

AXA COVER DIRECTIVE – Thomas Cook Liquidation Speculation 20/09/19

Overview

Thomas Cook has a lot of media speculation around their current financial status and have previously released profit warnings. They are currently attempting to source funding via a rescue deal which is predominately run by Fosun Leisure Group. Without a robust rescue deal the firm is likely to collapse. Since provisionally agreeing financial terms with Fosun it has since been speculated that they need to find at least a further £200m.

If Thomas Cook collapsed, it would leave 150,000 British holidaymakers stranded and require the Civil Aviation Authority to step in.

In previous cases where travel providers have gone in to liquidation the CAA have said:

- » If you booked a flight only directly with Thomas Cook and paid by credit card you may be protected under Section 75 of the Consumer Credit Act 1974 and should contact your card issuer for further information. Similarly, if you paid by debit or charge card you should contact your card issuer for advice as you may be able to make a claim under their charge back rules.
- » If you have booked a package trip with a travel firm that is ATOL bonded (which Thomas Cook are) and received confirmation that you are ATOL protected, the travel firm is responsible for your flight arrangements and must either make alternative flights available for you so that your trip can continue or provide a full refund. If you are abroad, it should make arrangements to bring you home at the end of your trip. Contact the ATOL travel firm for more information.

ATOL protection means customers may be able to make a claim under the scheme if:

- » They booked a holiday that they are due to take in the future, but the travel company that has since collapsed.
- » The travel company has collapsed while they are on holiday, meaning the holiday has been disrupted or the flight home cancelled.
 - » Holidays - All flight-inclusive holidays offered by Thomas Cook are financially protected by the ATOL scheme. When the customer pays for their holiday, they would have been given an ATOL Certificate.
 - » Flights - Not all flights offered and sold by Thomas Cook are protected by the ATOL scheme. If the customer didn't receive ATOL Certificate, then the flight booking isn't ATOL protected.

FAQ's

Q - How do I know whether my flights / holiday have ATOL Protection?

A - If you have ATOL Protection your documentation would have included an ATOL Certificate

Q - What is the ATOL protection certificate?

A - When selling package holidays travel agents and tour operators must now give you a certificate explaining how your holidays are protected.

Q - I am due to fly tomorrow with Thomas Cook, am I covered?

A - At present Thomas Cook is operating as normal and they are advising customers to continue with their original plans. CoverForYou are closely monitoring the situation.

Q - I am abroad at the moment and scheduled to return to the UK with Thomas Cook, what should I do?

A - At present Thomas Cook is operating as normal and they are advising customers to continue with their original plans. CoverForYou are closely monitoring the situation.

Should you have any further questions, please contact us on 0203 137 8981.