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Articles

Please note this Article appeared in the new Travel-Zine from HolidayTravelWatch – Get'Away – Your Route to Travel Rights™

HolidayTravelWatch PTR Tip – Holidaymakers Money in Trust

Consumers sometimes find themselves in dispute with a tour operator, after they have paid over a deposit, or the full sum for the holiday. Monies paid across in such circumstances are deemed to be monies held in trust for the consumer, until such time as the contract has been fully performed, or those monies have been repaid to him, or the money has been forfeited on cancellation. Regulation 20 (3) of the Package Travel Regulations provides that the interest earned, should be paid to the other party to the contract, following the 3 conditions as stated above. The only exception is in the event of insolvency of the Tour Operator or Organiser. It is our view that in the event of a dispute, consumers are entitled to call on the trustee to account for the monies in their care, it is after all their money. Why should an Travel Organiser benefit from their failure? Despite Regulation 20 (3) above, we consider that interest should be paid to the consumer, particularly where it can be shown that an avoidable failure in the contract occurred. We would be interested to hear from anyone who has experience of this issue.

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www.holidaytravelwatch.com

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Every effort has been made to ensure the accuracy of this article. Remember this article is dated and you must check on any statutory provision before reliance is placed on this information. The law is subject to change! You have been warned!

If you have encountered problems described in this article, and remain unsure of your rights, contact HolidayTravelWatch either by e mail or via our helpline 01217478100 or seek the services of a properly qualified travel lawyer – on no account accept any compensation without seeking advice first!