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FLIGHT CENTRE REITERATES ADVICE FOR AIR AUSTRALIA CUSTOMERS:

Steps taken to reduce risk mean most FLT customers likely to get money back

FLIGHT Centre Limited (FLT) today reiterated its advice for travellers affected by Air Australia's grounding.

The company believes policies it enacted in recent months to protect its customers will mean that most will be able to recover funds – whether they paid cash or by credit card.

FLT has also taken steps to help those who need to alter their holiday plans by:

- Negotiating cut-price recovery rates with a number of airlines
- Fast-tracking customer refunds to allow travellers to use their money to make new holiday arrangements as soon as possible
- Speaking to hotel, resort and tour operators to secure flexible land arrangements for the large number of customers who wish to take their holidays as planned, but now need to alter their travel plans; and
- Waiving all FLT booking amendment fees that would normally apply

Managing director Graham Turner said the policies were introduced, in line with FLT's normal business procedures, after insurers removed insolvency coverage for the airline in December 2011.

"Travellers and travel agents have been stung before in Australia by airline collapse and it was important that we took precautions when insurance coverage was removed," he said.

"These precautions included booking flights in a way that would minimise or eliminate the risk to customers and making travellers aware of the insurance situation, a move that prompted Air Australia to publicly criticise our stance.

“To date, our priorities have been helping customers who are currently away and helping those who want to rearrange their plans.

“For most travellers, the goal is obviously to rearrange the holiday plans without incurring significant additional costs.”

To help FLT customers understand their position, FLT has compiled the following general guideline.

Air Australia flight only bookings

- Customers who booked flights and paid on personal credit cards should phone their bank as soon as possible and seek to reverse the transaction
- Customers who booked flights and paid with cash should contact their FLT travel agent, as FLT’s agents would generally use an in-store credit card to complete the transaction and should be able to reverse the transaction

Package holiday bookings

- Customers who booked packaged holidays, either by cash or by credit card, should speak to their FLT travel agent, as individual circumstances relating to the accommodation or tour booking could vary. Generally, FLT has been able to secure agreements with its suppliers to allow travellers to postpone holidays without incurring the booking amendment fees that would normally apply

Travel insurance

- FLT sells Covermore Travel Insurance policies. If customers bought policies before insurers removed insolvency coverage for Air Australia (mid December), insurance coverage may apply

“Flight Centre’s decisions have been to support and help customer interests in dealing with Air Australia,” Mr Turner said.

“There will be some instances where rebooking holidays or securing refunds are not straightforward, but we will do whatever possible in these instances to help our customers.

“FLT’s travel agents throughout Australia will also try to help other affected travellers – whether they booked online or direct with Air Australia – if possible.”

ENDS Media enquiries to Haydn Long 0418 750454