**The GTOA Insurance scheme, arranged by Towergate Insurance. Are you adequately protected? Are you working without the knowledge of your legal responsibilities?**

Towergate Insurance has been a business partner with the GTOA for over 7 years. Towergate are proud to serve the members of the GTOA, and hope to raise awareness of the insurance requirements needed when GTOs are arranging or conducting group trips or tours.

**Are you affected by the Package Travel, Package Holidays and Package Tours**

**Regulations 1992?**

When a Group Organiser arranges holidays or short breaks it is very likely the ‘package’ that you are providing will fall within the scope of the EC Package Travel Regulations 1992.

This means that the Group Organiser will assume responsibility for all acts, errors or omissions of the suppliers and sub-contractors connected with the package i.e. Coach Company/Hotel/Attraction etc.

The definition of a ‘package’ is ‘The pre-arranged combination of at least two of the following components’:

**a) Transport**

**b) Overnight Accommodation**

**c) Other tourist services not ancillary to transport or accommodation and accounting for a** **significant proportion of the package**

The liability that a Group Organiser faces can be significant. Legal costs and compensation payments can easily run in to tens of thousands of pounds. It is important you ensure adequate insurance cover is in place to protect you the Group Organiser as potentially, your personal assets are at risk should a successful claim be made against you.

Towergate Insurance, premiums start from just £417\* per annum\*, or £214\* for day trip\*\* only cover. This exclusive deal for

GTOA members is underwritten by Tour Indemnity, one of the UK’s leading specialist Underwriters of Tour Organisers Liability Insurance, giving GTOs peace of mind ahead of each and every trip.

**What cover is provided under the GTOA insurance scheme?**

**Public Liability**

Limit of Indemnity £2,000,000 any one claim

**Professional Indemnity**

Limit of Indemnity £250,000 any one period of insurance

**Insured’s contribution**

Public Liability £250 any one person

£2500 In Aggregate

Professional Indemnity £250 any one person

£1500 In Aggregate

For further information regarding the GTOA Liability Insurance scheme, please contact Towergate on **01932 334140** or alternatively by email – **tcs@towergate.co.uk**

**Protection of Passenger Money in the event of Insolvency or Liquidation**

The Package Travel Regulations 1992 also **make it a legal requirement** that any Tour Operator/Group Organiser whom provide packages, must provide protection of monies and repatriation if stranded at resort in the event of Insolvency. For Group Organisers there are only two real options, Trust Accounts or Financial Failure Insurance. Whilst the Trust Account route may sound favourable it is somewhat cumbersome in that there is a detrimental impact on your cash flow as all monies must be paid in to the Trust Account and can’t be released until the trip has returned home. This in effect means payments to suppliers and hoteliers must be met by you or your association. Additionally, the Trust Account must be administered by an Independent Trustee, unconnected with the Group Organiser.

Towergate offer a pay as you go scheme that is approved by the DTI and ABTA. The scheme offers full repatriation cover if passengers are stranded at resort and offers full re-imbursement of lost monies in the event of liquidation insolvency.

Further information relating to Financial Failure Insurance can be obtained from Sam Sciortino at Towergate Chapman Stevens on **01932 334142** or alternatively by email: sam.sciortino@towergate.co.uk

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