

A RESOLUTION**BY PUBLIC SAFETY AND LEGAL ADMINISTRATION COMMITTEE**

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO EXECUTE A SETTLEMENT AGREEMENT WITH JAMES R. MARSHALL, IN HIS CAPACITY AS TRUSTEE (THE "TRUSTEE") OF THE BANKRUPTCY ESTATE OF TRANSMERIDIAN AIRLINES, INC., FOR PAYMENT OF PASSENGER FACILITY CHARGES OWED TO THE CITY OF ATLANTA AS OWNER AND OPERATOR OF HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

WHEREAS, on October 14, 2005, Transmeridian Airlines, Inc. ("Transmeridian") filed bankruptcy on (the "Petition Date"), in the United States Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court"); and

WHEREAS, Transmeridian, as an air carrier, is required to collect passenger facility charges ("PFCs") and remit to the City as owner and operator of the Hartsfield-Jackson Atlanta International Airport under 49 U.S.C. § 40117 and 14 C.F.R. part 158; and

WHEREAS, Transmeridian did not remit all PFCs due to the City and on October 26, 2007 the Trustee filed an Adversary Proceeding against the City to retain the collected PFCs and;

WHEREAS, as of the Petition Date Transmeridian owed the City \$90,706.18 in unremitted PFCs; and

WHEREAS, the City and the Trustee have reached a settlement which is sufficient to resolve the dispute concerning the PFCs owed to the City and, without further litigation, the Trustee has agreed to dismiss with prejudice the adversary proceedings against the City; and

WHEREAS, the City Attorney, in consultation with the Aviation General Manager, considers it to be in the best interest and appropriate to enter into the Settlement Agreement and to settle all claims in satisfaction of Transmeridian Airlines' and the Trustee's obligation to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA:

The City Attorney is authorized to execute a Settlement Agreement with James R. Marshall, in his capacity as Trustee of the bankruptcy estate of TransMeridian Airlines, Inc. for the purpose of resolving disputed PFC trust fund claims and accepts settlement of these disputed claims according to the following terms:

1. The City shall receive a payment in an amount of that equals one tenth (10%) of the PFC amount owed to the City of Atlanta (\$90,706.18).
2. If the Bankruptcy Court in the Adversary Proceeding ever approves a settlement with any other defendant that pays more than 10% of the amount of that defendant's claim, then the City's settlement amount shall increase to equal that other defendant's percentage.
3. The City shall have an allowed, general unsecured claim in the amount of the remaining unpaid portion of the PFCs.
4. The Trustee shall dismiss with prejudice the adversary proceeding against the City.

BE IT FINALLY RESOLVED that the Settlement Agreement shall not become binding upon the City and the City shall incur no obligation or liability until the Settlement Agreement has been signed by the City Attorney and delivered to James R. Marshall, Trustee.