

MINUTES OF MEETING

OF

BOARD OF DIRECTORS

OF

AIR AMERICA, INC.

July 16, 1974

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A meeting of the Board of Directors of Air America, Inc. was held at the Manufacturers Hanover Trust Company, 350 Park Avenue, New York City on July 16, 1974.

PRESENT: Directors Walker, Ames, Goelet, Doole, Velte and Grundy.

ABSENT: Director Richardson.

Mr. Walker, Chairman of the Board, called the meeting to order. In the absence of the Secretary, Mr. Clyde S. Carter, Vice President of the Corporation, served as Secretary for the Meeting. The Chairman announced the presence of a quorum. The Secretary presented a Certificate of Mailing of Notice and stated that a formal notice of meeting had been sent to all Directors in accordance with the By-Laws. The Secretary was directed to file the Certificate of Mailing of Notice with the Minutes of the Meeting.

The Secretary noted that copies of the Minutes of the Meeting of the Board of Directors held on June 18, 1974 had been circulated to all of the Directors prior to this meeting. Hearing no objection on call therefor, the Chairman waived a reading of those Minutes and, on motion made and seconded, the

APPROVED FOR
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Minutes of the Meeting of the Board of Directors of June 18, 1974 were approved.

The Minutes of the Meeting of the Executive Committee of July 9, 1974 were summarized for and noted by the Chairman. Particularly it was noted that, income before taxes for the month of May 1974 was approximately 80 percent of that for April 1974, the total for the first two months of the company's current fiscal year amounting to \$748,077. The level of flying for the first nine days of July averaged approximately ten percent below the average of 150 hours per day experienced in June.

Mr. Velte, the Managing Director, reported that he had just returned from a trip to Southeast Asia of approximately three weeks duration where his primary attention and efforts had been directed to the close-down and phase-out of the Company's operations in Thailand. Mr. Velte noted that the Company's activities at the Udorn Air Base had been turned over to Thai Am, with ceremony, at the close of business on June 30, 1974 and that, with the exception of 61 personnel remaining at the Udorn base to accommodate the last administrative vestiges of the turnover to Thai Am, the employment with Air America of all other personnel at that base had been terminated as of June 30, 1974 without untoward incident and with no known residual personnel problems. Of the 61 personnel remaining at Udorn, by the end of July 50 percent will have left and there will be a constant reducing in the remaining countdown to no more than two persons

remaining at September 30, 1974. He also noted that Air America is out of its other operational points in Thailand and has only a small number of people remaining in the Bangkok offices which offices will also be phased-out by 7 October 1974.

The company property which was located at Udorn has been disposed of by movement to Tainan or Saigon, by the sale of certain items, and by the gift of certain small items to charitable donees; all company aircraft, except one to Tainan, were removed from Thailand to Saigon. Noting the large number of files containing documents and records, such as personnel records, time cards, etc., which must be retained for various prescriptive periods, he advised that arrangements will be made to have such files repose in the custody of the Thai Pacific Services Company Limited, a sister subsidiary of The Pacific Corporation. The Managing Director scored the loyal, competent and tedious efforts of company personnel in terminating the corporation's activities in Thailand in a highly efficient and professional manner and noted his personal appreciation thereof and his impression of comparable appreciation on behalf of United States Government officials in Thailand, including the U. S. Ambassador, and of the officials of Thai Am and the Thailand Government. In summary closing of his report on the Thailand phase-out, the Managing Director expressed his opinion and belief that the costs incident thereto will be covered in the fourth quarter cost and rates under the Madriver contract.

The Chairman extended to Mr. Velte the appreciation of

the Board for his efforts and the constructive and positive results thereof with respect to the company's phase-out and turnover of its activities in Thailand.

Following the report of the Managing Director, there being no further business to come before the meeting, on motion duly made and seconded, it was adjourned.

Respectfully submitted,

Clyde S. Carter
Secretary of the Meeting