



## Notification

### **Chartis Insurance providing cover for customers affected by Air Australia going into administration**

Following Australia's Department of Foreign Affairs and Trade (DFAT) announcement that Air Australia have gone into administration (statement below), Chartis Insurance has confirmed that, depending on the type and level of cover purchased, some of their leisure travel insurance clients affected by this event will have cover. The policies covered are listed in a client notification document, available on the Chartis website [www.chartisinsurance.com.au](http://www.chartisinsurance.com.au).

Despite major insurers generally excluding "financial default" from travel policies, Chartis has confirmed that such cover is included in some of its leisure travel policies.

"Chartis recognises the difficulty and inconvenience Air Australia customers are currently experiencing", stated Mark Kopec, Australian General Manager – Leisure Travel. "I can confirm that we have classed the action by Air Australia as 'random and unforeseen', which means that clients holding certain leisure travel policies affected by this event will be covered. We are doing everything we can to help get people home."

Travellers who purchased or arranged cover after midnight on 16<sup>th</sup> February, 2012 would not be covered because the situation had occurred and had been widely reported in the media.

Chartis customers should be aware that several airlines are pledging to match the cost of Air Australia flights for passengers currently stranded in Australia and overseas. Passengers should check with airlines, such as Jetstar, for possible financial entitlements prior to lodging a claim. Customers should also check with their travel agent and/or accommodation provider to see what costs would be met or refunds made. Credit card providers could also be contacted to arrange a refund on flights unable to be honoured by Air Australia. Should clients have any queries regarding coverage, they are encouraged to contact Chartis Travel Insurance on 1300 295 016 or +61 3 9522 4047.

Chartis clients are also advised to review their policy wording prior to submitting a claim as there may be additional costs outside these provisions that can be met by the insurer and exclusions may apply.

#### **Australia's Department of Foreign Affairs and Trade (DFAT) advises (17 February, 2012):**

"All Air Australia flights have been grounded as a result of the company being placed in administration. See the Air Australia website for information for affected travellers. Australians affected by the cancellation of Air Australia services from Phuket, Denpasar and Honolulu should get in touch with their travel agent and/or insurance company to organise alternative flights."

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Page 2

17 February 2012

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**Notes to editors:**

Chartis is a world leading property-casualty and general insurance organisation serving more than 70 million clients around the world. With one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

For more information visit [www.chartisinsurance.com.au](http://www.chartisinsurance.com.au)

Date of Issue: 17<sup>th</sup> February, 2012



## Notification

### For Chartis leisure travel customers affected by Air Australia going into administration:

The following advice applies to policies issued, or cover activated, before midnight on 16th February, 2012. Travellers who purchased or arranged cover after this date and time will not have cover available because the situation had occurred and has been widely reported in the media.

Chartis products with specific cover sections for financial default are:

- Chartis Travel Insurance
- Real Travel Insurance
- Good2Go Travel Insurance
- Insure&Go Travel Insurance (Gold and Platinum Plans)
- Kango Travel Insurance (Big Red Plan)
- Defence Health Travel Insurance

In the abovementioned policies, cover is provided for financial default and additional expenses incurred, including reasonable trip amendment costs arising from this event. All other Chartis policies exclude financial default. Policyholders should review their policy wording to ensure they are covered.

Before Chartis can consider a claim, or provide advice on a claim, travellers should:

1. Access Air Australia's website to confirm flight cancellations ([www.airaustralia.com](http://www.airaustralia.com));
2. Contact their travel agent, airline and/or accommodation provider to see what costs will be met, or amendment concessions or refunds they are prepared to provide;
3. Contact their credit card supplier for a refund of flights unable to be honoured by Air Australia.

As always, each claim will be considered on its merits taking into account the individual circumstances of the claim and the terms and conditions of the policy.

Policyholders are advised to check their particular policy wording for eligibility, limit of coverage and the type of expenses that can be claimed.

### **1. Financial Default**

Financial default claims arising from the present situation will be considered in accordance with the terms and conditions of your policy.

All reasonable steps must be taken to minimise your claim.

In some situations, Chartis may agree to cover trip amendment costs where these are less than the trip cancellation costs.

Please check with airline and accommodation providers first to see what amendment concessions or refunds they are prepared to provide.

## **2. Additional expenses**

In respect of travellers currently overseas, additional expense claims, including additional accommodation and scheduled transportation costs arising from the present situation, will be considered subject to the applicable policy terms, conditions and exclusions. Insureds will need to check the applicable section of the policy wording to see what cover is available.

All reasonable steps must be taken to minimise your claim.

Please check with airline and accommodation providers first to see what amendment concessions or refunds they are prepared to provide.

No cover is available for used portions of prepaid travel arrangements.

If after this process, policyholders have additional out of pocket expenses, they may lodge a claim for Chartis' consideration. However, policyholders should be aware there are some exclusions within Chartis' policy wordings that would apply to this event, which may limit or exclude cover. As such, policyholders are advised to check their particular policy wording for eligibility, limit of coverage and the type of expenses that can be claimed.

Chartis will issue further statements on [www.chartisinsurance.com.au](http://www.chartisinsurance.com.au) as required to give further guidance and we encourage policyholders to visit the Chartis website. Claims forms can also be obtained from this website.

As always, each claim will be considered on its merits taking into account the individual circumstances of the claim and the terms and conditions of the policy.

### **Please note:**

1. We are monitoring the present the situation and will advise further update(s) should our position change;
2. This position statement only remains applicable as long as the present circumstances prevail.

Date of Issue: 17 February 2012