

Exhibit 1

Bond # 105873557

Kalitta Air, L.L.C. as assignee of American
International Airways, Inc.

Plaintiff,

Vs.

Central Texas Airborne Systems, Inc., et al.,

Defendant,

Case No. C 96-2494 CW

Undertaking of Corporate Surety

The Hon. Claudia Wilken

Appeal Bond

A judgment for taxable costs in the amount of \$622,036.38 was entered in the above captioned case on December 5, 2012 in the United States District Court for the Northern District of California against Appellant, Kalitta Air, L.L.C., and in favor of Central Texas Airborne Systems, Inc.

Kalitta Air, L.L.C. has filed a timely notice of appeal of this judgment to the United States Court of Appeals for the Ninth Circuit and desires to suspend enforcement of the judgment pending determination of the appeal.

Pursuant to the Order of the United States District Court for the Northern District of California dated December 5, 2012, collection of the costs pending determination of the appeal would be stayed on condition that Kalitta Air, L.L.C. post a supersedeas bond in the amount of fifty percent of the taxable costs or \$311,018.19

Promise to Pay

Travelers Casualty and Surety Company of America, which has an office and usual place of business at One Tower Square, Hartford, CT 06183, undertakes and promises to immediately pay to Central Texas Airborne Systems, Inc. all damages, costs, and interest that may be awarded to it following the appeal of this matter up to the sum of \$311,018.19 if:

- a. The judgment so appealed is affirmed; or
- b. The appeal is dismissed; or
- c. Kalitta Air, L.L.C. fails to pay within seven days all sums awarded against it in or following the appeal in this action, including the full \$622,036.38 as ordered by the court along with any additional costs or interest that the court of appeals may award.

Until Kalitta Air, L.L.C. fulfills all of its obligations on appeal, including payment of the full \$622,036.38 as ordered by the court along with any additional costs that the court of appeals may award, this obligation will remain in full force and effect.

In no event shall the maximum aggregate liability of the Surety under this Bond exceed Three Hundred Eleven Thousand Eighteen Dollars and 19/100 -----Dollars (\$311,018.19)

Dated this 12th day of February, 2013.

Travelers Casualty and Surety Company of America

By: 
Evonne Brown, Attorney-In-Fact

Kalitta Air, L.L.C. as assignee of American International Airways, Inc.

By: _____

TRAVELERS **POWER OF ATTORNEY**

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 225662

Certificate No. 005370832

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Carol F. Tasciotti, Evonne Brown, Adele M. Korczak, Grace Villarreal, Gail Schroeder, Cindy Genslinger, Gina M. Damato, Thomas A. Pictor, Michael Damewood, Rosemary Muliere, Kathy Anderson, Vaenessa Sims, Luisa Seymour, Thomas N. Tague, Brenda D. Hockberger, Carlina A. Petersen, Tara S. Petersen, Todd D. Baraniak, Dale F. Poquette, Oscar F. Rincon, Moises Alcantar, James P. Fagan, Heather J. Meneghetti, Stephanie Miller, Grace Lawrence, Ann Mulder, Matthew Donovan, Joanna L. Leggett, Matthew Tobias, Launa Reidenbach, William Matthews, Mary D. Thomas, Anthony Engeltjes, Richard Valente, Brendan Reilly, and Amber Derkson

of the City of Naperville/Chicago, State of Illinois, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 15th day of February, 2013.

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company



State of Connecticut
 City of Hartford ss.

By: 

Robert L. Raney, Senior Vice President

On this the 15th day of February, 2013, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
 My Commission expires the 30th day of June, 2016.




 Marie C. Tetreault, Notary Public