

BUSINESS

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ESTATE DISPUTE

Fight over fortune partly settled

■ George Batchelor's widow accepts \$7 million and a mansion to drop her claim on the late aviation magnate's \$300 million to \$400 million estate, which still faces claims from creditors.

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The fight over George Batchelor's fortune moved closer to resolution Friday when the widow of the late aviation tycoon settled her dispute with his other heirs.

Amanda Batchelor, who married an ailing 81-year-old Batchelor weeks before his death, agreed to accept his Miami Beach mansion and a cash payout sources said will be \$7 million. She had initially sought \$25 million and the house, as outlined in a handwritten prenuptial agreement signed on the couple's wedding day.

The document also would have installed her as president of Batchelor's foundation, a prominent supporter of local causes, but the settlement requires her to drop any claim to a seat on the board, the sources said.

The settlement appears to end the most titillating dispute in the



G. BATCHELOR



A. BATCHELOR

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Fight for a fortune narrows

• **BACHELOR, FROM 1C**

multifront battle over Batchelor's \$300 million to \$400 million estate. Amanda Batchelor was 41 when she married her one-time boss on July 6, 2002, but his son and some business associates dismissed the union and prenuptial document as shams.

"George Batchelor's trusted advisors and representatives and Amanda Batchelor all believe that the settlement is in the best interest of all concerned," the lawyers on both sides of the case said in a joint statement, which did not include any financial details on the agreement.

The settlement does not resolve the far larger financial battles over Batchelor's estate, including an IRS claim for millions in back taxes for a company Batchelor sold.

International Air Leases,

which George Batchelor sold in 1999 for \$532 million, sued the estate for more than \$500 million, but has agreed to settle for a \$12 million payment and the possibility of the estate paying more than \$100 million in back taxes the IRS says the company owes, an IAL lawyer said Friday.

IAL claims Batchelor engineered the 1999 sale in such a way that it doomed the airplane leasing business, which is now trying to restructure under bankruptcy protection. IAL says Batchelor's estate is responsible for the back taxes that stemmed from the dubious transaction, and the estate has agreed to set aside \$110 million while it fights the IRS in court, said IAL bankruptcy lawyer Andrew Hellinger, of Meland Russin in Miami. The Batchelor estate disputes the IRS and IAL allegations. The estate has already agreed to

pay former IAL partner Rich Airways \$25 million to settle allegations of bad dealings on Batchelor's part in the 1990s.

On Friday, Miami-Dade Circuit Judge Arthur Rothenberg approved the settlement that resolves the various suits involving Amanda and the Batchelor estate. Batchelor's son Douglas had sued to block her from enforcing the terms of the prenuptial agreement, saying his father was too feeble to have approved it. George Batchelor died of lung cancer July 29, 2002.

Barry Meadow, a lawyer for Amanda, said she was relieved to have the legal battle behind her, noting the estate fight "was bitterly litigated for over a year."

The claims against Batchelor's estate jeopardized his plans to leave the bulk of his fortune to his foundation, which focuses on environ-

mental causes and research into childhood diseases. Federal tax records say the foundation is worth about \$150 million, but it is unclear how much the charity will ultimately inherit, the foundation's lawyer said.

The settlement announced Friday gives Amanda a much smaller inheritance than she had initially sought in court, but a much larger one than the one spelled out in George's 2001 will.

Under Florida law, the terms of a prenuptial agreement take priority over a will signed before a couple's marriage.

The will left his North Bay Road mansion, valued at \$8 million to \$10 million, to his foundation. It gave Amanda, George's live-in romantic companion for years before his death, a \$3 million trust and \$500,000 in cash.