

Important Information Regarding: Cruise West

Issued: 20 September 2010

Applies to Options policies issued on or after the 1st of September 2010 and before the 20th of September 2010

A Travel Daily article dated 18/09/2010 reported as follows:

“Cruise West ceases operations

Embattled Seattle-based small-ship operator Cruise West has announced that it will cease operations effective today.

The cruise line issued a statement saying that over the last 12 months it had tried a number of options to continue sailing, including investment, the sale of assets and sale of the company, but these have ultimately proved unsuccessful.

Chairman Dick West said he was "absolutely heartbroken that his family legacy has come to an end. We have done absolutely everything to maintain operations, but with limited resources and the current tight financial market, we simply cannot continue".

All future cruises have been cancelled except a 22 Sep Danube departure”

At this time, the cruise company has not declared insolvency and as such, we are unable to offer any cover for claims arising from the above situation under the Section entitled Travel Services Provider Insolvency (this Section is only available in the Options product).

Insolvency:

“means the bankruptcy, provisional liquidation, liquidation, insolvency, appointment of a receiver or administrator, entry into a scheme or arrangement, statutory protection, presentation stopping the payment of debts or the happening of anything of a similar nature under the laws of any jurisdiction.”

In regards to claims arising from the above situation under the Sections entitled Additional Expenses Or Cancellation Costs, or Travel Delay in any Travelsure product, please note the following:

Cover for Cruise West is withdrawn for all policies purchased on or after the 20th of September 2010.

ADDITIONAL EXPENSES

Please be advised that there is no cover for any additional accommodation or transport expenses due to Cruise West suspending their services, as this is not a defined event under this section of any Travelsure product.

AMENDMENT OR CANCELLATION COSTS

Please note the following exclusion under this section:

We Will Not Pay For:

1. Transport Provider cancellations, delays or rescheduling other than when caused by strikes.

As such we are unable to approve any claim arising from the above situation under this Section of any Travelsure product.

TRAVEL DELAY

Please be advised that there is no cover for any additional accommodation expenses due to Cruise West suspending their services, as this section of the policy only applies for "temporary delays". As there is no indication that the cruise company will be resuming operations at any time, we are unable to assess any claims under this section of any Travelsure product.

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

We Will Not Pay For:

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

"Relevant Time" in respect of:

a) Single Trip policies means the issue date of the policy.

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

No cover will be provided under the Travel Services Provider Insolvency section for policies issued on or after 20/09/2010.

Customers who have policies issued between 1/09/2010 and 20/09/2010 should take steps to minimise any possible future claim.

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

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