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This Settlement Agreement is made and entered into this 11th day of October, 1994, by and between the Case Management States, as hereinafter defined, and Airline Tariff Publishing Company ("ATP"), and the airlines, as hereinafter defined, which include the following: Alaska Airlines, Inc., American Airlines, Inc., Continental Airlines, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Trans World Airlines, Inc., United Air Lines, Inc., and USAir, Inc. ATP and the airlines shall be hereinafter collectively referred to as "the Defendants."

WHEREAS, the Case Management States have conducted an investigation of the pricing practices of the Defendants; and

WHEREAS, the Case Management States allege that certain of the pricing practices of the Defendants constitute price fixing in violation of the Sherman Act, 15 U.S.C. § 1; and

WHEREAS, the Case Management States have determined that a class action should be commenced against the Defendants, seeking treble damages on behalf of all state and local governmental entities which purchase domestic air passenger transportation services from the airlines; and

WHEREAS, the Defendants deny that any of their conduct is violative of the antitrust laws of the United States or of any State; and

WHEREAS, the Case Management States and the Defendants have each concluded that the claims of the state and local governmental entities should be compromised and settled in order to avoid the expense, delay and distraction that protracted, complex antitrust litigation would represent; and

WHEREAS, the Parties have determined it to be in their best interests to resolve this dispute and enter into this Settlement Agreement in order to assist the states to obtain future domestic air passenger transportation services for themselves and members of the settlement class;

NOW, THEREFORE, without adjudication of any issue of fact or law or admission of wrongdoing, and upon the agreement of the Parties, the Parties enter into this Settlement Agreement.

#### I. DEFINITIONS

As used in this Settlement Agreement:

- A. "Administration Account" means an interest-bearing account established and maintained by the Case Management States for the purpose of paying Administration Costs. The principal of the Administration Account shall be funded as described in Paragraph V.A. below.
- B. "Administration Costs" means the administration expenses and state costs and fees as described in Paragraphs V.B. and V.C. below.
- C. "Airline" or "Airlines" is used individually or collectively to refer to the following:
- 1. Alaska Airlines, Inc., an Alaska corporation with its principal place of business in Seattle, Washington.
- 2. American Airlines, Inc., a Delaware corporation with its principal place of business in Ft. Worth, Texas.

- 3. Continental Airlines, Inc., a Delaware corporation with its principal place of business in Houston, Texas.
- 4. Delta Air Lines, Inc., a Delaware corporation with its principal place of business in Atlanta, Georgia.
- 5. Northwest Airlines, Inc., a Minnesota corporation with its principal place of business in St. Paul, Minnesota.
- 6. Trans World Airlines, Inc., a Delaware corporation with its principal place of business in St. Louis, Missouri.
- 7. United Air Lines, Inc., a Delaware corporation with its principal place of business in Elk Grove Village, Illinois.
- 8. USAir, Inc., a Delaware corporation with its principal place of business in Arlington, Virginia.
- D. "ATP" means Airline Tariff Publishing Company, a District of Columbia corporation with its principal place of business in Chantilly, Virginia. ATP is wholly owned by a group of companies providing air passenger transportation services that includes the Airlines.
- E. "Case Management States" means the Offices of the Attorneys General of the States of Colorado, Connecticut, Florida, Massachusetts, New Jersey, New York, Ohio, Pennsylvania, Utah and Washington.
- F. "Commuter Carrier" means a non-defendant airline that has a code-sharing arrangement with an Airline pursuant to which it provides Domestic Travel under that Airline's code.
- G. "Contract Fares" means all published fares in excess of \$50 one-way for scheduled domestic air passenger transportation services that are available for Official Government Travel pursuant

to a written contract or agreement between any Eligible Governmental Entity and an Airline, or published special fares granted by an Airline to any Eligible Governmental Entity.

- H. "Court" means the United States District Court for the District of Columbia.
  - I. "Defendants" means ATP and the Airlines.
- J. "Discount Fares" means a ten percent (10%) discount from the total published cost of purchase that is otherwise applicable to a ticket, but the discount shall not apply to any departure tax, agricultural inspection fee or any local-airport-authority-imposed Passenger Facility Charge.
- K. "Domestic Travel" means scheduled passenger air travel anywhere within or between the fifty United States, the District of Columbia, Puerto Rico or the U.S. Virgin Islands, but does not include a Domestic leg of a connecting itinerary which has been ticketed pursuant to the application of a non-Domestic through fare. Where, however, such a connecting Domestic leg is ticketed pursuant to the application of a separately published Domestic Fare, travel on that leg (but not on the connecting non-Domestic leg) shall qualify as Domestic Travel.
- L. "Effective Date" means the date on which all of both the Case Management States and the Defendants have executed this Settlement Agreement.
- M. "Eligible Governmental Entity or Entities" means each state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Marianas Islands, and each of their political

subdivisions or instrumentalities, including but not limited to their departments, branches, bureaus, agencies, colleges, universities, hospitals, counties, cities, towns, villages, parishes, municipalities, school districts, public transit districts, special purpose districts, redevelopment agencies, and taxing districts, as well as any agencies and instrumentalities in and of more than one such state or the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Marianas Islands. This definition does not include the government of the United States, any federal governmental agency or any private entity regardless of whether that entity receives funds from an Eligible Governmental Entity.

- N. "Eligible Purchaser" or "Eligible Purchasers" means an Eligible Governmental Entity or its employees, agents or invitees, when engaged in Official Government Travel.
- O. "Final Judgment" means the order entered by the Court after final approval of this Settlement Agreement in accordance with Rules 23 and 54 of the Federal Rules of Civil Procedure. The Final Judgment shall be in a form substantially similar to that attached as Exhibit A. The Final Judgment shall become final after entry is made and the time to appeal has expired or, if appealed, entry has been affirmed by the court of last resort to which such an appeal has been taken and such affirmance is no longer subject to further appeal or review. In determining the time for appeal, further appeal, or review, the provisions of Rule 60 of the Federal Rules of Civil Procedure, and the All Writs Act, 28 U.S.C. § 1651, shall not apply.

- P. "Official Government Travel" means the use of domestic air passenger transportation services by an Eligible Purchaser when such travel is being conducted for Eligible Governmental Entity business purposes and the costs of such travel are either paid for or reimbursed by the Eligible Governmental Entity.
- Q. "Parties" shall mean the signatories of this Settlement Agreement including the Plaintiff States.
- R. "Person" means an individual, corporation, partnership or entity of whatever type.
- S. "Plaintiff States" means those states that choose to enter into the terms of this Settlement Agreement in accordance with the terms of Paragraph VIII.B. herein as joint class representatives of the class of Eligible Governmental Entities contemplated by this Settlement Agreement.
- T. "Released Parties" means the Defendants and the Commuter Carriers on which Discount Fares are made available for Domestic Travel, as well as each of their respective past or present officers, directors, agents, employees, parents, affiliates, subsidiaries, and divisions and their respective successors, assigns and legal representatives.
- U. "Repository" means the independent Person designated by the Airlines and the Case Management States that will receive data from the Airlines concerning the sale of Discount Fare tickets, and that will perform the various functions assigned to it by Exhibit F of this Settlement Agreement.

#### II. AGREEMENT

- A. All of the obligations of this Settlement Agreement that are binding upon the Airlines shall be binding upon their respective successors, assigns and legal representatives.
- B. Subject to the approval of the Court and consistent with the terms of this Settlement Agreement, the Parties agree to settle the claims contained in the Complaint to be filed in substantially the form attached hereto as Exhibit B in the United States District Court for the District of Columbia as a related case to <u>United States v. Airline Tariff Publishing Co.</u>, C.A. No. 92-2854, on the terms and conditions described in this Settlement Agreement, including the release contained herein.
- c. The foregoing Complaint will be filed by the Case Management States and the Plaintiff States within thirty (30) days of the Effective Date of this Settlement Agreement. Not less than ten (10) days before filing the Complaint, the Case Management States shall provide the Airlines and ATP written notice of the date on which the Complaint will be filed. Following the filing of the Complaint, the Case Management and Plaintiff States shall move for entry of an initial case management order in substantially the form attached hereto as Exhibit C. Such order shall provide for the suspension of the filing of answers, the establishment of a schedule for the filing of papers seeking preliminary and final approval of this Settlement Agreement and provide the plaintiffs with the right to amend their Complaint as of right within thirty (30) days of either Court disapproval of this Settlement Agreement or its termination in accordance with the terms hereof.

- D. The Parties agree to use their best efforts to secure the orders and other actions contemplated in this Settlement Agreement including orders for preliminary and final approval and for class certification.
- E. The Parties stipulate and agree for settlement purposes only to certification of a class comprising all Eligible Governmental Entities that do not timely exclude their claims from this Settlement Agreement.

#### III. NOTICE PROVISIONS

- A. For the purpose of securing compliance with the Final Judgment and this Settlement Agreement, the Airlines shall, at their own expense, timely provide the various notices specified in Paragraphs 11, 12, 13 and 14 of Exhibit F in substantially the form attached hereto as Exhibit G.
- B. Subject to Court approval, the Case Management States and Plaintiff States, at their own expense with funds from the Administration Account, shall provide each class member with a copy of the notice in substantially the form as attached hereto as Exhibit D by first class, postage pre-paid mail.

#### IV. OPT-OUTS AND AGREEMENT TERMINATION

A. Within thirty (30) days after the deadline set by the Court for Eligible Governmental Entities to exclude themselves from the class, each Defendant shall have the option to terminate its participation in this Agreement if, after inquiry, it concludes in good faith that the States or other Eligible Governmental Entities

that have opted out of this Settlement Agreement represent a realistic threat of continuing litigation representing claims of substantial injury. Such option shall be exercised by notifying the Case Management States via overnight mail and filing with the Court written notice of the election to terminate, with proof of service on all other settling Parties.

- B. If any Defendant elects to terminate its participation in this Settlement Agreement, then the Case Management States as a group have the option to terminate this Settlement Agreement in its entirety. The foregoing States must exercise their option to terminate, by filing with the Court written notice of their termination election, with proof of service on all other settling Parties, within fifteen (15) days of the expiration of the thirty (30) day deadline provided for in Paragraph IV.A. herein.
- C. If a Defendant elects to terminate and the Case Management States do not elect to terminate, then this Settlement Agreement shall remain in full force and effect as to all remaining Parties. If an Airline elects to terminate, the total purchase cost savings (See Paragraph VI.B. herein) provided by this Settlement Agreement shall be reduced by a factor proportional to the terminating Airline's share of all Airlines' total domestic revenue passenger miles for the Airlines during the relevant time period of the Complaint, as reported by the Department of Transportation in Data Bank 1-A ("Proportional Share"), attached hereto as Exhibit E. Any terminating Airline shall receive a cash refund of its payments made pursuant to Paragraph V.A., which shall be reduced by such terminating Airline's Proportional Share of

administration expenses incurred against the \$1,750,000 Administration Account prior to the exercise of its option to terminate.

- D. If the Court disapproves this Settlement Agreement, or any material provision of it, the Parties will make a good faith effort to cure any feature of the settlement necessary to obtain the Court's approval. If the Parties are unable to agree to modify the agreement in a manner acceptable to the Court, then this Settlement Agreement shall terminate.
- E. If this Settlement Agreement is terminated, either by Court disapproval or otherwise, then the obligations of the Defendants shall terminate. The Airlines shall be entitled to the refund of the remaining balance in the Administration Account less outstanding administration expenses incurred prior to such termination.

#### V. ADMINISTRATION ACCOUNT

A. Administration Account. The Airlines shall pay one million, seven hundred and fifty thousand dollars (\$1,750,000) for the payment of Administration Costs, as follows: By no later than the date of filing the Complaint in this case, the Airlines shall pay the sum of two hundred and fifty thousand dollars (\$250,000) to the Case Management States for deposit into the Administration Account. By no later than five (5) days after the date the Court orders preliminary approval of this Settlement Agreement, the Airlines shall pay the sum of one million, five hundred thousand dollars (\$1,500,000) to the Case Management States for deposit into

the Administration Account. Each of the Airlines is individually liable for its proportional share of such payments as determined by application of the factor specified in Paragraph IV.C. If any Airline fails to pay its portion of the Administration Costs, the Case Management States as a group may, in their exclusive discretion, terminate this Settlement Agreement by filing with the Court written notice of their termination election, with proof of service on all other settling parties, after having provided fifteen (15) days written notice to all Airlines of any Airline's failure to make its payment. This Settlement Agreement does not obligate the Airlines nor shall they be required to make any further cash payments in connection with this Settlement Agreement.

- B. Administration Expenses. The Administration Account shall be used for payment of the costs of various administrative tasks relating to settlement administration including, but not limited to:
- provision of Court-approved notice to the class by first class mail;
- expert witness services used in connection with seeking Court approval of this Settlement Agreement;
- 3. services provided by the Case Management States in the administration of this Settlement Agreement;
- 4. services of an administrator or escrow agent, if any, appointed by the Case Management States to administer the Administration Account; and,
- 5. such other goods and services, including but not limited to printing and copying, that the Case Management States

deem reasonable and necessary in the administration of this Settlement Agreement.

- C. State Costs and Fees. After the Final Judgment becomes final within the meaning of this Settlement Agreement, the Case Management States shall by distribution from the Administration Account compensate themselves and the Plaintiff States for attorneys fees and investigation and litigation costs incurred heretofore, including costs of expert witnesses. The distribution of such costs and fees shall be solely within the discretion of the Case Management States. The Attorney General for each such State shall determine the use and disposition of the payment made under this paragraph to his or her State. The payment shall be used by such States solely for one or more of the following six (6) purposes, as determined by the Attorney General of each such State, at her or his exclusive option and as otherwise consistent with law:
- payments to reimburse the costs and expenses of this investigation and litigation incurred by such States or their agencies;
- 2. antitrust enforcement by the Attorney General of such State;
  - payment into a state antitrust revolving fund;
  - 4. payment into the treasury of such State;
- 5. payment into a fund exclusively dedicated to assisting State Attorneys General to defray the costs of experts, economists, and consultants in multistate antitrust investigations and litigation; and/or,

- 6. payment into the National Association of Attorneys General Antitrust Education and Training Fund.
- D. Residual. Any residual remaining in the Administration Account after the payment of all administration expenses, all State costs and fees and all necessary reimbursements to the NAAG Antitrust Litigation Fund (Milk Fund) shall be distributed by the Case Management States, in their sole discretion, for public antitrust enforcement purposes, such as to a fund exclusively dedicated to assisting State Attorneys General to defray the costs of experts, economists, and consultants in multistate antitrust investigations and litigation, and/or, payment into the National Association of Attorneys General Antitrust Education and Training Fund.
- E. Settlement Administrator. The Administration Account may be administered by an administrator or escrow agent appointed by the Case Management States. The administrator or escrow agent shall be responsible for investing, maintaining, administering and distributing the monies in the Administration Account, pursuant to the terms of this Settlement Agreement and any additional instructions made in writing by the Case Management States, or as directed by the Court. The administrator or escrow agent shall invest the Administration Account in obligations of, or guaranteed by, the United States of America or any of its departments or agencies, to obtain the highest available return on investment or in such other similar manner as the Case Management States may direct in writing. The administrator or escrow agent shall not act in a manner contrary to the terms of this Settlement Agreement.

#### VI. DISTRIBUTION AND TERMS OF DISCOUNT FARES

- Discount Fares. Subject to the qualifications and terms of the various subparagraphs of Paragraph VI and Paragraph VII.A. herein, the Airlines shall make Discount Fares available with respect to each ticket purchased by an Eligible Purchaser for Domestic Travel under a single Airline code on (i) any Airline, (ii) its majority-owned subsidiaries, or (iii) any connecting itinerary consisting entirely of travel on one Airline and a Commuter Carrier. In addition, a Commuter Carrier which is not so bound by the terms of this Settlement Agreement may elect to make Discount Fares available, subject to the qualifications and terms of the various subparagraphs of Paragraph VI and Paragraph VII.A. herein, with respect to tickets purchased by an Eligible Purchaser for Domestic Travel entirely on that Commuter Carrier under an Airline code. Within 30 days of the Effective Date, the Airlines will submit a list of Commuter Carriers which have elected to make Discount fares available pursuant to the previous sentence, such list to be incorporated in this Settlement Agreement as Exhibit I.
- B. Availability (Time). The Airlines shall make such Discount Fares available beginning sixty (60) days after the Final Judgment becomes final within the meaning of this Settlement Agreement. Such Discount Fares shall thereafter remain available either until forty million dollars (\$40,000,000) in purchase cost savings ("Discount Cap") is received by purchasers of such Discount Fares, or for eighteen months (18 months); whichever comes first.

- C. Noncombinability. Discount Fares may not, except as provided in VI.E., be used in conjunction with any other discounts, award certificates, coupons or bonuses offered by any Airline.
- D. No Interlining. Except as provided in Paragraph VI.A. above, Discount Fares may not be used toward the purchase of tickets that involve interline travel.
- Use With Contract Fares. The Discount Fares available under the terms of this Settlement Agreement shall be available in addition to any discounts or reduced or special fares that are a component of any existing Contract Fare, notwithstanding any language to the contrary. The Discount Fares available under the terms of this Settlement Agreement shall be available in addition to any discounts or reduced or special fares that are a component any future Contract Fare, unless such Discount Fare is specifically excepted by reference to this Settlement Agreement. In computing the cost saving resulting from the purchase of a Discount Fare in conjunction with a Contract Fare, the amount to be applied against the Discount Cap shall be limited to the amount of the saving that results from the operation of Paragraph VI.A. hereof and shall not include the amount of any underlying discount or reduced or special fare that is a component of the Contract Fare itself.
- F. Non-Discrimination. The Airlines shall not discriminate against any Eligible Purchaser traveler based upon the traveler's status as an Eligible Purchaser.
- G. Customary Use Restrictions. Users of tickets purchased at Discount Fares must comply with all the terms and conditions of

the fare type for that ticket. Discount Fares are not available in connection with previously purchased tickets.

- H. Mileage Credits. The Airlines shall credit the mileage accumulated from travel in conjunction with Discount Fares on identical terms as non-Discount Fare travel for purposes of any generally available frequent flier or other bonus programs.
- I. Transferability. The rules with respect to transferability that are otherwise applicable to a ticket shall be equally applicable to tickets purchased at Discount Fares, except that any transfer so permitted must be to another Eligible Purchaser.
- J. Refunds. If a ticket purchased at a Discount Fare is refunded, the purchaser will receive a refund of only the amount actually paid for the ticket without any credit being applied against the Discount Cap. Penalties or processing fees for refunds that are normally applicable to the fare type of the ticket shall apply.
- K. Forfeiture and Prosecution. Tickets purchased at Discount Fares shall be subject to forfeiture if used in violation of their terms and conditions or in violation of the terms of this Settlement Agreement. Any person fraudulently applying for, issuing, transferring or using a ticket purchased at a Discount Fare shall be subject to prosecution.
  - L. Monitoring and Reporting.
- 1. The risk of the erroneous, negligent or fraudulent issuance, transfer or use by Eligible Purchasers and/or third parties of tickets purchased at a Discount Fare shall be on the

Case Management States and Plaintiff States. However, the Airlines shall cooperate with the States in a reasonable manner to monitor the usage of Discount Fares to minimize the fraudulent or unauthorized use thereof and, to the extent reasonably requested, to cooperate with the appropriate authorities in their prosecution of any fraudulent or unauthorized issuance, transfer or use of Discount Fare tickets. To the extent that the Airlines become aware of any fraudulent application for, issuance, transfer or use of any Discount Fare ticket, they shall promptly notify the Case Management States of each such instance.

- 2. At the time the Airlines disseminate the notices provided for in Paragraph III.A., they shall therein notify all employees and travel agents designated in Paragraphs 11, 12, 13 and 14 of Exhibit F hereto that any person fraudulently applying for, issuing, transferring or using a Discount Fare ticket shall be subject to prosecution. The Case Management and Plaintiff States shall provide similar notice advising those Eligible Governmental Entities that have not excluded themselves from the class of the penalties for fraudulent application for, issuance, transfer or use of Discount Fare tickets.
- 3. The Airlines shall, at their own expense, monitor and report the usage of Discount Fare tickets as provided in Exhibit F hereto.
- 4. Subject to any legally recognized privilege, each Airline shall make available to the duly authorized representative of the Case Management States at a mutually agreeable time and place, such records within its custody, possession, or control, and

such appropriate employees as may be reasonably requested in writing by the Case Management States, to permit their examination and verification of the completeness and accuracy of the Airline's system for:

- a. the issuance of Discount Fare tickets to Eligible Purchasers;
- b. the reporting of the usage of the discounts available to purchasers of Discount Fares.
- 5. In conducting any such examination, the Case Management States agree to use their best efforts to limit their requests for access to only those documents and persons as may be necessary to insure the completeness and accuracy of their review.
- and furnish the related notices, as provided in Exhibit F hereto. The Case Management States agree to keep confidential the information contained in the notice(s) provided by the Repository pursuant to Paragraphs 16 and 17 of Exhibit F hereto. After the Repository establishes a termination date, the Airlines may take all reasonable steps necessary to effect the termination of the discount program. If no termination date has been so established within seventeen (17) months and fifteen (15) days of the commencement of the discount program, then the Airlines may take all reasonable steps necessary to effect the termination of the program as of the date next following the passage of eighteen months since program inception.
- 7. If more than two weeks prior to the establishment of the termination date (1) any Discount Fare tickets have been

forfeited because they were found to have been issued, transferred or used in violation of their terms and conditions, and (2) an officer or employee of any Airline was found to be a knowing participant in any fraud associated with such issuance, transfer or use, then the Discount Cap shall be credited with the total amounts of the purchase cost savings previously debited against the Discount Cap on account of the sale of such forfeited tickets. addition, if more than two weeks prior to the establishment of the termination date, the Case Management States can demonstrate, based on an examination conducted pursuant to subparagraph 4 above, that an Airline officer or employee was a knowing participant in any fraudulent issuance, transfer or use of a non-forfeited Discount Fare ticket, then the Discount Cap shall be credited with the total amounts of the purchase cost savings previously debited against the Discount Cap on account of the sale of such tickets. With respect to tickets-by-mail or prepaid tickets, no Airline officer or employee shall be deemed a knowing participant in any fraudulent ticket purchase absent a clear and convincing showing of actual knowledge of the fraud. In establishing the termination date pursuant to Exhibit F hereto, the Repository shall take account of all credits applied to the Discount Cap pursuant to the terms of this subparagraph.

#### VII. TICKET ISSUANCE AND VERIFICATION PROCEDURE

A. Discount Fare tickets for domestic air passenger transportation will be issued upon presentation of appropriate evidence of eligibility. Any of the following will constitute

appropriate verification that travel is being conducted for the purpose of official business on behalf of an Eligible Governmental Entity:

- purchase of a Discount Fare ticket with an authorized Eligible Governmental Entity charge card;
- 2. authorizing letter, on Eligible Governmental Entity letterhead, stating that the traveler is conducting official governmental business. The letter must include the traveler's name, dates of travel, and basic itinerary together with an authorizing signature;
- 3. executed Eligible Governmental Entity travel request form (including the District of Columbia's use of United States Government Travel Request Forms) and payment or executed travel authorization form with official Eligible Governmental Entity warrant or approvals; or
- 4. Eligible Governmental Entity purchase order for domestic air passenger transportation services.
- B. Each Airline shall, at the time it disseminates the notices provided for in Paragraph III.A. and Exhibit F hereto, instruct the relevant employees and travel agents designated in Paragraphs 11, 12, 13 and 14 of Exhibit F hereto, of the requirements of Section VII.A, above. The Airlines have advised the Plaintiff States and the Plaintiff States acknowledge that the Airlines may be unable to obtain the verification set forth in Paragraph VII.A. above when the ticket is a ticket-by-mail or prepaid ticket, provided, however, the Airlines shall in good faith attempt to obtain such verification.

#### VIII. BENEFIT AND BINDING EFFECT

- A. The terms of this Settlement Agreement shall be binding on, and shall inure to the benefit of, the Parties, their successors, and all Eligible Governmental Entities that have not timely excluded their claims from this settlement. The Parties expressly disclaim any intention to create rights under this Settlement Agreement that may be enforced by any other person under any circumstances whatsoever.
- B. This Settlement Agreement may be entered into by any State whose Attorney General, on or within thirty days after the Effective Date sends to any one of the Case Management States an election to join in the form attached hereto as Exhibit H. Such State shall thereupon become a Party to this Settlement Agreement and will become a joint class representative of the class of Eligible Governmental Entities defined herein.

#### IX. RELEASE AND COVENANT

- A. In consideration of the Settlement Agreement, upon the Final Judgment becoming final within the meaning of this Settlement Agreement, each Eligible Governmental Entity that has not timely excluded its claims from this settlement shall have released, compromised and discharged each claim or cause of action such Eligible Governmental Entity possessed against any of the Released Parties, that was or could have been alleged in the Complaint (attached as Exhibit B) and that
  - (i) arises out of, or

- (ii) is in furtherance of, or
- (iii) is related to

any of the conduct, acts, conspiracies, or subject matter alleged therein including, without limitation, all claims under federal and state antitrust and unfair competition laws for damages or injunctive relief resulting from alleged overcharges with respect to ticket purchases made at any time in the past through the date of Final Judgment.

- B. In consideration of the entire Settlement Agreement, upon the Final Judgment becoming final within the meaning of this Settlement Agreement, the Case Management States and the Plaintiff States expressly covenant, promise and agree that they will forever refrain from instituting, collectively or individually, any claim, action or proceeding against any of the Released Parties, which is contained within the scope of the releases defined in Paragraph IX.A. above.
- C. The Case Management States, the Plaintiff States and all Eligible Governmental Entities hereby expressly reserve their rights to proceed against or sue any person other than the Released Parties for any claim or cause of action released in Paragraph IX.A., above, including claims or causes of action arising from the transactions of the Released Parties. Further, the Case Management States, the Plaintiff States and all Eligible Governmental Entities expressly reserve the right to proceed against or sue the Released Parties for all claims or causes of action not released by Paragraph IX.A., above.

#### X. MISCELLANEOUS

- A. This Settlement Agreement and the Exhibits contain the entire agreement and understanding of the Parties. This Settlement Agreement shall not be modified except in writing signed by each of the Parties hereto or by their authorized representative; provided, however, that the Case Management States and the Defendants may jointly modify the terms of this Settlement Agreement solely for the purpose of facilitating the details of settlement administration upon notice to all other parties.
- B. The remedies and rights pursuant to this Settlement Agreement shall be in addition to any other right or remedy that may be available to Eligible Governmental Entities that have not timely excluded their claims from this settlement. This Settlement Agreement shall in no way limit or restrict those other rights or remedies, except as expressly provided herein.
- C. This Settlement Agreement may be executed by counsel for the Parties and shall become effective on the Effective Date.

  Each counsel who executes this document shall, by his or her signature, expressly represent that he or she is fully authorized by the Party he or she represents to execute this Settlement Agreement. This Settlement Agreement may be executed on separate signature pages or in counterparts with the same effect as if all Parties had signed the same instrument.
- D. This Settlement Agreement is entered into and shall be construed in accordance with the laws of the State of New York.

# AGREED AND CONSENTED TO:

GALE A. NORTON		
Attorney General of the		9: 1: 
The State of Colorado:	I	ow, Lohnes & Albertson
By:	E	Зу:
	P	Attorneys for Airline Tariff
:	<b>1</b>	Publishing Co.
RICHARD BLUMENTHAL		
Attorney General of		
the State of Connecticut:		Squire, Sanders & Dempsey
By:		Ву:
	11.1 to	Attorneys for Alaska Airlines,
	, , , , , , , , , , , , , , , , , , ,	Inc.
ROBERT A. BUTTERWORTH		
Attorney General of		
the State of Florida:		Neil, Gotshal & Manges
By: Jerome W Hofm		Зу:
CHIEF, ANTITRUST SECTION		Attorneys for American
		Niwliana Tra

## AGREED AND CONSENTED TO:

GALE A. NORTON						
Attorney General of the						
The State of Colorado:	Dow, Lohnes & Albertson					
Ву:	Ву:					
	Attorneys for Airline Tariff					
	Publishing Co.					
	•					
RICHARD BLUMENTHAL						
Attorney General of						
the State of Connecticut:	Squire, Sanders & Dempsey					
By: St. M. V	Ву:					
STEVEN M. RUTSTEIN	Attorneys for Alaska Airlines,					
Assistant Attorney General	Inc.					
ROBERT A. BUTTERWORTH						
Attorney General of						
the State of Florida:	Weil, Gotshal & Manges					
By:	By:					
	Attorneys for American					
	Airlines, Inc.					

### AGREED AND CONSENTED TO:

GALE A. NORTON						
Attorney General of the						
The State of Colorado:	Dow, Lohnes & Albertson					
Jan Michael Zavislan First Assistant Attorney General Business Regulation Unit	ву:					
	Attorneys for Airline Tariff					
	Publishing Co.					
RICHARD BLUMENTHAL						
Attorney General of						
the State of Connecticut:	Squire, Sanders & Dempsey					
Ву:	Ву:					
·	Attorneys for Alaska Airlines,					
	Inc.					
ROBERT A. BUTTERWORTH						
Attorney General of						
the State of Florida:	Weil, Gotshal & Manges					
Ву:	Ву:					
<u> </u>	Attorneys for American					
	Airlines. Inc.					

#### SCOTT HARSHBARGER

Attorney General of the State of Massachusetts: Crowell & Moring By:\_\_\_\_ Attorneys for Continental Assistant Attorney General Chief Airlines, Inc. and Northwest Consumer Protection and Antitrust Division Airline, Inc. One Ashburton Place Boston, MA 02108 DEBORAH T. PORITZ Attorney General of Bondurant, Mixson & Elmore the State of New Jersey: By:\_\_\_\_\_ Attorneys for Delta Air Lines,

Inc.

DEBORAH T. PORITZ					
Attorney General of					
the State of New Jersey:	Bondurant, Mixson & Elmore				
By:	By:				
Laurel A. Price Deputy Attorney General	Attorneys for Delta Airlines,				
Division of Criminal Justice 25 Market StCN 085 Trenton, NJ 08625 (609) 984-6404	Inc.				
Attorney for State of New Jersey and The Port Authority of NY & NJ					
G. OLIVER KOPPELL					
Attorney General of					
the State of New York:	Jones, Day, Reavis, & Pogue				
By:	Ву:				
	Attorneys for Trans World				
	Airlines, Inc.				

LEE FISHER

Attorney General of

DEBORAH T. PORITZ	
Attorney General of	
the State of New Jersey:	Bondurant, Mixson & Elmore
By:	By:
	Attorneys for Delta Airlines,
	Inc.
G. OLIVER KOPPELL	
Attorney General of	S.
the State of New York:	Jones, Day, Reavis, & Pogue
Ву:	By:
· ·	Attorneys for Trans World
	Airlines, Inc.
•	
LEE FISHER	
Attorney General of	
the State of Phio	O'Melveny & Myers
By: July	Ву:

Inc.

Attorneys for United Airlines,

G. OLIVER KOPPELL	
Attorney General of	
the State of New York:	Mary Louise M. Voog
By:	By:
	Attorney for Trans World
	Airlines, Inc.
LEE FISHER	
Attorney General of	
the State of Ohio:	O'Melveny & Myers
Ву:	By:
	Attorneys for United Airlines,
	Inc.
ERNEST D. PREATE, JR.	
Attorney General of	
the State of Pennsylvania:	Dechert Price & Rhoads
Ву:	Ву:
	Attorneys for USAir, Inc.
JAN GRAHAM	
Attorney General of	
the State of Utah:	
By: Rubon R. King	

Attorney General of							
the State of New York:	Mary Louise M. Voog  By:						
By: Owis M. Quick							
,	Attorney for Trans World						
	Airlines, Inc.						
LEE FISHER							
Attorney General of							
the State of Ohio:	O'Melveny & Myers						
By:	By:						
	Attorneys for United Airlines,						
	Inc.						
·	•						
ERNEST D. PREATE, JR.							
Attorney General of							
the State of Pennsylvania:	Dechert Price & Rhoads						
By:	By:						
	Attorneys for USAir, Inc.						
JAN GRAHAM							
Attorney General of							
the State of Utah:							
Rv:							

G. OLIVER KOPPELL

G. OLIVER KOPPELL						
Attorney General of						
the State of New York:	Mary Louise M. Voog					
Ву:	By:					
	Attorney for Trans World					
	Airlines, Inc.					
LEE FISHER						
Attorney General of						
the State of Ohio:	O'Melveny & Myers					
By:	Ву:					
	Attorneys for United Airlines,					
	Inc.					
ERNEST D. PREATE, JR.						
Attorney General of						
	Dechert Price & Rhoads					
By:   four (or worden tot	By:Attorneys for USAir, Inc.					
	•					
JAN GRAHAM						
Attorney General of						
the State of Utah:						

CHRISTINE O. GREGOIRE

Attorney General of

the State of Washington:

By: Can about

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