



MINUTES OF MEETING

OF

BOARD OF DIRECTORS

OF

AIR ASIA COMPANY LIMITED

October 18, 1960

A meeting of the Board of Directors of Air Asia Company Limited was held at The Hanover Bank, 405 Lexington Avenue, New York City, Tuesday, October 18, 1960, at 10:15 a.m.

PRESENT: Admiral Stump and Messrs. Walker, Doole, Richardson, Reed, Ames, Goslet and Shaw.

ABSENT: Mr. Grundy.

The Chairman called the meeting to order and announced that a quorum was present. Mr. Shaw, acting as Secretary of the Meeting, presented the Certificate of Mailing of Notice and stated that a formal notice of the meeting had been directed to all directors in accordance with the By-Laws of the Corporation. The Secretary was directed to file the Certificate of Mailing of Notice with the Minutes of the Meeting.

The Minutes of the Meeting of the Board of Directors on September 27, 1960, were approved.

The Minutes of the Meeting of the Executive Committee on October 11, 1960, were summarized for and noted by the Board.

The Vice Chairman of the Board reporting for himself and the President stated that a major problem facing the Company at the moment is the necessity

for coping with the continuing crises in Laos. In response to questions from members of the Board, he stated that ground training for maintenance personnel for the Convair 440 is now underway, and that training for flight personnel will be started in December and continue in January in the Company's own aircraft after delivery. It is now anticipated that the training of three flight crews will be completed and the planes ferried to the Far East by the last week in January. He also reported that Delta Airlines is now operating 440s and is enthusiastic over their performance. While there have been a number of minor engineering changes required, there are fewer than have been required on any other new models. The only substantial change has been in the hydraulic pumps.

With regard to the Company's financial condition, he stated that the assistance being provided to Southern Air Transport on its MATS contract will provide substantial revenue to the Company over the next year and will also make possible the performing of opportunity charters with DC-6A/D equipment. The additional maintenance work noted in the Executive Committee minutes, will also be of assistance. While the overall anticipation is that the last seven months of the fiscal year will also show some loss, nonetheless, the Company is accumulating a variety of reserves for self-insurance, depreciation and other purposes.

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

Respectfully submitted,

Brackley Shaw
Secretary of the Meeting