

**Minutes of the Meeting of the
Air Transportation Stabilization Board
September 29, 2005**

The meeting of the Air Transportation Stabilization Board (“Board”) was held via conference call on Thursday, September 29, 2005.

The following people were on the call:

Board

Donald L. Kohn, Chairman of the Board, and Governor, Federal Reserve Board
Tim Bitsberger, Voting Member of the Board, and Assistant Secretary for Financial Markets,
Department of the Treasury
Jeffrey N. Shane, Voting Member of the Board, and Under Secretary for Policy, Department of
Transportation

Board Staff

Mark R. Dayton, Executive Director
Jaydeep Borwankar, Financial Analyst
Marguerite Owen, Legal Counsel
Steven Sigfusson, Intern

Federal Reserve Board

Dan Sichel, Assistant Director
Christopher W. Clubb, Senior Counsel

Department of the Treasury

Brad S. Lerner, Attorney

Department of Transportation

Terence W. Carlson, Attorney, Office of General Counsel
Regis Milan, Associate Director, Office of Aviation Analysis

Department of Justice

Brendan Collins, Trial Attorney, Civil Division

Curtis, Mallet-Prevost, Colt & Mosle LLP

Dan Lenihan, Partner
Steve Reisman, Partner

Lazard Freres & Co., LLC

Harry Pinson, Managing Director
Doug Fordyce, Director
Joe Maybank, Managing Director
Steven Goldstein, Director
Ryan Hummer, Associate

GAO did not attend this meeting.

Governor Kohn called the meeting to order at 4:03 p.m.

The Executive Director provided the Board members with an overview of the ATSB's marketing efforts to sell the warrants held by the Board in US Airways after the merger of US Airways and America West Airlines ("New US Airways"). The Executive Director informed the Board that New US Airways had emerged as a potential buyer of the warrants and provided the Board with a brief overview of the proposed terms with regards to this transaction. The Executive Director and Mr. Maybank discussed various timing and pricing issues with regard to the proposed sale of the warrants to New US Airways and recommended that the Board use the market closing price on Friday, September 30th to price these warrants. The Executive Director suggested that the Board have a call at 5:30 p.m. on September 30th so that the Board could review the pricing of the warrants prior to voting on the proposed transaction. The Executive Director informed the Board that staff would continue to gather information regarding the market pricing of the warrants and this information would be presented to the Board prior to the Board's vote on this matter.

The Executive Director also provided an overview of the status of the remarketing of the ATSB guaranteed loans issued to New US Airways.

The meeting was adjourned at 4:23 p.m.