to determine that the installation of the supplemental type certificate mandated by AD 82-16-08 had not been accomplished, and the dye-penetrant inspection required by AD 82-16-08 was due but had not been performed in accordance with AD 82-16-08.

11. During the period from July 1, 2001, until June 4, 2008, LAB operated civil aircraft N6314V for approximately 1175 hours of time in service when the installation of the supplemental type certificate and the inspection required by AD 82-16-08 were due but had not been complied with in accordance with AD 82-16-08.

12. At least some of the flights refrenced in paragraph 11 were subject to parts 119 and 135 of the FAR.

13. At the time of the inspection referenced in paragraph 1, civil aircraft N29884 was not in an airworthy condition because:

    a. The bottom of the left wing had many loose rivets, and the leading edge fasteners inboard of the engine were loose.
    b. A bonding strap was missing, and there were missing and loose rivets at the inboard attachment point for the left flap.
    c. The top, inboard portion of the left flap had many loose rivets and cracked skin.
    d. A screw was missing on the left wing outboard of the engine.
    e. The right navigation light lens was cracked and stop-drilled.
    f. The bearing at the left outboard aileron attachment point had play and visible rust.
    g. The left main inboard brake caliper was cocked to one side and contained shims not called for in the applicable parts manual, and the brake disk was severely worn beyond serviceable limits.
    h. The left outboard brake caliper shims were making contact with the brake rotor.
    i. The left landing gear fairing had many loose and missing fasteners.
    j. The left engine exhaust shield had a missing rivet.
    k. There were many loose rivets at the bottom of the left horizontal stabilizer.

l. The bottom of the right horizontal stabilizer had many loose rivets and a cracked skin along the spar.
m. The right engine exhaust shield had many missing rivets and was about to fall off.
n. The right engine exhaust bracket at the aft end of the exhaust pipes was loose and broken.
o. The right landing gear fairing had many loose rivets.
p. The right engine had an oil leak.
q. The right inboard brake hose was leaking.
r. The right inboard brake caliper had several shims, which are not authorized by the applicable parts manual.
s. The right brake rotors were worn beyond serviceable limits.
t. The right, outboard aileron attachment bearing was loose.
u. The right navigation light lens was cracked and stop-drilled, and the green lens was held in place with safety wire.
v. There was a loose rivet in the bottom of the right wing tip.
w. Sealant had been placed over the rivets on both sides of the right fuel sump apparently to stop leaks resulting from loose rivets.
x. There were loose fasteners on the right wing outboard of the engine.
y. The headliner was loose.
z. The rear passenger seat back stop was either not properly adjusted or was broken.
aa. The cabin air control panel was loose.
bb. The fire extinguisher was loose in its bracket, and was attached to the pilot's seat with plastic tie wraps.
cc. Both the left and right shoulder harness retraction assemblies were missing covers.
dd. The pilot's seat belt was frayed beyond serviceable limits.
ee. A cabin air vent on the right side was missing and had paper stuffed in the hole.
ff. The left passenger door hinge was corroded.
gg. There was a loose plug on the right side of the top of the rudder.
hh. There were several cracks running between rivets on the bottom of the left horizontal stabilizer outboard of the inspection panel.
ii. There was excessive play in the attachment points for the horizontal stabilizer, and moving it produced grinding and popping noises.

14. Civil aircraft N29884 had undergone a phase inspection under LAB's AAIP and been approved for return to service only eight flight hours before the inspection referenced in paragraphs 1 and 13.

15. At the time of the inspection referenced in paragraph 1, civil aircraft N3523Y was not in an airworthy condition because:

a. There were cracks on the top of the right wing.
b. Both the left and right main landing gear were contacting the bulkheads when retracted, and both bulkheads were significantly damaged by such contact, which indicates both landing gear were not properly rigged.
c. The nose gear uplock roller would not roll.
d. There were loose rivets in the outboard hinge point of the right elevator.
e. The key lock for the nose baggage door was missing.

f. A vortex generator was missing from the left wing.
g. The cowling for the left engine was missing two fasteners.

16. Civil aircraft N3523Y had undergone a phase inspection under LAB's AAIP and been approved for return to service only 24.75 flight hours before the inspection referenced in paragraphs 1 and 15.

17. At the time of the inspection referenced in paragraphs 1 and 15, LAB was not aware that AD 2004-21-05 was applicable to the heater installed in civil aircraft N3523Y, and its maintenance records for the aircraft did not indicate it was applicable or indicate when the next action was required.

18. At the time of the inspection referenced in paragraphs 1 and 15, LAB did not have a hydraulic test unit that was capable of performing the checks of the hydraulic systems specified in the Navajo Chieftain Service Manual because the unit it had did not have a means of regulating the pressure.

19. In the years preceding the inspection referenced in paragraphs 1 and 15, LAB's routine practice for cycling the landing gear on civil aircraft N3523Y was to use the manual hand pump.

20. At all times referenced herein, the Navajo Chieftain Service Manual cautioned that the manual hand pump was not to be used for cycling the landing gear to check its operation.

21. At the time of the inspection referenced in paragraphs 1 and 15, LAB did not have equipment capable of determining the pressure in the deicing system installed on civil aircraft N3523Y.

22. In the years preceding the inspection referenced in paragraphs 1 and 15, LAB's check of the deicing system installed on civil aircraft N3523Y did not include a check of the pressure in the system, which was necessary to ensure it functioned properly.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 43.15(a)(1) in that LAB performed an inspection required by part 91, 125, or 135 of the FAR and failed to perform the inspection so as to determine whether that aircraft, or portion(s) thereof under inspection, met all applicable airworthiness requirements.

(c) Section 43.15(a)(2) in that LAB performed an inspection provided for in part 125, 135, or § 91.409(e) of the FAR and failed to perform the inspection in accordance with the instructions and procedures set forth in the inspection program for the aircraft being inspected.

(d) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(e) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(f) Section 91.405(a) in that LAB failed to have aircraft it operated inspected as prescribed in subpart E of part 91 of the FAR and failed, between required inspections, to have discrepancies repaired as prescribed in part 43 of the FAR.

(g) Section 91.417(a)(2)(v) in that LAB operated an aircraft for which it had not kept records containing the current status of an applicable AD and the time and date when the next action was due.

(h) Section 119.5(l) in that LAB operated an aircraft under parts 119, 121, or 135 of the FAR in violation of an air carrier operating certificate, operating certificate, or appropriate operations specifications issued under part 119.

(i) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

(j) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

(k) Section 135.421(a) in that LAB operated an aircraft type certificated for a passenger seating configuration, excluding any pilot seat, of nine seats or less, and failed to comply with the manufacturer's recommended maintenance programs, or a program approved by the Administrator.

F. COUNT VI

1. During the period June 12-14, 2008, the Administrator inspected civil aircraft N8493C, N2897X, N2930Q, N7718C, N3957X, and N8127Q.

2. At the time of the inspections referenced in paragraph 1, all but civil aircraft N2930Q had either just completed a flight or was sitting on the aircraft ramp in Juneau apparently available for another flight. At the time of the inspection of civil aircraft N2930Q, the aircraft was in the maintenance facility undergoing maintenance.

3. At the time of the inspection referenced in paragraph 1, civil aircraft N8493C, which was authorized to be used in single-engine IFR operations, was not in an airworthy condition because:

a. There was a missing rivet at the bottom left vertical stabilizer.
b. There was loose hardware on the air cleaner cover panel.
c. The right brake disk was only .262 inches thick when the minimum is .345 inches.
d. The nose baggage door was cracked.
e. The lower, inboard skin on the right wing had two rows of loose rivets.
f. The left brake disk was only .277 inches thick when the minimum is .345 inches.
g. The brake hose on the right main landing gear was worn and chafed.
h. The brake hose on the left main landing gear was worn and chafed.
i. The outboard hinge on the right aileron was worn beyond serviceable limits.
j. The right side of the vertical stabilizer fairing was cracked.
k. The aft right wing attachment bolt was in backward and was rubbing a hole in the flap.
l. The standby vacuum system had not been tested as required.
m. The aft left wing to fuselage attachment bolt was missing
n. The aft cargo door hinge was worn beyond serviceable limits.
o. There was a rivet missing from the left side of the vertical stabilizer mount.

4. Civil aircraft N8493C had undergone a phase inspection under LAB's AAIP and been approved for return to service only 74.1 flight hours before the inspection referenced in paragraph 1. During this inspection, the wing-to-fuselage attachment bolts were supposed to have been inspected.

5. At the time of the inspection referenced in paragraph 1, civil aircraft N2897X was not in an airworthy condition because:

a. Engine cowling fasteners were missing.
b. The right flap was loose at the rod end.
c. The left aileron hinges were worn beyond serviceable limits.
d. There were smoking rivets on the top of the left wing near the fuselage.
e. A panel on the left wing aft of the landing gear was missing hardware.
f. A panel on the right wing forward of the landing gear was missing hardware.
g. The right wing was damaged near the jack pad.
h. The outboard fuel tank on the right wing had screws that were not secured.
i. The right aileron had corrosion on the bottom side.
j. The right aileron hinges were worn beyond serviceable limits.
k. The rivets on the trailing edge of the right flap were very loose.
l. The stabilator was loose at its attachment points.
m. There were loose rivets on the right side of the stabilator.
n. There were cracks on the top of the right wing.
o. The aft cargo door hinge was worn beyond serviceable limits.
p. There was damaged skin on the left side of the stabilator.
q. The left brake disk was only .277 inches thick when the minimum is .345 inches.

6. At the time of the inspection referenced in paragraph 1, civil aircraft N2930Q was not in an airworthy condition because:

a. The left wing fuel tank was leaking fuel.

b. Screws holding the propeller spinner on were loose.
c. An antenna on the top of the fuselage was loose.
d. The rudder navigation light was loose.
e. Hydraulic fluid was leaking from the left wing root.

7. At the time of the inspection referenced in paragraph 1, civil aircraft N7718C was not in an airworthy condition because:

a. The stabilator trim tab hinges were worn.
b. The emergency locator transmitter antenna was missing.
c. The left brake disk was only .314 inches thick when the minimum is .345 inches.
d. Screws were missing from the right inboard fuel tank.
e. The top of the right wing had two areas with loose rivets.
f. The right and left flaps were loose at the rod ends.
g. The lower trailing edge of the right flap had loose rivets.
h. There was loose hardware on the access panel for the right main landing gear.
i. There was a crack in the nose baggage door.
j. There were fasteners missing from the air filter cover panel.
k. There was loose hardware on the lower engine cowling.
l. There was loose hardware on the propeller spinner.
m. The aft and center exhausts were touching.
n. The aft cargo door hinge was worn.
o. The left wing root seal was loose.
p. The bolt at the attachment of the lower jackscrew to the trim tab arm was loose.
q. The stabilator attachment was loose.
r. The forward door hinges were worn.
s. The aft passenger door hinges were worn.

8. At the time of the inspection referenced in paragraph 1, civil aircraft N3957X was not in an airworthy condition because:

a. There were loose screws in the propeller spinner.
b. A repair forward of the nose baggage door was loose.
c. The lock for the nose baggage door was missing.
d. The top skin on the right wing was cracked.
e. The bottom inboard panel on the right wing was cracked and missing hardware.
f. The bottom aft inboard panel on the left wing was missing hardware.
g. The compensation numbers for the compass card were not legible.
h. The trailing edge of the left flap was cracked.
i. The outboard hinge on the left aileron was worn.
j. The rudder bonding strap was broken.
k. The right strut needed to be serviced.
l. A nut and cotter pin were missing from the left flap rod end bolt.
m. The left flap was damaged at the rod end attachment point.
n. The top skin on the left wing top skin was cracked in two places.

9. At the time of the inspection referenced in paragraph 1, civil aircraft N8127Q was not in an airworthy condition because:

   a. The cam lock on the air cleaner cover was loose.
   b. There were loose and missing fasteners on the engine cowling.
   c. There were smoking rivets on the stabilator.
   d. The vertical stabilizer fairing was cracked.
   e. The right flap rod end was worn.
   f. The stabilator trim hinges were worn.
   g. The stabilator trim drum was worn.
   h. The left aileron hinges were worn.
   i. The left aileron rod end was worn.
   j. The rear cargo door hinge was worn.
   k. The left brake line was not secured in a clip at the wheel.
   l. The left brake line was worn at the wheel.
   m. The left brake disk was only .307 inches thick when the minimum is .345 inches.

10. At the time of the inspection referenced in paragraphs 1 and 6, there was an automatic gear extension system installed on civil aircraft N2930Q.

11. In the year preceding the inspection referenced in paragraphs 1 and 6, both flight and maintenance personnel at LAB were under the belief that the automatic gear extension system installed on civil aircraft N2930Q was disabled.

12. At all times referenced herein, the automatic gear extension system installed on civil aircraft N2930Q was not disabled when was disabled when, in fact, it was installed and operable.

13. While performing routine and phase inspections of civil aircraft N2930Q under the applicable AAIP during the year preceding the inspection referenced in paragraphs 1 and 6, LAB did not properly check the automatic gear extension system installed on civil aircraft N2930Q while performing the check of the landing gear as required by the applicable AAIP.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 43.15(a)(1) in that LAB performed an inspection required by part 91, 125, or 135 of the FAR and failed to perform the inspection so as to determine whether that aircraft, or portion(s) thereof under inspection, met all applicable airworthiness requirements.

(c) Section 43.15(a)(2) in that LAB performed an inspection provided for in part 125, 135, or § 91.409(e) of the FAR and failed to perform the inspection in accordance with the instructions and procedures set forth in the inspection program for the aircraft being inspected.

(d) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(e) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(f) Section 91.405(a) in that LAB failed to have aircraft it operated inspected as prescribed in subpart E of part 91 of the FAR and failed, between required inspections, to have discrepancies repaired as prescribed in part 43 of the FAR.

(g) Section 91.417(a)(2)(v) in that LAB operated an aircraft for which it had not kept records containing the current status of an applicable AD and the time and date when the next action was due.

(h) Section 119.5(l) in that LAB operated an aircraft under parts 119, 121, or 135 of the FAR in violation of an air carrier operating certificate, operating certificate, or appropriate operations specifications issued under part 119.

(i) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

(j) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

(k) Section 135.421(a) in that LAB operated an aircraft type certificated for a passenger seating configuration, excluding any pilot seat, of nine seats or less, and failed to comply with the manufacturer's recommended maintenance programs, or a program approved by the Administrator.

G. COUNT VII

1. Information concerning the discrepancies specified in paragraphs E.3, E.11, E.13, F.3, F.5, F.6, F.7, F.8, and F.9, above, was provided to LAB shortly after each inspection.

2. On or about June 13, 2008, LAB undertook to correct the discrepancies on civil aircraft N7718C that are referenced in paragraph F.7, and then approved the aircraft for return to service.

3. At the time LAB approved civil aircraft N7718C for return to service as referenced in paragraph 2, LAB had neither listed in the inspection discrepancy form nor corrected the discrepancies referenced in subparagraphs F.7a, e-g, m, n, p, and q.

4. During the period June 15-17, 2008, LAB operated civil aircraft N7718C in operations subject to parts 119 and 135 of the FAR.

5. At the time of the operations referenced in paragraph 4, civil aircraft N7718C was not in airworthy condition because of the discrepancies referenced in subparagraphs F.7a, e-g, m, n, p, and q.

6. On or about June 14, 2008, LAB undertook to correct the discrepancies on civil aircraft N3957X that are referenced in paragraph F.8, and then approved the aircraft for return to service.

7. At the time LAB approved civil aircraft N3957X for return to service as referenced in paragraph 6, LAB had neither corrected the discrepancy referenced in subparagraph F.8i nor made a determination that the hinge was still within serviceable limits.

8. During the period June 15-17, 2008, LAB operated civil aircraft N3957X in operations subject to parts 119 and 135 of the FAR.

9. At the time of the operations referenced in paragraph 8, civil aircraft N3957X was not in airworthy condition because of the discrepancy referenced in subparagraph F.8i.

10. On or about June 13, 2008, LAB undertook to correct the discrepancies on civil aircraft N8127Q that are referenced in paragraph F.9, and then approved the aircraft for return to service.

11. At the time LAB approved civil aircraft N8127Q for return to service as referenced in paragraph 10, LAB had neither listed in the inspection discrepancy form nor corrected the discrepancy referenced in subparagraph F.9d, and it merely indicated for the corrective action for the discrepancies listed in subparagraphs F.9f, g, and j that parts were on order.

12. On or about June 15, 2008, LAB operated civil aircraft N8127Q in operations subject to parts 119 and 135 of the FAR.

13. At the time of the operations referenced in paragraph 12, civil aircraft N8127Q was not in airworthy condition because of the discrepancies referenced in subparagraphs F.9d, f, g, and j.

14. On or about June 19, 2008, LAB used Larry Weiss, its director of maintenance, to perform an annual inspection on civil aircraft N7718C.

15. While performing the annual inspection referenced in paragraph 14, Larry Weiss failed to actually inspect the left wheel brake assembly.

16. On or about June 19, 2008, after completing the inspection referenced in paragraph 14, Larry Weiss made an entry in the maintenance records for civil aircraft N7718C indicating he had determined it was in airworthy condition and approving it for return to service.

17. At the time Larry Weiss made the entry referenced in paragraph 16, civil aircraft N7718C was not in an airworthy condition because several rivets were still loose in the top of the left wing, the discrepancy referenced in paragraph F.7g had still not been corrected, and the installed left wheel brake assembly had a standard caliper and heavy-duty disk, which is a combination that is neither safe nor in conformity with the type certificate for the aircraft.

18. During the period following the inspection referenced in paragraph 14 until June 23, 2008, LAB operated civil aircraft N7718C for 25 hours in its operations under parts 119 and 135 of the FAR when it was not in airworthy condition because of the discrepancies referenced in paragraph 17.

Based on the foregoing facts and circumstances, LAB violated the following Federal Aviation Regulations (FAR):

(a) Section 39.7 in that LAB operated a product that did not meet the requirements of an applicable airworthiness directive.

(b) Section 43.15(a)(1) in that LAB performed an inspection required by part 91, 125, or 135 of the FAR and failed to perform the inspection so as to determine whether that aircraft, or portion(s) thereof under inspection, met all applicable airworthiness requirements.

(c) Section 91.7(a) in that LAB operated a civil aircraft when it was not in an airworthy condition.

(d) Section 91.13(a) in that LAB operated an aircraft in a careless or reckless manner so as to endanger the life or property of another.

(e) Section 91.405(a) in that LAB failed to have aircraft it operated inspected as prescribed in subpart E of part 91 of the FAR and failed, between required inspections, to have discrepancies repaired as prescribed in part 43 of the FAR.

(f) Section 119.5(l) in that LAB operated an aircraft under parts 119, 121, or 135 of the FAR in violation of an air carrier operating certificate, operating certificate, or appropriate operations specifications issued under part 119.

(g) Section 135.25(a)(2) in that LAB operated an aircraft under part 135 of the FAR when the aircraft was not in an airworthy condition and did not meet the applicable airworthiness requirements of the FAR, including those relating to identification and equipment.

(h) Section 135.419(g) in that LAB failed to have each aircraft subject to an AAIP inspected in accordance with that program.

III. OTHER MATTERS REFLECTING QUALIFICATIONS

1. On August 16, 2002, LAB was found to have violated §§ 39.3, 43.13(a), 43.13(b), 91.407(a)(2), 135.263(b), 135.267(b)(1), 135.267(d), and 135.267(e) of the FAR in 2000 and 2001, and was assessed civil penalties totaling $5000 in FAA Cases Numbers 2001AL050008, 2001AL050016, and 2001AL050067.

2. On July 1, 2004, LAB was found to have violated §§ 39.7, 43.13(a), 43.13(b), 43.15(a)(1), 43.15(a)(2), 91.7(a), 91.13(a), 91.417(a)(2)(v), 135.25(a)(2), and 135.419(g) of the FAR in 2002 and 2003, and was assessed a civil penalty of $50,000 with some portion of this amount to be forgiven provided certain conditions were met in FAA Case No. 2003AL050035.

3. On April 21, 2008, LAB was found to have violated § 91.417(a) of the FAR in 2007 and was assessed a civil penalty of $3300 in FAA Case No. 2008AL050015.

4. Since April 2002 the following accidents or incidents have occurred to aircraft being operated by LAB:

   a. During a flight in April 2002, the left outboard flap hinge bolt on a PA-32 separated, and this allowed the flap structure to bend up some 90° at the second hinge point.
   b. During the landing rollout in May 2002, the nose wheel and tire assembly departed the nose fork on a PA-32.
   c. During a flight in June 2002, the right side engine cowling departed a PA-32.
   d. While taxiing in December 2002, the left main gear wheel on a PA-32 broke.
   e. During a flight in March 2003, the right main landing gear assembly departed a PA-28.
   f. In April 2005, the left main landing gear oleo attachment bracket on a BN2A-26 broke, allowing the tire and strut assembly to rotate sideways, which caused the aircraft to depart the runway surface causing the nose gear assembly to fail.
   g. During a flight in August 2007, the throttle cable on a PA-32 broke, and the aircraft was forced to land with the power set at cruise.
   h. During the take-off roll in April 2008, the nose gear on civil aircraft N2930Q retracted causing the propeller to strike the runway.

5. At all times referenced herein, LAB was required to maintain the propellers on the PA-32 aircraft it operates in accordance with the applicable Piper Service Manual, which specifies that they be lubricated with grease every 100 hours of time in service.

6. Prior to about July 3, 2007, it was LAB's standard practice not to lubricate with grease the propellers on the PA-32 aircraft it operates every 100 hours of time in service.

7. On or about July 3, 2007, despite repeated requests, LAB's DM was unable or unwilling to state when LAB was lubricating with grease the propellers on the PA-32 aircraft it was operating.

8. At various times prior to on or about July 3, 2007, LAB performed inspections of life vests and approved them for return to service.

9. At the time LAB performed the inspections referenced in paragraph 8, LAB did not have the manufacturer's maintenance manual for the referenced life vests, and had not been performing all of the required steps before approving them for return to service.

10. On or about June 12, 2007, LAB operated civil aircraft N6117J, a Piper Model PA-32-300, on a passenger-carrying flight operated in air commerce under parts 119 and 135 that began at Kake, Alaska.

11. Shortly after take-off on the flight referenced in paragraph 10, an on-board fire was discovered, and the aircraft returned to Kake and landed.

12. Moments after the pilot and passengers were able to depart the aircraft after the landing referenced in paragraph 11, civil aircraft N6117J was destroyed in a fire.

13. The fire referenced in paragraph 12 produced heat that exceeded 2000° F as evidenced by the fact it burned a hole in the steel firewall and deformed the engine mounts. It also scorched the propeller spinner.

14. At all times referenced herein, the type certificate data sheet for the aircraft engine installed on civil aircraft N6117J at the time of the events referenced in paragraphs 10-13 specifies that the maximum temperatures to which certain parts may be subjected during operation are 500° F for the cylinder head, 325° F for the cylinder base, and 245° F for the oil inlet.

15. At all times referenced herein, the standard practices manual published by the manufacturer of the propeller installed on civil aircraft N6117J at the time of the fire referenced in paragraph 12 states that a propeller blade subjected to heat in excess of 200° F must be presumed to be unairworthy.

16. Heat in excess of 2000° F can significantly alter the structural strength of the metal used to make the aircraft engine and propeller referenced in paragraphs 10-15.

17. On or about May 27, 2008, without having first having made any appreciable effort to determine whether it remained airworthy, LAB bolted the engine referenced in paragraphs 10-16 onto civil aircraft N666EB with the intent to complete that installation and approve the aircraft for return to service.

18. When questioned on or about May 27, 2008, and thereafter, personnel of LAB were not able to account for the whereabouts of the propeller that was installed on civil aircraft N6117J at the time of the events referenced in paragraphs 10-16, and the maintenance log for that propeller could not be located.

19. On or about February 24, 2007, Jason Hart, an aircraft mechanic employed by LAB at the time, made an entry in the maintenance records for civil aircraft N7718C indicating that he had performed routine and phase 4 inspections in accordance with LAB's AAIP.

20. In an adjudication in August 2007, the entry referenced in paragraph 19 was found to have been intentionally false.

21. On or about March 20, 2007, LAB was informed by a letter of investigation that there were questions regarding the accuracy of entry referenced in paragraph 19.

22. Information establishing that Hart had been present at LAB on February 24, 2007, for far less time than was reasonably necessary to have performed the maintenance he claimed to have performed that day was readily available to LAB.

23. Prior to the adjudication referenced in paragraph 20, LAB continued to employ Hart and, while he continued to hold an airman mechanic certificate, used him as an aircraft mechanic performing maintenance on its aircraft and approving his work for return to service.

24. At the time of the inspection referenced in paragraphs E.1 and E.13, the hydraulic test unit LAB did have was stored with its reservoir vent plugs removed, which could have allowed the fluid in the test unit to become contaminated.

22. When asked on or about June 23, 2008, maintenance personnel at LAB were unable to produce a micrometer, which is a necessary tool to measure the thickness of brake disks. The DM claimed to have one, but acknowledged that it was in his tool box in Georgia.

23. When questioned on or about June 3, 2008, the mechanic who had performed the most recent phase inspection on civil aircraft N29884 indicated he was not aware that he was supposed to make an entry in the discrepancy log regarding descrepancies he found while performing routine and phase inspections.

IV. CONCLUSIONS

The foregoing facts and circumstances demonstrate that LAB is unable or unwilling to maintain its aircraft and conduct its operations in compliance with regulatory requirements. LAB, therefore, no longer meets the requirements of Section 119.39(a)(3) of the FAR to hold or conduct operations under an air carrier certificate because it is not able to conduct a safe operation under appropriate provisions of part 121 or part 135 of the FAR and the operations specifications issued to it.

As a result of the foregoing, the Acting Administrator finds that LAB lacks the qualifications necessary to hold an air carrier certificate. He therefore has determined that safety in air commerce or air transportation and the public interest require the revocation of the above-mentioned certificate. The Acting Administrator further finds that an emergency requiring immediate action exists with respect to safety in air commerce or air transportation. Accordingly, this Order is effective immediately.

IT IS THEREFORE ORDERED, pursuant to the authority vested in the Acting Administrator by 49 USC Sections 44709 and 46105(c), that:

(1) Effective immediately, any air carrier certificate now held by LAB, including Air Carrier Certificate No. LABA003A, and any operations specifications issued to LAB are revoked;

(2) Said certificate and operations specifications be surrendered immediately by mail or delivered to the Regional Counsel of the Federal Aviation Administration, 222 W. 7th Avenue, #14, Anchorage, Alaska 99513-7587.

(3) No application for a new air carrier or operating certificate shall be accepted from LAB nor shall any air carrier or operating certificate be issued to LAB for a period of one (1) year from the actual date of surrender of its air carrier certificate and operating specifications to the Federal Aviation Administration.

If LAB fails to surrender its certificate immediately, it will be subject to further legal enforcement action, including a civil penalty of up to $1,100 a day for each day it fails to surrender it.

DETERMINATION OF EMERGENCY

Under 49 U.S.C. § 46105(c) the Acting Administrator has determined that an emergency exists related to safety in air commerce. LAB has a very poor violation and accident/incident history. Beginning in 2000 LAB had instances of failing to comply with ADs and the improper performance of maintenance. The Administrator assessed a small civil penalty for these violations, in part, because of assurances from LAB that it would correct its problems and have no further violations or incidents. In 2002 and 2003, however, there were five instances of things breaking and/or falling off of aircraft during flight. The investigation of these and other matters led to the findings of numerous additional violations involving the failure to comply with ADs, and the improper performance of maintenance and inspections. The Administrator assessed a substantial civil penalty for these violations, but agreed to forgive a portion if certain conditions were met based in part on assurances from LAB that it would correct its problems and have no further violations or incidents.

Despite being on notice that its maintenance practices and procedures were inadequate to ensure compliance with regulatory requirements, LAB took no effective steps to correct this situation. It failed to comply with some of the terms necessary for the forgiveness of a portion of the assessed civil penalty, and since 2004 it has committed an astounding number of maintenance and maintenance-related regulatory violations. In 2006 it replaced an aircraft engine, but failed to make an accurate record of when action required by an AD applicable to the installed magneto was next due. It subsequently operated the aircraft for over 600 hours with an overdue inspection. On 14 occasions during this 600-hour period, it conducted inspections in which it should have discovered that the inspection was overdue. When the magneto suffered a catastrophic gear failure

in May 2007, LAB failed to make a proper report of this failure. It replaced the magneto that failed with a similar magneto it removed from another aircraft engine, but it made no maintenance record entry concerning that removal. Then, on June 2007 a different magneto was installed on this second aircraft engine, and that engine was installed in another aircraft. LAB failed, however, to make any maintenance record entry concerning the installation of this different magneto, and LAB, again, failed to make an entry as to when the next action mandated by the applicable AD was due. In November 2007 LAB operated this aircraft for some 30 hours after the AD-mandated inspection became due. In February 2007 LAB approved an aircraft for return to service after routine and phase inspections when the oil had not been changed as required and the fuel bowl and screen had not been removed and cleaned as required. LAB then operated the aircraft for some 30 hours before these tasks were actually accomplished. In May 2007 it, again, failed to remove and clean the fuel bowl and screen during a phase inspection, and then operated the aircraft for about 196 hours when this required task was accomplished. In March 2008 an AD was issued on an emergency basis. It immediately grounded all aircraft to which it applied until a specific inspection was conducted. When presented with a copy, LAB gave it only a cursory look, and concluded that it did not apply to any of its aircraft. This AD was applicable to civil aircraft N3523Y, but LAB did not discover this until five days later when the PMI for LAB convinced the director of maintenance for LAB to actually read it. In the interim, the aircraft had been used for five flights.

When inspected in June 2008, all nine of the aircraft LAB was then authorized to operate had significant maintenance discrepancies. These included such safety of flight discrepancies as severely worn attachment points of control surfaces, numerous instances of loose and missing rivets, improperly installed parts, a missing wing attachment bolt, and brake rotors that were significantly thinner than allowed. LAB did not even have the proper equipment to test the hydraulic systems in its PA-31, and had been using the hand pump to conduct tests, which is contrary to the applicable service manual. Further, it did not have equipment necessary to ensure the proper operation of the deicing boots on its PA-31 or to check the thickness of brake disks, and a mechanic was not aware he was supposed to record in a discrepancy log discrepancies discovered during an inspection.

After being informed of the discrepancies found by the FAA, LAB performed maintenance on three of its aircraft, approved them for return to service, and then used them in its operations under parts 119 and 135 of the FAR. In the case of all three aircraft however, LAB either did not address or failed to properly clear one or more discrepancies. Hence, LAB continued to operate unairworthy aircraft.

In June 2007 an aircraft operated by LAB was destroyed in a fire caused by a leaking exhaust system. Photographs of the fire and its aftermath show that a hole was burned in the steel firewall and that the engine mounts were deformed. This indicates the heat produced by the fire exceeded 2000° F. The type certificate data sheet for this engine indicates the maximum temperatures to which certain parts may be subjected during operation are 500° F for the cylinder head, 325° F for the cylinder base, and 245° F for the oil inlet. Obviously, significant damage to the integrity of the engine could have occurred during the fire. Nevertheless, in May 2008 LAB undertook to bolt this engine to an aircraft, and was in the process of completing the installation when the FAA discovered what it was doing. Interviews with involved personnel confirmed that LAB intended to

approve that installation for return to service, and that no appreciable effort had been made to determine the engine's continued serviceability in light of the fire. Further, when asked in May 2008 what LAB had done with the propeller that had been on the aircraft at the time of the fire, all of LAB's management or maintenance personnel who were asked asserted a lack of knowledge as to its whereabouts. Further, the maintenance records for that propeller were not with the airframe or engine records, and they, too, could not be located. This attempted use of a most likely unserviceable engine and lack of concern regarding the potentially heat-damaged propeller demonstrate a callous disregard for the safety of others and an appalling lack of the care, judgment, and responsibility required of a certificate holder.

Air safety depends, among other things, on the holders of certificates to abide by all applicable regulatory requirements. In view of its maintenance-related accident record and violation history, the deplorable condition of all of LAB's aircraft when inspected in June 2008 clearly demonstrates that LAB is unable or unwilling to conform to regulatory requirements—particularly those pertaining to the maintenance of aircraft. LAB's willingness to continue operating aircraft when it has not bothered to correct discrepancies pointed out by the FAA further emphasizes that LAB cannot be trusted to conform to all regulatory requirements. It, therefore, lacks the care, judgment, and responsibility required to hold an air carrier certificate.

FAA Order 2150.3B, Appendix B, figure B-1-d.(1) (page B-12) recommends a sanction ranging from an indefinite suspension to revocation for the failure to provide adequately for proper servicing, maintenance, repair, or inspection of facilities and equipment, and Figure B-1-e.(1) (page B-13) recommends a sanction ranging from an indefinite suspension to revocation for the failure to provide or maintain a maintenance and inspection organization.

In conclusion, the Acting Administrator has determined that under the criteria of FAA Order 2150.3B, Chapter 6, pages 7-10 and Chapter 7, pages 1-3, LAB's conduct as alleged in this order demonstrates that it presently lacks the degree of care, judgment, and responsibility required of a certificate holder. The Acting Administrator therefore finds in accordance with 49 U.S.C. § 46105(c) and the guidance found in FAA Order 2150.3B, Chapter 6, pages 7-10 and Chapter 7, pages 1-3, that the exercise of the privileges of LAB's air carrier certificate while any proceedings related to the issuance of this Order are pending is contrary to the interest of safety in air commerce.

LAB may appeal from this Order in accordance with the appeal procedures set forth below.

HOWARD L. MARTIN, JR
Regional Counsel

By: 

Glenn H. Brown
Senior Attorney

APPEAL

LAB may appeal from this Emergency Order within ten (10) days from the date of its service, which is **July 24, 2008**, by filing a Notice of Appeal with the Office of Administrative Law Judges; National Transportation Safety Board; Room 4704; 490 L'Enfant Plaza East, SW; Washington, DC 20594 (telephone (202) 314-6150). The National Transportation Safety Board's (NTSB's) Rules of Practice in Air Safety Proceedings, 49 C.F.R. part 821, subpart I apply to appeals of Emergency and Other Immediately Effective Orders. An executed original and three (3) copies of the Notice of Appeal must be filed with the NTSB. If LAB appeals, a copy of its Notice of Appeal also must be served on the FAA's attorney at the address listed in this Emergency Order. If LAB files an appeal to the NTSB, a copy of this Emergency Order will be filed with the NTSB as the Administrator's Complaint in that proceeding.

LAB may also seek review of the FAA's determination that an emergency exists in this case, which makes this order immediately effective. LAB may request such review in a written petition filed within two days after its receipt of this order. Petitions for review of FAA emergency determinations must be served, with a copy of the FAA's emergency order attached to the petition, by facsimile or by an expedited means that ensures next-day delivery: 1) on the Office of Administrative Law Judges; National Transportation Safety Board; Room 4704; 490 L'Enfant Plaza East, SW; Washington, DC 20594 (facsimile (202) 314-6158); and 2) simultaneously and by the same means, on the FAA's attorney at the address provided in this order (facsimile (907) 271-2800). The NTSB rules of practice that apply to its review of the FAA's emergency determinations are available at 49 C.F.R. § 821.54 or through the NTSB's website at http://www.ntsb.gov/alj/legal.htm.

Whether or not you elect to appeal from this Emergency Order, LAB must immediately surrender its air carrier certificate and operations specifications to the Office of Regional Counsel at the address listed in this Emergency Order. In the event that LAB has lost or destroyed its certificate and/or operations specifications, it will be required to execute a sworn declaration setting forth the circumstances that make it unable to surrender its certificate and/or operations specifications.

ENCLOSURES:
FAA Order 2150.3B, Chapter 6, pages 7-10 and Chapter 7, pages 1-3

CERTIFICATE OF SERVICE

I hereby certify that this Order has been mailed this date by Express Mail, Regular Mail, and Certified Mail, Return Receipt Requested, addressed to:

President
L. A. B. Flying Service, Inc.
Suite 112
1873 Shell Simmons Drive
Juneau, AK 99801

Patricia J. Bayinger Date: July 24, 2008
Federal Aviation Administration
Office of the Regional Counsel
222 W. 7th Avenue #14
Anchorage, AK 99513-7587