



Notification

Chartis Leisure Travel Insurance policies for customers affected by the Qantas response to industrial action

Sydney – 3 November, 2011 – Chartis in Australia has clarified its position in response to the grounding of the Qantas fleet initiated on 29 October, 2011, at 5pm AEST and concluded on 31 October, 2011, 2pm. Whilst an unforeseen circumstance, Chartis considers the recent Qantas response to industrial action a cancellation, delay or rescheduling caused by Qantas.

Chartis advises all travellers to:

1. Contact Qantas Airways to confirm flight cancellations, Qantas financial reimbursements, rebooking and provisional arrangements;
2. Contact all other travel providers, such as accommodation providers and tour operators, to uncover what costs will be met, or amendment concessions and refunds provided.

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

Chartis encourages policy holders to visit www.chartisinsurance.com.au for updates and access to claims forms.

As always, each claim will be considered on its merits taking into account the individual circumstances of the claim and terms and conditions of the policy. All claimants have access to Chartis' internal disputes resolution process and the Financial Ombudsman's external resolution process.

No cover is available for used portions of prepaid travel arrangements. Where cover is available under both Cancellation and Additional Expense Sections, insured's can claim under either the Cancellation or Additional Expense Section for the same period, not both.

Please note:

1. Chartis is monitoring the present situation and will advise further update(s) should our position change.

This position statement only remains applicable as long as the present circumstances prevail.

Present Situation

Qantas advises (29 October, 2011):

“Qantas today announced that, from 8pm AEDT on Monday 31 October, 2011, it will lock out all employees who will be covered by the industrial agreements currently being negotiated with the Australian Licensed Aircraft Engineers Union (ALAEA), the Transport Workers Union (TWU) and the Australian and International Pilots Union (AIPA).

This step is being taken under the provisions of the Fair Work Act in response to industrial action taken by these unions. The financial impact of action taken to date has reached \$68 million and the action is costing Qantas approximately \$15 million per week in lost revenue. Approximately 70,000 passengers have been affected and more than 600 flights cancelled.

Pilots, licensed engineers and baggage, ground and catering staff are essential to Qantas operations and the lock-out will therefore make it necessary for all Qantas aircraft to be grounded. For precautionary reasons, this will take place immediately (as at 5pm AEDT, Saturday 29 October, 2011).”

Qantas also advises (30 October 2011):

“The Qantas fleet remains grounded and all domestic and international flights remain cancelled as a response to damaging industrial action.

We understand that this will have a significant impact on our customers and apologise for the inconvenience that the damaging union action has caused. We thank you for your understanding and continued support.

Customers are not advised to travel to the airport unless they are booked on a QantasLink, or Jetstar or on certain Australia-New Zealand routes.

Qantas is providing a full refund for any flights cancelled due to industrial action. You can cancel your flight with Qantas or rebook for a later date. Customers who purchase a new ticket with an alternative carrier, Qantas will reimburse the difference between the cost of the new ticket (in same cabin of travel) and the value of the refunded Qantas ticket (see Changing or Refunding your Booking). Qantas is also providing accommodation, meals and transfers for customers who are away from home.

Qantas also advises (31 October, 2011):

“Following the termination of all industrial action by Fair Work Australia, Qantas will resume scheduled services from mid-afternoon on Monday 31 October, subject to approval from the regulator.

We will provide an update on services once we receive approval to commence flying. For the latest flight information as it becomes available visit our Flight Status page.

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We understand the significant impact the union action has had on our customers and apologise for the inconvenience it has caused. We thank you for your understanding and continued support.”

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Notes to editors:

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