

Important Information Regarding:

Skyways

Issued: 23rd May 2012

Applies to Options Policies

A Swedish airline which served the UK has cancelled all flights and filed for bankruptcy.

City Airline, a subsidiary of Skyways Express, operated services between Gothenburg and Manchester as well as flying to a number of Swedish and other destinations.

On its website Skyways Express said passengers with flights in the near future should contact their travel agency "to investigate the possibilities of compensation or re-booking of flights".

."

International Passenger Protection London has subsequently withdrawn cover for this airline with immediate effect.

Please note that there is no cover for insolvency events under the Essentials, Business or Corporate policies.

FOR OPTIONS POLICIES ISSUED ON OR AFTER 23rd MAY 2012

Please note that exclusion 2 under Section 1 – Travel Services Provider Insolvency, of our Options Policies states:

We Will Not Pay For:

2. *Insolvency of a Travel Services Provider if at the Relevant Time, the Travel Services Provider was Insolvent or a reasonable person would have reason to expect the Travel Services Provider might become Insolvent.*

"Relevant Time" in respect of:

- a) *Single Trip policies means the issue date of the policy.*
- b) *Annual Multi-Trip means the first time at which any part of the relevant trip is paid for or the time at which the policy is issued, whichever occurs last.*

FOR OPTIONS POLICIES ISSUED BEFORE 23rd MAY 2012

ADDITIONAL ACCOMMODATION AND TRANSPORT EXPENSES UNDER THE TRAVEL SERVICES PROVIDER INSOLVENCY SECTION FOR POLICY HOLDERS THAT HAVE ALREADY COMMENCED THEIR JOURNEY

There is provision to claim reasonable Additional Accommodation (up until your original return date) or reasonable additional Transport Expenses you incur to rejoin your original itinerary if you were booked on an Cimber Sterling flight that has been cancelled due to their bankruptcy.

Please note that there is no cover for accommodation expenses that are incurred after the date you originally planned to return to New Zealand.

Cover is limited to the same or similar standard of accommodation or transport that you had originally booked, and we will not pay more for re-arranging any part of your journey than the non refundable costs for cancelling that part of your journey.

AMENDMENT OR CANCELLATION COSTS UNDER THE TRAVEL SERVICES PROVIDER INSOLVENCY SECTION FOR POLICY HOLDERS THAT HAVE NOT YET COMMENCED THEIR JOURNEY

There is provision to claim for Amendment or Cancellation costs for the part of your journey that has been directly affected due to the bankruptcy of Skyways.

The policy will provide coverage for amendment costs where the cost of altering/deferring is less than the cost of cancellation charges for the part of your trip which has been affected. If the cost of altering/deferring is not less than the non-refundable value of the part of your trip which has been affected, then the policy will provide coverage for this non-refundable unused portion.

No cover will be provided for the utilised portion of your travel and accommodation expenses.

Any tickets issued should be attempted for a refund through the BSP.

Annual Multi-Trip Policies

The above advice also applies to Annual Multi-Trip policies, however please note there is an additional requirement that your original travel arrangements must have been booked prior to the 23rd of May 2012.

Customers stuck overseas who cannot return home

For customers who hold a Travelsure Options policy issued prior to the 23rd of May 2012 and cannot return home on their original return date due to the bankruptcy of Skyways, their policy will automatically extend free of charge to allow them to return by the quickest and most direct route.

As this extension is automatic, customers and agents do not need to do anything.

IMPORTANT - GENERAL ADVICE

This information must be read in conjunction with the Travelsure Policy Wording as certain restrictions and exclusions apply.

These exclusions and restrictions are detailed in the Travelsure Wording and in particular we draw your attention to "The Benefits" and "General Exclusions" sections of the wording.

This advice will be updated as new information comes to hand.

Should you have any further enquiries please contact our Customer Service Team on 0800 500 225