

Guidance on the application of the Code of Conduct

This Guidance has been produced to assist Members and their clients to have greater understanding of the requirements of the ABTA Code of Conduct.

The Code of Conduct contains the fundamental requirements that Members must comply with but these must be read in the context of each individual case and that can often give rise to difficulties of interpretation.

This Guidance has been put together from a number of sources and from the workings of the Code of Conduct Committee over many years. It must be remembered that each situation will be determined by the ABTA Code of Conduct Committee and the Appeal Board on its own facts.

You can obtain further advice on specific cases from ABTA.

Contents

	Page
1. Before a Booking is made (Clauses 1A to 1H)	2
2. Making the Booking (Clauses 2A to 2R)	9
3. Between Booking and Travel (Clauses 3A to 3J)	20
4. After Departure (Clauses 4A to 4E)	23
5. Communications between Members and Consumers and ABTA (Clauses 5A to 5G)	24
6. General Conduct (Clauses 6A to 6J)	27
7. Investigation Procedure	28
Appendix 1: Standards on Brochures and Booking Conditions	29
Appendix 2: Standards on Websites and Online Trading	35

Revision History

11 March 2013	Addition of Appendices 1 and 2 and associated wording changes to page 2
28 October 2013	Addition of financial protection information to the guidance for clause 1D on page 5 Addition to Price Policy in Standards on Websites and Online Trading (Appendix 2)
1 October 2014	Change to receipt wording on page 16 in section Using the Client's Credit or Debit Card
7 April 2015	Addition of guidance for new Code clause 2R on page 18
12 August 2015	Changes to section 5 and Appendices 1 and 2, to take account of ABTA's ADR scheme gaining approval under the ADR Regulations 2015

1. Before a Booking is made

Brochures and Booking Conditions

Code 1B Members shall ensure that their Brochures and booking conditions comply with ABTA's Standards on Brochures and Booking Conditions.

See Appendix 1.

Websites and Online Trading

Code 1C Members shall ensure that their websites and online booking procedures comply with ABTA's Standards on Websites and Online Trading.

See Appendix 2.

Advertising

Code 1D Members shall ensure that no Advertising or Promotion or any other publication, whether in writing or otherwise, shall contain anything that is likely to mislead the public.

The first point of contact between you and your client is likely to be your advertising. Difficulties with clients later on can often be traced back to problems with advertising, be it inaccurate brochure descriptions, window cards with out of date prices, or press adverts that don't contain adequate information.

In the Code, advertising is widely defined as "a means of promoting Travel Arrangements by any printed, viewable, audible or other form" so it includes brochures, all types of advert and can include viewdata as well, depending on the circumstances of the case.

In general, your advertising mustn't mislead. Your customers must be provided with sufficient information so that they can make informed choices. Your adverts must be based on accurate information. You're less likely to be found to be in breach of this Code of Conduct if you can show that you had good procedures in place to verify the accuracy of the descriptions in your advertising.

Specific issues of availability, window cards, price indications and financial protection are covered below.

Advertising

- Full accurate information
- Be able to back it up
- Honest, decent and truthful
- Availability: consumers must have reasonable prospect of obtaining the advertised fare. If availability is limited, make that very clear

Availability

The Advertising Standards Authority has adjudicated on several complaints regarding flight and holiday advertisements and the availability of the products. It has produced some advice based on its findings:

- state that prices are *from...* if not all of the flights or holidays are available at the advertised price;
- ensure that you have enough flights or holidays at the lead-in price so that consumers have a reasonable prospect of obtaining it. A minimum of 10% of the seats available must be offered at the *from* price;
- Seats available at the *from* price must be spread reasonably evenly across the travel period. Also, if there are significant periods when you can't offer the *from* price, you need to state this. This could be no availability on bank holidays or weekends, for example.
- let consumers know if availability is limited, e.g. by saying *Hurry - last few* or something similar. If, for example, you don't have control over the supply of the product and the flight or holiday may be sold out, or of very limited availability by the time the advert appears, you should cover this by stating *When it's gone, it's gone*, or similar.

Window Cards

We've put together some suggestions regarding window cards that you may like to adopt and that should assist you to avoid complaints:

- (i) The aim of your window cards must be to give the clearest possible indication to consumers of the price they'll have to pay for their holiday and to avoid giving any indication that could be deemed to be misleading.
- (ii) Window cards should be easily readable (minimum font size 12) and include the full price of the holiday. All additional extras that the client will have to pay, e.g. TOD fees and fuel supplements, must be included in the stated price. The use of tick boxes is a good way of clarifying what's included in the price.
- (iii) In order to avoid giving a misleading price indication you should ensure that your window cards are checked as a minimum on a daily basis. Consider writing on the reverse of the card the date, time and initials of the member of staff carrying out the check.
- (iv) It's best practice to have a procedure in place for checking and documenting your window card displays. It's suggested that the procedure could identify who has responsibility for checking the window cards, for double-checking and for carrying out spot checks. Ideally a senior member of staff or an Area

Manager should carry out the spot checks. It would be worthwhile to train staff in this procedure. The procedure could also usefully include a system for dealing with customer complaints as a result of incorrect window card displays.

- (v) Keeping a file record of all the checks carried out is recommended. This might include the following:
- a) Date, time and initials of staff or manager carrying out the check. It's also recommended that you keep examples of the spot checks to evidence that this procedure is being followed.
 - b) Number of cards checked and number of correct, incorrect and removed cards.
 - c) Tour operator and brochure details.
 - d) Whether the card correctly features non-optional costs such as TOD fees, security supplements, under-occupancy supplements, meals and transfers; whether a TOD charge has been added into the basic price, if it has become applicable since the card was produced.

Window Cards

- Check daily
- Keep record of checks
- Remove if wrong
- Price must include all non-optional extras of a fixed amount, e.g. TOD charges

Price Indications

The advertising of price indications is one of the most difficult areas to get right and one of the areas that has the potential to get your relationship with your client off to a bad start. No consumer likes to be surprised by additional charges when they come to buy something. Consumers want to have as much information as possible about how much they're going to have to pay for something so that they can make reasonable comparisons between different products. Consumers in the travel industry are no different.

The important thing to remember, therefore, is that your price indications, in whatever form you're advertising, should be as complete and transparent as possible. You can't break out fuel supplements, or extras that the client must pay, from your basic price.

For all advertising, including your brochures and websites, these rules apply:

- i. All fuel supplements and all non-optional costs which are for a fixed amount and which you can pay in advance (not, for example, charges such as departure charges at destination airports which can only be paid by the client at the airport) should be included in the basic advertised price.
- ii. For brochures, where you know that specific non-optional costs might be subject to change while the brochure is still current, details of those specific charges should be prominently stated near to the basic price in a clear and transparent format. You must be able to provide evidence to justify the level of such costs and why such costs might be subject to change and are not of a fixed amount. This doesn't apply to fuel supplements, which must be included in the basic price. This doesn't apply to other forms of advertising and to your website, as you have the ability in those formats to change your basic price to include the current level of these costs.

- iii. You can't change the prices shown in your brochure or on your website unless you specifically and expressly provide within the brochure or website for changes to be made to the prices.
- iv. You must ensure that any changes to the prices shown in your brochure or on your website are made known to clients before a booking is made. You might be asked to provide evidence that this has been done and are advised to ensure that this evidence remains in a durable form, e.g. in writing or as saved messages on booking systems.
- v. Changes to prices after a booking has been made are subject to the booking conditions of the principal concerned and to the Package Travel Regulations. Members should be aware that, in respect of package holidays, there are restrictions on the circumstances in which surcharges can be applied and the amounts that can be surcharged. Full guidance on these matters can be found in our *Business Support Manual*.

Credit Cards

- If you make a charge for the use of credit cards, you must state what it is, in your brochure, in advertising and in your shop, as applicable. This statement must be clear, prominent and easily legible, and in the case of a statement in your shop should be given at the entrance to the shop and wherever the customer can make payment.

Prices

- Basic price must include all non-optional extras of a fixed amount
- Basic price must include fuel supplements
- Brochures only - if the amount of extras may change, you don't need to include them, but you must give clear details near the basic price

Further guidance on advertising requirements can be obtained from the Advertising Standards Authority www.asa.org.uk or from your local Trading Standards Office www.tradingstandards.gov.uk

Warning!

You should be aware that this guidance doesn't bind any other body, including Trading Standards, which might investigate allegations that pricing indications are misleading. In particular, you should be aware that Trading Standards don't consider that changes should be made to the prices shown in a brochure unless they are due to unforeseen circumstances or circumstances beyond the principal's control.

Ultimately it's the courts that will decide whether any specific advertising is illegal. You're advised to seek specific advice if you seek to change the way that you show prices in your advertising.

Financial protection information

All of your advertising, including brochures and websites, must not contain anything misleading about bonding and financial protection. This is a very important area and consumers must be given correct information as to whether they're protected against financial failure. It's a confusing subject and we know that consumers often don't understand when they're protected and when they're not. ABTA Members must give clear, accurate information; it mustn't be left unclear, or unsaid, or down to the consumer's assumption.

If everything you sell is financially protected then you can use wording such as “fully bonded” or similar, but if you sell some unprotected products then you must not make this claim and must accurately describe the financial protection that applies. Members selling unprotected products include principals that have elected not to protect their non-package sales and retailers that sell flight tickets from airlines or accommodation from unbonded bed banks, for example. For those retailers, there is no scheme of protection that covers the clients in the event of supplier failure, therefore they can’t claim “fully bonded”, “fully ABTA bonded” or anything that claims that all of their services are bonded, or similar.

We have prepared a statement that describes financial protection in a general way:

All package and flight-plus holidays sold by our Members are financially protected so that if your travel company fails, you’ll be able to continue your holiday as planned or get your money back.

Many ABTA Members also offer additional financial protection, for example for flights or hotels on their own. You should always check what type of protection is in place if you are booking this type of service by asking your travel provider.

Members should use this, preferably by linking to the Find a Member function on the ABTA website <http://abta.com/go-travel/before-you-travel/find-a-member>. This also gives consumers a summary of the benefits of booking with an ABTA Member.

Some Members will additionally have to make a specific statement about the financial protection they offer, in order to give accurate information and comply with clause 1D. The statements are as follows. They can also be provided to you as a link. These must be clearly stated in a prominent place such as the home page or an “about us” or important information page.

1. Principals that sell some protected and some non-protected products.

“Book with Confidence. We are a member of ABTA which means you have the benefit of ABTA’s assistance and Code of Conduct. We provide financial protection for your money when you buy a package holiday. If you buy other travel arrangements such as accommodation only this protection doesn’t apply.”

2. Principals that don’t protect any of their products.

“We are a member of ABTA which means you have the benefit of ABTA’s assistance and Code of Conduct. The travel arrangements you buy from us aren’t covered by ABTA’s scheme of financial protection.”

For other Members, for example retailers or principals that are fully bonded, a link to the general statement on the Find a Member page will be sufficient. If you do financially protect all of your sales and you would like to use a statement this could be:

“Book with Confidence. We are a fully bonded Member of ABTA which means you have the benefit of ABTA’s assistance and Code of Conduct and your money is protected.”

If you’re a retailer then you mustn’t display any information that contradicts the general statement.

The Code of Conduct Committee is likely to find you in breach of clause 1D if you have inaccurate, or insufficient information about financial protection.

Agency Agreements

Code 1F Members shall, when making available Travel Arrangements to a Client via an Agent, have a written agency agreement with that Agent which:

- authorises the transaction
- contains details of whether the ABTA Member making the Travel Arrangements available is doing so in the capacity of a Principal or an Agent or a sub-Agent; and
- contains details of the arrangements for security for money paid over and, where relevant, for repatriation of the Client in the event of the insolvency of the ABTA Member making the Travel Arrangements available or the insolvency of the actual supplier of the Travel Arrangements.

Where no such security exists this shall be stated in the written agency agreement.

All Members, whether acting as a principal or an agent, that sell travel arrangements through agents must have an agency agreement with that agent, performing the three functions required by the Code.

If you're an ATOL holder selling through agents, then your agency agreement must also contain the terms required by your ATOL Standard Terms.

Suggested wording for inclusion in agency agreements:

1. Sale by principal offering accommodation-only whose products are covered by a scheme of financial protection.

We act as a principal in the sale of these travel arrangements. We authorise you to sell these travel arrangements as our agent. The client's contract for these travel arrangements will be with us.

The monies paid to us for the accommodation are protected by means of a bond held by [name of organisation]/an insurance policy with x [as applicable]. This means that if, in the unlikely event of our insolvency, the accommodation can't be provided, the client will receive their money back or, if their stay has started, arrangements will be made for them to be able to continue as planned.

2. Sale by a principal offering packages and accommodation-only whose accommodation-only products are not covered by a scheme of financial protection.

We act as a principal in the sale of these travel arrangements. We authorise you to sell these travel arrangements as our agent. The client's contract for these travel arrangements will be with us.

We provide financial protection for our package holidays. For packages including flights this protection is provided by the CAA and for other packages it is provided by way of a bond held by [name of organisation] / an insurance policy with [name of insurer]. In the unlikely event of our insolvency, the client will be refunded the money paid for an advance booking, or will be brought home if the holiday has started.

The financial protection arrangements outlined above do not apply to sales of accommodation-only.

3. Sale by a principal offering accommodation-only whose accommodation-only products are not covered by a scheme of financial protection.

We act as a principal in the sale of these travel arrangements. We authorise you to sell these travel arrangements as our agent. The client's contract for these travel arrangements will be with us.

The monies paid to us for these travel arrangements are not covered by any scheme of financial protection.

4. Sale by an agent offering accommodation-only

We act as agent for the suppliers that are providing the travel arrangements. We have authority from the supplier to authorise you, and do authorise you, to sell these travel arrangements as our agent. The client's contract will be with the relevant supplier.

In the unlikely event of our insolvency, the client's contract with the supplier should be unaffected. To protect the client in the unlikely event of the supplier's insolvency, you might wish to offer a suitable insurance product to protect the client's money.

Accessibility

Code 1H Members shall ensure that, in accordance with the Equality Act 2010, they

- make reasonable adjustments to the way they deliver their services so that disabled people can use them, and
- take reasonable steps to tackle physical features of premises that prevent, or make it unreasonably difficult for, disabled people to access their services.

Further information about complying with the Equality Act and providing a service to your clients with disabilities can be found in our guidance note, *Disability: The Equality Act*.

The government site www.direct.gov.uk/disabledpeople and the Equality and Human Rights Commission www.equalityhumanrights.com are also good sources of information.

Please also see ABTA's *Standards on Brochures & Booking Conditions* and *Standards on Websites & Online Trading* in the appendices to this document.

Accessibility

- By welcoming disabled customers you welcome all customers
- Train your staff
- Think whether any of your policies are discriminatory
- Overcome physical barriers, e.g. steps

2. Making the Booking

Code 2B Members shall ensure that satisfactory booking and documentation procedures are followed and, where appropriate, that such procedures are in accordance with the procedures laid down by the Principal.

Code 2C Members shall inform Clients about any arrangements that apply to their booking for the protection of their money.

Code 2E Members shall ensure that their Clients are aware of booking and other published conditions, including Agents' terms of business, applicable to their Travel Arrangements before any contract is made and that all Clients have access to a set of booking conditions in written or other appropriate form.

Provision of Information

As with advertising, most successful holidays start with the provision of clear and accurate information so that the client knows what to expect on holiday and knows what's expected of them. Finding out about complex visa requirements or substantial amendment charges just before departure will invariably result in an unhappy client who'll then be more difficult to please throughout the holiday.

Specific matters that you should deal with during the booking process are:

1. Financial Protection

There are many different ways that your clients can buy holidays and travel arrangements today. So, it's very important that they understand whether or not the money that they've paid is safe if the travel company that they've dealt with goes out of business. There are a number of different ways that they can get this protection, but not all travel arrangements are covered so you should always inform your clients correctly on what applies. These guidelines should help you inform your clients.

The Law

There are two statutory schemes that exist to protect your clients' money and to ensure that they'll be brought home if their travel company goes out of business. These schemes apply to package holidays, Flight-Plus holidays and to some flight-only arrangements.

There's no legal requirement that flights or Flight-Plus holidays bought direct from an airline, or accommodation-only sales, are protected.

Package Holidays

The Package Travel, Package Holidays and Package Tour Regulations 1992 are overseen by the Government's Department for Business, Innovation & Skills (BIS) www.bis.gov.uk. These Regulations require organisers of package holidays to provide protection for clients' money and to bring them home if necessary.

A package holiday is a holiday that consists of two or more elements, e.g. transport and accommodation, that are sold as a package at an inclusive price.

If a client books a package holiday that includes a flight, then their money must be protected under the ATOL scheme. This is operated by the Civil Aviation Authority (CAA) www.caa.co.uk. If they book a package holiday that doesn't include a flight, then their money will be protected either by way of a bond held by a trade association, e.g. ABTA, or by way of an insurance policy, or by placing their money into a trust account.

Flight-Plus Holidays and Flight-Only Arrangements

The Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012 are overseen by the Civil Aviation Authority (CAA). They require tour operators and travel agents who sell Flight-Plus holidays, and tour operators who sell flight-only arrangements to hold ATOL licences and to provide protection for clients' money and to bring them home if necessary.

Flight-Plus holidays are holidays that are not package holidays, that consist of a flight out of the UK along with accommodation and/or car hire outside the UK to be used with the flight. The sale of a flight-based package holiday along with a separate accommodation or car hire is also a Flight-Plus. The accommodation or car hire must have been requested by the consumer on the same day as the flight, or the day before, or the day after.

This protection doesn't apply to flights or Flight-Plus holidays that are bought directly from an airline. It also doesn't apply where a flight is bought from a travel agent and the agent issues a ticket immediately as agent for the airline.

Voluntary Schemes

Some travel companies offer protection for clients' money voluntarily. For example, accommodation-only providers may offer protection although there's no legal requirement for them to do so.

This protection may be provided by way of a bond held by a trade association, e.g. ABTA, or by way of an insurance policy or by placing the money into a trust account.

2. Booking Conditions

Clients must be made aware of the booking conditions and terms of business that apply to their travel arrangements. If they aren't, you or the principal may not be able to rely on those conditions in the event of problems later on. This may result in relatively minor matters, such as being unable to impose cancellation and amendment charges, to more serious matters such as being unable to rely on exclusion or limitation clauses when dealing with personal injury claims.

For further information about what must be included in your booking conditions please see Appendix 1: *Standards on Brochures & Booking Conditions*.

If you're an agent and you have your own terms of business covering matters such as service fees and administration charges if a client cancels, these must also be provided to clients before a booking's made. They need to state clearly the amount of, or the basis for calculating, any amendment or cancellation fees that a client might incur. A failure to bring your own conditions to the attention of your clients could be considered under clause 2E of the Code. Model *Agency Terms of Business* for Members are on our website.

3. Information Specific to the Travel Arrangements

The following details should be given to the client before a contract's made if relevant to the particular travel arrangements:

- i. The travel destination(s) and, where periods of stay are involved, the relevant periods, with dates.
- ii. The means, characteristics and categories of transport to be used and the dates, times and points of departure and return.
- iii. Where the travel arrangements include accommodation, its location, its tourist category or degree of comfort.
- iv. The meals that are included in the travel arrangements.
- v. The itinerary.
- vi. Visits, excursions or other services which are included in the total price of the travel arrangements.
- vii. The price of the travel arrangements; if the price may be revised in accordance with any contract term; an indication of the possibility of such price revisions; and an indication of any dues, taxes or fees chargeable for certain services where such costs aren't included in the price of the travel arrangements.
- viii. The payment schedule and method of payment.
- ix. The possibility of the consumer cancelling or amending the booking and the method of so doing and the costs involved to the consumer.

Data Protection

Code 2D Members shall comply with relevant data protection requirements and ensure that they have in place an effective policy for protecting the privacy of Clients, which shall be available to Clients.

When you make a booking you'll be taking details from clients and keeping them in your files. It's likely that the information that you hold will come under the scope of the Data Protection Act 1998. Further information about your obligations under the Act can be obtained from the Information Commissioner www.ico.gov.uk.

There are a number of checks that you can make to ensure that you comply with the requirements of this Act:

1. Your collection and use of personal information from clients must be fair and lawful. This normally means that, at the point you collect their personal details, you tell clients what the details will be used for and to whom they'll be passed.
2. You must take responsibility for all personal information held and used and ensure that appropriate security measures are in place to protect client information.
3. You should have a clear, prominent statement available to clients before any information is collected explaining what type of information is required and as far as possible by whom. Model statements are available to Members from ABTA.
4. Your clients should be given the right to opt out of future marketing approaches at the time of information collection.
5. Your databases should be kept up to date and information should be held only as long as is necessary for the purposes for which it was collected.
6. Your clients must be given access, on request, to information held about them, and incorrect information must be amended or deleted without delay. Clients must be clearly informed of their rights in this respect.
7. You shouldn't seek to obtain information from persons under the age of 14 years without first securing parental consent.

Health Requirements

Code 2F Members shall, before a contract is made, inform their Clients of health requirements that are compulsory for the journeys to be undertaken. Members must also advise Clients travelling abroad to check recommended practice with their GP, practice nurse or travel health clinic.

Make sure that your clients are made aware of compulsory vaccinations etc. You should also advise clients to seek advice on recommended vaccinations and precautions from a health professional - either a GP, a practice nurse, a pharmacist or a travel health clinic - ideally at least eight weeks before departure. Further travel health advice can be found on www.fitfortravel.scot.nhs.uk and www.nathnac.org/ and information on how to get medical treatment abroad, and how to get reduced-cost and sometimes free medical treatment in Europe, can be found in the NHS leaflet Health Advice for Travellers.

Passport and Visa Information

Code 2G Members shall, before a contract is made, advise their Clients of passport, visa and other entry and transit requirements for the journeys to be undertaken where it is reasonably practicable for the Members to obtain this information. In other cases, Members shall offer Clients reasonable assistance in obtaining such information.

If a client doesn't have the right passport or visa, they won't be going on their holiday. This will immediately give rise to a complaint and a demand for compensation.

The passport and visa requirements for specific countries can be complex and subject to change at short notice. You aren't, therefore, expected to have an encyclopaedic knowledge of these things. Neither are you expected to delve into the history and background of your client to determine whether your client will be able to get a visa or to travel visa-free. These are matters for the relevant embassy or consulate.

You are, however, expected to give general information about these matters and to be able to point the client in the right direction to allow them to get full information.

More detailed information, including what you need to advise regarding travel to the USA and the ESTA scheme, can be found in our guidance note *Passports & Visas*.

Passport and Visa

- Give correct general information
- If the information's generally available and it's reasonable that you know about it, you'll be expected to tell the client
- Ask what type of passports they hold
- Tell them how to find out more from the relevant embassy

Foreign & Commonwealth Office (FCO) Advice

Code 2H Members shall, before a contract is made, advise their Clients of the availability of any advice issued by the Foreign & Commonwealth Office. This can be viewed at www.gov.uk/knowbeforeyougo.

The FCO provides advice about most destinations around the world. Much of this advice is of a general nature to help travellers avoid problems; some of it's very specific relating to specific issues at the destination. You should make sure that your client knows how to get this information, generally by going to www.gov.uk/knowbeforeyougo. Advice on what to do if the FCO advises against travel to a destination can be found in our guidance note *Foreign & Commonwealth (FCO) Advice*.

Building Works

Code 2I Members shall ensure that all prospective Clients are alerted to any building works which may reasonably be considered to seriously impair the enjoyment of Travel Arrangements and provide them with accurate information about the extent of the building works.

Not all building works are within the scope of the Code of Conduct. There'll always be minor refurbishment and maintenance being carried out at properties and most of these won't affect the client's holiday. There's no requirement under the Code of Conduct to notify clients of works like these.

However, where the works are likely to seriously impair the client's enjoyment of the holiday, they should be told about them before the holiday's booked. You should provide them with accurate information about the building works so that the client's able to decide whether or not to continue with the booking.

You should ensure that you have systems in place to find out about building works. For retailers this will generally mean that you should check any errata or system notes placed by the principal. For principals it'll mean having adequate processes in place to ensure that you're notified by the properties or by your resort staff of any building works that are being carried out and their likely impact on your clients' holidays.

Building works

- If serious, client must be informed
- Agents - check errata or system notes
- Includes building work around or near the accommodation

It should be remembered that it's not only building works within the property that can affect the client. Building works in adjoining properties or to adjacent streets can also seriously impair a client's holiday. The fact that you or your supplier has no control over these works doesn't mean that clients shouldn't be notified of them.

Travel Insurance

Code 2J Members shall, before a contract is made, draw their Clients' attention to the advisability of obtaining travel insurance.

You should always make clients aware that it's important that they purchase travel insurance to protect themselves against the need to cancel the holiday in certain circumstances and to provide assistance if they're injured or ill at their destination.

In fact, package holiday organisers are required under the Package Travel Regulations to provide the consumer, in good time before the start of the journey, with information about an insurance policy they can take out if they wish, to cover the risk of cancellation and assistance, including repatriation, in the event of accident or illness (Regulation 8).

Whether or not you can sell your client such insurance is dependent upon whether you're properly authorised to do so. Selling or advising on travel insurance is an activity regulated by the Financial Conduct Authority (FCA). There is more information on the ways in which you can be authorised and other options open to you in the Guidance Note on our website *Regulation of the Sale of Connected Travel Insurance*.

In brief, in order to sell or advise on travel insurance, you need to be authorised by the FCA, or be appointed as a representative of an authorised firm. If you aren't in either of these categories then all you are permitted to do is give general advice such as telling your clients that they should take out adequate insurance cover, and provide leaflets for insurance providers. You mustn't go further and make recommendations about specific policies or specific clients' needs.

You should also be aware that selling a holiday which includes non-optional insurance is also a regulated activity and this may mean that, unless you're authorised, you may not sell that holiday.

Further details about FCA regulation can be obtained at www.fca.org.uk.

Code 2K Members shall ensure that any insurance policy issued to a Client is appropriate for the Client's requirements in relation to the nature of travel booked and any hazardous activities that may be undertaken that are known to the Member.

For example, if you book a client onto a skiing holiday you must ensure that the insurance covers all the activities that the client's likely to carry out on that holiday. If the policy doesn't cover certain activities that the client might expect to be covered you should make sure that this is brought to the attention of the client, preferably in writing.

Code 2M Members shall ensure that Clients are given, without delay, a document showing the effective start date of cover, the premium paid and the insurance company's name, address and reference number. Principals should provide full written details of cover with the confirmation invoice, or where there is insufficient time to issue a confirmation, provide this to Clients with tickets and documentation provided at the point of departure.

Principals are responsible for this where the insurance is arranged through them. However if agents are selling a policy to a client that isn't arranged through the principal, then the agent must provide the documents. Agents should work on the basis that carrying this out within 48 hours of the booking would usually be what's necessary to satisfy without delay.

Where a client's insured under a master policy held by the principal under which cover is provided as soon as a confirmation invoice is issued, then the confirmation invoice will provide evidence of cover. Where the effective start date of cover is other than the date of issue of the confirmation invoice, this must be clearly indicated in writing to the client.

Written details of cover and claims procedures including an emergency contact number shall normally be given to clients prior to departure.

If the client doesn't take the insurance offered by the retailer or the principal, the details of the client's insurance policy should be obtained and passed onto the principal to assist in the event of any difficulties at the destination.

If the client refuses to take insurance and refuses to provide details of an alternative policy, the client should be asked to sign a statement to the effect that they've been made aware of the availability of travel insurance and have chosen to make their own arrangements or to travel without insurance.

If a principal requires that clients are covered by an insurance policy, retailers must ensure that they provide details of the client's policy to the principal. If the client refuses to take out insurance or refuses to disclose details, the retailer must inform the principal before the booking is confirmed to seek instructions as to whether or not to make the booking.

Documentary Requirements

Code 2Q Members shall issue and pass on the correct receipts, confirmations, tickets and other relevant documents relating to the Travel Arrangements booked as soon as reasonably practicable. Tickets, unless required to be sent out immediately, must be with Clients a reasonable time before departure.

The following information will help you to issue the correct documents for your Clients. You need to issue these as soon as reasonably practicable, however note that there are legal requirements for ATOL bookings. Agents and ATOL holders need to ensure that clients are provided with the correct ATOL Certificates immediately that payment is made and ATOL holders selling package holidays need to ensure that clients receive a Confirmation within three days.

The Code of Conduct Committee will have these limits in mind when assessing whether a Member has complied with the Code.

1. Agents

Receipts

Agents should always issue to the client a receipt for the travel arrangements sold, showing your full corporate name and address, the name of the principal that's providing the travel arrangements, a statement that you act as agent for that principal, and the amount paid for those travel arrangements.

Remember also that it's an ABTA requirement that your receipt contains the statement:

Important Notice. This is an important document. You should retain this as you will need it if your travel arrangements are protected under a scheme of financial protection and you need to make a claim.

If you're acting as agent for more than one principal, you should ensure that you issue to the client a separate receipt for each of the travel arrangements sold.

If you're selling ATOL protected products, then your receipt needs to:

- State the name and ATOL number of the ATOL holder;
- Identify which part of the money taken is protected by the principal ATOL holder's ATOL and which, if any, is not;
- Contain this statement:

"Your Financial Protection

When you buy an ATOL protected flight or flight inclusive holiday from us you will receive an ATOL Certificate. This lists what is financially protected, where you can get information on what this means for you and who to contact if things go wrong."

If you're selling flights which aren't ATOL protected you need to make this clear on your receipt; see Airline Ticket Agent and Using the Client's Credit or Debit Card, below.

Principals' documents

Agents must also pass on to the client any documentation from the principal. You shouldn't materially alter, amend, or delete any part of any principal's documentation or fail to pass on any documentation from a principal intended for the client.

ATOL Certificates

When you act as agent for an ATOL holder, or sell a Flight-Plus under your own ATOL, you must issue to the client an ATOL Certificate immediately you accept payment. You must issue the correct Certificate: package, Flight-Plus or flight only.

If you're selling a Flight-Plus you will issue your own Certificate. If not, you will issue the ATOL holder's Certificate. Check with the ATOL holder if you are to create it, or if they will create it and send it to you. This is likely to be set out in your agency agreement, too.

The Certificate must be handed to the client if they're present or, if not, immediately emailed to them (or immediately sent by equivalent electronic means). In the case of a client that books by phone, the Certificate must be immediately emailed or posted to them.

The ATOL Certificate must be in the format set out in Section 1.3 of the CAA's Official Record Series 3 at www.caa.co.uk/ORS3. The content must be completed as required. The specific format includes the yellow background. However, if the document is being distributed in hard copy, these may be supplied in black and white.

Much more information on completing the Certificate is available from the CAA, go to www.atol.org.uk/atolreform

Airline Ticket Agent

Where you act as an Airline Ticket Agent, you don't issue an ATOL Certificate. (An Airline Ticket Agent is, broadly, an agent authorised by IATA, or by an agency agreement from the airline, to issue tickets. For more

information on the definition of an Airline Ticket Agent, see the ABTA Business Support Manual section 1.6 Financial Protection).

You must, when you take payment from the client, give them the ticket or e-ticket details. This must be handed to the client if they're present or, if not, sent to them electronically immediately. If the client has booked over the phone, the ticket or e-ticket can be posted to them immediately.

Your receipt must state:

"This flight is sold as Agent of the Airline(s) named on the ticket and is not protected under the ATOL scheme."

Using the client's credit or debit card

If you fall within this exemption from ATOL, where you sell a seat-only by using the client's card direct with the airline and the airline immediately issues a confirmed ticket, your receipt must state:

"This sale is not protected under the ATOL scheme." You don't issue an ATOL Certificate.

For more information on this exemption, which doesn't apply to all airlines or to Flight-Plus sales, see the ABTA Business Support Manual section 1.6 Financial Protection.

2. Principals

Confirmations

Principals should always issue to the client a confirmation document showing your full corporate name and address and the amount paid for the travel arrangements. This should reach the client within a reasonable time frame. Your confirmation is likely to be important in forming a contract with your client.

Remember also that it's an ABTA requirement that your confirmation contains the statement:

Important Notice. This is an important document. You should retain this as you will need it if your travel arrangements are protected under a scheme of financial protection and you need to make a claim.

When you sell an ATOL product, your confirmation must show your name and ATOL number and carry the following statement:

"Your Financial Protection

When you buy an ATOL protected flight or flight inclusive holiday from us you will receive an ATOL Certificate. This lists what is financially protected, where you can get information on what this means for you and who to contact if things go wrong."

ATOL Package Holiday Confirmations

When you sell a package holiday under your ATOL you must make sure that you issue an ATOL package confirmation containing the correct information. This must be received by the client within 3 days of them making payment. (If an agent takes a booking for a package on your behalf, you must issue an ATOL package confirmation to the agent and the agent must pass it to the client, within this 3 days.)

Your ATOL package confirmation must contain:

- Lead name
- Flight times
- Flight numbers
- Departure and arrival airports
- Name of air carrier (i.e. airline)
- Name and location of accommodation

- Other ground arrangements e.g. car hire, transfer, tours, entrance tickets
- Total price of package
- The unique reference number of the relevant ATOL Certificate

If any of the information on the 'Confirmation' changes, the ATOL holder must produce a revised Confirmation which must be received by the consumer as soon as possible. The Confirmation must make it clear that it is a revised Confirmation.

ATOL Certificates

ATOL holders must issue to the client an ATOL Certificate immediately you accept payment. You must issue the correct Certificate: package, Flight-Plus or flight only.

If you're selling through an agent then they must give the Certificate to the client. You'll need to decide if you're going to create it, or if you'll allow the agent to create it on your behalf.

The Certificate must be handed to the client if they're present or, if not, immediately emailed to them (or immediately sent by equivalent electronic means). In the case of a client that books by phone, the Certificate must be immediately emailed or posted to them.

The ATOL Certificate must be in the format set out in Section 1.3 of the CAA's Official Record Series 3 at www.caa.co.uk/ORS3. The content must be completed as required. The specific format includes the yellow background. However, if the document is being distributed in hard copy, these may be supplied in black and white.

Much more information on completing and distributing the Certificate, and templates for the Certificate, is available from the CAA, go to www.atol.org.uk/atolreform

Tickets

You should pass tickets, or e-ticket details as appropriate, on to the agent without delay to enable them to pass these to the client a reasonable period before departure. If a client has booked direct with you, you should pass on tickets or e-ticket details a reasonable period before departure.

The Code of Conduct Committee would normally regard a period of more than 14 days before departure to be sufficient time to send tickets and relevant documents to the agent or client.

Disabilities and Special Requests

Ensure that a written note is made of any special requests, including those relating to disabilities or medical conditions and, where appropriate, that these are passed on to principals. ABTA has devised a checklist for disabled and less mobile passengers, which is available on our website.

Airlines banned from operating in EU airspace

Code 2R Members shall ensure that before they sell Travel Arrangements to a Client that includes a flight on an airline that is on the European Commission's list of airlines banned in the EU, inform the Client that the airline is on that list.

The EU maintains a list of airlines that are banned from operating in the EU due to safety concerns. It is available online at http://ec.europa.eu/transport/modes/air/safety/air-ban/index_en.htm

These airlines don't fly within the EU, but they do fly outside it e.g. internal flights in Nepal.

Clients should be told at the time of booking if any of the airlines they'll be flying on is on the list, so they can make an informed choice whether to proceed.

Tour operators that organise Travel Arrangements that include such airlines should provide this information to Clients. Agents should ensure that they draw their Clients' attention to the tour operators' information, or if they put together itineraries themselves that include banned airlines they should ensure that they check the list and tell the Client.

If the airline isn't known at the time of booking, the Client should be given the information when the airline name is known.

Members are reminded that there are additionally current legal obligations from the EU Regulation on the Identity of the Operating Carrier:

Travel agents and tour operators must tell their Clients:

- the name of the airline(s) they'll be flying on and
- the fact that there is an EU blacklist they can check.

And tour operators must offer their Clients the right of reimbursement or re-routing if:

- the airline is, after booking, entered onto the blacklist; or
- the airline, after booking, is replaced with one that is on the blacklist.

3. Between Booking and Travel

Changes to the Booking

Once a booking has been made changes may be made to it by the client or the principal. It's important that both parties understand the impact of any changes so that no misunderstandings arise. It's at this stage that the importance of correct and clear information prior to booking can become apparent.

Changes by the Principal

It's important to distinguish between changes that might be considered minor changes and those which might be considered major or significant changes or, even, a cancellation.

Where a change is a minor change you should notify your clients but there's no requirement under the Code of Conduct for you to offer any alternative arrangements, refunds or compensation.

Where a change is a significant change or a cancellation of the booking, however, there are rules that must be followed in order to comply with the Code of Conduct.

Code 3A Members shall not cancel Travel Arrangements after the balance due date unless it is necessary to do so as a result of Force Majeure, or unless the Client defaults in payment of the balance.

Code 3D Members shall not make a significant alteration to Travel Arrangements less than 14 days before the departure date of the Travel Arrangements unless it is necessary to do so as a result of Force Majeure.

If you're a principal you shouldn't cancel travel arrangements after the balance due date. You shouldn't make a significant change to the booking less than 14 days before the date of departure.

If you make a significant change to a booking or cancel a booking you must offer clients a choice of an alternative comparable holiday (if available) or their money back. This must be a genuine choice. You shouldn't offer an alternative holiday first and then, only if the client complains, agree to a refund.

In terms of the alternative that you need to offer, the following guidelines may be helpful. You need to offer an alternative of equivalent quality, i.e. closely similar standard and price if you're able to. This should be at no extra cost to the client. If you can't, then offer an alternative of higher quality if you're able to. Again you shouldn't ask the client to pay more for this. However you aren't obliged to offer a holiday that's so far superior as not to be a genuine substitute. If you can't then you can offer a replacement of a lower quality. You need to refund the client the difference in cost if the client takes this alternative.

Unless the reason for the significant change to the booking or the cancellation of the booking is circumstances that would amount to force majeure, you must also offer clients compensation if they're notified of the significant change or cancellation after the balance due date.

What is a Significant Change or a Cancellation?

The above rules don't apply to all changes, only to significant changes and cancellations. It's sometimes difficult to decide whether a change is a significant change or a cancellation or whether it's simply a minor change. The distinction is, however, very important.

When considering whether travel arrangements have been significantly changed or cancelled you must look at all the circumstances of the particular case. It's possible to draw up some guidelines and these are set out below but you must remember that they might not be appropriate for all cases and other changes may also be considered cancellations or significant changes.

The Code of Conduct Committee will decide each case on an individual basis and might consider specific circumstances to amount to a significant change or a cancellation where, in a different case with different facts, those same circumstances might be considered a minor change.

Cancellation

The Code of Conduct Committee is likely to regard a tour, holiday or other travel arrangement as having been cancelled if it's changed in such a way that the revised arrangements amount to the substitution of an entirely different tour, holiday or travel arrangements.

The Committee will normally regard the following as examples of changes amounting to cancellations, which therefore can't be made after the date when payment of the balance price becomes due:

- a change of resort to one in a different country;
- a change in type of accommodation so that the holiday is fundamentally altered in nature;
- a change of flight time or delay of flight of more than 24 hours (in respect of a 14 day duration. A change of flight time less than 24 hours may still be regarded as a cancellation in respect of a lesser duration);
- a change of itinerary omitting a main advertised place or event;
- increased cost other than surcharges levied in accordance with the Code.

Significant Change

The Code of Conduct Committee is likely to regard a tour, holiday or other travel arrangement as having been significantly changed if it's changed in such a way that the revised arrangements, although not amounting to a cancellation, nevertheless involve the client receiving travel arrangements that can't reasonably be considered the same as those initially booked.

The Committee will normally regard the following as examples of changes amounting to significant changes, which therefore cannot be made during the last 14 days before departure:

- a change of resort;
- a change of accommodation to that of a lower category and/or price;
- a change of flight time or delay of flight of more than 12 hours (in respect of a 14 day duration. A change of flight time less than 12 hours may still be regarded as a significant change in respect of a lesser duration) or involving a reduction in time spent at the resort which is significant in relation to the length of the holiday (see note below);
- a change of airport that's inconvenient to the client.

Note regarding changes to flight times:

- (i) For holidays of fewer than 14 days, a change of less than 12 hours can still be a significant change. As the guidance states above, cases need to be considered on an individual basis. This is true even if the Member's

booking conditions state that a significant change is a change of more than 12 hours. The Committee will consider not just the number of hours by which the flight time has changed. A change of 5 hours is unlikely to be significant if it moves the flight from 8am to 1pm, but may well be significant if it moves it from 10am to 5am. The case as a whole should be considered and other factors must be taken into account, such as whether the flight has changed from a day to a night departure; whether the flight time has become more inconvenient in another way e.g. very early check-in or very late arrival in resort; whether the client would be forced to take additional time off work at the start or end of the holiday; whether the client will be put to additional expense e.g. the check-in is now very early in the morning and they have to stay in an airport hotel overnight; and whether the client has to change their planned travel to the airport as a result of the change. The length of the holiday is also very important because if there's a loss of time spent in resort that is significant in relation to the length of the holiday then it will be a significant change, as made clear in the bullet points above.

- (ii) In respect of flight delays on the day of departure, if the delay is long enough to mean a significant change to the travel arrangements, then clients are entitled to have a refund. Members aren't obliged to pro-actively offer a refund to clients waiting at the airport, but if a client requests it this should be granted by the Member. The Code of Conduct Committee is likely to regard a Member as in breach of clause 3E if a full refund is not provided when requested by a client. The refund should be provided in line with the time limits set out in clause 6H of the Code of Conduct.

Overbooking

Code 3H Members shall take all reasonable steps to ensure that Travel Arrangements are not cancelled or altered as a result of overbooking.

If travel arrangements are overbooked and you, as the principal, know this before the departure of the affected clients, you should immediately inform those clients.

Where travel arrangements are cancelled or altered as a result of overbooking the onus is on the principal to show that the overbooking in question occurred for reasons beyond their control.

Where a principal can show that an overbooking has occurred for reasons beyond their control and which they couldn't have prevented, they're unlikely to be held in breach of this part of the Code of Conduct. Depending on the result of the overbooking, however, the principal may be in breach of the provisions relating to significant changes or cancellations if, for example, the overbooking resulted in a significant change to the booking within 14 days of departure.

Overbooking

- If your supplier is to blame, provide evidence of this
- Even if your supplier is to blame, if the overbooking causes a significant change or cancellation, you must follow 3A, B, D, E and F of the Code

4. After Departure

Changes after Departure

Code 4A Members shall, where they make a significant alteration to or cancel a contract for Travel Arrangements after departure, ensure that suitable alternative arrangements are made at no extra cost to Clients.

The action to be taken if changes are made to travel arrangements once the client has departed will depend largely on the type of travel arrangements and the changes made to them. It should be remembered as well that it's only changes to the actual travel arrangements that the principal has agreed to provide under the contract that are relevant. If changes occur to other services that the principal didn't agree to provide under its contract with the client then these are not relevant for the purposes of the Code of Conduct, even if they have a knock-on effect on those services.

As with changes before departure, a distinction must be made between changes of a minor nature and those of a significant nature or those that might amount to a cancellation of the travel arrangements originally booked.

Clients should be notified of changes of a minor nature but Members aren't required to offer any other specific assistance.

If changes are significant or amount to a cancellation, however, Members will be required to make suitable alternative arrangements at no extra cost to the client. If the travel arrangements constituted a package holiday that included transport, then if suitable arrangements can't be made or the client rejects these for good reason, the principal will have to take the client back to the point of departure of the package.

Code 4C Members shall where appropriate compensate Clients.

Compensation can also be due - if the client is returned home, compensation will be due for the part of the holiday that was lost. If the client continues with alternative arrangements, compensation will be due for the difference between the services originally booked and the services received. However, compensation is never due when the change or cancellation arose as a result of circumstances amounting to *force majeure*.

One particular situation is noteworthy: if there is a problem with the return flight, for example industrial action at the airport or unexpected bad weather, then the tour operator isn't obliged to pay for the additional days that the client must stay in the destination. The holiday is at an end and the only remaining part of the contract is the return flight. The tour operator must ensure that this is provided, but the client will be responsible to cover the cost of accommodation until they can fly home.

5. Communications between Members and Consumers and ABTA

Communications with Clients

Code 5B Members shall deal with all correspondence with Clients as promptly as possible and, in any event, within the following time limits:

- (i) an acknowledgement shall be sent not later than 14 days from the date of receipt of correspondence and
- (ii) a detailed reply, or a reply containing a detailed explanation for any delay, shall be sent not later than 28 days from the date of receipt of correspondence.

Very often, complaints from consumers can be resolved very quickly and amicably where you respond promptly to the complaint. On the other hand, complaints which might start out as relatively minor can escalate if the client feels that they're being ignored or that their complaint isn't being dealt with properly.

The time limits in the Code of Conduct for responding to correspondence from clients should be adequate to allow you to investigate the complaint properly and to provide a full response. Most Members will be able to respond much more quickly.

If you can't provide a full response within those time limits because, for example, you have to get reports from resort, you should let the client know and explain what's happening. Again, nothing's more likely to escalate a minor problem into a major complaint than a client who feels that they're being ignored.

After you've written to the client to explain the delay, you must send a full response as soon as possible after that. Once you go over 28 days without providing a full response, you're in breach of the Code and should act quickly to avoid a possible sanction.

Many times you'll deal with communications by telephone and, if so, you should ensure that you keep a written record of the conversation as this may be needed later if the contents of the conversation, or the fact that the conversation took place, become disputed.

Where a transaction has taken place online you must accept online complaints from the client.

The requirements in the Code of Conduct apply to both pre- and post- departure correspondence.

Correspondence

- 14 days for acknowledgment
- 28 days for full reply
- If you have good reason why you can't reply in 28 days, explain to client
- Keep notes if you deal with a complaint on the phone
- Remember to answer pre-departure letters too

ABTA Arbitration Scheme

Code 5F Members shall allow any dispute arising out of an alleged breach of contract or negligence by them to be referred to the arbitration scheme arranged by the Board of Directors. It shall be subject to such time, financial and other restrictions as from time to time shall apply.

Code 5G Members shall comply with the terms, rules and regulations of the Arbitration Scheme referred to in clause F above.

All consumers have the right to bring a claim against an ABTA Member under the ABTA Arbitration Scheme if that claim fits the rules of the Scheme.

The arbitration scheme is accessed through ABTA's approved Alternative Dispute Resolution (ADR) process. Clients must be made aware that, if they can't resolve their complaint with you, they can go to www.abta.com to use ABTA's ADR. ABTA's Business Support Manual contains a suggested clause for booking conditions.

The Arbitration Scheme doesn't apply to claims for an amount greater than £5,000 per person or £25,000 per booking form, or claims that are solely in respect of physical injury or illness. The deadline for clients to apply for arbitration is 18 months after the return from holiday.

A client can only start arbitration after using ABTA's ADR process to try to resolve the complaint. ABTA Customer Support will send the client a pre-arbitration notice, which the client must complete and send to you. You have 14 days to see if you can settle the claim. If it isn't settled, the client can start arbitration.

If an arbitration goes ahead, you must comply with the rules of the Scheme and, in particular, you must return arbitration forms to ABTA within 28 days of receipt. You must also pay your fee for arbitration when invoiced for this by the arbitration provider.

If an arbitrator makes an award against you, this must be paid within 21 days, even if you don't agree with the award.

The Scheme provides a right for either party to have the arbitrator's decision reviewed and details are set out in the rules of the Scheme.

More information is available at www.abta.com

Arbitration

- Claimant normally has 18 months to bring a claim
- You must respond to a claim within 28 days
- Any award made must be paid within 21 days

Communications with ABTA

ABTA may contact you for a number of reasons. If the contact requires a response then you'll usually be asked to respond within a certain period of time. This period of time may vary depending upon the issue at hand. For example, the Financial Monitoring Department may contact you on a matter to do with your finances or bonding. This correspondence is likely to require an urgent response and may carry a penalty if it isn't responded to promptly.

6. General Conduct

Fair Trading and Disrepute

Code 6B Members shall trade fairly; and responsibly; and not conduct their business in any manner that would bring ABTA or its Members into disrepute.

While the Code of Conduct Committee will consider each case on its own merits, it might be useful to note the guidance on the meaning of trading fairly issued by The Office of Fair Trading in the context of the Consumer Protection from Unfair Trading Regulations. Examples of key concepts are that businesses must:

- live up to the standard expected of them by a reasonable person, and
- not lead a consumer to take a different decision, to buy or not buy a product or service, because they haven't been provided with accurate or full information.

Members therefore must be very careful to avoid providing consumers with inaccurate or incomplete information when seeking to attract business or compete with other companies.

Client Refunds

Code 6H Members shall apply for and forward to clients any applicable refund without delay.

The Code of Conduct Committee would normally regard a period of 10 days to dispatch a refund as being acceptable, unless there are good reasons why this can't be achieved. If the refund will be dispatched in the next monthly reconciliation, that will be fine. It shouldn't take more than 30 days to send out a refund.

Liability Insurance

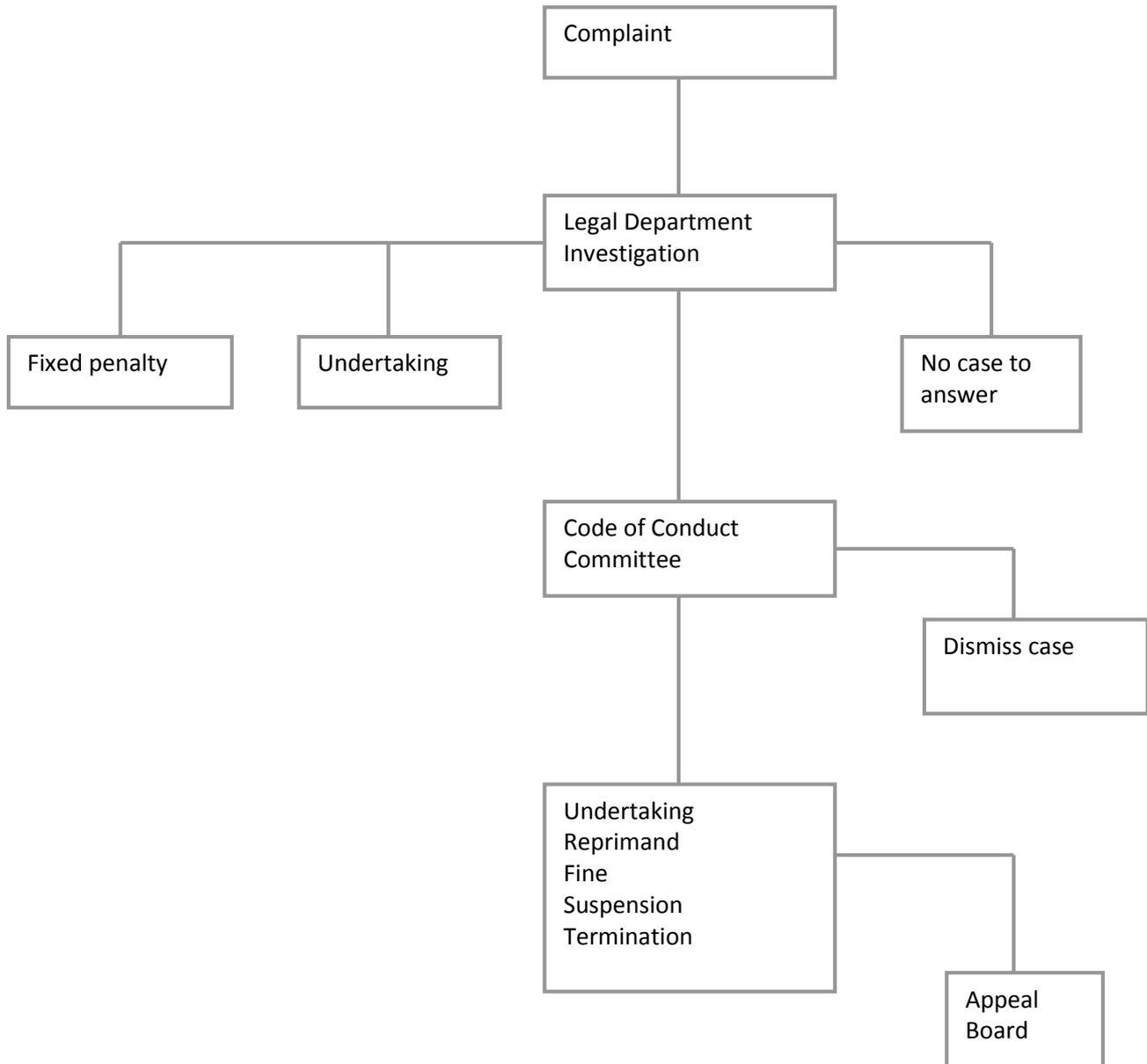
Code 6I Members shall, if they are Principals, ensure that they obtain liability insurance to cover claims made by clients. They shall ensure that evidence that liability insurance has been obtained is supplied to ABTA within 28 days of the commencement of such insurance policy by either completing the Liability Insurance Notification form or by confirmation from their insurance broker. Acceptance by ABTA of such evidence is not an acceptance by ABTA of the adequacy of such insurance.

You're a Principal if you enter into contracts with clients, or hold yourself out as being able to enter into contracts with clients.

In addition, you will be deemed to be a Principal if you have declared principal business to ABTA and have a principal ABTA number.

It is very important that you're covered in respect of claims that your clients might make against you, for example for injury, which could be sizeable.

7. Investigation Procedure



This document is intended as a guide only and can't be a substitute for specific advice.

Appendix 1: Standards on Brochures and Booking Conditions

These Standards on Brochures and Booking Conditions form part of ABTA's Code of Conduct.

They have been produced to assist you when preparing for the publication of your Brochure.

Clause 1B of the Code of Conduct requires you to ensure that your Brochure and Booking Conditions comply with these Standards.

Every Brochure you publish shall contain clear, legible, comprehensive and accurate information to enable the Client to exercise an informed judgement in making their choice of Travel Arrangements. The Brochure must contain, as a minimum, the information detailed in these Standards.

You should have processes in place to ensure that any brochure descriptions given are accurate and up to date. You're less likely to be found to be in breach of this Code of Conduct if you can show that you had good procedures in place.

You can obtain further advice on specific cases from ABTA.

Contents

	Page
Brochure Content	30
Booking Conditions	33

Brochure Content

Legal Identity

You must show your correct legal identity in your Brochure as follows:

- For limited companies and limited liability partnerships, the full corporate name including the registered company number and registered address.
- For partnerships, a list of the partners.
- For sole traders, the sole trader's name.

Publication Date & Brochure Edition

The month and year of publication must be printed in the Brochure. The Brochure edition must be clearly indicated on the front cover of the Brochure.

ABTA Information

Your Brochure must include:

- The current ABTA logo and your ABTA number
- The ABTA statement:

[Your name] is a Member of ABTA. When you book with an ABTA Member you can expect high service standards, fair terms of trading and accurate information. ABTA's strict joining criteria for Members, code of conduct, customer helpline and approved ADR scheme to resolve complaints are all there to give you confidence and peace of mind when booking your travel arrangements. For more information see www.abta.com

If your brochure features products offered by non-ABTA Members, please also use:

The above applies to the services offered by [your name] and does not apply to any services supplied by [other company's name] or any other company.

Booking Methods

ABTA recommends that where the majority of Travel Arrangements advertised in a Brochure are sold through Agents, and if there is any reference to making bookings direct with the Principal, similar prominence should be given to information about making bookings through ABTA Agent Members.

Changes to Brochure Detail

The Package Travel Regulations 1992 make the particulars contained within a Brochure binding upon the Principal unless the Brochure contains a clear, express statement that changes may be made to the particulars within that Brochure at any time after publication.

You may therefore wish to reserve the right to make such changes after publication, subject to complying with the rest of the requirements of this Code concerning changes or cancellation to existing Clients' holiday arrangements.

Data Protection

Your Brochure must show your Privacy Policy. This must state what the personal details you collect from Clients will be used for and to whom they will be passed. Where the details might be passed on for marketing purposes, Clients should be able to opt out. Clients must be told of their right to see the information that you hold on them. See *Guidance on the Application of the Code of Conduct* for further information.

Accessibility

Remember that you have an obligation under the Equality Act 2010 to make reasonable adjustments for disabled people, such as providing extra help or making changes to the way you provide your services. This includes your Brochure and ways to comply would include, for example, being able to provide a large print version or making information, such as terms and conditions, available on tape. Further information can be seen on www.abta.com and at www.rnib.org.uk/. It is recommended that you state in your Brochure the extra help that you offer for Clients with disabilities.

Price Policy

The total price, or the means of arriving at the total price, together with a precise statement of the services included therein must be shown in the Brochure. Where you offer a variety of prices to give the Client a choice you must make clear in the Brochure (or any other material pertaining to price indication) what the basic price is and what it covers. The basic price must be shown in accordance with Clause 1D of the Code of Conduct and the *Guidance on the Application of the Code of Conduct*.

The base date by reference to which prices were calculated and the relevant exchange rates published in The Financial Times *Guide to World Currencies* on that date must be shown in the Brochure. In this regard compliance with HM Revenue & Customs regulations on VAT is required.

If you reserve the right to levy a surcharge, a statement to that effect must appear in the Brochure. ABTA's *Business Support Manual* contains more information about surcharging.

Insurance Details

If you offer holiday insurance, an accurate and sufficiently detailed summary of the cover provided and the premiums associated therewith must be shown in the Brochure. Furthermore, it is necessary for you to indicate close to the basic price, the location of such summary and premiums in the Brochure.

Ensure that the insurance policies offered are appropriate to any Travel Arrangements detailed within your Brochure.

Where the purchase of your own insurance is compulsory, the relevant premium must be included in the basic price.

Passport & Visa Requirements

The Brochure must contain general information about the passport and visa requirements for the destinations shown in the Brochure. It is understood that specific requirements for certain countries are complex and

subject to change at short notice. Clients should therefore be provided with the general passport requirements (such as validity) and visa requirements known at the time of publication of the Brochure and general details of the appropriate embassy so that the client can confirm these for their own specific situation.

Health Matters

Your Brochure must contain information on health requirements that are compulsory for the destinations featured. This should be accompanied by advice to Clients to check recommended practice with their GP, practice nurse or travel health clinic.

Foreign & Commonwealth Office Advice

The Foreign & Commonwealth Office produces up-to-date travel information to help British travellers make informed decisions about travelling abroad. Clients should be advised of the availability of such advice and should be directed to www.gov.uk/knowbeforeyougo

Building Works

Where it is known, or can reasonably be expected, that building works which are likely to adversely affect the enjoyment of a holiday will take place during the period covered by the Brochure, all specific information must be published on the relevant page in the Brochure.

You should remember that it is not only building works within the property that can affect the Client. Building works in adjoining properties or in the resort can also adversely affect the enjoyment of a holiday and if known that the resort is likely to be developed within the lifetime of the Brochure this should be published.

Noise

Brochures which feature resort-based holidays shall contain adequate information relating to all known sources of noise which exist or might be expected to exist at resorts and which may reasonably be considered to cause offence to Clients. Such sources of noise include, but are not limited to, nightclubs, bars, discos, amusement parks, and airports.

Disability and Special Requests

Brochures should contain the procedure for Clients to advise you of any special requests at the time of booking. You should also include information on the accessibility of the properties featured. If it is known that a hotel has a large number of steps with no access for wheelchair users or is not suitable to Clients with walking difficulties, this information must be published.

Product Information

Your Brochure should contain the following information, as appropriate:

- The date, place and approximate time of departure and return. Where any or all of these items are subject to alteration by a regulatory body (e.g. Airport Scheduling Committee) reference must be made to same.
- The type of transport to be used, e.g. ship, train, coach, motor vehicle, aircraft; the specific characteristics of the transport, e.g. charter, scheduled; and the category of transport, e.g. economy, business class, first class seat or class of cabin.

- For all accommodation you must clearly indicate the nature of accommodation including its location, category or degree of comfort and its main features. Accommodation provided in an EU member state should also include the approval or tourist classification under the rules of that member state (where such rules exist).
- The meals that are included in the price, if any.
- The destination and/or itinerary as appropriate.
- Any additional facilities or special arrangements included in the price.
- Where it is appropriate to the particular Brochure and where you do not have more specific information about the accommodation featured in the Brochure, you should include the following statement. It is suggested that this appears in the general information section:
The standard international practice is to let rooms from midday to midday. However times do vary. Check-in times are usually between 2pm and 3pm, check-out times between 11am and 12 noon on the day of departure. Therefore, if you check in immediately after a night flight this would normally count as one night's accommodation. Similarly if your return flight is at night you will normally be required to vacate your room at 12 noon prior to leaving for the airport. Day rooms are subject to availability/cost and should be arranged locally with the accommodation management.

Delays at Points of Departure

You must state in your Brochure what your policy is on the handling of Clients who are delayed at the outward and/or homeward points of departure. You should also have regard to the Regulations on Denied Boarding, Cancellation and Delay. Further guidance on these is contained in our guidance note Airlines: Denied Boarding, Cancellation and Delay or can be obtained from the Civil Aviation Authority www.caa.co.uk.

Booking Conditions

You must ensure that your booking conditions comply with all relevant statutory provisions including the Unfair Terms in Consumer Contracts Regulations 1999. Where it is reported that you have breached any such statutory provisions, the Code of Conduct Committee retains the right to consider the alleged complaint and to decide if you have or have not breached this Code.

You must make sure that all booking conditions and/or insurance details are provided to the Client on or before confirmation of the booking. If you print this information on your booking forms you must make sure that the Client is given a further copy to keep.

Information must be given in your booking conditions in relation to each of the following items:

- Payment of deposit and balance due date.
- Confirmation procedure.
- Arrangements for the protection of the Client's money (if any).
- The price policy, including any provision relating to surcharges (See ABTA's *Business Support Manual* for further information).
- Procedures for an alteration to a confirmed booking made by the Client. This must clearly state the amount of, or the basis for calculating, any amendment fees that the Client might incur.
- Procedures for an alteration to a confirmed booking made by you.
- Procedures for a cancellation made by a Client to a confirmed booking. This must clearly state the amount of, or the basis for calculating, any cancellation fees that the Client might incur.
- Procedures for a cancellation to a confirmed booking made by you.
- Procedures for the handling of any complaints.

- You need a provision obliging Clients to communicate to you and to the relevant supplier at the earliest opportunity, any failure that they perceive in the provision of the services contracted for.
- You must include a provision stating that, if a complaint cannot be amicably settled, the client can use ABTA's approved ADR scheme by going to www.abta.com.
- Booking conditions shall not deny to Clients the option of taking action in the courts if they so wish.
- The existence of the conditions of carriage of the carrier.
- Whether a minimum number of persons is required for a Package to take place and, if so, the deadline for informing the Client in the event of cancellation.
- Your liability to the Client:

Remember that you must not include clauses that purport to:

- exclude liability for misleading statements made by you, your employees or agents; or
- exclude liability for your contractual duty to exercise care and skill in making arrangements for a Package other than as provided by the Package Travel, Package Holidays and Package Tours Regulations 1992; or
- exclude liability for any alleged cause of dissatisfaction by stipulating that such cause must be made known to you within a fixed period that is unreasonably short.

You are not required to accept responsibility where the failure to perform the contract for the Package holiday or the improper performance of the contract is due neither to any fault on your part nor to that of your employees, agents, sub-contractors or suppliers because the failure:

- i. is attributable to the Client, or
- ii. is attributable to a third party unconnected with the provision of the services contracted for and is unforeseeable or unavoidable, or
- iii. is due to:
 - a) unusual and unforeseeable circumstances beyond the control of the Principal the consequences of which could not have been avoided even if all due care had been exercised, or
 - b) an event which the Principal, his employees, agents, suppliers and subcontractors could not, even with all due care, have foreseen or forestalled.

Except in the case of damage involving death or personal injury you are entitled to limit your liability to a reasonable level provided you state such a level expressly within his conditions.

Where the contract services consist of carriage by air, by sea, or by rail or the provision of accommodation, you shall be entitled to limit your liability in accordance with the international conventions which govern such services (e.g. Montreal Convention – air; Athens Convention – sea; Berne Convention – rail).

This document is intended as a guide only and can't be a substitute for specific advice.

Appendix 2: Standards on Websites and Online Trading

These Standards on Websites and Online Trading form part of ABTA's Code of Conduct.

They have been produced to assist you with your website content.

Clause 1C of the Code of Conduct requires you to ensure that your website(s) comply with these Standards.

Every website you operate shall contain clear, legible, comprehensive and accurate information to enable the Client to exercise an informed judgement in making their choice of Travel Arrangements.

These *Standards* provide a guide to the legal requirements for websites, for example from the Electronic Commerce (EC Directive) Regulations, but not everything will apply to all Members. For example, if you do not take bookings on your website you do not need to comply with section 2. Section 3 only applies if you send marketing emails to Clients. ABTA will provide advice on your specific case.

Where you provide Travel Arrangements through websites owned by third parties you will be responsible for ensuring that all information provided to that third party in respect of the Travel Arrangements complies with the provisions of this Code.

Contents

	Page
Website Content	36
Entering into Contracts Online	40
Communications with Clients	41

Website Content

Name and Contact Details

Your website must show clear details which are easy to locate, to enable Clients to contact you directly and rapidly and both on and offline. You need to show your:

- full legal name, i.e. for companies, the corporate name; for partnerships, the names of the partners; for sole traders, the name of the sole trader;
- head office address;
- contact address (if different);
- e-mail address;
- company registration number (or national equivalent);
- place and country of registration and establishment (if this is not the UK);
- telephone number;
- usual hours of business.

ABTA Information

In a way that is easily accessible to Clients, you must make clear reference to ABTA membership and show the current ABTA logo and your ABTA number.

You must give information on the benefits and consumer services provided by ABTA and tell your Clients that you are subject to the ABTA Code of Conduct, and that they can use ABTA's approved Alternative Dispute Resolution (ADR) if they have a complaint that isn't resolved. To do this, you must give the address of the ABTA website, www.abta.com on your website. Ways to do this include:

- do a link from the ABTA logo on your website to www.abta.com, or
- add our website address to any wording you have on ABTA, or
- add a statement e.g. "We use ABTA's approved ADR to resolve complaints. See www.abta.com" Or "We are a Member of ABTA www.abta.com".

There are also some standard statements that help describe ABTA financial protection, see page 5 of this Code Guidance.

VAT Number

If your online business activities are subject to VAT, you must show your VAT number.

Price Policy – compulsory and optional costs

If your website refers to prices, these must be indicated clearly and unambiguously.

Fully inclusive prices

All non-optional costs must be included in the basic price. Put another way, the final price to be paid by the client, aside from any optional extras they might add, should be the price that is shown at all times.

Your website prices should include the cost of paying by debit card, as this is an unavoidable cost for the majority of your clients. You can charge a credit card fee as an extra, because this is an optional cost for clients.

Optional costs

Optional extras don't have to be included in the basic price but clients must be given information on them. You need to state what optional costs might apply and how much they are in a clear and unambiguous way.

Optional costs include your charge for payment by credit card, travel insurance and fees for luggage. The details must come at the start of the booking process on your website. One way to do this would be to provide a link to a table of optional extra prices, making sure it's prominent and clearly worded such as *Prices/fares don't include optional costs. Please click here for a list of charges.*

If you make a charge for payment by credit card, it's a legal requirement that this must not be more than the cost to you of accepting the payment.

Optional extras must be presented clearly to the client as optional and must not be displayed in a way that misleads them into thinking they must add them to their booking.

Selling flights online:

1. Don't use pre-ticked boxes when it comes to optional extras. It's a legal requirement that the acceptance of optional price supplements by the client should be on an opt-in basis.

2. You need to display

- The applicable conditions to the fares. This could be achieved via a clearly displayed hyperlink to the relevant terms and conditions.
- The price breakdown. The final price, which includes all non-optional costs, should be shown at all times but the client should also be able to see the breakdown of the air fare or air rate and the taxes, airport charges, and other charges, surcharges or fees, such as those related to security or fuel, which have been added to it. If you display a number of flight prices on a single page on your website and don't have space to show all the price breakdowns, you could use pop-ups, or display the breakdown only once the flight price is selected by the client.

Passport & Visa Requirements

The website must contain general information about the passport and visa requirements for the destinations shown on the website. It is understood that specific requirements for certain countries are complex and subject to change at short notice. Clients should therefore be provided with the general passport requirements (such as validity) and visa requirements known at the time and general details of the appropriate embassy so that the Client can confirm these for their own specific situation.

Health Requirements

Your website must contain information on health requirements that are compulsory for the destinations shown on the website. This should be accompanied by advice to Clients to check recommended practice with their GP, practice nurse or travel health clinic.

Foreign & Commonwealth Office Travel Advice

The Foreign & Commonwealth Office produces up-to-date travel information to help British travellers make informed decisions about travelling abroad. Clients should be advised of the availability of such advice and should be directed to www.gov.uk/knowbeforeyougo

Travel Insurance

You should advise Clients that they should consider taking out travel insurance.

If you offer insurance, an accurate and sufficiently detailed summary of the cover provided and the premiums must be shown on the website. Furthermore, it is necessary for you to indicate close to the basic price, the location of such summary and premiums on the website. Where the purchase of your own insurance is compulsory, the relevant premium must be included in the basic price.

Ensure that the insurance policies offered are appropriate to any Travel Arrangements detailed on your website.

Subject to Availability

Your website should contain the statement, in your Booking Conditions or Terms of Use if you wish, that the products shown are subject to availability.

Booking Conditions

See the section below on Entering into Contracts Online for important information if you take bookings online. Even if you do not it is advisable to feature the booking conditions that apply to the booking on your site.

It is recommended that Clients can access them from the home page. Principals' Booking Conditions must comply with the requirements set out in ABTA's *Standards on Brochures and Booking Conditions*.

Links & Frames

If you provide links to sites owned by third parties you should state in your Terms of Use that you are not responsible for the content of such sites.

You must notify Clients, with a statement in a prominent place, that they will be visiting a different site, before the link is followed. Additionally, if the owner of the site to be linked to is not an ABTA Member, the statement must say that.

You should consider obtaining permission from the owner of the website to be linked to, particularly if you use deep links, i.e. links to pages other than the home page. You should avoid using other parties' trademarks. If you frame sites of third parties, you shall ensure that Clients are aware of the existence of the frame and the identity of the content owner of the framed site.

Cookies

You must not use cookies (files that store information, such as preferences or identification, on your Clients' computers) unless

- You also provide Clients with clear and comprehensive information that cookies are being used and their purpose; and
- You obtain the Client's consent.

For information on how you can obtain consent, see the Information Commissioner's guidance at www.ico.gov.uk. The only exception to obtaining consent is if the cookies you're using are strictly necessary for the provision of the service requested by the user. This exception is a narrow one but might apply, for example, to a cookie you use to ensure that when a user of your site has chosen the goods they wish to buy and clicks the Add to basket or Proceed to checkout button, your site remembers what they chose on a previous page. You would not need to get consent for this type of activity.

Privacy Policy

Your website must contain your privacy policy in an easily accessible place. This must comply with the Data Protection Act 1998. It needs to state what Clients' personal information that you collect will be used for and who it will be passed on to. It also needs to tell Clients that they have the right to see the information pertaining to them that you hold.

Specimen data protection policies are available on ABTA's website www.abta.com.

For the rules on email marketing see the section below on Communications with Clients. Please also see *Guidance on the Application of the Code of Conduct*.

Accessibility

Remember that you have an obligation under the Equality Act 2010 to make reasonable adjustments for disabled people, such as providing extra help or making changes to the way you provide your services. This includes your website and ways to comply include, for example, a facility on your site for it to be viewed in text-only form. Further information is on www.abta.com and there are sources of help with web design, such as www.rnib.org.uk and www.w3.org/WAI

Product Information

As appropriate to your product, include details of the itinerary, the type of transport, and any additional facilities or special arrangements included in the price; and of the accommodation, including location, category and check in and check out. Where it's appropriate and where you don't have more specific information featured in your brochure or website, you should include the following statement. It is suggested that this appears in the General Information section.

The standard international practice is to let rooms from midday to midday. However times do vary. Check-in times are usually between 2pm and 3pm, check-out times between 11am and 12 noon on the day of departure. Therefore, if you check-in immediately after a night flight this would normally count as one night's accommodation. Similarly, if your return flight is at night you will normally be required to vacate your room at 12 noon prior to leaving for the airport. Day rooms are subject to availability/cost and should be arranged locally with the accommodation management.

Entering into Contracts Online

Booking Conditions

Ensure that the Booking Conditions that apply to the booking are incorporated into the contract with the Client. This means that the Client must accept them before the contract comes into existence.

During the booking process, Clients should be required to read through and accept the Booking Conditions, or at the least be given the link to them and asked to confirm that they have read and accepted them.

It is a legal requirement that your Booking Conditions are made available to Clients in a way that enables Clients to store and reproduce them.

Booking Process

Your website must provide Clients with the following information, before they make a booking:

- A description of the different technical steps to be taken to conclude a contract online. For example, what the final act by the Client is - e.g. clicking *Confirm*; what status that has - e.g. a confirmed order or a request; when you will provide an acknowledgement (this has to be without delay); when you expect to confirm the booking, or the fact that the order will be passed to the Principal etc.
- The point at which a contract comes into existence. This is your choice but it is recommended that you give yourself the opportunity to review and accept the booking request, i.e. the contract does not arise when the Client completes the booking process online.
- An indication of whether the contract will be filed by you and whether it can be accessed by Clients. If it will not, you can state: Your contract will not be filed by [your name].
- How Clients correct any inputting errors they make, e.g. an email address or phone number for them to contact.
- An indication of the languages offered in which to conclude the contract. If this is English you can state: The contract will be concluded in English.

Acknowledgement of Orders

You must acknowledge receipt, without undue delay and by electronic means, of any orders placed by Clients for purchases.

Communications with Clients

Marketing Emails

In every marketing email sent to Clients you must:

- Not conceal your identity.
- Provide a valid address for opt-out requests.

Unsolicited Marketing Emails

Unsolicited means uninvited. You must obtain Clients' consent to send unsolicited marketing emails, unless you can comply with the *soft opt-in* exemption, see below.

Consent means a positive indication by Clients and should not take the form of a pre-ticked opt-in box.

The *soft opt-in* exemption is as follows:

- i. the Client's email address must have been collected when the Client previously made an enquiry or a booking with you;
- ii. your marketing email is about similar products and services;
- iii. when the email address was collected the Client was given the opportunity to opt out which they did not take; and
- iv. the opportunity to opt out is given with every subsequent email.

If you can satisfy ALL of these points you can send unsolicited email marketing without consent to people that have previously contacted you.

Therefore if you wish to email potential customers with whom you have no previous relationship, you must obtain their consent first.

Remember that the collection of email addresses from new Clients must comply with the new rules, i.e. you will need a consent in order to send unsolicited email marketing.

This document is intended as a guide only and can't be a substitute for specific advice.