

Press Release



Flight Cancellations Due to Volcanic Ash from Chilean Eruption

Sydney - 14 June, 2011

Present Situation

Australia's Department of Foreign Affairs and Trade (DFAT) advises (12 June, 2011):

"Following the eruption of the Puyehue volcano in Chile on 5 June, 2011, volcanic ash plumes have caused flight disruptions in Australia and New Zealand

Airports across New Zealand and in parts of Australia have been affected. Flights to and from New Zealand, including to Wellington, Christchurch and Queenstown, have experienced cancellations and delays.

International flights out of Melbourne to some destinations, in addition to New Zealand, have also been cancelled or delayed. Travellers should expect more disruptions in the coming days.

You should check with your airline or travel agent for the latest flight information."

Mark Kopec, General Manager – Leisure Travel states;

"We appreciate that a large number of travellers have had their travel plans disrupted, causing significant delays. Further flight disruptions due to the ash plumes are possible and every insured should check with their airline or travel agent for the latest flight information

Chartis Travel Guard, our Emergency Assistance Team, has received many calls over the past few days and we advise any remaining overseas insureds to do the same on +61 2 9251 4298.

For travellers that have yet to depart and require assistance, please contact Chartis Travel Insurance on 1800 017 682.

Please be patient when calling as this event has resulted in high call volumes and wait times may be considerable."

Additional Information as at 14 June, 2011

- Ash from Chile's Puyehue-Cordon Caulle volcano eruption reached an altitude of up to 50,000 feet (15,240 metres) where high atmosphere trade winds have carried ash particles east over considerable distance;
- The ash cloud reached the western tip of New Zealand's South Island on the evening of Saturday 11 June, at altitude between 20,000ft (6096m) and 35,000ft (10,668m);
- The altitude of the ash cloud is within the range of cruising altitudes for both commercial jets and turboprops operating within Australian and New Zealand airspace;
- Qantas spokeswoman Olivia Wirth says the airline has cancelled more than 360 flights in the past two days, affecting 26,000 passengers; ¹
- The Bureau of Meteorology Volcanic Ash Advisory Centre (VAAC) will be updating its warnings shortly.

¹ Per ABC News at 14 June 2011, source <http://www.abc.net.au/news/stories/2011/06/14/3243226.htm>

Chartis Australia's Position

The following advice applies to policies issued or travel arrangements made before midnight on the 12th June, 2011. Travellers who purchased or arranged cover after this date and time would not have cover available because the situation had occurred and has been widely reported in the media.

In general, under our Policies, cover is provided for trip cancellation and additional expenses incurred including reasonable trip amendment costs arising from this event.

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

1. Contact their airline to confirm flight cancellations and alternative arrangements;
2. Contact their travel agent, airline and/or accommodation providers to see what costs they will meet or amendment concessions or refunds they are prepared to provide.

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.

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

1. Trip cancellation

Trip cancellation 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 we 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 presently overseas, additional expense claims including but not limited to 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. Where cover is available under both Cancellation and Additional Expense Sections, Insureds can claim under either the Cancellation or Additional Expense Section for the same period, not both.

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: 14 June, 2011

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Notes to editors:

Chartis is a world leading general insurance organisation serving more than 70 million clients around the world. With a 50 year local history, 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 client to manage virtually any risk with confidence.

For more information visit www.chartisinsurance.com.au

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