

MINUTES OF MEETING

OF

BOARD OF DIRECTORS

OF

AIR ASIA COMPANY LIMITED

18 August 1964

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 18 August 1964.

PRESENT: Messrs. Ames, Doole, Goelet, Read, Richardson and Walker.

ABSENT: Admiral Stump and Mr. Grundy.

Vice Chairman Walker 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. Vice Chairman Doole 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 21 July 1964 were approved.

It was reported to the Board that the Annual Meeting of the Shareholders of the Company was held on 28 July 1964 and that all Directors were re-elected.

Vice Chairman Walker announced that, since this was the first meeting of the Board of Directors following the Annual Meeting of the Stockholders, the Board should proceed to organize itself for the coming year. Thereupon, the

APPROVED FOR
RELEASE DATE:
09-Oct-2009

Board of Directors, upon motion duly made and seconded, unanimously elected Admiral Felix B. Stump as Chairman of the Board of Directors and Messrs. Samuel S. Walker and George A. Doole, Jr. as Vice Chairmen of the Board of Directors to serve at the pleasure of the Board.

Pursuant to the resolution of the Board of Directors, at its meeting of January 17, 1961, the Board of Directors, upon motion duly made and seconded, then elected the following as an Executive Committee, to manage the business and affairs of the Company during intervals between meetings of the Board of Directors, and to serve at the pleasure of the Board:

George A. Doole, Jr., Chairman
Samuel S. Walker
William A. Read

The Vice Chairman then stated that nominations were open for officers of the Company, whereupon the following individuals were duly nominated and seconded for the positions set opposite their respective names:

Managing Director and Chief Executive Officer	Mr. George A. Doole, Jr.
President and General Manager	Mr. Hugh L. Grundy
Vice President	Mr. Tallmadge L. Boyd
Vice President/Secretary	Mr. Clyde S. Carter
Vice President	Mr. Var M. Green
Vice President	Mr. Allen Wueste
Vice President	Mr. Henry K. Yuan
Treasurer	Mr. Amos Hiatt
Assistant Vice President	Mr. Joseph L. Madison
Assistant Secretary	Mr. Sherman Chang
Assistant Secretary - Washington	Mr. James H. Bastian

There being no further nominations, on motion duly made and seconded, the foregoing individuals were unanimously elected to the offices set opposite their names, to hold office at the pleasure of the Board of Directors.

The Minutes of the Meetings of the Executive Committees of July 28 and August 11, 1964 were summarized for and noted by the Board and the actions taken thereby were ratified.

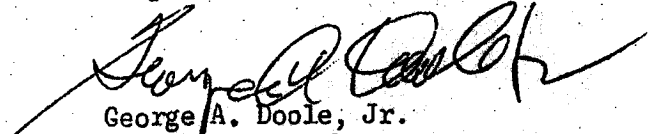
Vice Chairman Doole reported to the Board that principally as a result of the B-908 accident, the company's relations with the Government of the Republic of China have recently been strained. A recent facet of this situation was the seizure on July 30, 1964 by Government Tax Officials of personnel records of non-Chinese company employees with the avowed purpose of investigating suspected tax evasion by such employees and by the company (for alleged failure to withhold sufficient amounts for tax purposes). The Vice Chairman reported that efforts were underway in Taipei to reach agreement with the appropriate Government authorities with respect to past and future practices in this field.

The Vice Chairman also reported that a tentative quotation had been received for war risk insurance covering the company's Convair 880 aircraft at a value of \$4,000,000 for a premium of \$10,000. This figure was considerably more favorable than the \$25,000 premium considered by the Executive Committee at its meeting of August 11, 1964 and would cover a substantial number of risks excluded from the coverage of the company's existing hull insurance policy. After discussion, it was, on motion duly made and seconded, unanimously

RESOLVED, that Management be authorized to place war risk insurance covering the company's Convair 880 aircraft, if the same can be fully underwritten for an annual premium of \$10,000.

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

Respectfully submitted,


George A. Doole, Jr.
Secretary for the Meeting