

MINUTES OF MEETING  
OF  
EXECUTIVE COMMITTEE  
OF  
AIR AMERICA, INC.  
20 February 1975  
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A meeting of the Executive Committee of Air America, Inc. was held on February 20, 1975 and the following matters were considered:

1 - Approval of Minutes:

(a) Meetings of Air America, Inc. and Air Asia Company Limited Executive Committees of January 21, 1975: The minutes of the meetings of Air America, Inc. and Air Asia Company Limited Executive Committees of January 21, 1975 were approved.

(b) Meeting of Air America, Inc. Board of Directors of January 21, 1975: The draft minutes of the meeting of Air America, Inc. Board of Directors of January 21, 1975 were approved for submission to the Board.

2 - Reports: The Chief Executive Officer reported that the Preliminary Intercompany Contract Operating Report provided the following information for the month of January 1975:

APPROVED FOR  
RELEASE DATE:  
13-Oct-2009

	<u>JANUARY</u>	<u>10 Months Ended 1/31/75</u>	<u>10 Months Ended 1/31/74</u>
Operating Revenues:			
Contract Revenue	\$ 955,101	\$12,954,649	\$33,207,887
Customer Maintenance	4,109	6,604,683	7,976,307
All Other	8,873	76,778	82,034
Total	<u>\$ 968,083</u>	<u>\$19,636,110</u>	<u>\$41,266,228</u>
Operating Expenses	1,097,948	19,410,388	40,884,853
Operating Income (Loss)	( 129,865)	225,722	381,375
Non-Operating Income (Loss)	( 15,867)	623,946	434,153
Income Before Income Taxes (Loss)	( 145,732)	849,668	815,528

Note: The foregoing cover Air America, Inc. and Air America, Limited only, since Air Asia books are being held open in connection with the sale of its shares.

(b) Operating Statistics

Total Hours Flown	3,631	43,233	102,760
DSLH TNN			
Customer	264,241	2,315,998	1,863,181
Company	15,713	259,104	516,960
Indirect	116,456	1,004,257	993,501
Total	<u>396,410</u>	<u>3,579,359</u>	<u>3,373,642</u>
DSLH OKO			
Customer	-	-	85
Company	-	-	17,642
Indirect	-	-	8,960
Total			<u>26,687</u>
DSLH BKK			
Customer	-	-	257
Company	-	-	8,119
Indirect	-	-	6,827
Total			<u>15,203</u>
DSLH UTH			
Customer	-	185,552	1,043,355
Company	-	27,814	179,842
Indirect	-	13,684	114,470
Total		<u>227,050</u>	<u>1,337,667</u>

DSLH LAOS			
Customer	-	10,587	169,478
Company	-	956	146,024
Indirect	-	6,693	159,034
Total		<u>18,236</u>	<u>474,536</u>
DSLH SVN			
Customer	196	7,413	15,206
Company	26,329	280,863	322,356
Indirect	21,606	239,123	224,002
Total	<u>48,131</u>	<u>527,399</u>	<u>561,564</u>

(c) Personnel Statistics - January 31, 1975

AIR ASIA COMPANY LIMITED	-	3014
AIR AMERICA, INC.	-	1072
AIR AMERICA LIMITED	-	105
CIVIL AIR TRANSPORT	-	18
TOTAL		<u>4209</u>

3 - Reports from Members of the Executive Committee:

(a) SALE OF AIR ASIA - The Chief Executive Officer reported that the sale of Air Asia shares to E-Systems, Inc. had been accomplished on January 31, 1975 and that approval of the outward remittance of the purchase price by the Chinese Government authorities was being processed without any known problems.

(b) STAFFING PROBLEMS - The Chief Executive Officer discussed generally the problems involved in the phasedown of the Company's operations with respect to the maintenance of a skilled work force. He stated that the burden of attrition and the inability of the Company to offer any career opportunities had left the roster "thin" in many areas, such as competent fiscal personnel in middle management. He posed the possibility of seeking assistance from such firms as Coopers & Lybrand on an "employee loan" basis.

(c) AIR ASIA COMMERCIAL RECEIVABLES - The Chief Executive Officer reported substantial progress in the collection of Air Asia commercial (non-U.S. Government) receivables, which with the exception

of six Taiwan accounts are not being transferred to E-Systems as part of the sale of Air Asia shares. In particular, he noted that the Air Vietnam account had been reduced to about \$30,000, all of it current (less than 30 days).

(d) CLAIMS - The Chief Executive Officer reported that claims of approximately \$2,125,000 are being pursued against Contract -0002 and that negotiations are still going forward on Contract -777 for payment of approximately \$290,000.

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

Respectfully submitted,

Henry P. Bevans  
Secretary for the Meeting