

AIR AMERICA, INC.

*Supp. JWB
2/2/75*

August 27, 1975

Ref.: WB-75-1879

E-Systems, Inc.
P. O. Box 6030
1600 Pacific Avenue
Dallas, Texas 75222

ATTN: Mr. James W. Crowley
Vice President and General Counsel

SUBJ: Agreement for Sale of Shares of
21 August 1974

Dear Mr. Crowley:

We know that your Company shares our desire to conclude the subject transaction at an early date. It is our position that the provisions of 4.3 of the Agreement clearly require that settlement of the purchase price be made on the basis of the Coopers & Lybrand audit.

We forwarded to you on April 14, 1975 the Audit Report of Coopers & Lybrand reflecting a net amount of \$391,412 (net asset value in excess of \$3,218,000) payable to Air America, Inc. by E-Systems in settlement of the purchase price. In response to your Telex of April 29, 1975 requesting reconsideration of nine points in the Audit Report, we forwarded a copy of your Telex to Coopers & Lybrand, who responded to us thereto in writing by their letter dated June 16, 1975. A copy of Coopers & Lybrand June 16, 1975 letter was, in turn, forwarded to you with our letter dated June 20, 1975. The Coopers & Lybrand review of their Audit Report reasserted their conclusions therein with respect to the points raised by E-Systems, all as set forth in the Coopers & Lybrand letter dated June 16, 1975.

We therefore request that you furnish us with cash or equivalent in U. S. Government receivables in the amount of \$332,700. This represents the Coopers & Lybrand computations of the net asset value of Air Asia in excess of \$3,218,000 as of January 31, 1975 (\$391,412) less the applicable tax which we understand has already been paid to the appropriate tax office by Air Asia (\$58,712).

APPROVED FOR RELEASE
DATE: 17-Nov-2009

August 27, 1975

We are aware that there are other matters not falling within the four corners of the Agreement that need to be addressed, but we are confident that such can be settled between our Mr. Herd and your Mr. Lowell Lawson. In view of the passage of almost five months since the Audit Report was submitted, our first priority is to conclude the sales transaction.

Your early advice of payment is requested.

Sincerely,



Henry P. Bevans
Vice President - Law

HPB:nj

bcc: CEO
SVP-OCA
VP-T
MAAL HKG
AVP-TSR TNN

AIR AMERICA, INC.