

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 Companies, we provide below some clarification on a number of common queries that have been raised:

1. On the spreadsheets provided we have included details of all future bookings. We do not expect agents to collect any further funds from customers for bookings that had not departed as at the date of the Monarch ATOL holders’ insolvency.
2. We do not expect agents to pay the outstanding balance due from the consumer to the Monarch ATOL holders but only any monies that you are holding in respect of these bookings as at 2 October 2017 (the date of failure). If you do not hold any monies in respect of bookings please just enter a zero in the spreadsheet
3. Some agents have experienced difficulty in entering information on the spreadsheets provided. This should be easily overcome by clicking on the Enable Editing button which appears in the top centre of the screen when you open the spreadsheet.
4. Agents will be allowed to retain the commission and VAT elements for bookings where the Monarch ATOL holders had been fully paid as at the date of insolvency. These bookings should have been removed from the spreadsheets but due to a formatting error some have been included. Please just disregard these accounts, when filling in the spreadsheet.
5. We refer to paragraph 3,5 and 8 of our letter instructing pipeline money to be paid to the ATT Trust Account. For the avoidance of doubt, we confirm that agents are not permitted to deduct any commissions/VAT from pipeline monies they are holding in respect of bookings where the agent is holding money paid by the consumer and

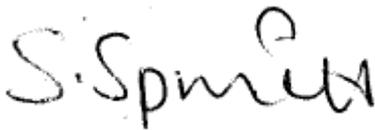
Monarch was not fully paid as at 2 October. All pipeline monies in these bookings must be paid over to the ATT trust account and claims for commissions/VAT on these bookings should be submitted separately to the administrators.

6. If you or your customers are still awaiting claim forms to submit refund claims to the CAA/ATT please contact ATOLTrade@caa.co.uk

To allow the agents a little more time to take the above points of clarification in to account and to complete the spreadsheets provided, we have agreed that the deadline for payment of the outstanding pipeline monies should be extended to 17 November (from 10 November).

If you have any further queries please do not hesitate to contact us by email att@caa.co.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Springett', written in a cursive style.

Miss Sandra Springett
Manager ATOL Crisis Management