

Final Undertakings

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 AND THE CONSUMER PROTECTION FROM UNFAIR TRADING REGULATIONS 2008

TUI UK Limited and TUI UK Retail Limited (together “TUI UK”), each of registered office Wigmore House, Wigmore Lane, Luton, UK, LU2 9TN, each 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 arising as a result of exceptional circumstances driven by COVID-19, and do not amount to an admission that any person has infringed the law.

TUI UK has fully co-operated and constructively engaged with the CMA in respect of all issues arising as a result of COVID-19.

UNDERTAKINGS

In accordance with sections 219(4) and 219B EA02 and in respect of its activities which are targeted at UK consumers, TUI UK undertakes: (i) on its own behalf¹; and (ii) in respect of any third party acting in its name with its authority or on its behalf with its authority (provided that TUI UK is entitled to direct the affairs of that third party insofar as it concerns TUI UK Travellers and that third party complies with TUI UK's directions):

- not to engage in any conduct which contravenes paragraphs 3 to 9 below;

¹ The reference to TUI UK's “own behalf” shall include circumstances where, following the date of these Undertakings, any new or existing subsidiary of TUI UK begins selling package holidays, in which case TUI UK 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 TUI UK.

- 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) For the avoidance of doubt, references to discussing with or to informing, notifying or reminding a Traveller of, their options or entitlements pursuant to these Undertakings may be satisfied where TUI UK discusses with or informs, notifies or reminds the 'lead passenger' (or equivalent, including any other Traveller who the lead passenger has indicated and TUI UK has agreed can discharge this function) on any group booking in line with the terms of the Package Travel Contract.
 - (3) **"Clear/Clearly"** means communication in a manner which is timely, unambiguous and non-misleading, and in relation to written communication is also intelligible.
 - (4) **"Coronavirus FAQs"** means a section of the TUI UK website set up to provide answers to frequently asked questions regarding the impact of COVID-19 on TUI holidays, which as of the date of these Undertakings can be found at: <https://www.tui.co.uk/destinations/info/coronavirus>.
 - (5) **"Easily Accessible"** means available to the user within a reasonable number of clicks, and clearly navigable and with headings that accurately reflect the substance of the content to which they relate.
 - (6) **"Manage My Booking"** means the section of the TUI UK website whereby Travellers may review, amend or terminate their Package Travel Contract.
 - (7) **"Package"** has the meaning set out in regulation 2(5) of the PTRs.

- (8) **“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.
- (9) **“PTRs”** means The Package Travel and Linked Travel Arrangements Regulations 2018.
- (10) **“Programme Change Email”** means the standard programme change email, which TUI UK may amend from time to time, that TUI UK sends to Travellers setting out their options in circumstances where TUI UK determines that both of the following apply:
- (i) it is constrained by circumstances arising from COVID-19 which are beyond its control and which require it to significantly alter the main characteristics of a Package Travel Contract in accordance with regulation 11 of the PTRs or to terminate a Package Travel Contract in accordance with regulation 13 of the PTRs; and
 - (ii) the Traveller is entitled to a Refund under the PTRs.
- (11) **“Prominent/Prominently”** means information that is clearly visible and apparent.
- (12) **“Refund”** means -
- (i) a repayment of the total sum that the Traveller has previously paid to TUI UK in respect of a relevant booking (less any amount previously refunded or any amendment or other fees properly charged in accordance with the terms of the relevant PTRs-compliant Package Travel Contract or otherwise permitted by law); and
 - (ii) for the avoidance of doubt does not include a Refund Credit Note.
- (13) **“Refund Credit Note”** means the TUI UK refund credit code which can either be used to book a future holiday with TUI UK or converted to a Refund.
- (14) **“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 TUI UK within the scope of the PTRs.

- (15) **“Travel Advisor”** means any employee of TUI UK or an individual duly authorised by TUI UK who has direct contact with Travellers including via online, telephone call or instore contact.
- (16) **“Traveller Cancellation Rights”** means the rights available to Travellers under Regulation 12 (7) of the PTRs.
- (17) **“TUI UK”** means –
 - (i) TUI UK Limited, company registered number 02830117; and
 - (ii) TUI UK Retail Limited, company registered number 01456086.

Implementation

- 2. TUI UK will ensure that all undertakings are implemented promptly and without undue delay and, in any event, by no later than 30 April 2021.

Package Travel Contracts

- 3. TUI UK will ensure that its Package Travel Contracts:
 - (1) Clearly set out the Traveller’s right to terminate the Package Travel Contract and receive a Refund where the Traveller Cancellation Rights are met; and
 - (2) provide the information referred to in sub-paragraph (1) alongside the Traveller’s other rights to terminate the Package Travel Contract.

Consumer Communications

- 4. TUI UK shall ensure that the option for a Refund is Clearly and Prominently presented in:
 - (1) the Programme Change Email;
 - (2) Manage My Booking as presented to Travellers that have received a Programme Change Email;
 - (3) the Coronavirus FAQs, when the right to a Refund applies; and

- (4) any direct written response to a Traveller outlining the options available to the Traveller in circumstances where, as a result of COVID-19, the Traveller indicates to TUI UK that they wish to cancel the Package because the Traveller Cancellation Rights are engaged and TUI UK acting reasonably agrees those rights are engaged.
- 5. TUI UK shall periodically review the effectiveness of the processes that it has put in place as a consequence of COVID-19 insofar as they concern direct contacts between Travellers and Travel Advisors which relate to the communication of Travellers' rights to Refunds under the PTRs on the termination or alteration of Package Travel Contracts.

Transparency

- 6. TUI UK will ensure that, subject to any necessary limitations in terms of time and space posed by the relevant communications channel, each of the consumer communications listed in paragraph 4 (1) – (4) provides the Traveller with Clear and Easily Accessible information on how a Refund can be claimed.
- 7. TUI UK will ensure that the process for the Traveller to exercise any option to claim a Refund due in accordance with the PTRs is not unduly onerous.

Refund Credit Notes

- 8. When making the offer of a Refund Credit Note and when issuing a Refund Credit Note in circumstances arising from COVID-19, TUI UK will Clearly and Prominently notify the Traveller that such unused Refund Credit Notes –
 - a. may be redeemed for a Refund by the Traveller at any time before the Refund Credit Note expires; and

- b. are also redeemable for a Refund upon expiry.
9. TUI UK will ensure that the Coronavirus FAQs provide Clear and Easily Accessible information on the process for redeeming a Refund Credit Note for a Refund until such date as all TUI UK issued Refund Credit Notes have expired.

BY SIGNING THESE UNDERTAKINGS TUI UK LIMITED AND TUI UK RETAIL LIMITED ARE AGREEING THAT THEY WILL EACH BE BOUND BY THEM.

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

IF HAVING SIGNED THIS DOCUMENT TUI UK 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 TUI UK 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 TUI UK Limited by

A large black rectangular box redacting the signature of the representative of TUI UK Limited.

TUI UK Limited

Signed on behalf of TUI UK Retail Limited by



TUI UK Retail Limited