

ETAG

8th January 2009

Restoration of Travel Rights from 15.1.2009 –

TNU Eurotunnel circular of 5.1.2009

Observations & Explanations

As heralded in our circular of 20.12.2008, we are delighted that our travel rights are to be made available to us again from next week. [Click here](#) for a copy of Eurotunnel's latest circular, which most of you should have received in the last couple of days.

The following commentary is offered to aid members' understanding of the position:

Annual registration fee

The original 1987 share issue Offer For Sale provided for an annual £10 registration fee which could be increased in line with costs. Although the letter says this was suspended in 1996, this is in error; those on the English register have not hitherto been required to pay the fee, but that does not negate Eurotunnel's right to collect it and we have a legal obligation to pay it for any year in which we wish to take advantage of our travel rights.

You may recall that there was some debate with Eurotunnel about the *quantum* at the AGM last July; M Gounon, Eurotunnel's Chairman and Chief Executive, had suggested £29, and we'd suggested a figure nearer £20 would more nearly reflect the increase in the RPI since 1987. We had jocularly suggested that €29 might be nearer the mark, and M Gounon has now decided to go with this, which due to the massive decline in the value of the £ since then equates (presently generously) to **£27.50**.

Although one can debate an appropriate formula till the cows come home, it's hardly worth a bag of sweets so your Committee has decided to go with it. Any refinements can be borne in mind if and when a company reorganisation is on the agenda, but with the other pressing matters the company currently has in hand this is very much on the back burner for the time being.

Accordingly, it is your **Committee's recommendation** that those who wish to utilise their travel rights in 2009 **send the requested £27.50 registration fee** to TNU Travel, Passenger Sales Support, UK Terminal, Ashford Road, Folkestone, CT18 8XX, forthwith.

Evidence of entitlement

For those that are on the UK Shareholder Register, maintained by Computershare, your Shareholder Reference Number (typically 9 digits starting with 998) as given at the head of Eurotunnel's letter is sufficient evidence of your entitlement, and writing this number on the back of your £27.50 cheque is the only evidence required.

The letter was sent to all those who had used their travel rights during the last three years and remained on the UK Shareholder Register on 1.1.2009 with the requisite qualifying shares. If you have not had the letter, this may be because you have not used your travel rights in the last three years – but this does not in any way affect your right to do so in the future, and in no way precludes you from sending in your cheque if you wish to utilise your rights in the current calendar year; your 9 digit Shareholder Reference Number can be found between the inverted white triangles on your old Shareholder card, or on previous shareholder communications from the company, or on your old Eurotunnel Share Certificate for the qualifying shares; as the Computershare online facility is only available to those who know their Shareholder Reference Number, your last resort is to telephone Eurotunnel's Folkestone office on 01 303 272 222 and ask for the TNU Shareholder Information Centre which should be able to provide it.

Entitlement periods and registration times

Rather than working from November to November as hitherto, in future the annual registration fee will cover the calendar year from January to December, so bookings for the Christmas period can be made well in advance.

A planned major improvement to procedures is that letters will be sent out probably in September each year inviting those with TNU travel rights to register their entitlement for the ensuing year and pay the fee; this will overcome the difficulty previously experienced by those wishing to book travel early in the new year, although of course your qualifying shareholding has to be maintained at all times.

Statement from financial intermediary

In the third paragraph of the letter reference is made to those that hold their *TNU Units in bearer form*, which has confused some members who are not familiar with stock exchange parlance. This only applies to those who held their original shares on the *French Register*, where the shares or Units were issued in 'bearer form', like bank notes, and were lodged with authorised depositories who maintained a separate record of those who were entitled to them.

Only a very few ETAG members, mostly resident outside the UK, hold their shares in bearer form; **for those on the UK register a statement from a financial intermediary is not required.**

For those whose entitlement is supported by bearer shares, Eurotunnel *may* in future accept statements from financial intermediaries issued in September to validate travel entitlements for the ensuing year.

Advance Booking

Hitherto, it has been possible to ‘turn up and go’. New systems are being installed to streamline procedures that make this impractical in future as the check in system will no longer be directly linked to the shareholder database.

Those who have travelled in recent times will know that most people, having already made a booking, usually online, can check themselves in, the procedure typically taking 40 seconds; going to a manned booth for a manual check in typically takes 90 seconds. As a result, it is normally now only necessary to have one check in member of staff on duty at any one time to deal with manual inputs or problems.

The requirement to book in advance does not in any way infringe your existing rights; indeed, with the online systems now in place it is possible to book online utilising a laptop or Blackberry right in front of the pay booths, or utilising a mobile while travelling to the terminal.

Our travel rights entitle us to ‘top class’ bookings – so that should you arrive either early or late relative to your booked time you are automatically allocated the next available departure without additional cost. Those who have relied on ‘turn up and go’ in the past will know that at very busy times there is occasionally no availability whatsoever (as has happened on many days over the recent holiday period, due to the reduced capacity), but by advance booking you will automatically be granted ‘top class’ status.

The new arrangements are also in preparation for EU rules which become mandatory by the end of 2010 – the E borders Programme. This requires elaborate data capture for *all* travellers in each vehicle including passport details, as well as vehicle details. Eurotunnel plans to have these details stored online, so that when a booking is made details previously inputted can be retrieved to speed the process. Car registration plate recognition systems will then throw up the relevant details on the passport or customs officers’ computer screens! (1984 writ large?)

Present capacity constraints

At the moment the fire damage repairs are well on schedule for completion next month, but the extra capacity then available when both running tunnels are fully serviceable will not be made available for bookings until all safety checks are satisfactorily completed.

Accordingly, some dates may not currently be available, but we expect to be able to alert you when the additional capacity comes on stream.

8.1.09

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ETAG members for whom we have an email address have been advised of this posting.