

MINUTES OF MEETINGS

OF

EXECUTIVE COMMITTEES

OF

AIR ASIA COMPANY LIMITED AND AIR AMERICA, INC.

14 March, 1967

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Meetings of the Executive Committees of Air Asia Company Limited and Air America, Inc. were held on March 14, 1967, and the following matters were considered:

1 - Approval of Minutes: The Minutes of the Meetings of the Air Asia Company Limited and Air America, Inc. Executive Committees of March 7, 1967 were approved.

2 - SEA Contract Flying: The Executive Committee discussed at length contract flying in Southeast Asia and received a report on a recent conference held by a customer in Southeast Asia concerning its airlift needs, requirements and problems.

3 - Major Damage to Aircraft: Since the last Executive Committee meeting on March 7, 1967, the following reports of major aircraft damage have been received:

APPROVED FOR  
RELEASE  DATE:  
13-Oct-2009

<u>Date</u>	<u>Aircraft</u>	<u>Cause</u>	<u>Damage</u>	<u>Injured</u>	<u>Aircraft again available to customer</u>
Mar. 10	Porter N748N	Nosed up during landing	Propeller and engine	None	Not reported but expected soon
Mar. 15	Helio B865	Lost control on takeoff	Substantial	None	Not reported

4 - Fleet Planning: It was reported that the Company now has twelve Twin Beech aircraft which have been converted to turbine power with Volpar kits, ten Twin Beech aircraft which have been modified to the TenTwo configuration, and eleven C-45 Twin Beech aircraft on which no modification has been performed. It was proposed that the eleven C-45 Twin Beech aircraft be converted to turbine power with the Volpar kits at the rate of about one per month. In its initial contract with Volpar, Inc. the Company obtained an agreement restricting price increases during the year following the execution of the contract and providing for accumulative volume discounts for kits ordered within eighteen months after delivery of the first three kits. The restriction on price increases expires April 10, 1967, and the first eighteen months for the accumulative volume discounts expires during December, 1967. Therefore, if the Company is to take advantage of the restriction against price increases and obtain the benefit of its previous purchases in the accumulative volume pricing arrangement it should place an order for any additional Volpar kits that it needs before April 10, 1967. The Executive Committee approved the purchase of eleven Volpar turbine engine kits and eleven tricycle landing gear kits and the

conversion of the Company's eleven C-45 Twin Beech aircraft.

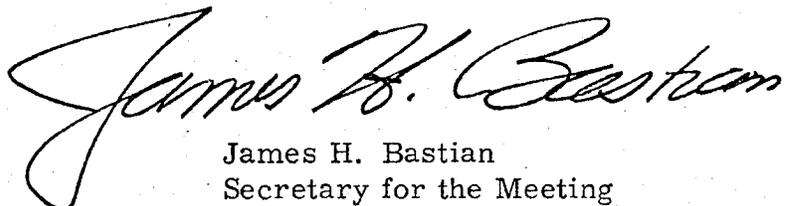
5 - Medical Care Plan - Taiwan: The Executive Committee approved a proposed Medical Care Plan Agreement between Air Asia Company Limited and the Taiwan Sanitarium Hospital. All employees based on Taiwan are eligible to participate in the Plan. Under the proposed Agreement any Company employee who participates in the Plan and their dependents will receive specified hospitalization care to be provided by the Taiwan Sanitarium Hospital which is located in Taipei. The Company is to pay 60% of the premium cost not to exceed \$5.00 per month per employee. The total cost of the Plan to the Company will depend on the number of participants but it is estimated that its cost will not exceed \$100,000 annually.

6 - Banking Facilities: The Executive Committee considered and approved a change of signatories for and the opening of the following accounts:

- (1) AAAL Tainan Working Fund Supply A/C  
No. 39 (\$1,500) in the First Commercial  
Bank of Taiwan.
- (2) AAAL Bangkok Working Fund Account  
(\$7,264) in the Bank of America
- (3) AAAL Taipei Customs Agent Working  
Fund (\$3,750) in the First Commercial  
Bank of Taiwan.

There being no further business to come before the meeting, on motion duly made and seconded, it was adjourned.

Respectfully submitted,



James H. Bastian  
Secretary for the Meeting