

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____	x	
In re:)	
)	Chapter 11
Airfasttickets, Inc.,)	
)	Case No. 15-11951 (SHL)
Debtor.)	
_____	x	
Adam Meislik, as Liquidating Trustee of the)	
Liquidating Trust of Airfasttickets, Inc.,)	
Plaintiff,)	Adv. Proc. No. 16-01207 (SHL)
v.)	
)	
Frank Ferro, Nikolaos Koklonis, and Eleni Vareli,)	
)	
Defendants.)	
_____	x	
The Liquidating Trust of Airfasttickets, Inc.,)	
)	
)	Adv. Proc. No. 16-01040 (SHL)
Plaintiff,)	
v.)	
)	
Citibank N.A. and Nikolaos Koklonis)	
)	
Defendants.)	
_____	x	

SETTLEMENT AGREEMENT AND CLAIM RELEASE

This Settlement Agreement and Claim Release (“Agreement”) is entered into as of November __, 2017, by and among Adam Meislik (the “Trustee”), solely in his capacity as the Liquidating Trustee of the Liquidating Trust of Airfasttickets, Inc. (the “Liquidating Trust”), Nikolaos Koklonis (“Koklonis”), Frank Ferro (“Ferro”) and Eleni Vareli (“Vareli” and together with Koklonis and Ferro, the “Individual Defendants”), and National Union Fire Insurance Company of Pittsburgh, Pa. (“National Union”) (the Trustee, the Individual Defendants, and

National Union, are hereinafter referred to individually as a “Party” and collectively as the “Parties”), and the Parties hereby stipulate and agree as follows:

WHEREAS, National Union issued the Private Edge Plus Policy No. 01-113-05-80 for the Policy Period of May 5, 2014 to May 5, 2015 (the “Policy”) to Airfasttickets, Inc. (“Airfasttickets”); and

WHEREAS, on July 21, 2015, an Order appointing Mr. Meislik as the Receiver of Airfasttickets was entered in the Court of Chancery of the State of Delaware; and

WHEREAS, on July 27, 2015, Airfasttickets’ creditors filed an involuntary petition for relief under Chapter 7 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), captioned *In re Airfasttickets, Inc.*, Case No. 15-11951 (the “Airfasttickets Bankruptcy”); and

WHEREAS, on October 27, 2015, the Airfasttickets Bankruptcy was converted to a Chapter 11 case; and

WHEREAS, on March 14, 2016, Airfasttickets (through Mr. Meislik) filed an adversary proceeding against Citibank, N.A. (“Citibank”) and Koklonis captioned *Airfasttickets, Inc. v. Citibank N.A., et al.*, Adv. Proc. No. 16-01040, in the Bankruptcy Court (the “Citibank Adversary Proceeding”); and

WHEREAS, on March 24, 2016, the Court entered an order granting a preliminary injunction (“Preliminary Injunction”) in the Citibank Adversary Proceeding that, inter alia, enjoined and restrained Citibank and Koklonis from transferring any funds then currently on deposit in certain Citibank accounts listed in the Preliminary Injunction.

WHEREAS, on April 6, 2016, Koklonis filed a Proof of Claim in the Airfasttickets Bankruptcy, designated as Claim No. 80 in the Claims Register (the “Koklonis Proof of Claim”); and

WHEREAS, on September 9, 2016, the Trustee filed an objection to the Koklonis Proof of Claim (the “Objection to Koklonis Proof of Claim”); and

WHEREAS, on May 4, 2016, Mr. Meislik filed a complaint commencing a lawsuit entitled *Meislik v. Ferro, et al.* (the “*Ferro Action*”), before the Supreme Court of New York, Case No. 652392/2016. On August 21, 2016, the Individual Defendants removed the Ferro Action to the United States District Court for the Southern District of New York, and subsequently to the Bankruptcy Court as Adv. Proc. No. 16-01207. On April 24, 2017, the Trustee filed a first amended complaint (the “FAC”) alleging claims against the Individual Defendants for breach of fiduciary duty and corporate waste, with damages in excess of \$60 million; and

WHEREAS, on August 20, 2016, the Ferro Action was removed to the United States District Court for the Southern District of New York, and on September 15, 2016 transferred to the Bankruptcy Court as an adversary proceeding related to the Airfasttickets Bankruptcy, Adv. Proc. No. 16-01207; and

WHEREAS, on July 11, 2016, Airfasttickets filed a Chapter 11 plan of liquidation (as subsequently amended, the “Plan”). On October 13, 2016, the Court held a hearing on confirmation of the Plan and confirmed the Plan. Confirmation of Airfast’s Plan resulted in the appointment of Mr. Meislik as the Trustee of the Liquidating Trust and the absolute and unconditional assignment to the Liquidating Trust of all assets of Airfasttickets and its bankruptcy estate, including cash and various causes of action; and

WHEREAS, on December 2, 2016, Koklonis filed a Motion for Payment of Administrative Expense in the Airfasttickets Bankruptcy (the “Administrative Claim” and together with the Koklonis Proof of Claim, the “Koklonis Claims”); and

WHEREAS, on February 8, 2017, the Trustee filed an opposition to the Administrative Claim (the “Objection to Administrative Claim” and together with the Objection to Koklonis Proof of Claim, the “Objections to Koklonis Claims”); and

WHEREAS, the Individual Defendants reported the Ferro Action under the Policy seeking coverage for their Loss in connection with the Ferro Action; and

WHEREAS, National Union acknowledged potential coverage for the Ferro Action’s allegations subject to a full and complete reservation of rights; and

WHEREAS, the Individual Defendants have incurred legal fees and costs defending the Ferro Action (the “Defense Costs”); and

WHEREAS, the Individual Defendants sought coverage from National Union for the Trustee Settlement and the Defense Costs (the “Coverage Claim”) on behalf of the Individual Defendants under the Policy; and

WHEREAS, the Parties, after consultation with their respective legal counsel, have each made an independent assessment of **(i)** the merits and potential value of the above-described claims, and other claims that they may have against each other; **(ii)** the potential recovery on any such claims should they prevail on those claims; **(iii)** the potential risks of an adverse decision against them; and **(iv)** the estimated amount of time and expense involved in prosecuting or defending against such claims; and

WHEREAS, in order to avoid the time, expense and uncertainty of further litigation, the Parties have agreed to resolve all claims in or relating to the Ferro Action, the Citibank

Adversary Proceeding, the Koklonis Claims, the Objections to Koklonis Claims, and any other claims and causes of action that may exist among or between the Parties, pursuant to the terms and conditions of this Agreement and on the condition of approval of this Agreement by the Bankruptcy Court;

NOW THEREFORE, in consideration of the mutual promises, releases, and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above recitals are incorporated herein as though fully set forth, as operative provisions of this Agreement.
2. Within five (5) business days after the execution of this Agreement, the Trustee shall file a motion in the Bankruptcy Court to approve the compromise and settlement set forth in this Agreement under Fed. R. Bankr. P. 9019, or other applicable rule or statute (the "Approval Motion"). The Individual Defendants shall formally support the Approval Motion. The Trustee and the Individual Defendants shall request in the applicable fora, pending entry of an order granting the Approval Motion (the "Approval Order"), a stay of all proceedings in the Ferro Action and the Citibank Adversary Proceeding, and the Objections to Koklonis Claims. Except as otherwise expressly provided in this Agreement, the Parties each agree **(i)** not to withdraw their consent to this Agreement; **(ii)** not to oppose, object to, appeal from or otherwise interfere with or assist or counsel any other person or entity to oppose, object to, appeal from or otherwise interfere with the granting of the Approval Motion; **(iii)** to promptly inform the Bankruptcy Court of the pendency of this settlement; **(iv)** not to take any action in furtherance of the prosecution or defense of the Ferro Action, the

Citibank Adversary Proceeding, or the Koklonis Claims; and (v) upon the Approval Order becoming a final order as described in paragraph 3 below and the full performance of all of the Parties' other respective obligations set forth in this Agreement, to take such action as may be necessary or reasonably appropriate consistent with this Agreement.

3. The Effective Time of this Agreement shall occur immediately following the expiration of the 14-day period following the entry of the Approval Order, unless a timely appeal of the Approval Order has been filed and a stay of the Approval Order has been sought and granted. If such appellate review, rehearing or reargument has been timely sought and a stay of the Approval Order has been granted, then the Effective Time shall be the first date on which appellate review of the Approval Order no longer remains pending or such stay has been lifted.
4. Within fifteen (15) days after the Effective Time of this Agreement, National Union, on behalf of the Individual Defendants, will pay to the Trustee for the benefit of the Liquidating Trust a total sum of Four Million Four Hundred Thousand Dollars and No Cents (\$4,400,000.00) (the "Trustee Settlement Amount") in full satisfaction of all obligations, duties, and responsibilities National Union may have relating to the Ferro Action. The Parties acknowledge and agree that the components of the Trustee Settlement Amount were jointly negotiated by the Parties and that none of those components is subject to reduction for any reason whatsoever.
5. Within five (5) days of the Trustee's receipt of the Trustee Settlement Amount, the Trustee shall (i) dismiss with prejudice the Ferro Action, (ii) dismiss with prejudice

the Citibank Adversary Proceeding, and (iii) shall cause the Liquidating Trust to pay to Koklonis a total sum of One Hundred Thirty Thousand Dollars and No Cents (\$130,000.00) (the “Koklonis Settlement Amount” and together with the Trustee Settlement Amount, the “Settlement Amounts”). The proposed Approval Order shall provide that the Preliminary Injunction issued in the Citibank Adversary Proceeding shall be automatically dissolved upon dismissal of the Citibank Adversary Proceeding. Upon the dismissal of the Citibank Adversary Proceeding, the Trustee shall notify counsel for Citibank of such dismissal and dissolution of the Preliminary Injunction via email and in a separate letter delivered via first-class mail.

6. Within five (5) days of receipt of the Koklonis Settlement Amount, Koklonis shall withdraw the Koklonis Claims in their entirety with prejudice.
7. National Union agrees to pay the Individual Defendants’ reasonable and necessary outstanding Defense Costs, which have been incurred by the Individual Defendants in the defense of the Ferro Action and will be incurred by the Individual Defendants in the negotiation and completion of the settlement of the Ferro Action, such invoices to be submitted to National Union for review and payment within a reasonable time.
8. Effective upon receipt of the Trustee Settlement Amount by the Trustee, Airfasttickets, the Liquidating Trust and the Trustee, and their administrators, affiliates, employees, attorneys, agents, heirs, executors, officers, directors, insurers, reinsurers, partners, members, principals, predecessors, successors, and assigns, personal or legal representatives of any of them, and all persons acting by, through, under, or in concert with them or any of them (collectively, the “Trustee Releasers”),

hereby discharge and release the Individual Defendants, National Union and AIG Claims, Inc., and their respective present and future parents, divisions, subsidiaries, administrators, affiliates, employees, attorneys, heirs, executors, officers, directors, trustees, receivers, insurers, reinsurers, partners, members, principals, predecessors and successors, personal or legal representatives of any of them, and all persons acting by, through, under or in concert with them or any of them (collectively, the “Trustee Releasees”) of and from any all claims, demands, rights, actions, causes of action, liabilities, damages, debts, liens, losses, obligations, judgments, duties, suits, costs, expenses, attorneys’ fees, contracts, promises, agreements, whether class, derivative, representative or individual in nature, in law, contract, tort or equity, as well as controversies of any kind (“Claims”) whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, of any nature whatsoever, that the Trustee Releasors ever had, presently have, claim to have or may acquire in the future, including, without limitation, Claims arising out of or relating in any way, directly or indirectly to the Ferro Action, the Citibank Adversary Proceeding, the Koklonis Claims, the businesses and assets of Airfasttickets and its subsidiaries and affiliates, the Airfasttickets Bankruptcy and any insolvency proceedings of Airfasttickets’ subsidiaries and affiliates, the Policy or the Settlement Amounts, including without limitation all Claims that were or could have been asserted in the Ferro Action, the Citibank Adversary Proceeding, the Airfasttickets Bankruptcy or any insolvency proceedings of Airfasttickets’ subsidiaries and affiliates, with the sole exception of any obligation of any Party

arising under this Agreement, or for the enforcement of this Agreement. In further consideration of National Union's payment of the Trustee Settlement Amount, the Trustee Releasors also releases any other or additional claims of any nature that they may have or acquire against any other person or entity that is an Insured under the Policy.

9. Effective upon receipt of the Trustee Settlement Amount by the Trustee, dismissal of the Ferro Action and the Citibank Adversary Proceeding, and receipt of the Koklonis Settlement Amount, the Individual Defendants and their respective administrators, affiliates, employees, attorneys, agents, heirs, executors, officers, directors, trustees, receivers, partners, members, principals, predecessors and successors, and assigns, personal or legal representatives of any of them, and all persons acting by, through, under or in concert with them or any of them (collectively, the "D&O Releasors") hereby discharge and release Airfasttickets, the Liquidating Trust and the Trustee, and their administrators, affiliates, employees, attorneys, agents, heirs, executors, officers, directors, insurers, reinsurers, partners, members, principals, predecessors, successors, and assigns, personal or legal representatives of any of them, and all persons acting by, through, under, or in concert with them or any of them (collectively, the "D&O Releasees") of and from any all claims, demands, rights, actions, causes of action, liabilities, damages, debts, liens, losses, obligations, judgments, duties, suits, costs, expenses, attorneys' fees, contracts, promises, agreements, whether class, derivative, representative or individual in nature, in law, contract, tort or equity, as well as controversies of any kind ("Claims") whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or

undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, of any nature whatsoever, that the D&O Releasers ever had, presently have, claim to have or may acquire in the future, including, without limitation, Claims arising out of or relating in any way, directly or indirectly to the Ferro Action, the Citibank Adversary Proceeding, the Koklonis Claims, the businesses and assets of Airfasttickets and its subsidiaries and affiliates, the Airfasttickets Bankruptcy and any insolvency proceedings of Airfasttickets' subsidiaries and affiliates, the Policy or the Settlement Amounts, including without limitation all Claims that were or could have been asserted in the Ferro Action, the Citibank Adversary Proceeding, the Airfasttickets Bankruptcy or any insolvency proceedings of Airfastticket's subsidiaries and affiliates, with the sole exception of any obligation of any Party arising under this Agreement, or for the enforcement of this Agreement.

10. In executing the releases set forth in paragraphs 8 and 9, and subject to the terms thereof, the Parties intend this instrument to be effective as a full and final accord and satisfaction of the matters released herein. In furtherance of such intention, the Parties acknowledge that they are aware that new or different facts in addition to, or different from, those now known or believed to be true regarding the subject matter of this Agreement may be discovered, including, without limitation those Claims which, if known, might have affected the decision to enter into this Settlement Agreement. Notwithstanding that realization, and being fully advised, the Parties expressly waive and relinquish any and all provisions, rights, and benefits conferred by California Civil Code § 1542 or any law of the United States or any state of the United States, or

any principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

It is the intention of the Parties that, notwithstanding the possibility that they or their counsel may discover or gain a more complete understanding of the facts, events or law, which, if presently known or fully understood, would have affected the foregoing release, this Agreement shall be deemed to have fully, finally, and forever settled any and all claims encompassed by the releases set forth herein, notwithstanding the discovery or existence of any additional or different facts, events or law.

11. The Approval Motion shall contain a request that the Bankruptcy Court include in the Approval Order a provision pursuant to, *inter alia*, section 105(a) of the Bankruptcy Code and Bankruptcy Rules 7001 and 7065, permanently enjoining all persons or entities not parties to this Agreement from filing, commencing or prosecuting any claims against any persons or entities (including without limitation the Individual Defendants) that are insured under the Policy or against National Union that are based upon, arise out of, relate to or are in connection with Airfasttickets, the Ferro Action, the Citibank Adversary Proceeding, the Koklonis Claims, or the Airfasttickets Bankruptcy (the “Permanent Injunction.”) Notwithstanding the foregoing, nothing in the Permanent Injunction shall be interpreted to affect or limit the ability of any Party to this Agreement to file an action in a court of appropriate jurisdiction to enforce this

Agreement or for damages resulting from the breach of this Agreement. To avoid doubt, this Agreement shall be effective and the Settlement Amount paid regardless of the Court's decision as to whether to grant the Parties' request for a Permanent Injunction.

12. Each Party represents and warrants that he, she, or it has not assigned or transferred any part or interest of the matters released pursuant to this Agreement to anyone not a Party to this Agreement.
13. Each Party agrees to indemnify and hold harmless the other Parties for any claims, liabilities or damages (including payment of reasonable attorneys' fees and costs actually incurred whether or not litigation is commenced) resulting from its breach by such Party of the representations and warranties set forth in this Agreement.
14. The releases and waivers set forth above shall not restrict, impinge upon or nullify any rights or claims that the Parties have or may have in the future because of, arising from, or attributable to any breach of the covenants or warranties set forth in this Agreement.
15. It is understood and agreed that this Agreement constitutes a compromise and settlement of disputed claims, and is not intended, nor to be construed, as an admission by any Party of liability for the Ferro Action, the Citibank Adversary Proceeding, or the Koklonis Claims, or the existence or non-existence of coverage for the same under the Policy. This Agreement therefore shall not be taken or used or be deemed admissible in evidence, in an action, cause of action or proceeding except to enforce the terms of this Agreement.

16. Each person executing this Agreement represents and warrants that he or she is duly authorized and empowered to enter into this Agreement and has the authority and approval to bind the Party or Parties so represented.
17. Each Party represents and warrants that he, she, or it has been represented by, and has consulted with, the counsel of his, her, or its choice regarding the provisions, obligations, rights, risks and legal effects of this Agreement.
18. This Agreement constitutes the entire agreement between the Parties regarding the subject matter set forth herein, and supersedes all prior oral and written agreements with respect to the matters provided for herein. In entering the Agreement, the Parties acknowledge and agree that no prior representations or promises have been made other than this Agreement, and that they are not relying on any promises or representations not set forth in the Policy and/or this Agreement.
19. This Agreement may not be modified or terminated, in whole or in part, without the written agreement of the Parties.
20. If any court determines that any paragraph or term of this Agreement is unenforceable, each Party agrees that said paragraph or term shall be severable and that all remaining terms and provisions shall remain in full force and effect, provided that, if paragraph 4, 5, 6, 7, 8, 9, or 10, or any term thereof is determined to be unenforceable, then this entire Agreement shall be null and void unless all of the Parties agree in writing that the remaining terms and provisions of the Agreement shall remain in full force and effect.

21. This Agreement may be executed in counterparts, each of which shall be deemed original, but all of which shall constitute one and the same instrument.
22. This Agreement is to be construed, interpreted and enforced in accordance with the United States Bankruptcy Code and the internal laws of the State of New York applicable to contracts executed and wholly performed within said jurisdiction, and is to be effective as a sealed instrument.
23. The Parties agree to cooperate fully and execute any and all supplemental documents and take all additional actions that may be unnecessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.
24. The Bankruptcy Court shall retain jurisdiction to adjudicate any disputes regarding this Agreement, and to interpret, implement and enforce the terms and provisions of the Agreement, any waivers and consents thereunder, and any ancillary agreements executed in connection herewith.

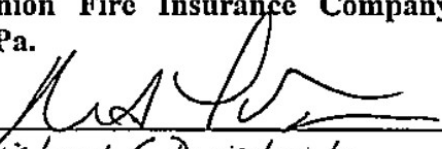
Date: _____



**Adam Meislik, solely in his capacity as the
Liquidating Trustee of the Liquidating Trust of
Airfasttickets, Inc.**

Date: _____

**AIG Claims Inc., on behalf of
National Union Fire Insurance Company of
Pittsburgh, Pa.**

By: 
Name: Richard F. Dziedziula
Title: V. P. Financial Lines

Date: _____

NIKOLAOS KOKLONIS

Date: _____

FRANK FERRO

Date: 29 Nov 2017



ELENI VARELI

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Date: 11/30/2017



NIKOLAOS KOKLONIS

Date: _____

FRANK FERRO

Date: _____

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Date: _____

NIKOLAOS KOKLONIS

Date: 11/29/17

Frank Ferro
FRANK FERRO

Date: _____

ELENI VARELI

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