

Dear Sir/Madam,

Failure of Monarch Holidays Ltd (ATOL Number 2275)

Failure of Avro Ltd (ATOL Number 1939)

(the “Monarch ATOL Holders”)

Consumer payments you are holding in respect of the Monarch ATOL Holders’ flights and packages (“ATT Pipeline Monies”)

Instruction Clarification

Further to recent exchanges in respect of pipeline monies that you may be holding in relation to the Monarch ATOL holders, we provide below some further clarification:

Where the agent is holding money paid by the consumer and Monarch was not fully paid as at 2 October, as set out in the ATT Instruction letter at paragraphs 3, 5 and 8 and the Supplemental Instruction Letter, agents are not permitted to deduct any commissions (incl VAT) from pipeline monies they are holding. All pipeline monies in these bookings must be paid over to the ATT trust account and claims for commissions/VAT on these bookings should be submitted separately to the administrators.

Deadline for paying all pipeline monies to ATT trust account (before the ATT will need to commence recovery action)

This has been extended to 24 November 2017 to enable you to take into account the contents of this letter.

Bookings where the consumer had returned home before 2 October 2017

1. You must pay across **all** pipeline money held in respect of these bookings to the ATT Trust Account as previously instructed. However, provided that full payment of all pipeline monies has been received **on or before 24 November 2017**, and once the

ATT has been able to complete its reconciliation process, as a gesture of goodwill agents will be paid their commission in full in respect of these bookings only.

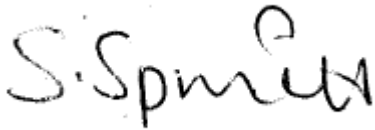
2. If you have paid across pipeline money in respect of these bookings but deducted commission you must pay across the commission (+VAT) now, and in any event by the extended deadline.
3. The right to receive payment of your commission in respect of these bookings in full is conditional upon you complying with all the ATT instructions in respect of all pipeline money you hold by the deadline of 24 November 2017

All other bookings

All other instructions remain unchanged.

If you have any further queries please contact KPMG (acting as agents of the ATT) by email Section.CreditControl@Monarch.co.uk.

Yours sincerely



Miss Sandra Springett
Manager ATOL Crisis Management

Enclosed with this letter

- ATT Instruction Letter
- Supplemental Instruction Letter