

**Minutes of the Meeting of the
Air Transportation Stabilization Board
September 30, 2005**

The meeting of the Air Transportation Stabilization Board (“Board”) was held via conference call on Friday, September 30, 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

Roger Kodat, Deputy Assistant Secretary for Government Financial Policy
Brian Jackson, Chief Financial Officer, Federal Financing Bank
Brad S. Lerner, Attorney
Lachlan Seward, Senior Advisor to the Fiscal Assistant Secretary

Department of Transportation

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

Department of Justice

Brendan Collins, Trial Attorney, Civil Division
Andrea Handel, Trial Attorney, Civil Division

Curtis, Mallet-Prevost, Colt & Mosle LLP

Dan Lenihan, Partner
Steve Reisman, Partner

Lazard Freres & Co., LLC

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 5:40 p.m.

The Executive Director briefed the Board on the staff's due diligence of the proposed terms of the sale to US Airways of the warrants in US Airways held by the Board. The Executive Director and Mr. Maybank briefed the Board members on the market closing price for US Airways' stock and the resulting gain to the U.S. taxpayer from a potential sale of the warrants to US Airways at a price based on today's closing price. The terms of the proposed deal recovered for taxpayers the intrinsic value of the warrants as well as a portion of the option value.

The Board voted unanimously to approve the sale of the warrants to US Airways and to grant the Executive Director authority to consummate the transaction.

The meeting was adjourned at 5:52 p.m.