



COHEN MILSTEIN
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Press Release

Date: February 15, 2008
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HISTORIC \$200M SETTLEMENT REACHED IN INTERNATIONAL AIR PASSENGER SURCHARGE CARTEL LAWSUIT

Washington, DC/London, UK (February 15, 2008)

Cohen, Milstein, Hausfeld & Toll (www.cmht.com) along with co-counsel Cotchett, Pitre & McCarthy has negotiated a ground breaking legal settlement that, for the first time ever, resolves a class action lawsuit on a collective basis under both U.S. and U.K. law. The agreement, which affects over 8 million people in the US and UK, provides \$59 million for American ticket purchasers and £73.5 million for UK purchasers who bought tickets from either British Airways (BA) or Virgin Atlantic (Virgin) between August 11, 2004-March 23, 2006, with no deductions for attorneys' fees or other costs. This settlement marks the first collective settlement of its kind for British consumers.

Passengers or businesses who wish to receive their refund should go to www.airpassengerrefund.com (US) or www.airpassengerrefund.co.uk (UK) to provide their contact information or they may call 1-877-625-9432 (US) or 0800-043-0343 (UK). The entire claims process is free.

The settlement is the result of a class action lawsuit filed by Cohen Milstein against both Virgin and BA on behalf of US and UK air passengers who purchased tickets from those airlines during the aforementioned period. These passengers overpaid for their airline tickets because the airlines illegally agreed to increase the amount of the "fuel surcharge" they added to the ticket price. Passengers were told that the surcharge was necessary to cover the rising cost of fuel, but in reality it was used to increase the airlines' profits.

One unique aspect of today's settlement is that individual passengers and businesses that purchased BA and/or Virgin tickets in the US will be paid in dollars, while passengers who purchased such tickets in the UK will be paid in pounds sterling. The amount refunded will, of course, depend on the amount of the surcharge paid, but will be up to £10 (about \$20) for each flight segment. Thus, a family of four could receive up to £80 (about \$160) for a round-trip flight. According to economic experts, the refund provided for in the settlement constitutes 100% of the illegal overcharge that passengers paid.

The settlement comes in the wake of fines that were issued against BA in August 2007

by both the UK's Office of Fair Trading and the US Department of Justice for BA's participation in the conspiracy. Virgin escaped fines because it broke the cartel by whistleblowing to the authorities, but has admitted that it violated both US and UK law. In the US, BA and Virgin have agreed to donate any portion of the settlement fund that is unclaimed to Miracle Flights for Kids. In the UK, no such agreement has yet been reached.

Michael Hausfeld, senior partner at Cohen Milstein, comments:

"We are delighted to have achieved such a terrific settlement for consumers. BA and Virgin overcharged their customers for almost two years, and this settlement recovers 100% of that unlawful overcharge – with no deductions for attorneys' fees or other costs. Customers should demonstrate that such behavior is unacceptable by making a claim to recover the amount they overpaid."

"This is the first time non-US citizens have been rewarded on an equal footing to US citizens in a case before the US courts, making this a legal precedent and a significant milestone in both US and UK legal history."

Anthony Maton, a partner at Cohen Milstein's London office, also adds:

"This is a great victory for UK consumers that creates a template for vindicating UK consumers' rights and deterring violations of UK competition law. Cohen Milstein will continue in its efforts to redress violations of UK law, and will also continue to seek reform of the current system to allow consumers in the UK to seek redress on terms equal to those of consumers in the United States."

Additional information for the Press, including a copy of the settlement terms, an extensive FAQ sheet, and bios of the key attorneys who brokered the settlement are available on the Cohen Milstein site: www.cmht.com