

The Air Travel Trust Payment Policy

27 April 2021

POLICY ON PAYMENTS WHICH MAY BE MADE FROM THE AIR TRAVEL TRUST ('ATT PAYMENT POLICY')

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1. General Purpose and objective

- 1.1. This document sets out how the Trustees of the Air Travel Trust ('ATT') may exercise their discretion to make a payment for the benefit of a consumer of a failed ATOL holder from the Air Travel Trust Fund under the terms of the Air Travel Trust Deed dated 5 January 2004, as amended ('Trust Deed'). All terms used in this document have the same meaning as those terms used in the [ATOL Regulations](#) and the [Trust Deed](#), unless stated otherwise.
- 1.2. This payment policy comes into force on the date on which this policy is published on the website of the [ATT](#) or the [Civil Aviation Authority](#) ('CAA') and will remain in force whilst it is so published (unless this policy is suspended, amended or replaced).
- 1.3. This policy is relevant to a payment made for the benefit of a consumer of an ATOL holder that failed on or after the date this policy came into force (unless this policy is suspended, amended or replaced).
- 1.4. The law of England and Wales will apply to this payment policy unless otherwise agreed by the ATT. Any dispute arising under or in connection with this payment policy is to be subject to the exclusive jurisdiction of the English Courts.

Overriding discretion of the ATT

- 1.5. The ATT has an absolute discretion as to whether or not it may make a payment. The ATT will normally exercise that discretion in accordance with this policy but the ATT retains the discretion to make a payment or to not make a payment in the event of circumstances not contemplated within this policy.

Overriding exclusion applicable to this payment policy

- 1.6. The ATT will usually not make a payment where in the view of the ATT, or the CAA as agent of the ATT, a request for a payment is in any way fraudulent or if a consumer, or any persons seeking to benefit under this payment policy, or anyone acting on their behalf, has used any fraudulent means, including inflating or exaggerating a claim for a payment or submitting forged or falsified documents.

Pre-conditions to a payment under Sections 1-3

- 1.7. A payment may be made by the ATT under Sections 1, 2 and 3 of this policy, subject to the following pre-conditions:
1. a failure by an ATOL holder;
 2. proof of a licensable transaction (as defined in the Trust Deed) between the failed ATOL holder and a consumer;
 3. proof that the failed ATOL holder held a valid ATOL at least one month prior to the consumer's booking date; and
 4. receipt by the ATT of a request for a payment within twelve months of the publication by the CAA of the Notice of ATOL holder failure.

Section 1: A payment that may be made by the ATT to enable a consumer who made an ATOL protected booking with a failed ATOL holder to complete their trip and return to the UK

- 1.8.** This applies to a consumer who made an ATOL protected booking, but due to the failure of the ATOL holder with which their booking was placed, they will not receive all the services they booked.

General purpose and objective of a payment under Section 1

- 1.9.** In these circumstances the ATT may make a payment for the following reasons:
1. The ATT may make a payment to enable a consumer to complete a trip that has already begun when an ATOL holder has failed. Such payments are, often referred to as either 'Repatriation' and/or an 'Out of Pocket Expense'.
 2. The ATT may make a payment to enable a consumer to commence and complete a trip booked with an ATOL holder that subsequently failed, which is often referred to as a form of 'Refund'.
- 1.10.** To achieve these objectives the ATT may make a payment to:
1. suppliers;
 2. a consumer;
 3. third parties performing administrative functions;
 4. fulfilment Partners (to enable them to purchase goods and services for the benefit of a consumer); and
 5. others.
- 1.11.** Wherever possible a consumer will receive the transport, accommodation and other services they originally purchased from the failed ATOL holder and the ATT may make a payment, where necessary, to achieve this. In some cases it will be necessary for the CAA or a Fulfilment Partner, as agents of the ATT, to make a payment so that the consumer receives the arrangements they originally paid for or alternative arrangements. In some cases, a consumer who is overseas at the time of failure will make a payment to receive the arrangements they had originally paid for or alternative arrangements themselves, and the ATT may make a payment to a consumer to reimburse the cost of doing so. In other cases, in order to receive the arrangements within their ATOL protected booking for which a consumer has already paid, a consumer who has not yet commenced their holiday at the date of failure may have to make a payment to a supplier themselves, and the ATT may make a payment to a consumer to reimburse the cost of doing so. The ATT may also make a payment to other people in order to facilitate making a payment for the benefit of a consumer.
- 1.12.** Subject to the overriding discretion, exclusions and preconditions set out above, the ATT may make a payment to the people listed in paragraph 1.10 as follows:

A PAYMENT TO SUPPLIERS

	What for	Conditions Precedent	Exclusions
1.13.1.	<p>The ATT may make a payment for any service(s) purchased by a consumer from the failed ATOL holder, where the service provider states it has not yet been paid by the failed ATOL holder (for example flight suppliers, accommodation suppliers [including cruise ships], transfer suppliers, car hire companies, overseas representatives and overseas handling agents).</p>	<p>The CAA, as agent of the ATT, will send a guarantee letter to the supplier under which the supplier agrees it has assigned its claim against the ATOL holder to the ATT in return for accepting a payment from the CAA.</p>	<p>In the case of flights the CAA, as agent of the ATT, will usually not make a payment unless it has received the relevant aircraft's final passenger listing showing the names of the passengers that boarded each flight concerned, or the passengers' flight coupons with the relevant consumer's name shown.</p> <p>In the case of ground arrangements, the CAA, as agent of the ATT, will usually not make a payment for:</p> <ol style="list-style-type: none"> 1. debts owed by the failed ATOL holder for services provided to consumers prior to the failure of the ATOL holder; 2. any rooms allocated to the failed ATOL holder but not occupied; 3. any consumers who had bought accommodation only, with no flight; 4. any items not included in the contract price; 5. consumers for whom the failed ATOL holder has already paid; 6. consumers of the failed ATOL holder who arrive after the date of failure, unless the CAA authorised the consumer to travel.

A PAYMENT TO SUPPLIERS

	What for	Conditions Precedent	Exclusions
1.13.2.	Where a supplier is indicating that a consumer will not receive services that formed part of the ATOL protected trip after the failure of the ATOL holder, even though the ATOL holder may have already paid the supplier, the CAA, as agent of the ATT, may make a payment directly to the supplier to ensure the consumer receives these services (for example flight suppliers, accommodation suppliers [including cruise ships], transfer suppliers, car hire companies, overseas representatives and overseas handling agents).	The CAA, as agent of the ATT, will send a guarantee letter to the supplier under which the supplier agrees it has assigned its claim against the ATOL holder to the ATT in return for accepting a payment from the CAA.	<p>In the case of flights the CAA, as agent of the ATT, will usually not make a payment unless it has received the relevant aircraft's final passenger listing showing the names of the passengers that boarded each flight concerned, or the passengers' flight coupons with the relevant consumer's name shown.</p> <p>In the case of ground arrangements, the CAA, as agent of the ATT, will usually not make a payment for:</p> <ol style="list-style-type: none"> 1. debts owed by the failed ATOL holder for services provided to consumers prior to the failure of the ATOL holder; 2. any rooms allocated to the failed ATOL holder but not occupied; 3. any consumers who had bought accommodation only, with no flight; 4. any items not included in the contract price; 5. consumers of the failed ATOL holder who arrive after the date of failure, unless the CAA authorised the consumer to travel.

A PAYMENT TO SUPPLIERS

	What for	Conditions Precedent	Exclusions
1.13.3.	<p>Where:</p> <ol style="list-style-type: none"> 1. aircraft owned or leased by a company in the same group as the failed ATOL holder are not available for repatriation of a consumer (for example because that group airline has also failed); 2. the original flight is not available for any other reason; or 3. it is not cost effective to use the original flight to repatriate a consumer <p>the CAA, as agent of the ATT, may make a payment to charter another aircraft or alternatively source and pay for seats on alternative flights, as appropriate. These flights may depart at different times and from different airports to those originally booked with the failed ATOL holder.</p>		<p>The CAA, as agent of the ATT, will usually not make a payment unless it has received the relevant aircraft's final passenger listing showing the names of the passengers that boarded each flight concerned, or the passengers' flight coupons with the relevant consumer's name shown.</p>

A PAYMENT TO SUPPLIERS

	What for	Conditions Precedent	Exclusions
1.13.4.	Where necessary, the ATT may make a payment to suppliers for an empty aircraft to depart from the UK to assist with the repatriation of a consumer.	Where the aircraft/seats used were originally contracted by the failed ATOL holder the CAA, as agent of the ATT, will send a guarantee letter to the supplier under which the supplier agrees it has assigned its claim against the ATOL holder to the ATT in return for accepting a payment from the CAA.	The CAA, as agent of the ATT, will usually not make a payment unless it has received the relevant aircraft's final passenger listing showing the names of the passengers that boarded each flight concerned, or the passengers' flight coupons with the relevant consumer's name shown.
1.13.5.	The ATT may make a payment to the suppliers of flight accommodation to make additional/unscheduled stops and/or for consumers to be transferred to alternative overseas departure airports.		The CAA, as agent of the ATT, will usually not make a payment unless it has received the relevant aircraft's final passenger listing showing the names of the passengers that boarded each flight concerned, or the passengers' flight coupons with the relevant consumer's name shown.
1.13.6.	The ATT may make a payment to a supplier to transfer a consumer by any means of transport when: <ul style="list-style-type: none"> 1. a consumer is repatriated to a UK airport different to the booked UK airport; or 2. a consumer is repatriated to the UK from an overseas airport different to the booked overseas airport. 		

A PAYMENT TO SUPPLIERS

	What for	Conditions Precedent	Exclusions
1.13.7.	The ATT may make a payment to a supplier for alternative modes of transport to repatriate consumers, where necessary.		
1.13.8.	In the event of an overnight delay before the repatriation of a consumer, the ATT may make a payment to a supplier to accommodate a consumer in their original accommodation (where this also formed part of the ATOL protected booking), failing which the ATT may make a payment to a supplier for suitable alternative accommodation arrangements.		

A PAYMENT TO CONSUMERS

Overriding conditions and exceptions

- 1.14.** As set out above the ATT may only make a payment for the benefit of a consumer who booked with a failed ATOL holder. This will usually be demonstrated by a consumer producing the ATOL Certificate supplied to them at the time of making a payment in respect of their booking. However, the CAA, which administers a consumer's claim as agent of the ATT, may have access to the booking records of the failed ATOL holder and may use that information to verify the information on a consumer's ATOL Certificate or to deal with a consumer who, for any reason, was not supplied with an ATOL Certificate.
- 1.15.** The ATT may make a payment to a consumer making a claim under this section subject to receipt by the CAA, as agent of the ATT, of the following documents:
1. a correctly completed ATOL Claim Form, attaching all the documents requested in that claim form (including proof of their method of payment for their ATOL protected booking) signed by a consumer named to travel on the ATOL protected booking; and
 2. the ATOL Certificate supplied to a consumer when the consumer made payment for the ATOL protected booking; and
 3. all booking documents supplied to a consumer at the time of the booking request and at any time prior to the date of travel.
- 1.16.** In circumstances where a consumer paid for their ATOL protected trip in whole, or part, by credit card, or using a Finance Agreement, the ATT may refuse to make a payment to a consumer (and instead may ask the consumer to make a claim from their card issuer or the supplier of those financial services).
- 1.17.** The ATT will not make a payment to a consumer that booked an ATOL protected flight or flight-inclusive package with a failed ATOL holder where that flight or flight-inclusive package was part of a Flight-Plus arranged by another ATOL holder and that *Flight-Plus arranger ATOL holder* has not failed. The only exception to this is:
1. a consumer left the UK on their trip before the ATOL holder supplying the flight or flight-inclusive package failed; and
 2. a consumer's return flight ticket is not valid as the airline operating the flight will not carry the consumer for reasons connected to the failure of the ATOL holder; and
 3. it is necessary to make arrangements to repatriate a consumer (by one of the methods described in this document).

In which case, the ATT may make a payment in respect of flights, as discussed in this policy statement, for the benefit of a consumer even though *the Flight-Plus arranger ATOL holder* with which the consumer booked has not failed.

- 1.18.** The ATT will usually only make a payment to, or for the benefit of, consumers (as defined in the ATOL Regulations) identified as intending to make use of the flight accommodation, living accommodation or other tourist services included in the ATOL protected booking at the time the consumer requested to book. This will usually mean only consumers identified on the ATOL Certificate (or the ATOL holder's Confirmation for a flight-inclusive package) issued in respect of this booking. For the avoidance of doubt, this excludes bookings made on a "names to be to be advised" basis, also referred to as "TBA", where, in the opinion of the CAA, as agent of the ATT, the booking has been made by a person for future resale in the course of business and with a view to making a profit.

A payment that may be made to a consumer who is overseas at the date of the ATOL holder failure

- 1.19.** Notwithstanding the pre-conditions to making a payment to a consumer set out above, a consumer (overseas at the time of the ATOL holder failure) need not provide proof of the method of their payment for their original ATOL protected booking, to receive one of the payments from the ATT set out in sections 1.19.1-1.19.10 of this document. Instead, where indicated, a consumer overseas at the time of the ATOL holder failure will be required to provide proof of the method of their payment to the supplier.

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.1.	The ATT may make a payment to a consumer to reimburse their costs of purchasing a flight for repatriation purposes.	<p>The ATT will usually only make a payment to a consumer if the CAA, as agent of the ATT, has instructed the consumer to purchase a flight to repatriate themselves.</p> <p>The CAA, as agent of the ATT, will usually not make a payment unless a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.</p>	<p>The ATT may only make a payment to a consumer if the airline with which the consumer was intended to be carried will not carry them for reasons connected with the failure of the ATOL holder. (If a consumer has a ticket on a scheduled airline the airline is likely to carry the consumer.)</p> <p>The CAA, as agent of the ATT, will usually not make a payment to a consumer if the CAA has arranged a repatriation flight (and transfers to meet that flight if it departs from a different airport to that booked), and the consumer has not used that flight.</p> <p>The CAA, as agent of the ATT, will usually not make a payment to a consumer if the original flight is not cancelled and remains valid, even if the consumer mistakenly thought that it was.</p>
1.19.2.	The ATT may make a payment to a consumer to reimburse the cost of reasonable receipted food and drink expenses if their return flight has been re-arranged as a consequence of the failure of the ATOL holder and is scheduled to depart more than four hours later than the original booked flight.	The ATT will usually only make a payment if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.	The ATT may not make a payment to a consumer for alcoholic beverages.

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.3.	Where a consumer is moved by the CAA, as agent of the ATT, to accommodation which is not the booked accommodation, and the CAA, as agent of the ATT, considers that the accommodation the consumer moved to was of a much lower standard than the original booked accommodation, the ATT may make a payment of a one-off sum to a consumer (claimed by the consumer on return from their trip).	A consumer will be advised by the CAA, as agent of the ATT, during their trip if the ATT will make a payment of this type in their circumstances.	
1.19.4.	The ATT may make a payment to reimburse a consumer who is overseas at the time of failure and has been instructed by the CAA, as agent of the ATT, to book their own accommodation at reasonable cost.	The ATT will usually only make a payment in these circumstances if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.	The ATT reserves the right to make deductions for any services charged if these did not form part of the original ATOL protected booking (for example mini bar expenses, air-conditioning and safe hire).

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.5.	The ATT may make a payment to a consumer who is permitted to stay in their original booked accommodation but is charged for this service when they check-out.	The ATT will usually only make a payment in these circumstances if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.	<p>The ATT will usually only make a payment to a consumer that departed from the UK on their trip after the date the ATOL holder failed if the CAA, as agent of the ATT, is satisfied that the consumer was unaware of the failure of the ATOL holder with which they booked.</p> <p>The ATT reserves the right to make deductions for any services charged if these did not form part of the original ATOL protected booking (for example mini bar expenses, air-conditioning and safe hire).</p>
1.19.6.	The ATT may make a payment to a consumer who receives services overseas that formed part of the ATOL protected booking, but is charged separately for these services by the supplier.	The ATT will usually only make a payment in these circumstances if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.	<p>The ATT will usually only make a payment to a consumer that departed from the UK on their trip after the date the ATOL holder failed if the CAA, as agent for the ATT, is satisfied that the consumer was unaware of the failure of the ATOL holder with which they booked.</p> <p>The ATT reserves the right to make deductions for any services charged if these did not form part of the original ATOL protected booking (for example optional insurance costs or additional driver supplements for car hire bookings).</p>

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.7.	The ATT may make a payment to a consumer who departed from an overseas airport other than the booked airport and paid their own costs to transfer to that alternative departure airport.	<p>The ATT will usually only make a payment if the CAA arranged the alternative flight or the CAA authorised the consumer to arrange their own alternative flight.</p> <p>The ATT will usually only make a payment if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.</p>	The ATT will usually not make payment if the CAA has organised and paid for a transfer that the consumer did not use.
1.19.8.	The ATT may make a payment to a consumer who arrived back in the UK to an airport (or port or station) other than the booked airport and paid their own costs to transfer to the booked airport.	<p>The ATT will usually only make a payment if the CAA arranged the alternative flight or the CAA authorised the consumer to arrange their own alternative flight.</p> <p>The ATT will usually only make a payment if a consumer's claim is supported by itemised receipts and proof of the method of payment to the supplier.</p>	The ATT will usually not make a payment if the CAA has organised and paid for a transfer.

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.9.	<p>Curtailment of trip: Where a repatriation flight is arranged by the ATT to depart more than twenty four hours earlier than the original booked flight the ATT may make a payment to a consumer of a pro rata proportion of their ATOL protected booking cost for each full calendar day that is lost. Any payment will be based upon the total ATOL protected trip cost shown on the ATOL Certificate/ATOL holder's Confirmation less any items listed that were supplied, or cancellation or administration fees levied by the ATOL holder for pre-departure booking changes.</p>		<p>The ATT will usually only make a payment to a consumer who curtails their trip and flies home if the CAA, as agent of the ATT, has advised or agreed to the consumer curtailing their trip.</p> <p>The ATT will not make a payment for any consequential losses such as loss of enjoyment or for any services booked independently of the ATOL protected booking.</p> <p>The ATT will not make a payment in these circumstances to a consumer who booked just an ATOL protected flight (a Flight-Only booking).</p>
1.19.10.	<p>Curtailment of cruise: In circumstances where a consumer's cruise is curtailed they may be asked by the CAA, as agent for the ATT, to stay in other accommodation to await a flight back to the UK. In these circumstances, the ATT may make a payment to a consumer of a pro rata proportion of their ATOL protected booking cost for each full calendar day of the cruise that is lost. Any payment will be based upon the total ATOL protected trip cost shown on the ATOL Certificate/ATOL holder's Confirmation less any items listed that were supplied, or cancellation or administration fees levied by the ATOL holder for pre-departure booking changes.</p>		<p>The ATT will usually only make a payment to a consumer in these circumstances if the CAA, as agent of the ATT, has advised or agreed to the consumer curtailing their cruise.</p> <p>The ATT will not make a payment for any consequential losses such as loss of enjoyment or for any services booked independently of the ATOL protected booking.</p>

A payment that may be made to a consumer who departs after the date of an ATOL holder failure

A PAYMENT TO CONSUMERS			
	What for	Conditions Precedent	Exclusions
1.19.11.	Where a consumer has paid in full for an ATOL protected flight-inclusive package or ATOL protected Flight-Plus, which includes a flight that is available to the consumer without further payment, a consumer may, at the direction of the CAA, as agent of the ATT, elect to depart on their trip after the date of the failure of the ATOL Holder with which they have booked. The ATT may make a payment to a consumer for the cost of any ground services (for example hotel accommodation, transfers) for which the consumer had already paid the failed ATOL holder and which the consumer also subsequently paid directly to a supplier.	<p>The ATT will usually only make a payment if a consumer's claim is supported by itemised receipts, proof of the method of payment to the supplier and proof of the method of payment for their ATOL protected booking (as set out in the ATOL Claim Form).</p> <p>Where a consumer has paid an agent for the ATOL holder, unless the agent has also ceased trading, the ATT will usually not make a payment unless the consumer's money has been paid to the ATOL holder or, after failure, the ATOL holder's administrator, liquidator or the ATT.</p> <p>A consumer may claim before they depart (assuming they have the necessary receipts) or when they return to the UK from their trip.</p>	<p>In the circumstances where a consumer is compelled to book alternative accommodation as a result of the non-availability of the original accommodation, or the price demanded by the supplier exceeds the total cost of the ATOL protected booking, any alternative accommodation that is booked should be of the same standard and board basis as the original accommodation booking. The CAA, as agent of the ATT, will usually not make a payment for any cost incurred as a result of a consumer booking accommodation of a higher standard than that originally booked.</p> <p>The ATT will not make a payment to a consumer in excess of the total cost of the ATOL protected trip.</p> <p>The ATT will usually not make a payment for any other loss incurred by the consumer, including any loss as a result of the consumer taking their trip, for which the ATOL holder with which they booked would be liable.</p>

A PAYMENT TO CONSUMERS

	What for	Conditions Precedent	Exclusions
1.19.12.	<p>The ATT may make a payment to a consumer for the cost of any ground services (for example hotel accommodation and transfers) which the consumer had already paid to the failed ATOL holder and which the consumer subsequently paid directly to a supplier in the following circumstances:</p> <p>Circumstance A</p> <ol style="list-style-type: none"> 1. the consumer has an ATOL protected Flight-Plus booking, the <i>Flight-Plus arranger ATOL holder</i> has failed and the Flight-Plus consists of a flight sold by another ATOL holder; 2. the consumer has paid a deposit and not the full cost of the ATOL protected booking; 3. the flight supplying ATOL holder will honour the amount of the deposit paid in respect of the flight; 4. the consumer pays the balance due on the flight to the flight supplying ATOL holder (whether direct or through a Fulfilment partner appointed by the ATT). 	<p>The ATT will usually only make a payment if a consumer's claim is supported by itemised receipts, proof of the method of payment to the supplier for any replacement items and proof of the method of payment for their ATOL protected booking (as set out in the ATOL Claim Form).</p> <p>Where a consumer has paid an agent for the ATOL holder, unless the agent has also ceased trading, the ATT will usually not make a payment unless the consumer's money has been paid to the ATOL holder or, after failure, the ATOL holder's administrator, liquidator or the ATT.</p> <p>A consumer may claim before they depart (assuming they have the necessary receipts) or when they return to the UK from their trip.</p>	<p>The ATT will not make a payment to a consumer for more than the amount paid by the consumer to the failed ATOL holder which can be apportioned to any services other than the flight.</p> <p>The ATT will usually not make a payment for any other loss incurred by the consumer, including any loss as a result of the consumer taking their trip, for which the ATOL holder with which they booked would be liable.</p>

A PAYMENT TO CONSUMERS

A PAYMENT TO CONSUMERS			
	What for	Conditions Precedent	Exclusions
1.19.12. Cont	<p>Circumstance B</p> <ol style="list-style-type: none"> 1. the consumer has booked a flight-inclusive package with an ATOL holder who has failed; 2. the consumer has paid a deposit and not the full cost of the ATOL protected booking; 3. the flight supplier will carry or arrange carriage for the consumer with or without the consumer having first made a balancing payment direct to the flight supplier. 		

A PAYMENT TO FULFILMENT PARTNERS

A PAYMENT TO FULFILMENT PARTNERS

A PAYMENT TO FULFILMENT PARTNERS			
	What for	Conditions Precedent	Exclusions
1.20.1.	The ATT may make a payment to a third party with whom the ATT has entered into an agreement to supply goods and services to a consumer affected by the failure of an ATOL holder.		

A PAYMENT TO OTHERS

A PAYMENT TO OTHERS			
	What for	Conditions Precedent	Exclusions
1.21.1.	The ATT may make a payment to other ATOL holders, overseas representatives, overseas handling agents and firms or consultants where necessary to enable a consumer to complete their trip and return to the UK.		
1.21.2.	The ATT may make a payment for the services of former members of staff of a failed ATOL holder in order to enable a consumer to complete their trip and return to the UK.		
1.21.3.	The ATT may make a payment to IT suppliers to ensure that it has complete access to the booking data of a failed ATOL holder.		
1.21.4.	Sharers: The ATT may make a payment to repatriate consumers of an ATOL holder that has not failed.	Provided the ATOL holder agrees to reimburse the ATT in full for the agreed costs.	
1.21.5.	The ATT may make a payment to repatriate non-ATOL protected consumers if instructed to do so by the UK Government.	Provided that the UK Government has agreed to reimburse the ATT in full for the agreed costs.	

A PAYMENT TO OTHERS

	What for	Conditions Precedent	Exclusions
1.21.6.	The ATT may make a payment for bank charges incurred during the course of the ATT operating a credit card to make payment to suppliers and bank charges to settle payments.		

2. Section 2: A payment that may be made by the ATT to a consumer who made an ATOL protected booking with a failed ATOL holder and who has not travelled

General purpose and objective

- 2.1.** This applies to a payment to a consumer who has made an ATOL protected booking but, due to the failure of the ATOL holder with which their booking was placed, they will not receive the services they booked. The objective of these payments is to return to the consumer the money they paid for their ATOL protected booking where the consumer did not or will not receive the services booked due to the failure of the ATOL holder.
- 2.2.** Bookings made but not taken at the date of failure are often referred to as 'Forward Bookings'. A payment made by the ATT to a consumer in respect of a 'Forward Booking' is often referred to as a 'Refund'.

Overriding conditions precedent to a payment to a consumer under Section 2

- 2.3.** As set out above, the ATT may only make a payment for the benefit of a consumer who booked with a failed ATOL holder. This will usually be demonstrated by a consumer producing the ATOL Certificate supplied to them at the time of making payment in respect of their booking. However, the CAA, which administers a consumer's claim as agent of the ATT, may have access to the booking records of the failed ATOL holder and may use that information to verify the information on a consumer's ATOL Certificate or to deal with a consumer who, for any reason, was not supplied with an ATOL Certificate.
- 2.4.** The ATT may make a payment to a consumer making a claim under this section subject to receipt by the CAA, as agent of the ATT, of the following documents:
1. a correctly completed ATOL Claim Form, attaching all the documents requested in that claim form (including proof of their method of payment for their ATOL protected booking) signed by a consumer named to travel on the ATOL protected booking; and
 2. the ATOL Certificate supplied to a consumer when the consumer made payment for the ATOL protected booking; and
 3. all booking documents supplied to a consumer at the time of the booking request and any time prior to the date of travel.

Overriding exceptions to a payment to a consumer under Section 2

- 2.5.** Overriding exceptions to the ATT making a payment to a consumer under Section 2 are:
1. If a consumer booked a Flight-Plus and did not receive one of the services they booked as part of the Flight-Plus booking due to the insolvency of that supplier, the ATT will not make payment to the consumer. The consumer must instead seek a suitable alternative replacement service, or be refunded

the amounts they paid to the *Flight-Plus arranger ATOL holder*, from the *Flight-Plus arranger ATOL holder* with which they booked.

2. In circumstances where a consumer paid for their ATOL protected trip in whole, or part, by credit card, or using a Finance Agreement, the ATT may refuse to make a payment to a consumer (and instead may ask the consumer to make a claim from their card issuer or the supplier of those financial services).

What payment may the ATT make to a consumer?

- 2.6. Subject to the overriding discretion, exclusions and preconditions that apply to all payments by the ATT, as set out above, the ATT may make a payment to refund a consumer the amount paid to the failed ATOL holder for an ATOL protected booking. However, where a consumer has paid an agent for the ATOL holder, unless the agent has also ceased trading, the ATT will usually not make a payment unless the consumer's money has been paid to the ATOL holder or, after failure, the ATOL holder's administrator, liquidator or the ATT. (In some cases the ATT may ask the agent to pass money paid by the consumer back to the consumer. In which case, if the agent does pass the money back to the consumer, the ATT will not make a payment in respect of this amount.)
- 2.7. The ATT may also make a payment to a consumer in respect of the following:
 1. Where a consumer has purchased vouchers and has redeemed these against the cost of an ATOL protected booking, the ATT may make a payment equivalent to the costs of purchasing the vouchers subject to proof of the method of payment (as set out in the ATOL Claim Form) for these vouchers by the consumer.
 2. Where the ATOL protected booking has been offered to a consumer as a prize or as an incentive payment for an employee, the ATT may make a payment where the person or employer provides proof of the method of payment (as set out in the ATOL Claim Form) made for the ATOL protected booking on behalf of the consumer. In these circumstances, a claim must also be supported by evidence of the prize winner's notification or that the employee qualified for the incentive.
 3. In circumstances where a consumer has won an ATOL protected booking in a newspaper, the newspaper has bought the ATOL protected booking from the failed ATOL holder but the newspaper paid the failed ATOL holder by means of granting the failed ATOL holder advertising space in their newspaper, subject to proof from the newspaper of correspondence and accounting records to substantiate this transaction, the ATT may make a payment to that consumer equivalent to the cost of this ATOL protected booking.

Deductions that will be made by the ATT before calculating the payment it may make to a consumer.

- 2.8. The ATT will not make a payment to a consumer for any identifiable mark up or booking service fee charged by an agent for the failed ATOL holder with which the consumer placed their booking. However, if the agent for the ATOL holder also acted as a *Flight-Plus arranger ATOL holder*, (evident for example by a consumer receiving a Flight-Plus ATOL Certificate), and the *Flight-Plus arranger ATOL holder* has failed, the ATT may make a payment to a consumer for the amount paid to the failed *Flight-Plus arranger ATOL holder*, and this amount may include a mark up on an ATOL protected flight/package sold by another ATOL holder.
- 2.9. The ATT will not make a payment to a consumer for (payment) card fees paid to the person with which a consumer booked (other than the failed ATOL holder) or of insurance premiums paid, even though their trip will not take place.
- 2.10. The ATT will not make a payment to a consumer for administration fees and cancellation charges made (whether before or after failure) by a failed ATOL holder.
- 2.11. The ATT will not make a payment in respect of any consequential losses of a consumer or compensation of any kind. For example the ATT will not make payment in respect of additional car parking costs, phone calls or loss of earnings.
- 2.12. The CAA, as agent of the ATT, will usually not make a payment to a consumer for any payments made for seat upgrades or extra legroom on their original booked flights and these are not available on their repatriation flight.
- 2.13. If the consumer paid a lower amount than that shown on their ATOL Certificate because the agent for the ATOL holder offered a discount, the ATT will usually only make a payment to a consumer of the lower amount paid by the consumer.

What a consumer must submit to obtain a payment from the ATT

- 2.14. In addition to the documents listed as overriding conditions precedent to a payment under Section 2 in paragraph 2.4, a consumer who made a Flight-Only booking/received a Flight-Only ATOL Certificate will be required to make a declaration confirming that they did not also request to book another service at the same time as making their flight booking in order to receive a payment from the ATT for the cost of their flight.

When will the ATT NOT make a payment to a consumer?

- 2.15. The ATT will not make a payment to a consumer if the consumer made a booking with a failed ATOL holder but that ATOL holder did not consider it a licensable booking. This may be demonstrated by the fact that the consumer did not receive an ATOL Certificate, or the ATOL holder did not report it as a licensable booking to the CAA, or the ATOL holder did not consider the ATOL Protection Contribution payable.
- 2.16. The ATT will not make a payment to a consumer who paid any person other than the failed ATOL holder, the agent for the failed ATOL holder (as defined by the

ATOL Regulations), a member of an Accredited Body or in respect of a Franchise Member ATOL holder, proof of payment to the Franchisee. The only exception to this is where the person with whom a consumer has placed their booking has arranged for the consumer's payment that relates to the flight element of their trip to go directly to the flight provider that was due to carry the consumer.

- 2.17.** The ATT will not make a payment to a consumer where the person through whom the booking was made has, in the opinion of the CAA, as agent for the ATT, acted in breach of the ATOL Regulations, to include, but not limited to the following situations:
1. where the person through which the booking was made did not enter into a written agency agreement with the failed ATOL holder. In these circumstances a consumer will be referred directly to the agent; or
 2. where a consumer received an ATOL Certificate which is not valid for the purpose for which it was issued.
- 2.18.** The ATT will not make a payment to a consumer for the loss of any services they booked independently of their ATOL protected booking.
- 2.19.** The ATT will not make a payment to a consumer who booked accommodation and/or car hire at the same time as the flight booking but received a Flight-Only ATOL Certificate. (All other consumers who make Flight-Only claims will be required to make a declaration confirming that they did not also book another service).
- 2.20.** The ATT will not make a payment to a consumer who purchased vouchers from the failed ATOL holder but which were not redeemed against the cost of an ATOL protected booking with the failed ATOL holder prior to the date of failure.
- 2.21.** The ATT will not make a payment to a consumer for any non-monetary loss. For example where the consumer uses a complimentary voucher, loyalty reward points or airmiles in lieu of payment against the cost (in full or in part) of a protected booking.
- 2.22.** The ATT will not make a payment to a consumer with a Flight-Only booking if the flight booking remains valid, notwithstanding the failure of the ATOL holder.
- 2.23.** The ATT will usually only make a payment to, or for the benefit of, consumers (as defined in the ATOL Regulations) identified as intending to make use of the flight accommodation, living accommodation or other tourist services included in the ATOL protected booking at the time the consumer requested to book. This will usually mean only consumers identified on the ATOL Certificate (or the ATOL holder's Confirmation for a flight-inclusive package) issued in respect of this booking. For the avoidance of doubt, this excludes bookings made on a "names to be to be advised" basis, also referred to as "TBA", where, in the opinion of the CAA, as agent of the ATT, the booking has been made by a person for future resale in the course of business and with a view to making a profit.

Refunds to an agent for the failed ATOL holder.

- 2.24.** Where an agent for the failed ATOL holder has entered into a low rate deposit agreement with a consumer, the ATT will make a payment of the amount paid by the agent for the failed ATOL holder pursuant to the agent for the failed ATOL holder's obligations under the low rate deposit agreement with a consumer, provided that the agent for the failed ATOL holder can provide:
1. a copy of a written, signed, low rate deposit agreement agreed by the consumer at the time of booking and provide proof of the method of payment (as set out in the ATOL Claim Form) to the failed ATOL holder; and
 2. evidence that it had entered into a written agency agreement with the failed ATOL holder.

3. Section 3: A payment that may be made to Flight-Plus arranger ATOL holders – 'ATT Contributions'

3.1. The ATT may make a payment referred to as an 'ATT Contribution' to a *Flight-Plus arranger ATOL holder*. An ATT Contribution may be paid in respect of losses the *Flight-Plus arranger ATOL holder* incurred when fulfilling its obligations to make alternative arrangements for, or a full refund to, a consumer with a Flight-Plus booking where the failed ATOL holder is the flight accommodation supplier or the flight-inclusive package supplier and the *Flight-Plus arranger ATOL holder* was acting as agent for the failed ATOL holder.

Conditions and exclusions

3.2. The ATT will usually only make this payment if the *Flight-Plus arranger ATOL holder* can produce evidence that it entered into a written agency agreement with the failed ATOL holder.

3.3. Loss is calculated as the cost charged by the failed ATOL holder for the retail flight seat or flight-inclusive package (and not the cost to the *Flight-Plus arranger ATOL holder* of replacing it). In these circumstances:

1. the *Flight-Plus arranger ATOL holder* must submit a valid ATT Contribution Claim Form to the ATT.
2. £25 per passenger booked with the failed ATOL holder will be deducted from the loss.

3.4. The total amount each ATOL holder (in its capacity as a *Flight-Plus arranger ATOL holder*) may claim from the ATT during any financial year ('maximum annual claim limit') is usually limited to 2% of its annual ATOL public sales turnover. This figure of 2% will not apply where:

1. the *Flight-Plus arranger ATOL holder's* authorised public sales turnover is less than £2,500,000. In that case the ATT will apply a cap of £50,000, rather than 2% of its authorisation; or
2. the *Flight-Plus arranger ATOL holder's* authorised public sales turnover exceeds £125,000,000. In that case the ATT will apply a maximum threshold of £2,500,000, rather than 2% of its authorisation).

3.5. A payment made by the ATT in the form of an ATT Contribution to a *Flight-Plus arranger ATOL holder* in respect of a flight-inclusive package (as opposed to a Flight-Only booking) will not be subject to the £25 deduction and will not count towards the maximum annual claim limit.

3.6. A payment to the consumer of pipeline money held on behalf of the ATT by the *Flight-Plus arranger ATOL holder*, at the direction of the ATT, will count towards the maximum annual claim limit referred to above.

4. Section 4: Other payments that may be made

OTHER PAYMENTS				
	To whom	What for	Conditions Precedent	Exclusions
4.1.	A consumer	<p>A consumer may be required to leave an imprint of their credit/debit card with accommodation suppliers or other ground service suppliers such as car hire companies to pay for incidental costs (for example bar bills or petrol costs, etc).</p> <p>Where the relevant supplier charges a consumer's card for services which the consumer has already paid the failed ATOL holder, the ATT may make a payment to refund these charges to the consumer.</p>	<p>The ATT will usually only make a payment to a consumer in these circumstances if the consumer is unable to receive a refund from their card issuer for an unauthorised debit (which shall be proved by a letter from the card issuer as confirmation of this), and the consumer provides:</p> <ol style="list-style-type: none"> 1. a copy of an itemised bill or letter from the supplier as proof of the charges made; and 2. proof of the method of payment for the ATOL protected booking (as set out in the ATOL Claim Form). 	<p>The ATT will not make a payment unless:</p> <ol style="list-style-type: none"> 1. the supplier made these charges as a direct consequence of the failure of the ATOL holder; or 2. the supplier made these charges whilst the ATOL holder was still trading and there is satisfactory evidence that the consumer had entered into an exchange of correspondence with the ATOL holder to reclaim these amounts.

OTHER PAYMENTS

	To whom	What for	Conditions Precedent	Exclusions
4.2.	A consumer	The ATT may make a payment to a consumer who was promised, but did not receive, a full or partial refund from the failed ATOL holder (for example in accordance with the terms of the failed ATOL holder's cancellation policy) prior to its failure.	<p>In these circumstances the ATT may make a payment to a consumer subject to the CAA being satisfied that the amount is due and outstanding. This will usually be evidenced by the ATOL holder's booking records or it may be necessary for the CAA to seek confirmation from the Failed ATOL holder's liquidator or administrator.</p> <p>Where a consumer paid for their ATOL protected trip in whole, or part, by credit card, or using a finance agreement, the ATT may refuse to make a payment to a consumer (and instead may ask the consumer to make a claim from their card issuer or the supplier of those financial services).</p>	<p>This clause does not apply to consumers who were promised refunds (including where a consumer accepted an ATOL Covid-19 Voucher, Refund Credit Note, or any other document) for an ATOL booking cancelled as a result of the Covid-19 pandemic.</p> <p>This is because separate clauses (until they are suspended, amended or replaced) apply to cancellations in these circumstances and can be found in the Additions to the ATT Payment Policy.</p>

OTHER PAYMENTS

	To whom	What for	Conditions Precedent	Exclusions
4.3.	Fulfilment Partners	The ATT may make a payment to a Fulfilment Partner before the failure of an ATOL holder if it considers it is in the interests of consumers to do so. For example if, in the reasonable view of the CAA, a large ATOL holder failure is likely, it may (at the ATT's absolute discretion) be in the interests of a consumer that the ATT make a payment to a Fulfilment Partner to enable it to prepare for dealing with a consumer should that potential failure occur.		

OTHER PAYMENTS

	To whom	What for	Conditions Precedent	Exclusions
4.4.	Third party performing administrative functions	<p>The ATT may make a payment for the costs of, and occasioned by, the administration of an ATOL holder failure to the CAA, the CAA's agents or other parties that make payments at the request of the ATT (for example claims handling agencies, agents for the failed ATOL holder, etc) calculated on the basis of the following heads of expenditure:</p> <ol style="list-style-type: none"> 1. per claim for bookings direct with the failed ATOL holder; 2. per claim for bookings made through an agent for the ATOL holder; 3. per claim for bookings made with a member of the failed Accredited body (ATOL holder); 4. repatriation fee per consumer overseas where an ATOL holder fails; 5. management and handling fees for ATT Contribution claims to <i>Flight-Plus arranger ATOL holders</i>; 6. management and handling fees where consumers commence their trip after the ATOL holder fails; 7. management fees for the CAA's management of Fulfilment Partners and claims agencies; and management fees for the CAA's management of pipeline funds 		

OTHER PAYMENTS

	To whom	What for	Conditions Precedent	Exclusions
4.5.	Others	The ATT may make a payment to third parties operating call centres prior to the failure of an ATOL holder if, in the reasonable view of the CAA, a failure is likely, to enable the call centre to begin to prepare for dealing with consumers should that potential failure occur. Similarly, the ATT may make a payment to claims handling agencies and/or software suppliers to commence preparations for the failure of an ATOL holder if, in the reasonable view of the CAA, a failure is likely.		
4.6.	Others	The ATT may make a payment for the cost of legal, accountancy, travel or financial consultancy advice and any incidental costs associated with this work.		
4.7.	Others	The ATT may make a payment for the travel, accommodation or sustenance expenses of employees of the CAA, or third parties assisting the CAA, where these persons are required to manage and administer payments as a result of the failure of an ATOL holder. The ATT may also make a payment to cover the additional staffing costs of the CAA.		

OTHER PAYMENTS

	To whom	What for	Conditions Precedent	Exclusions
4.8.	Others	<p>The ATT may make a payment for operating costs where it has delegated any of its functions, including, but not limited to the following:</p> <ol style="list-style-type: none"> 1. operating an external call centre; 2. auditing the performance of a third party; 3. maintaining and running the offices of a failed ATOL holder, including incidentals whether in the UK or overseas and, where necessary, paying its staff; 4. making payments to software contractors and arranging for couriers to collect information. 		
4.9.	Suppliers	<p>The ATT may make a payment to flight suppliers (in the circumstances set out in Section 1) prior to the supplier having provided the aircraft's final passenger listing "on account".</p>	<p>This payment will usually not be for the full amount requested by the supplier. Any payment is made pending a full reconciliation of the amounts charged against the aircraft's final passenger listing, pending a final balancing payment.</p>	
4.10.	Suppliers	<p>The ATT may make a payment to flight suppliers to commence preparations towards the failure of an ATOL holder if, in the reasonable view of the CAA, a failure is likely (for example to pay the costs of positioning aircraft).</p>		

End of document