

# travel industry insurance

sample errors & omissions claims



## Carribbean Honeymoon Nightmare

Toronto travel agent booked a honeymoon couple to a resort in the Caribbean that was undergoing extensive renovations. The swimming pool & other recreational facilities were unavailable for use. The resort's services were severely restricted and the couple returned to Toronto within three days. The couple has sued their travel agent for negligence alleging that the agent did not confirm that the accommodations represented in the resort's brochure were accurate and indeed available.

**Result: \$50,000 Lawsuit.**

## Inability to Enter a Country

Travel Agents are sued regularly for their failure to advise clients that visa's are required for passage to a foreign country. Most lawsuits include damages for the entire cost of the trip for all passengers traveling.

**Result: Multiple Lawsuits**

## Flight Booked for Incorrect City

The Agent mistook the origin of a call as Burlington, Ohio as opposed to Burlington, Ontario. As a result tickets were booked for a departure from Ohio. The client arrived for the departing flight only to find out that no flight existed which delayed their vacation and subsequent cruise.

**Result: \$45,000 claimed.**

## Negligent Selection of a Supplier

Travel agents recommend tour packages that are operated by wholesalers. Many times the accommodations are presented in a tour brochure are not the product that the client ultimately receives, i.e. hotel accommodations, sightseeing packages, scheduled activities, etc. The travel agent is sued due to recommending a particular supplier and/or not disclosing the supplier.

**Result: Various Awards.**

## Failure to Book Tickets on Time

It is claimed that the Agent failed to adhere to an agreed time period for pre-booking their client's airline tickets. The client's have incurred increased costs in obtaining the tickets.

**Result: \$30,000 claimed.**

## Accidental Death

Several clients on an Alaskan Cruise followed the recommendation of their travel agent who suggested they "shouldn't miss" the panoramic view provided by a ride on ski lifts operating in the off-season. Unfortunately, one very enthusiastic 36 year old participant fell to his death while pointing out the view to his traveling companions. Several suits totaling in excess of \$5,000,000 were filed against the agency by both the deceased's estate and the other travelers for loss of life and the emotional stress involved in having viewed the incident.

**Result: Multiple Lawsuits**

## Failure to Arrange Travel Cancellation Insurance

The Agent had received a client's travel cancellation insurance premium but had not arranged the cover. Subsequently, the client had to cancel the holiday for medical reasons and no insurance was in place.

**Result: \$15,000 claimed.**

## Corporate Travel Problems

Many travel agents with corporate accounts are sued if an executive misses an important meeting or appointment due to a problem with a connecting flight, car rental, hotel reservation, etc. Travel agents have been found liable for the cost of lost corporate revenue if the cause of the loss is a result of their reservation errors.

**Result: Multiple Lawsuits.**

**So, what's the big deal? The "big deal" is the first dollar defense cost coverage provided in this program to protect your business and defend you regardless of how groundless the lawsuit! For details, contact a CMW insurance representative today:**



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