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DRAFT STATUTORY INSTRUMENTS

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**2018 No.**

**The Package Travel and Linked Travel  
Arrangements Regulations 2018**

**PART 3**

Changes to the package travel contract before the start of the package

**Transfer of the package travel contract to another traveller**

**9.**—(1) A traveller (“the transferor”) may transfer the package travel contract once it is concluded to a person (“the transferee”) who satisfies all the conditions applicable to that contract.

(2) The transferor must give the organiser, on a durable medium, reasonable notice of the transfer and, for those purposes, notice which is given 7 days or more before the day on which the package starts is always deemed to be reasonable.

(3) The organiser must inform the transferor about the additional fees, charges or other costs arising from the transfer of the package travel contract (“the transfer costs”) and must provide proof of those costs.

(4) The transfer costs—

(a) must not be unreasonable; and

(b) must not exceed the cost incurred by the organiser as a result of the transfer.

(5) The transferor and the transferee are jointly and severally liable for the transfer costs.

(6) The provisions of paragraphs (3) and (4) are implied as a term in every package travel contract.

**Alteration of the price**

**10.**—(1) The provisions of this regulation are implied as a term in every package travel contract.

(2) The prices specified in a package travel contract must not be increased once the contract is concluded unless the contract—

(a) states expressly that such an increase may be made;

(b) states that price increases are to be made solely to allow for increases which are a direct consequence of changes in—

(i) the price of the carriage of passengers resulting from the cost of fuel or other power sources;

(ii) the level of taxes or fees on the travel services included in the contract imposed by third parties not directly involved in the performance of the package, including tourist taxes, landing taxes or embarkation or disembarkation fees at ports and airports; and

(iii) the exchange rates relevant to the package;

- (c) provides that the traveller has the right to a price reduction corresponding to any decrease in the costs referred to in sub-paragraph (b) that occurs before the start of the package once the contract is concluded; and
  - (d) provides how the revisions referred to in sub-paragraphs (a) and (b) are to be calculated.
- (3) Irrespective of its extent, a price increase may only be made if the organiser notifies the traveller clearly and comprehensibly of it with a justification for that increase and a calculation, on a durable medium, at the latest 20 days before the start of the package.
- (4) Where a price increase exceeds 8% of the total price of the package, paragraphs (4) to (11) of regulation 11 apply.
- (5) Where, under the terms of the package travel contract, the traveller has the right to a price reduction which corresponds to a decrease in the costs referred to in paragraph (2)(b), the organiser—
- (a) may deduct administrative expenses from any refund owed to the traveller as a result of the reduction in price; and
  - (b) must, at the traveller's request, provide proof of any expenses so deducted.

#### **Alteration of other package travel contract terms**

- 11.**—(1) The provisions of this regulation are implied as a term in every package travel contract.
- (2) The organiser must not unilaterally change the terms of a package travel contract before the start of the package, other than the price in accordance with regulation 10, unless—
- (a) the contract allows the organiser to make such changes;
  - (b) the change is insignificant; and
  - (c) the organiser informs the traveller of the change in a clear, comprehensible and prominent manner on a durable medium.
- (3) Paragraphs (4) to (11) apply where, before the start of the package, the organiser—
- (a) is constrained by circumstances beyond the control of the organiser to alter significantly any of the main characteristics of the travel services specified in paragraphs 1 to 10 of Schedule 1;
  - (b) cannot fulfil the special requirements specified in paragraph 1 of Schedule 5; or
  - (c) proposes to increase the price of the package by more than 8% in accordance with regulation 10(4).
- (4) The organiser must, without undue delay, inform the traveller in a clear, comprehensible and prominent manner on a durable medium, of—
- (a) the proposed changes referred to in paragraph (3) and, where appropriate, in accordance with paragraph (7), their impact on the price of the package;
  - (b) a reasonable period within which the traveller must inform the organiser of the decision pursuant to paragraph (5);
  - (c) the consequences of the traveller's failure to respond within the period referred to in sub-paragraph (b); and
  - (d) any substitute package, of an equivalent or higher quality, if possible, offered to the traveller and its price.
- (5) The traveller may, within a reasonable period specified by the organiser—
- (a) accept the proposed changes; or
  - (b) terminate the contract without paying a termination fee.

(6) Where the traveller terminates the contract pursuant to paragraph (5)(b), the traveller may accept a substitute package, where this is offered by the organiser.

(7) Where—

- (a) the changes to the package travel contract referred to in paragraph (3), or
- (b) the substitute package referred to in paragraph (6),

result in a package of lower quality or cost, the traveller is entitled to an appropriate price reduction.

(8) Where—

- (a) the traveller terminates the contract pursuant to paragraph (5)(b), and
- (b) the traveller does not accept a substitute package,

the organiser must refund all payments made by or on behalf of the traveller without undue delay and in any event not later than 14 days after the contract is terminated.

(9) Where paragraph (8) applies, regulation 16(2) to (10) applies.

(10) Where the traveller does not confirm, within the period specified in paragraph (5), whether the traveller wishes to—

- (a) accept the proposed change, or
- (b) terminate the contract,

in accordance with that paragraph, the organiser must notify the traveller, a second time, of the matters in sub-paragraphs (a) to (d) of paragraph (4).

(11) If, having been notified under paragraph (10), the traveller fails to respond, the organiser may terminate the contract and refund all payments made by or on behalf of the traveller without undue delay and in any event not later than 14 days after the contract is terminated.

### **Termination of the package travel contract by the traveller**

**12.—**(1) The provisions of this regulation are implied as a term in every package travel contract.

(2) A traveller may terminate the package travel contract at any time before the start of the package.

(3) Where the traveller terminates the package travel contract under paragraph (2), the traveller may be required to pay an appropriate and justifiable termination fee to the organiser.

(4) The package travel contract may specify reasonable standard termination fees based on—

- (a) the time of the termination of the contract before the start of the package; and
- (b) the expected cost savings and income from alternative deployment of the travel services.

(5) In the absence of standardised termination fees, the amount of the termination fee must correspond to the price of the package minus the cost savings and income from alternative deployment of the travel services.

(6) The organiser must provide a justification for the amount of the termination fee if the traveller so requests.

(7) Notwithstanding paragraphs (2) to (6), in the event of unavoidable and extraordinary circumstances occurring at the place of destination or its immediate vicinity and which significantly affect—

- (a) the performance of the package, or
- (b) the carriage of passengers to the destination,

the traveller may terminate the package travel contract before the start of the package without paying any termination fee.

(8) Where the package travel contract is terminated under paragraph (7), the traveller is entitled to a full refund of any payments made for the package but is not entitled to additional compensation.

### **Termination of the package travel contract by the organiser**

**13.**—(1) The provisions of this regulation are implied as a term in every package travel contract.

(2) Paragraph (3) applies where—

(a) the number of persons enrolled for the package is smaller than the minimum number stated in the contract and the organiser notifies the traveller of the termination of the contract within the period fixed in the contract but not later than—

(i) in the case of trips lasting more than 6 days, 20 days before the start of the package;

(ii) in the case of trips lasting between 2 and 6 days, 7 days before the start of the package;

(iii) in the case of trips lasting less than 2 days, 48 hours before the start of the package; or

(b) the organiser is prevented from performing the contract because of unavoidable and extraordinary circumstances and notifies the traveller of the termination of the contract without undue delay before the start of the package.

(3) The organiser—

(a) may terminate the package travel contract and provide the traveller with a full refund of any payments made for the package;

(b) is not liable for additional compensation.

### **Refunds in the event of termination**

**14.**—(1) The provisions of this regulation are implied as a term in every package travel contract.

(2) Following a termination under regulation 12(2), the organiser must reimburse any payments made by or on behalf of the traveller, having deducted any termination fee.

(3) Any—

(a) reimbursement required under paragraph (2), or

(b) refund required pursuant to—

(i) regulation 12(8), or

(ii) a termination under regulation 13(3),

must be made to the traveller without undue delay and in any event not later than 14 days after the package travel contract is terminated.