

Snowcard Insurance

Volcanic Ash Event Fact Sheet

Following the volcanic eruption in Iceland on 15th April 2010 it has become necessary to clarify policy coverage and offer advice on how further airspace closure may impact on your insurance with Snowcard.

At the time of writing the UK insurance industry has suffered some £62 million of losses resulting from the ash cloud. This amounts to about 20% of the total claims paid in any one year. At Snowcard we have experienced an unprecedented number of calls relating to the problem and we hope this fact sheet will assist in answering some of your more common questions.

All insurance companies will offer different solutions to this problem although as far as we can see, the main UK insurers are all taking a similar approach. Travel insurance policies were never designed to cover such an event and the ongoing cost implications are still far from clear. We have held detailed discussions with our underwriters at Fortis Insurance who will continue to honour valid claims but there will be many affected who will not be eligible for cover after the event.

I would stress that there has been no change to our policy coverage and these notes are for clarification only.

In all circumstances, customers should first contact their tour operator / airline for guidance on their particular situation.

It should be noted that, other than in a Medical Emergency, Fortis is not able to provide any form of assistance in terms of bringing passengers home who are currently overseas. This is the responsibility of your airline or tour operator.

The principal reason our policy exists is to cover emergency expenses resulting from accidents on activity holidays. This will not be affected by the ash cloud problem. However, for holidays booked after the 15th of April, the delay section of our policy will not cover claims associated with this situation but you might be able to find cover against further airspace closure from other insurers. However, you will still require specialist emergency cover for your activities and there is no reason for you not to buy more than one travel policy to cover your needs.

We have detailed below the advice on how your policy will respond both for those already overseas and those yet to travel. In summary, for policies and holidays that were booked before the 15th April, claims are being paid under the 'Delay' section of the policy. There is no cancellation cover, cancelled flights and holidays are the responsibility of the airline or tour operator and you should seek their assistance if your travel is affected. For holidays booked after the 15th of April, we are

not offering delay cover in relation to further airspace closures from this event.

**The following advice has been passed to us by Fortis Insurance:
For someone already abroad**

Extending cover

For those customers stranded overseas, Fortis will extend cover under their policies for up to 30 additional days at no additional charge. If, during this time, medication for pre existing conditions runs out, and repeat prescriptions are required, there will be cover under the medical expenses section. This will only apply where the condition is non declarable, or cover has been agreed for a declared condition. Cover may not be provided where a condition is excluded, or a declarable condition has not been declared.

Missed Departure

The cover provided under the missed departure section, is applicable solely when the International departure has been missed, i.e. the traveller arrives at the airport after their international flight has already departed. If no flight has taken place, then cover under Missed Departure **cannot** be considered.

Delay Benefit

Policies include a Delay compensation benefit, under the delay section of cover, which is designed to provide cover in the event that either an outward journey from the UK or a return journey to the UK is delayed for a minimum period specified in the policy.

Any delay benefit paid by Fortis is paid in addition to any compensation from the airlines.

For anyone who is currently overseas, the cost of refreshments and additional accommodation are **not** covered by the policy however the delay benefit is intended to provide a contribution towards them.

It should be noted that the delay benefit has a maximum limit which is specified in each individual policy. Once this limit has been reached, regrettably no further benefit is payable for ongoing delays to journeys back to the UK.

Our policies will not provide benefit to assist with any additional costs involved in arranging alternative transport home. Again, customers are advised to discuss such situations with their airline or travel provider.

Ordinarily, policies require that customers check in at the airport in order to benefit under the Delay section of cover. In these exceptional circumstances, Fortis is not requiring customers to check in at airports as long as they are

able to demonstrate that the airline did not require them to do so (i.e. by providing a letter or e-mail from the airline or a print out of the communication on their airline's website).

For people yet to travel

Tour Operators / Airlines Obligations

It is Fortis' understanding that tour operators and airlines may provide customers with alternative arrangements if they are unable to fly as originally booked. If alternatives are not available or acceptable then tour operators and airlines should be refunding passenger's costs.

In the meantime, customers should contact their airlines for assistance with costs of refreshments and/or alternative accommodation.

Missed Departure

The cover provided under the missed departure, is applicable solely when the International departure has been missed, i.e. the traveller arrives at the airport after their international flight has already departed. If no flight has taken place, then cover under Missed Departure **cannot** be considered.

Delay Benefit

Policies include a Delay compensation benefit, under the delay section of cover, which is designed to provide cover in the event that either an outward journey from the UK or a return journey to the UK is delayed for a minimum period specified in the policy. If the outward journey is delayed beyond the specified period in the policy, the option to abandon comes into effect.

Any delay benefit paid by Fortis is paid in addition to any compensation from the airlines.

For People Who Have Purchased a Policy after the Event Occurred (15/4/10)

There is no cover for claims caused by any reason which was public knowledge when the policy was bought or the trip was booked.