



## Protection for insolvency of your End Supplier

(Ref: V1.21)

It is wrong to assume that your travel insurance policy provides cover for the financial failure of your airline or any end suppliers. If you have cover for Cancellation, it is worth checking both the exclusions for that section and the General Exclusions of your travel insurance policy carefully to ensure financial failure is not excluded.

### Our Product

Please refer to page 2 of this document for a copy of our wording which sets out in full what is and what is not covered. Our product is intended as a safety-net for where you are not already covered by any other means for insolvency. We have listed below the protections you may already qualify for. You should investigate if any of these protections already apply to you, as you will need to have claimed under those first before you seek to claim under our product.

### Other protections you may already have:

#### Paying by credit or debit card

##### Credit card

Section 75 of the Consumer Credit Act offers some protection if you are paying by credit card, but will only cover values over £100 and no more than £30,000. Some credit card providers will offer cover for values below £100, you should check with your provider to clarify the cover they provide.

##### Debit card

Debit card transactions are not covered by the Consumer Credit Act, but each bank will have its own terms and conditions which may include some protection for customers. An example of this is known as a 'chargeback'. This is where you pay for something with your debit card and that order or service has not been adequately completed or is never received. Your bank can charge back its value from the retailer's bank. Each bank has its own terms and conditions in place so you should check what yours are carefully.

**Please note** if cover is available through your credit or debit card you may only be covered for your original card transaction value, there will be no cover for the increased repatriation costs to bring you home if you are abroad when the insolvency occurs.

#### Package holidays

##### Packages including flights

The Civil Aviation Authority runs a scheme called ATOL (Air Travel Organiser's License) that provides some protection for customers buying their flight as part of a package. For more information you can go to ATOL's website [www.atol.org.uk](http://www.atol.org.uk). ATOL covers the insolvency of the ATOL holder i.e. the Travel Agent or Tour Operator themselves and not the insolvency of any providers of the travel arrangements you have booked through the ATOL holder, so you should discuss your protection with your Travel Agent /Tour Operator as they are responsible for refunding or rebooking you should a provider of your travel arrangements financially fail. You are only covered by ATOL if you receive an ATOL certificate (which your Travel Agent/Tour Operator should give you when booking).

##### Packages not including flights

Where your holiday does not include a flight but consists of an overnight stay and another element of travel booked through the same company either directly or indirectly (e.g. you are booking your accommodation on a website and that website directs you to another website to book your car hire), then you will have protection rights under the European Package Travel Directive adopted by the UK. You should enquire about your protection with your agent (i.e. the initial accommodation website you used in the example) in respect of any protections they have in place for their insolvency and the insolvency of any End Supplier (i.e. the car hire website in the example) you have booked through them as part of your holiday arrangements.



### **Purchasing flights only**

Specific rules apply; if you buy through a travel agent and receive your ticket within 24 hours, your money is not protected. However if the agent takes longer than this to issue your ticket to you, by law they should hold an ATOL license and issue you with an ATOL certificate to protect you if they become insolvent. The agent is obliged to refund or re-book your flight should the airline they booked you on become insolvent. If you buy your ticket directly from an airline, your money is not protected if that airline fails. If you are unsure of what protection you have it is best to talk to your Travel Agent who can tell you what is in place.

### **END SUPPLIER FAILURE INSURANCE** (COPY POLICY WORDING)

This cover is provided by International Passenger Protection Limited, IPP House, 22-26 Station Road, West Wickham, Kent BR4 0PR, United Kingdom and is underwritten by Liberty Mutual Insurance Europe SE (**The Insurer**). The Insurer is authorised and regulated by the Luxembourg Minister of Finance and the Commissariat aux Assurances. Deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority (registered number 829959). Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

**The Insurer will pay** up to £xxxxxxx in total for each **Insured Person** named on the Invoice for:

- 1 Irrecoverable sums paid prior to Financial Failure of the Scheduled Airline, hotel, train operator including Eurostar, car ferries; villas abroad & cottages in the UK; coach operator, car or camper hire company, caravan sites, campsites, mobile home, safaris; excursions; Eurotunnel; theme parks or attractions all known as the End Supplier of the travel arrangements not forming part of an inclusive holiday prior to departure  
or
- 2 In the event of Financial Failure after departure:
  - a) additional pro rata costs incurred by the Insured Person(s) in replacing that part of the travel arrangements to a similar standard of transportation as enjoyed prior to the curtailment of the travel arrangements  
or
  - b) if curtailment of the holiday is unavoidable - the cost of return transportation to the United Kingdom, Channel Islands, Isle of Man or Northern Ireland to a similar standard of transportation as enjoyed prior to the curtailment of the travel arrangements.

**Financial Failure** means the End Supplier becoming Insolvent or has an administrator appointed and being unable to provide agreed services.

**End Supplier** means the company that owns and operates the services listed in point 1 above.

**The Insurer will not pay for:**

1. Travel or Accommodation not booked within the United Kingdom, Channel Islands, Isle of Man or Northern Ireland prior to departure
2. Any End Supplier which is, or which any prospect of Financial Failure is known by the Insured or widely known publicly at the date of the Insured's application under this policy
3. Any loss or part of a loss which at the time of the happening of the loss is insured or guaranteed by any other existing Policy, Policies, bond or is capable of recovery from under Section 75 of the Consumer Credit Act or from any bank or card issuer or any other legal means



4. The Financial Failure of any travel agent, tour organiser, booking agent or consolidator with whom the Insured has booked travel or accommodation
5. Any losses which are not directly associated with the incident that caused the Insured to claim. For example, loss due to being unable to reach your pre-booked hotel following the financial failure of an airline.