

FLIGHT CANCELLATIONS DUE TO VOLCANIC ASH

3rd June 2010



Airspace Closure – Chartis Australia & New Zealand Position

Chartis has clarified, in previous statements, its position in relation to the ongoing disruption of travel arising out of Icelandic volcanic activity – in general, claims arising out of these disruptions are covered if the insurance cover was already in place prior to the eruption on 16 April.

The purpose of this statement is to clarify our position in respect of insurance cover which commenced after that time, e.g. insurance you are purchasing now in respect of travel some time in the future.

Whilst the Eyjafjallajökull volcano continues to erupt, resulting travel disruptions have become sporadic with many scheduled air services operating normally for extended periods of time. For this reason, Chartis has taken the view that future travel disruptions caused by the volcanic eruption will, in most cases, be unforeseen or unexpected, and would generally be covered subject to the other terms, conditions and exclusions of your policy.

However, if you knew, or a reasonable person should have known, that your travel was likely to be disrupted when you took out your travel insurance*, then we are unlikely to pay your claim. For example, if you purchased your insurance policy within a short period of your planned travel date, after an announcement of imminent airspace closures had been publicised, your claim may be denied on the basis that the closure was either expected or foreseeable.

Some of our policy wordings contain an exclusion stating that we will not pay for any losses arising out of any prohibition by, or regulation, or intervention of any government. Chartis would like to clarify that it will not be relying on this exclusion to deny any claims arising out of airspace closures as a result of the volcanic eruption.

** For credit card complimentary insurances and annual multi-trip travel policies (including Corporate Travel policies), the date you took out your travel insurance is generally deemed to be the date you activated cover for that trip by purchasing the travel arrangements.*

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