



THE AITO INDEPENDENT DISPUTE SETTLEMENT SERVICE

EXPLANATORY NOTES

This Mediation Service, which has been devised by arrangement with AITO, is administered and managed quite independently by **Dispute Settlement Services Ltd** a small independent consultancy specialising in consumer affairs and related travel subjects. It is a service for tour operators who are members of AITO and their customers who find themselves in dispute over holiday arrangements. It offers a simple and inexpensive method of settling disputes by the appointment of an independent Mediator to examine the facts and give a ruling quickly, without too much formality and without resorting to expensive litigation and in an atmosphere which can result in the retention of goodwill by both parties.

The customer does not have to use the scheme but if s/he wishes to do so, application should generally be made within nine months of the date of return home from holiday. The service may still be available outside this period in special circumstances. All applications must be accompanied by the standard form of agreement duly signed together with the appropriate fee.

The Mediator appointed by Dispute Settlement Services Ltd, will decide disputes by reference to documentary evidence supplied by the parties. S/he may, where it is thought appropriate, speak with the parties concerned at the telephone but this will be entirely at the discretion of the Mediator. Both parties must agree to be bound by the Mediator's decision, which shall be final.

The team of specialists who will act as Mediators have wide experience of dealing with travel problems and all legal aspects of the travel business. They are themselves seasoned travellers and they understand the difficulties, disappointment and problems when holidays go wrong.

Where the Mediator decides in favour of the customer, the tour operator is required to make the appropriate payment to the customer within 14 days of the determination being published.

The maximum sum that a Mediator may award under this arrangement is limited to £2,500.00 per individual, but subject to a maximum sum of £10,000.00 for any one booking. This service is not considered suitable for claims that are solely or mainly in respect of physical injury or illness or the consequences thereof.

TIMESCALE FOR SETTLEMENTS

1. Upon receipt of an application from a customer, Dispute Settlement Service Ltd will inform the tour operator of the mediation. Dispute Settlement Service Ltd requires the tour operator to submit a response to that claim within 21 days of being so advised.
2. The Mediator will then consider all evidence and publish a decision usually within 28 days, copies of which will be forwarded to both parties.
3. The tour operator must then make payment of any compensation awarded within 14 days of the Mediator's decision being published.

FEES PAYABLE

The following fees are payable for all mediations submitted after 1 February 2005 in respect of each and every booking: -

Tour Operator	£141.00 (being £120.00 + £21.00 VAT)
Customer	£94.00 (inclusive of VAT)

Cheques should be made payable to "Dispute Settlement Services Ltd".

Application forms and other related documents can be obtained direct from:

AITO Limited
133A St Margaret's Road
Twickenham
Middlesex
TW1 1RG

Telephone Number: 020 8744 9280
Facsimile Number: 020 8744 3187
E-mail info@aito.co.uk

RULES

Scope of the Scheme

- 1 The Scheme provides an inexpensive and informal method of resolving disputes arising between customers and members of the AITO.
- 2 Claims may be made under the Scheme by or on behalf of any person named in the document(s) constituting the booking, and in these Rules 'customer' includes all such persons in respect of whom a claim is made.
- 3 Claims under this Scheme are limited to: -
 - i) An amount not greater than £2,500 per person or in excess of £10,000 per booking form.
 - (ii) Not solely or mainly in respect of physical injury or illness or the consequences of such injury or illness.
- 4 A fee is payable by each party when an application for mediation is submitted. These fees are charged on the scale set out in the application form. They will generally be non refundable.
- 5 The mediation procedure commences, for the purpose of these Rules, when Dispute Settlement Services Ltd dispatches to the member written notice of a claim having been received.
- 6 Where a customer has commenced the process by payment of the appropriate fee and a settlement is agreed between the parties before the member has submitted a response to the claim, Dispute Settlement Services Ltd reserves the right to impose an administration charge of £50 upon the member company.
- 7 Any fee payment made by a Claimant and/or a Respondent is not refundable.

Procedure

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 - i) The customer is required, within 21 days of receipt of the claim form, to send the completed form, together with supporting documents and fee, to Dispute Settlement Services Ltd.
 - ii) Notice of the claim will be sent by Dispute Settlement Services Ltd to the member who is required, within 21 days of receipt, to send to Dispute Settlement Services Ltd his written defence to the claim, together with any supporting documents and fee.
 - iii) The Mediator, at his discretion, may decide to discuss or refer back to the parties any new or ambiguous evidence that may have a bearing upon the award.
 - iv) Dispute documentation will not be returned to customer and/or member unless a stamped addressed envelope is sent to Dispute Settlement Services Ltd. Documentation will not be retained beyond 2 months after the Award is made.
- 9 Details of the Mediator's decision and any award will be sent to both parties usually within 28 days of the Mediator having accepted the referral.
- 10 Any award made is payable in full within 14 days of publication.
- 11 Each party bears its own costs of preparing and submitting its case.
- 12 The Mediator has discretion to give in his award such directions as he considers appropriate with regard to reimbursement of either party by the other of the amount of its registration fee.
- 13 The Law to apply (English, Scots etc) shall be determined by the Mediator if the parties fail to agree.
- 14 Both parties to a dispute must sign and submit the form of Declaration in which they confirm that they have agreed to be bound by the decision of the Mediator on all points of fact. The Mediation award is legally binding and enforceable by a Court Order if necessary. If either party to a dispute wishes to appeal the Award on a point of law, then they must seek leave from the High Court within 28 days from the publication date of the Award. It is recommended that if such a course of action is being considered, then you would be well advised to seek legal advice.
- 15 Neither Dispute Settlement Services Ltd nor the Mediator shall be liable to any party for any act or omission in connection with any mediation conducted under these Rules save that the Mediator (but not Dispute Settlement Services Ltd) shall be liable for any conscious wrongdoing on his part.

1 February 2005