

PART 8 OF THE ENTERPRISE ACT 2002 (“EA02”)

UNDERTAKINGS TO THE COMPETITION AND MARKETS AUTHORITY (“CMA”) UNDER SECTION 219 OF THE EA02 RELATING TO:

THE PACKAGE TRAVEL AND LINKED TRAVEL ARRANGEMENTS REGULATIONS 2018

We Love Holidays Limited (“We Love Holidays”), of registered office Shortlands 5th Floor, 3 Shortlands, London, W6 8DA, voluntarily gives the following undertakings to the CMA under section 219 of the EA02.

For the avoidance of doubt these Undertakings relate to the CMA's consumer law investigation into Package holiday terminations, and do not amount to an admission that any person has infringed the law.

We Love Holidays has fully co-operated and constructively engaged with the CMA. The CMA accepts these Undertakings on the basis of We Love Holidays' assurances as to:

- (i) its future conduct regarding discharging certain obligations under Regulations 12, 13 and 14 of the Package Travel and Linked Travel Arrangements Regulations 2018; and
- (ii) the steps We Love Holidays has already taken to comply with these obligations.

UNDERTAKINGS

In accordance with sections 219(4) and 219B EA02, We Love Holidays undertakes: (i) on its own behalf;¹ and (ii) in respect of any third party acting in its name with its authority or on its behalf with its authority:

¹ The reference to We Love Holiday's “own behalf” shall include circumstances where, following the date of these Undertakings, any new or existing subsidiary of We Love Holidays begins selling package holidays, in which case We Love Holidays shall procure their compliance with these Undertakings, where relevant and to the extent the Undertakings remain applicable, until such time as the subsidiary ceases to be owned or controlled by We Love Holidays.

- not to engage in any conduct which contravenes paragraphs 2 to 6 below;
- not to engage in such conduct in the course of its business or another Package holiday business; and
- not to consent to or connive in the carrying out of such conduct by a body corporate with which it has a special relationship (within the meaning of section 222(3) EA02).

Interpretation

1. Defined terms are set out below.
 - (1) When a date or time period is specified, the obligation must be met by 17:00 hours in the time zone of the UK on the relevant day.
 - (2) **“Affected Booking”** means a Package Travel Contract that has been terminated:
 - i. by or on behalf of WLH in the Relevant Period in connection with the COVID-19 pandemic in circumstances where the Traveller would be entitled to a Refund under the PTRs; or
 - ii. by a Traveller in the Relevant Period in connection with the COVID-19 pandemic in circumstances where the Traveller would be entitled to a Refund under the PTRs and WLH accepts (or has already accepted) that a Refund is payable to the Traveller.
 - (3) **“Affected Traveller”** means a Traveller in respect of an Affected Booking who made a payment to WLH but excluding -
 - i. Any person who has already obtained a Refund;
 - ii. Any person who has received and fully redeemed a Refund Credit Note;
 - iii. Any person who has received a Refund Credit Note which has not been fully redeemed but (a) has been advised by WLH that it is redeemable for cash at any time up to its expiry date and (b) has not exercised that option;
 - iv. Any person with a disputed debit or credit card chargeback claim or a disputed claim under s 75 of the Consumer Credit Act 1974, in respect of an Affected Booking; and

v. Any person who has rebooked the Package holiday with WLH.

- (4) “**Cancellation Fee**” means any fee charged by WLH in relation to the termination of an Affected Booking in contravention of the provisions of the PTRs, however described, including for the avoidance of doubt, fees deducted automatically or otherwise withheld.
- (5) “**Cash**” means any bankable method of payment.
- (6) “**Flight Element**” means the flight component of the **Package**.
- (7) “**Flight Voucher**” means a credit voucher provided by the flight provider to a Traveller with an Affected Booking, representing an amount equivalent to that received by the flight provider for the Flight Element of the Traveller’s Package, which the Traveller can use to book a future flight with that flight provider.
- (8) “**Land Element**” means the accommodation or transfer components of the **Package** or any other non-**Flight Element** of the **Package** together with any services or facilities included within the Package and for which fees are payable to WLH in relation to the Package, for example cancellation and commission fees.

For the avoidance of doubt, travel insurance purchased by a Traveller on the WLH site is neither a Land Element nor part of the Package for the purposes of these undertakings.

- (9) “**Package**” has the meaning set out in regulation 2(5) of the PTRs.
- (10) “**Package Travel Contract**” means a contract on a Package as a whole or if the Package is provided under separate contracts, all the contracts covering the travel services included in the Package.
- (11) “**PTRs**” means The Package Travel and Linked Travel Arrangements Regulations 2018.
- (12) “**Refund**” means a repayment in Cash of the total sum that the Affected Traveller has paid in respect of the Affected Booking, and comprising of the sums paid for the **Flight Element** and **Land Element** of the Package, less the following:
- i. any amount previously refunded to the Affected Traveller by WLH or by the relevant service provider;
 - ii. any amendment fees properly charged in accordance with the terms of the relevant PTR-compliant Package Travel Contract;

- iii. the value of any Flight Voucher provided by the relevant flight provider to the Affected Traveller relating to the Flight Element of the Package, where the Affected Traveller:
 - A. has fully redeemed the Flight Voucher, or;
 - B. has not fully redeemed the Flight Voucher but (a) has been advised by WLH that the Flight Voucher may be rejected in favour of an equivalent Cash payment by WLH and (b) has not exercised that option; and
- iv. the sum paid for the Flight Element of a Package where the Affected Traveller has rebooked or amended the Flight Element directly with the flight provider.

For the avoidance of doubt, a Refund does not include the provision of a Refund Credit Note or a Travel Voucher.

- (13) **“Refund Credit Note”** means a refund credit note provided by WLH to Travellers with Affected Bookings which can either be used to book a future holiday with WLH or converted to a Refund.
- (14) **“Relevant Period”** means 17 March 2020 to 30 April 2021 inclusive.
- (15) **“Travel Voucher”** means a voucher provided by WLH which can either be used to book a future holiday with WLH or converted to a Refund.
- (16) **“Traveller”** means any individual who has concluded a contract or is entitled to travel on the basis of a contract concluded for the provision of a package holiday with WLH, within the scope of the PTRs.
- (17) **“We Love Holidays”** and **“WLH”** means We Love Holidays Limited, company registered number 07839224.

Refunds

- 2. WLH will use all reasonable endeavours to ensure that: (A) Refunds will be made in respect of Affected Bookings and that they will generally be processed in chronological order; and (B) payment of Refunds to Affected Travellers shall be made without undue delay and in any event within the following time limits:

For Land Elements of the Package

- 1) By **31 December 2020**, where termination of the Affected Booking occurred before 1 November 2020; or

- 2) By **31 January 2021**, where termination of the Affected Booking occurred between 1 November 2020 and 31 December 2020 (inclusive); or
- 3) **Within 14 days of termination**, where termination of the Affected Booking occurred between 1 January 2021 and 30 April 2021 (inclusive).

For Flight Elements of the Package

- 1) By **28 February 2021**, where termination of the Affected Booking occurred before 24 August 2020; or
- 2) By **31 March 2021**, where termination of the Affected Booking occurred between 24 August 2020 and 31 October 2020 (inclusive);
or
- 3) By **30 April 2021**, where termination of the Affected Booking occurred between 1 November 2020 and 31 March 2021 (inclusive).
- 4) By **31 May 2021**, where termination of the Affected Booking occurred between 1 April 2021 and 30 April 2021 (inclusive).

For the avoidance of doubt:

- i. WLH shall comply with the requirements of paragraph 2 irrespective of whether WLH has received a refund of any amounts it has paid to any of the service providers associated with the Affected Booking (for example, the airline or accommodation provider).
- ii. References to “*all reasonable endeavours*” in these Undertakings shall, given the extraordinary circumstances of the COVID-19 pandemic, include reasonable allowance for human error on the part of WLH, provided reasonable steps are then taken to correct it promptly once identified.
- iii. Where for any reason a Refund or repayment is not paid to an Affected Traveller within the relevant timeframe stated in paragraph 2 above, WLH will continue to endeavour to make the Refund and will record the steps taken to process the Refund and the reasons why the payment has not been made.

Future Obligations

3. Where termination of a Package Travel Contract occurs on or after **1 May 2021**, in circumstances where the Traveller would be entitled to a full refund under the PTRs and WLH accepts that a full refund is due to the Traveller (a “Future Cancellation”), WLH will ensure that:
 - 1) processes are put in place and followed so that full refunds are paid in respect of all Future Cancellations without undue delay and, in any event;
 - 2) refunds for Future Cancellations are paid in full not later than 14 days after the termination of the Package Travel Contract.

For the avoidance of doubt, WLH shall comply with the requirements of paragraph 3 irrespective of whether WLH has received a refund of any amounts it has paid to any of the service providers associated with the relevant Package Travel Contract (for example, the airline or accommodation provider).

Reporting

4. Without prejudice to any further information notice² sent by the CMA, WLH will provide the CMA with an initial report on **14 January 2021** in relation to the Affected Bookings falling within the scope of paragraph 2,1) of these Undertakings. The report will provide the following information:
 - 1) The total number of Affected Bookings.
 - 2) Where the Land Element of a Refund has been made to the Affected Traveller:
 - i. The number of Affected Bookings for which payment of the Land Element of the Refund was made within the time limit set out in paragraph 2,1); and
 - ii. The number of Affected Bookings for which payment of the Land Element of the Refund was made outside the time limit set out in paragraph 2,1).
 - 3) For each of the Affected Bookings where the Land Element of the Refund has not been paid to the Affected Traveller in the time limit set out in paragraph 2,1) and remains outstanding as at the date of the report:
 - i. an explanation as to why these payments have not been made yet;

² Under Part 3 of Schedule 5 to the Consumer Rights Act 2015

and

- ii. the steps that WLH has taken to make the outstanding payments; and
 - iii. confirmation of when these payments will be made.
5. Following the initial report referred to in paragraph 4 above, WLH will provide the CMA with further reports in relation to the Affected Bookings falling within the scope of paragraph 2 of these Undertakings. These reports will be provided to the CMA on or before **12 February 2021, 12 March 2021, 11 June 2021** and **9 September 2021**, until such time as there are less than 100 Affected Bookings where a Refund is still due (based on WLH's best estimates having exercised appropriate due diligence). Each report will cover the period since the previous report (including the initial report referred to in paragraph 4 above) and will provide the following information:
- 1) the total cash value of the outstanding Refunds, or parts of Refunds, and total number of associated Affected Bookings, broken down by reference to each of the time periods in paragraph 2; and
 - 2) an explanation as to why these payments have not been made yet; and
 - 3) the steps that WLH has taken to make the outstanding payments; and
 - 4) confirmation of when these payments will be made.
6. WLH will also provide reports in relation to the Package Travel Contracts falling within the scope of paragraph 3 of these Undertakings. Each report will cover the period since the previous report (and for the first report, the period from 1 May 2021) and will be provided to the CMA on or before **11 June 2021, 9 July 2021, 6 August 2021** and **9 September 2021**. They will provide the following information:
- 1) The total number of Package Travel Contracts which have been terminated by WLH or the Traveller in circumstances where the Traveller would be entitled to a Refund under the PTRs and WLH accepts that a full refund is due; and
 - 2) A break down by number of the Package Travel Contracts referred to in sub-paragraph 1 above in respect of which:
 - i. the Traveller has been paid a full refund;
 - ii. the refund was paid not later than 14 days after the termination of the Package Travel Contract;
 - iii. the full refund was paid later than 14 days after the termination of the Package Travel Contract;

- iv. the payment of the full refund remains outstanding as at the date of the report.
- 3) Such other information as the CMA reasonably requests and notifies in writing relevant to the discharge of these Undertakings.

BY SIGNING THESE UNDERTAKINGS WE LOVE HOLIDAYS ARE AGREEING THAT THEY WILL BE BOUND BY THEM.

THESE UNDERTAKINGS REPRESENT A COMMITMENT BY WE LOVE HOLIDAYS IN RELATION TO FUTURE COMPLIANCE WITH CONSUMER PROTECTION REGULATION AND PRACTICE. THESE UNDERTAKINGS DO NOT AMOUNT TO AN ADMISSION THAT ANY PERSON HAS COMMITTED ANY CRIMINAL OFFENCE OR OTHERWISE INFRINGED THE LAW.

IF HAVING SIGNED THIS DOCUMENT WE LOVE HOLIDAYS BREACHES ANY OF THE ABOVE UNDERTAKINGS, THEY ARE AWARE THAT THEY MAY BE THE SUBJECT OF AN APPLICATION TO THE COURT FOR AN ENFORCEMENT ORDER UNDER SECTION 215 OF THE EA02.

THE CMA WILL CONSIDER VARYING OR TERMINATING THE UNDERTAKINGS, EITHER UPON REQUEST FROM WE LOVE HOLIDAYS OR UNDER THE CMA'S OWN INITIATIVE, WHERE THERE HAS BEEN A CHANGE OF CIRCUMSTANCES SUCH THAT THE UNDERTAKING IS NO LONGER APPROPRIATE IN DEALING WITH THE ISSUES IT WAS DESIGNED TO REMEDY (EG IF THE UNDERTAKING IS AFFECTED BY NEW LEGISLATION OR CHANGES IN MARKET CONDITIONS).

Signed on behalf of WE LOVE HOLIDAYS

Date

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