



## Notification

### Chartis Corporate Travel Insurance Policies for customers affected by the Qantas response to industrial action

Sydney – 31 October, 2011 – Chartis in Australia has clarified its position in response to the grounding of the Qantas fleet from 29-31 October to its valued Corporate Travel clients and Broker partners.

For travel booked prior to 5pm on 28 October, 2011, Chartis consider the Qantas action from 29-30 October as an unforeseen circumstance, and beyond an individual's control. Claims related to the response to industrial action are therefore likely to be considered.

For travel booked after 5pm on 28 October, 2011, Chartis believe the insured, or a reasonable person to have known, their travel was likely to be disrupted. In this instance Chartis is unlikely to pay their claim.

Before Chartis can consider a Cancellation claim or provide advice on a claim, insured's should:

1. Contact Qantas Airways to confirm flight cancellations, Qantas financial reimbursements and provisional arrangements.
2. Contact their travel agent/provider or Qantas Airways to uncover what costs will be met, or amendment concessions and refunds provided.

Once these steps have been taken, where out-of-pocket expenses remain, please submit a claim form to Chartis. 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.

**Relevant sections of our standard Corporate Travel policy version 1700.5, SECTION 3 - LOSS OF DEPOSITS AND ADDITIONAL EXPENSES states as follows:**

#### Description of Cover

##### 1. Loss of Deposits

We will reimburse **you** or the **insured person**:

The non-refundable unused portion of travel or accommodation arrangements paid for in advance by **you** or the **insured person** following necessary cancellation, alteration or incompleteness of the **insured person's travel** due to:

(c) any other unforeseen circumstances occurring outside the control of **you** or the **insured person**, other than those circumstances described in (a) or (b) above or specifically described

elsewhere in this Policy, all happening after the **insured person's** cover commencement date as described under the period of individual cover in the Policy Schedule.

## **2. Additional Cancellation / Curtailment / Interruption Expenses**

**We** may choose to reimburse **you** or the **insured person** or pay direct to the provider, the expenses reasonably and necessarily incurred in addition to those already budgeted for or likely to be incurred but less any refund on unused prepaid travel and accommodation arrangements, as a result of:

(c) any other unforeseen circumstances occurring during **travel** and outside the control of **you** or of the **insured person**, other than those circumstances described in (a) or (b) above or specifically described elsewhere in this Policy.

### **Exclusions - In addition to the General Exclusions applying to all Sections, We will not pay for any expenses arising directly or indirectly out of:**

1. Claims arising from Cancellation, curtailment or diversion of scheduled public transport services, including by reason of strikes or other industrial action, if there had been media warning before the date the particular **travel** was booked that such events were likely to occur.
2. Claims arising from cancellation, delays or rescheduling where the expense has been recovered from the carrier.

### **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.

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.”

-ends-

Date of Issue: 31 October, 2011.

Media Contact  
Lisa Rose  
Marketing Manager  
Chartis Australia  
[Lisa.rose@chartisinsurance.com](mailto:Lisa.rose@chartisinsurance.com)  
Tel +61 2 9240 1710  
[www.chartisinsurance.com.au](http://www.chartisinsurance.com.au)

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)