

DATED 12 JUNE 2019

(1) CIVIL AVIATION AUTHORITY

**(2) MICHAEL G MEDLICOTT, CATHERINE R STAPLES,
CHRISTOPHER J TINGLE AND PAUL A SMITH**

**IN THEIR CAPACITY AS THE TRUSTEES OF THE
AIR TRAVEL TRUST**

AUTHORISATION DEED

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THIS DEED dated 12 June 2019

BETWEEN:

- (1) THE CIVIL AVIATION AUTHORITY whose address is Aviation House, Gatwick Road, Crawley, Gatwick, RH6 0YR (the **CAA**); and
- (2) MICHAEL G MEDLICOTT, CATHERINE R STAPLES, CHRISTOPHER J TINGLE and PAUL A SMITH, in their capacity as Trustees of the Air Travel Trust (the **ATT**) whose address is Aviation House, Gatwick Road, Crawley, Gatwick, RH6 0YR.

RECITALS

- (A) The CAA has statutory functions relating to the provision of flight accommodation by travel organisers deriving from the Civil Aviation Act 1982 and regulations made under that Act, namely the Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012, as such legislation may be amended from time to time (the **ATOL Regulations**).
- (B) The ATOL scheme is the system by which the CAA:
 - a. monitors compliance with the ATOL Regulations;
 - b. licenses those who require a licence under the terms of the ATOL Regulations (an **ATOL**) in order to make available flight accommodation;
 - c. determines the terms of ATOLs, in part, to protect consumers of flight accommodation; and
 - d. establishes and runs a scheme to protect consumers in the event that a licensed entity (an **ATOL Holder**) fails to fulfil its obligations to consumers,(the **ATOL Scheme**).
- (C) The ATT was established by the Air Travel Trust deed dated 5 January 2004, as amended by deeds of variation dated 4 January 2005, 18 March 2008, 27 April 2012, 18 May 2016, 29 April 2019, and as may be further amended from time to time (the **Trust Deed**).
- (D) The ATT is funded by contributions (**ATOL Protection Contributions** or **APC**) made pursuant to the Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007, as may be amended from time to time (the **ATT Regulations**), which requires ATOL holders to pay a contribution to the ATT for each passenger included in a relevant booking. The ATT funds the consumer protection of the ATOL Scheme. The ATT Payment Policy (as defined below) is a statement by the Trustees of how they are likely to exercise some of their powers and discretions in the Trust Deed to make payments from the trust fund to finance the purposes of the Deed.
- (E) In accordance with the ATOL Scheme, the CAA may require certain ATOL Holders to provide Security in favour of the ATT as a condition of such ATOL holder's ATOL.
- (F) The CAA performs certain administrative functions for the ATT as set out in the ATT-CAA Agreement dated 17 April 2013, as amended from time to time (the **ATT-CAA Agreement**). It is intended that this Deed shall replace the ATT-CAA Agreement, and set out the basis on which such administrative functions are provided by the CAA for the ATT.
- (G) Pursuant to various resolutions and agreements, the ATT currently authorises the CAA to perform certain of its functions and exercise certain of its discretions under the ATT Regulations, the Trust Deed and the ATT Payment Policy. The CAA and ATT have also made certain arrangements with regard to the cost to the CAA of carrying out those functions and exercising those discretions as agent for the ATT. It is intended that this Deed shall replace such agreements and resolutions and set out the basis on which ATT powers are delegated to the CAA.