

MINUTES OF MEETING
OF
BOARD OF DIRECTORS
OF
AIR ASIA COMPANY LIMITED

19 November 1963

A Meeting of the Board of Directors of Air Asia Company Limited was held at Manufacturers Hanover Trust Company, 350 Park Avenue, New York City on 19 November 1963.

PRESENT: Admiral Stump and Messrs. Ames, Doole, Goelet, Richardson and Walker.

ABSENT: Messrs. Grundy and Read.

Chairman Stump called the meeting to order and announced that a quorum was present. Vice Chairman Doole 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 Articles of Incorporation. The Vice Chairman 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 of October 15, 1963 were approved.

The Minutes of the Meetings of the Executive Committees of October 29, 1963 and November 12, 1963 were summarized for and noted by the Board and the actions taken thereby were ratified.

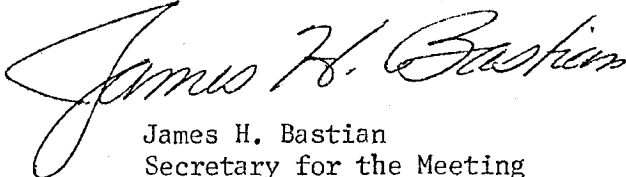
Vice Chairman Doole reported the current status of negotiation with the labor organizers at Tainan. Latest information indicates that common areas of agreement have been reached and that the Tainan shop will be unionized.

Vice Chairman Doole also reported that Chinese Civil Aeronautics Administration (CCAA) has granted China Air Lines (CAL) and Far East Air Transport Corporation (FEAT) domestic air routes competitive with Civil Air Transport Company Limited (CATCL). For the purpose of allocation, the domestic system was divided into an eastern route between Taipei and Makung via the intermediate points Hualien and Taitung and alternative intermediate points Kaohsiung or Tainan and a western route between Taipei and Makung via the intermediate point Taichung and alternative intermediate points Tainan or Kaohsiung. Both CATCL and CAL have been granted authority to serve the eastern route with each providing daily services between Taipei and Hualien and once or twice weekly service over the entire segment. CATCL, CAL and FEAT have been granted authority to serve the western route with each to operate daily service over the entire segment but omitting service to Taichung twice weekly. The three carriers are to coordinate schedules over these competitive segments.

Vice Chairman Walker reported on the Rome IATA meeting which he attended as a representative of Civil Air Transport Company Limited with its Board Chairman, Wang Wen-San.

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