



The Package Travel Regulations and Linked Travel Arrangements (LTA) Regulations 2018. This legislation imposes certain responsibilities on all Tour operators and Travel Agencies.

One of the most onerous responsibilities is the need to provide security for passengers' holiday payments prior to and up to the completion of the Package Holiday in the event of financial failure of the Organiser.

International Passenger Protection Limited have negotiated an exclusive contract with major International Insurers together with Reinsurers whose combined assets exceed £100 billion, to provide cover to comply with this legislation. We believe our program will meet all your requirements at a reasonable cost and with the minimum of administration. We hope the following information will be of assistance to you.

THIS INSURANCE IS RECOGNISED BY ABTA & AITO

What is a Package Holiday & a LTA?

There are now six criteria that would classify an arrangement as a package. However, the Package Travel Regulations defines a package as a pre-arranged combination of two or more of the following four elements: (1) the carriage of passengers; (2) accommodation; (3) Car rental; (4) any other tourist services not ancillary to transport or accommodation and accounting for a significant proportion of the package. Item (4) would include such items as admission charges, theatre tickets etc. Linked Travel Arrangements are holidays that include two or more travel services but are paid separately and within 24 hours or agent/organiser uses targeted marketing to procure one or more services. Packages of less than 24 hours and excluding overnight accommodation are exempt.

Who has to comply with the legislation?

Any tour organiser or agent who offers for sale in the EEA a package as defined above created by themselves or on behalf of another package organiser.

Any tour organiser or agent offering Linked Travel Arrangements organised within 24 hours of booking the first service.

The tour organiser & agent must show evidence of security against repayment of all money paid by the passenger, including the cost of repatriation from abroad to the UK.

How can I provide financial security for my passengers?

International Passenger Protection Limited has established a unique and exclusive insurance scheme which meets the requirements of this legislation.

How can I join the program?

Simply complete the attached confidential application form and submit it to International Passenger Protection Limited. Your application will receive immediate attention and will be treated in the strictest confidence.

Who will be eligible?

We anticipate that successful applicants will have been trading for at least 2 years. Applications will, however, be considered from start up companies.

Newly formed companies will be considered but will require the following information:

- CV of the Directors/Partners
- A business plan
- An opening balance sheet
- Other information may be required at review stage

All applications will be subject to the Insurer's financial criteria and acceptance is not automatically guaranteed.

How much will it cost?

The cost will obviously vary according to the financial standing of each applicant. However we do require £50 at application stage and on renewal each year to cover credit checking fees.

How will the premium be paid?

The Insurers will charge a minimum premium (non refundable) in order to effect cover. This will be geared to the anticipated holiday program of each operator. The lowest a deposit premium is £350, however this is calculated on a case by case basis. This will have to be paid in full at the inception of cover plus insurance premium tax, which as of 4th January 2011 is 20%. It is a declaration based scheme, thus declarations are made to us, via our online database at the point of booking. Premium is charged on bookings made and will be deducted from the deposit premium. If necessary subsequent premium will be paid monthly – normally by direct debit.

Do I have to cover all my passengers?

The scheme is mandatory for all package holiday passengers. You do not need to cover passengers on day trips or other arrangements outside the definition of 'Package Holidays'. You should cover all package holiday clients regardless of whether the holiday is in a published brochure. The legislation applies to tailor-made holidays as well as brochure holidays.

What evidence of cover will my passengers have?

We give you a logo, and wording to be displayed on your website, brochure and confirmation invoices.

What should I do now?

Complete the application form and return it to International Passenger Protection Limited immediately, together with:

- The latest 3 years' signed Audited (if applicable) Accounts, including any Holding, Subsidiary or Associated Companies
- One copy of your current brochure or website details
- The Bank Position Statement form which must be completed and stamped by the bank
- A payment for £50.00 (non-refundable) for imbursement of our credit checking agency's expenses made payable to International Passenger Protection Limited if paid by cheque
- A statement of personal assets and liabilities for any non-Limited Company, signed by your Auditor or Accountant if a sole trader or partnership
- Copy of your terms and conditions
- Copy of public liability insurance (including emergency assistance cover)

Other information may be required at review stage by Underwriter.

If a start up business, please provide the following:

- CVs
- Business Plan
- Opening Balance Sheet
- Current brochure or website details
- The Bank Position Statement form which must be completed and stamped by the bank
- A payment for £50.00 (non-refundable) for imbursement of our credit checking agency's expenses made payable to International Passenger Protection Limited if paid by cheque
- A statement of personal assets and liabilities for any non-Limited Company, signed by your Auditor or Accountant if a sole trader or partnership
- Copy of your terms and conditions
- Copy of public liability insurance (including emergency assistance cover)

Other information may be required at review stage by Underwriter.