

**Minutes of the Meeting of the
Air Transportation Stabilization Board
December 8, 2004**

The meeting of the Air Transportation Stabilization Board (“Board”) was held in the offices of the Board of Governors of the Federal Reserve System at 20th Street and Constitution Avenue, Washington, D.C., on Wednesday, December 8, 2004.

The following people were present at the meeting:

Board

Edward M. Gramlich, Chairman of the Board, and Governor, Federal Reserve Board
Brian C. Roseboro, Voting Member of the Board, and Under Secretary for Domestic Finance, 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
Marguerite Owen, Legal Counsel
Jaydeep Borwankar, Financial Analyst

Federal Reserve Board

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

Department of the Treasury

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

Department of Transportation

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

Department of Justice

Christopher Kohn, Director, Commercial Litigation Branch
Brendan Collins, Trial Attorney, Civil Division
Andrea Handel, Trial Attorney, Civil Division

Curtis, Mallet-Prevost, Colt & Mosle LLP

Dan Lenihan, Partner

Lazard Freres & Co., LLC

David Kurtz, Managing Director

Eric Mendelsohn, Director

Blake O'Dowd, Managing Director

GAO did not attend this meeting.

Governor Gramlich called the meeting to order at 9:10 a.m.

The Executive Director provided the Board with an update on the ATA bankruptcy. The Executive Director reported that the auction of ATA's assets was scheduled for Monday December 13th thru Thursday December 16th and would conclude with a court hearing to determine the winning bidder or bidders. He reported that AmericaWest Airlines ("AWA"), a borrower under the loan guarantee program, was considering bidding on some of ATA's assets and had requested the Board's prior consent to acquire ATA should its bid be successful. Following a discussion of the relevant issues, the Board voted unanimously to provide the consent for AWA to bid for ATA's assets.

The Executive Director reported that, at the request of US Airways and Citibank, Board staff had made arrangements to reassign the US Airways note from Bank of America to Citibank. The Board voted unanimously to consent to the reassignment of the note.

The Executive Director and Lazard provided the Board with a brief overview of the settlement that US Airways had negotiated with GECAS.

The meeting was adjourned at 11:04 a.m.