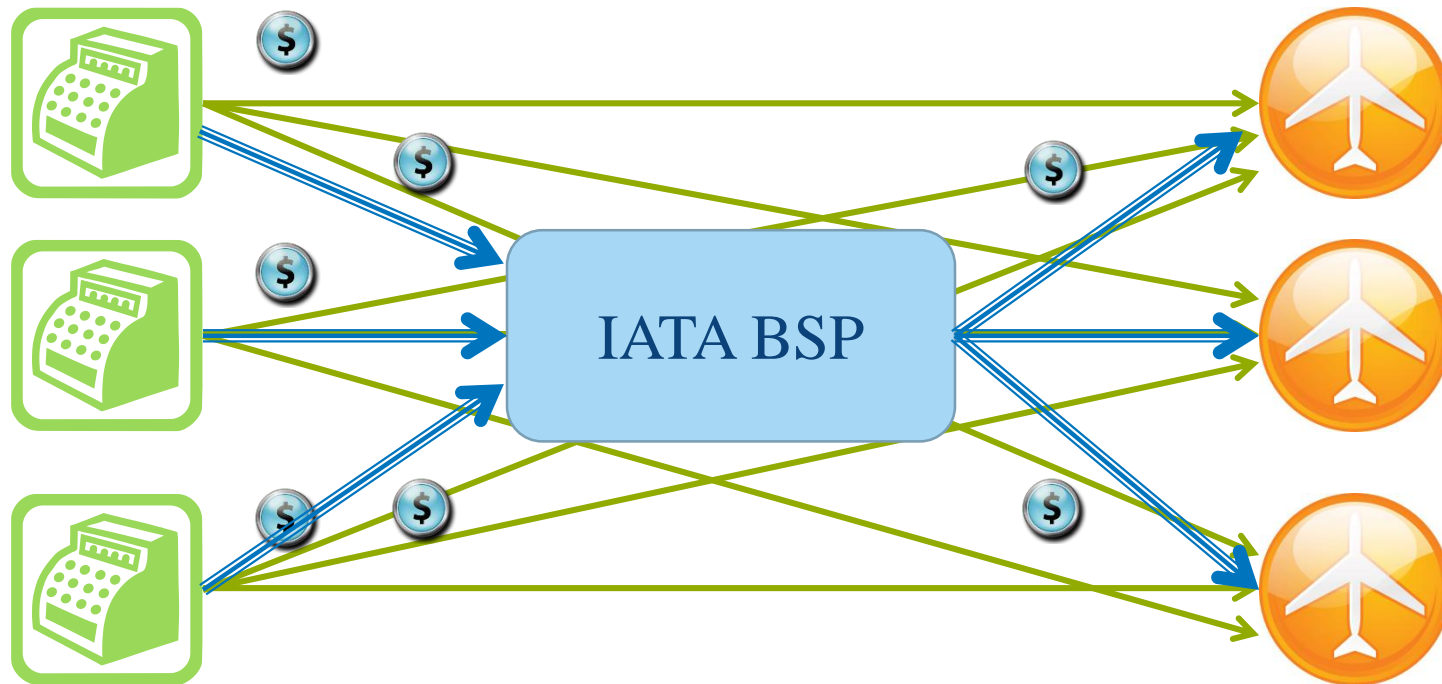
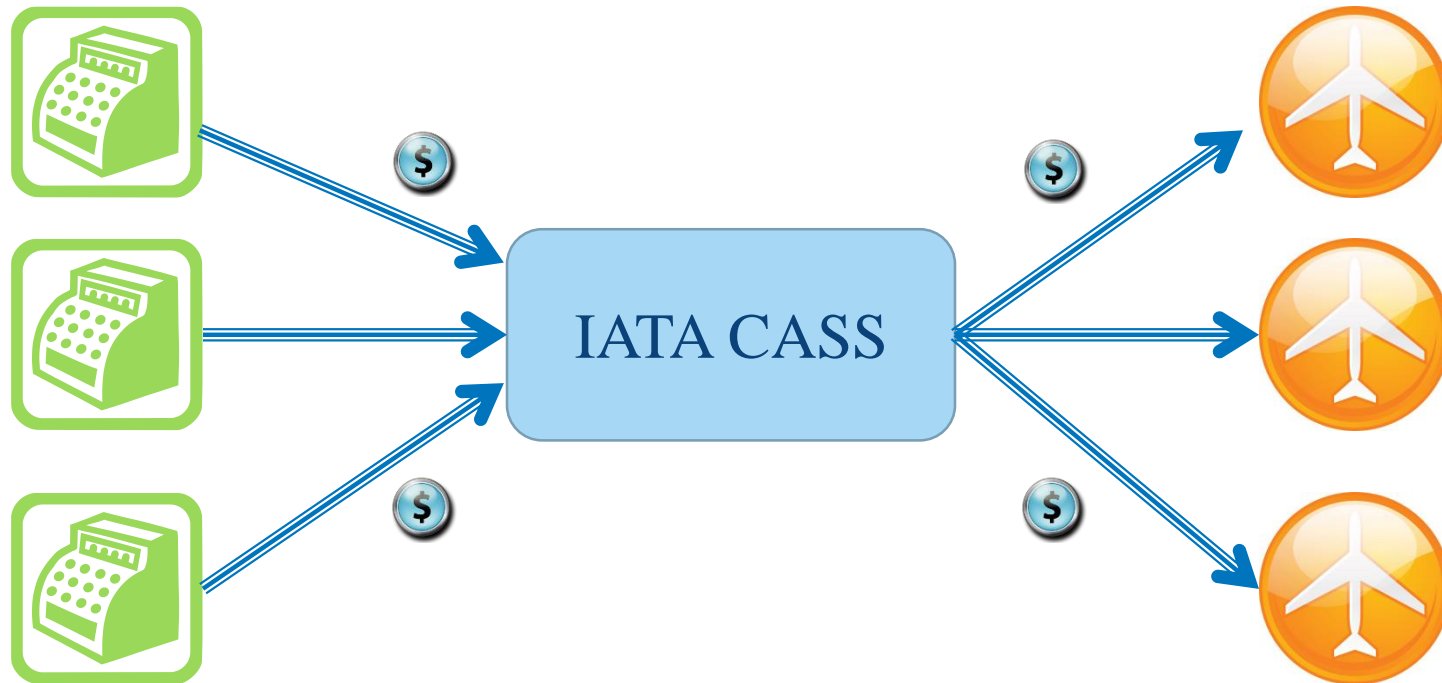


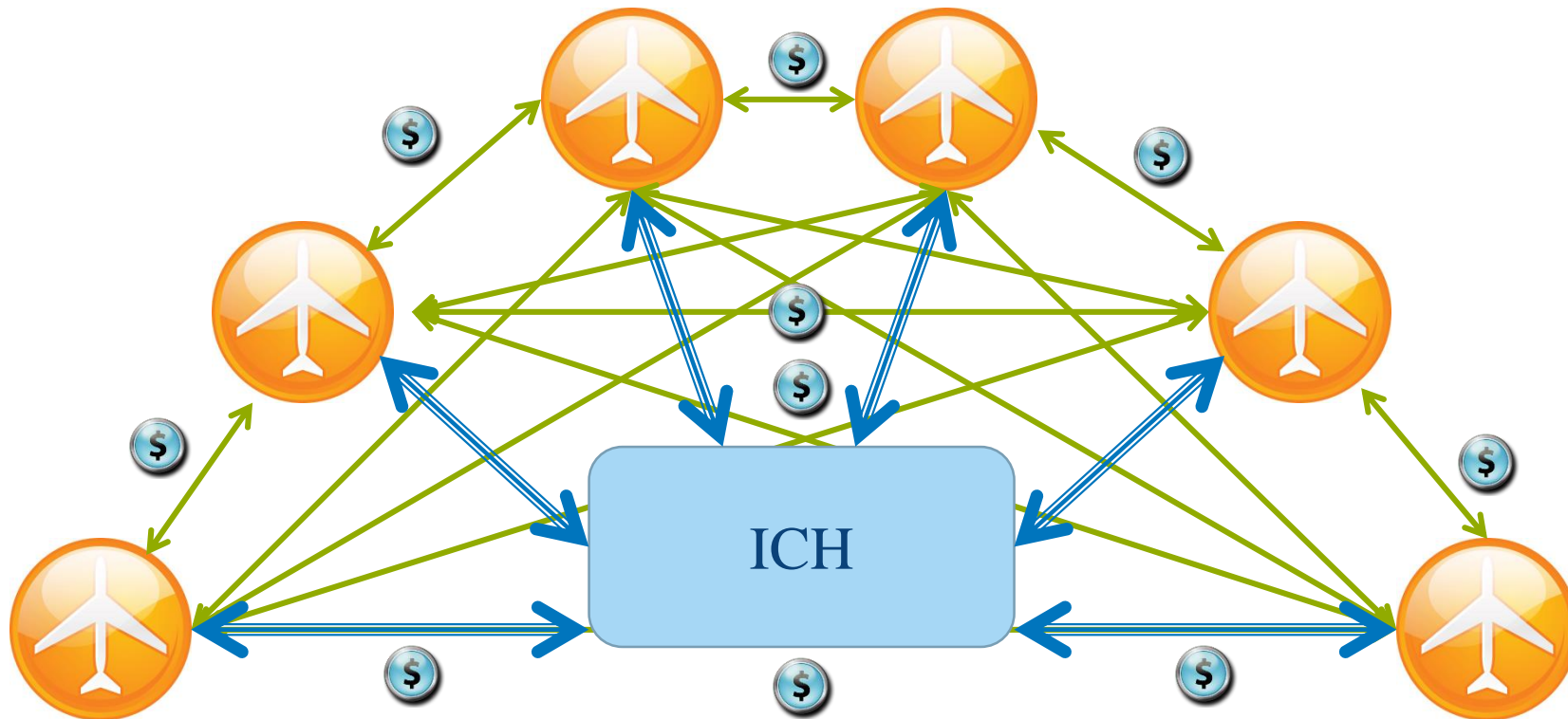
IATA's Settlement Systems - BSP



IATA's Settlement Systems - CASS



IATA's Settlement Systems - ICH



Alitalia

- Approached IATA before the commencement of the case
- Placed a security deposit to ensure continued participation in the settlement systems
- Enabled IATA to reassure the market and limit loss of sales from consumer/agent concerns
- Alitalia continuing to operate despite bankruptcy filing, with minimal impact on its passengers

Air Berlin

- Approached IATA before the full commencement of its case, but after preliminary proceedings had begun
- Placed a security deposit to ensure continued participation in the settlement systems
- Enabled IATA to reassure the market and limit loss of sales from consumer/agent concerns, but delay in notification may have had some initial harm
- Continued to operate throughout preliminary proceedings, winding down operations with some lost connectivity but with full repayment of refund claims

Monarch

- Very limited participation in IATA systems, however did not approach IATA before the case
- Suspended from settlement systems upon filing
- UK bankruptcy / aviation law required immediate cessation of operations, stranding passengers and giving rise to many refund claims – sales outside IATA systems
- UK government intervened to bring passengers home, at cost to taxpayer of ~GBP 60M. Engaged in Airline Insolvency Review to try to prevent a repeat of this situation.

IATA Suggestions

- Early engagement with IATA (if in our systems) is vital
- Communication with the market regarding the status of flights and refunds will help limit losses
- Local laws should be modified to allow airlines to operate for at least a short period of time while insolvent to bring passengers home and manage refund liability
- Prior planning with airports is also necessary to ensure continued availability of services despite insolvency