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Stranded pilgrimage tour customers covered by bond

23 July 2001.

Over 100 people on pilgrimage to Lourdes will be accommodated tonight and flown home to Dublin tomorrow in spite of their tour operator's inability to pay for their flights or accommodation. A potential crisis was averted when the Travel Trade Division of the Commission for Aviation Regulation drew down a bond which the tour operator had in place as part of the requirement under the Transport (Tour Operators and Travel Agents) Act, 1982.

The Commission became aware this morning that the party of passengers were having difficulty returning home. Following contact with the tour operator, Bon Voyage Travel Limited, Patrick Street, Dun Laoghaire, the Commission this afternoon called down the firm's tour operator bond and withdrew its tour operator licence. Drawing on the bonded funds, the Commission was able immediately to arrange for the charter of an alternative aircraft at the soonest available date from Lourdes to Dublin and also arrange for overnight accommodation. The flight is expected to depart from Lourdes around lunchtime tomorrow (Tuesday) and is due to arrive in Dublin at about 4.00 pm.

In a separate but related development, the Commission had sought an injunction in the High Court on 16 July to compel Bon Voyage Travel Ltd to cease trading as a travel agent as it had not been successful in securing a bond for its travel agency business, which is a prerequisite to its full receipt of a licence to trade as a travel agent. The company has since obtained a bond and continues to trade as a travel agent.

A bond in respect of the tour operating activity of Bon Voyage Travel Limited has been in place since 1 November 2000. The presence of that bond has enabled the Commission to pay for an alternative flight and accommodation, without which the clients would be forced to continue to make their own arrangements for getting home.

Commenting on the situation, the Commission's Head of Travel Trade Licensing, Fintan Deere, said that a potentially serious situation had been handled promptly because the bond was in place.

"Unfortunately, these problems arise from time to time in the industry. The purpose of the bond is to ensure that the situation can be addressed as soon as possible with the minimum of disruption to the stranded passengers," he said.

The Commission also moved to assure other tour operator customers of Bon Voyage Limited who have made bookings with the company that there are adequate funds under the bonding scheme to ensure that their monies will be refunded in due course. Claims under the firm's bond must be made to the Commission within 60 days to the Commission for Aviation Regulation, 36 Upper Mount Street, Dublin 2, 01-6611700. All claims are subject to the terms of the Transport (Tour Operators and Travel Agents) Act, 1982.

Notes to Editors

The Commission assumed the role of licensee of travel agents and tour operators from the Minister of Public Enterprise on its establishment on the 27th February 2001. While there are precise legal differences between travel agents and tour operators, in general terms, a tour operator is a person who acts as the principal in relation to overseas travel which it arranges for the purpose of selling or offering for sale to the general public. By contrast, a travel agent is a person who sells or purchases or offers to purchase overseas travel on behalf of the public on a commission basis.

Under the Transport (Tour Operators and Travel Agents) Act 1982, it is a condition for a travel agent or tour operator licence that the applicant possesses a sufficient bond to ensure it can meet its obligations to its customers, in case it is unable to meet its contractual or financial obligations.

A travel agent or tour operator may choose to organise a bond through their bank, an insurance company, through a cash lodgement or through the collective bonding scheme, which is organised by the Irish Travel Agents Association (ITAA).

For further information

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