

Response plan

The Ferðamálastofa's (Icelandic Tourist Board) response plan addresses two issues when a travel agency goes bankrupt:

- 1) the position of travel agency customers who are on a package holiday when the agency becomes bankrupt or goes into administration, and
- 2) the position of travel agency customers who have partly or fully paid for a package holiday that has not yet begun.

This response plan applies only to passengers on package holidays. It does not apply to those who have purchased individual parts of a journey from a travel agency or aircraft operator, as the insurance held by travel agencies does not apply to such trips.

The position of travel agency customers who are on a package holiday when the agency is declared bankrupt or goes into administration

a. Information to passengers

When the Icelandic Tourist Board receives notification of a travel agency's bankruptcy or entry into administration, the Board publishes notification of that event on its website www.ferdamalastofa.is. The website will also contain all necessary information for the travel agency's customers. Further information may also be obtained from the Icelandic Tourist Board by calling +354 464 9990 or sending an e-mail to upplysingar@icetourist.is. An answering machine will refer you to another phone number outside normal operating hours. Information on the situation will be sent to passengers by text message or e-mail to the extent possible.

b. Passengers' journey home

- The Icelandic Tourist Board will gather information on booking status, the number of passengers, their location, the length of trips, etc. Package holidays must be examined in light of whether passengers are located overseas or in Iceland.
- The Icelandic Tourist Board will seek the most economical means of repatriating overseas passengers and will seek co-operation from airlines. There are two options. Either passengers make their own way back home and pay for the journey themselves or an aircraft will be sent to collect the passengers.
- Assessments are made on a case-by-case basis. When deciding which option will be selected, an examination must be made of how many passengers there are, where they are located, their composition, length of each package holiday, etc. It

must be kept in mind that passengers on package holidays are entitled to complete their holiday if they so choose.

- If the option of passengers making their own way back home is selected, the passengers pay for the journey. In such cases, they are under obligation to seek the most economical prices in consultation with the Iceland Tourist Board if they plan to have this cost refunded by the insurance. The Iceland Tourist Board will seek co-operation with airline companies to make the trip home easier for passengers, i.e. as regards priority to seats, economical prices, travel routes, etc.
- Passengers who are located in Iceland are responsible for their own journey home and pay for such journey themselves. They are under obligation to seek the most economical price in consultation with the Iceland Tourist Board if they plan to have this cost refunded by the insurance. There will be no further involvement on the part of the Icelandic Tourist Board.
- If an aircraft is sent to collect the passengers, a decision must be made as regards the cost, timing and execution of the journey. An examination of the circumstances must be made in each case, e.g. the holiday time remaining for each passenger may differ, etc. When an aircraft is sent to repatriate passengers, some passengers may have to decide whether to cut their holiday short in order to take advantage of the trip home or to finish their holiday as they are entitled to. If they choose to finish their trip, they must take care of their own journey back home and will have to pay for the trip and any other resulting costs.
- The Icelandic Tourist Board makes every effort to ensure that passengers are well informed of what is going on and what measures are being taken. The passengers will be contacted, to the extent possible, to inform them of the decisions of the Icelandic Tourist Board, the status of matters and progress, and they will be informed that the Icelandic Tourist Board's website will have posted the necessary information on passenger rights, contacts, telephone numbers and claim declarations. Tour guides in each location will also be employed, as far as circumstances permit, in order to ensure the best possible flow of information.

c. Settlement on return home – how to make a claim

- After returning home, those who believe they have a claim against the travel agency for a package holiday can declare their claim against the travel agency.
- The Icelandic Tourist Board will have a call for claims declarations published in the Government Gazette, in a newspaper and on the website of the Icelandic Tourist Board.
- The deadline to declare claims is 2 months, or 60 days, from the publication of the call, and claims must be filed within that time. Claims must be directed to the Icelandic Tourist Board, Strandgata 29, 600 Akureyri.
- The declaration of claims must be accompanied by the necessary proof of the claim, such as airline tickets and receipts. The Iceland Tourist Board determines what documentation is sufficient to prove a claim.
- Passengers on package holidays shall be given the opportunity to complete their journeys. This means that everything that the customer has already paid and is in accordance with a predetermined package holiday, whether transport, accommodation or other prepaid parts of a journey, shall be paid by the insurance

so that the customer can complete the journey. There is, however, no obligation to pay extra items that the customer has paid, i.e. parts of the journey not considered included in the predetermined package holiday. If the insurance has been used to allow the customer to complete a package holiday in accordance with the original contract, further claims will not be accepted.

- When the passenger is transported back home with the assistance of the Icelandic Tourist Board before the package holiday has been completed, only the part of the package holiday that the customer did not manage to complete will be paid.
- If the insurance has been used to allow the customer to complete a package holiday in accordance with the original contract, further claims will not be accepted.
- Only the direct financial damages of a package holiday shall be paid by the travel agency's insurance. Damages traceable to possible inconvenience or injury will not be paid.

The status of customers who have partly or fully paid a package holiday and where the holiday has not begun when the travel agency goes bankrupt

d. Information to customers

When the Icelandic Tourist Board receives notification of a travel agency's bankruptcy or entry into administration, the Board publishes notification of such event on its website www.ferdamalastofa.is. The website will also contain all necessary information for the travel agency's customers. Further information may also be obtained from the Icelandic Tourist Board by calling +354 464 9990 or sending an e-mail to the address upplysingar@icetourist.is. Outside normal operating hours, an answering machine will provide another phone number. Information on the situation will be sent to passengers by e-mail to the extent possible.

e. Those who have fully paid a package holiday and the holiday has not begun

A customer who has paid a deposit on a package holiday with a travel agency shall be refunded the amount paid, irrespective of whether a final contract for the package holiday has been made or not, provided that the customer can submit adequate proof of the deposit.

f. Those who have partly paid a package holiday and the holiday has not begun

Those who have partly or fully paid a package holiday that has not begun shall be refunded the amount they have paid.

g. How to make a claim

- Those who believe they have a claim on the travel agency for a package holiday can declare their claim on the travel agency.

- The Icelandic Tourist Board will have a call for claims declarations published in the Government Gazette, in a newspaper and on the website of the Icelandic Tourist Board.
- The deadline to declare claims is 2 months, or 60 days, from the publication of the call, and claims must be filed within that time. Claims must be directed to the Icelandic Tourist Board, Strandgata 29, 600 Akureyri.
- The declaration of claims must be accompanied by the necessary proof of the claim, such as airline tickets and receipts. The Iceland Tourist Board determines what documentation is sufficient to prove a claim.

Further information is provided by the Icelandic Tourist Board in tel. 464 9990 or by e-mail to upplýsingar@icetourist.is.

The Icelandic Tourist Board 1 April 2009.