The proposed wording for the new agency term 11, which will replace the existing agency term 11, is set out below.

Proposed new agency term 11

“If a new or revised Schedule of Agency Terms is published by the CAA in its Official Record Series 3 those new or revised terms will take effect on the date of publication and apply immediately from that date to the terms of all agency agreements between the principal ATOL holder and the agent.”

Note: Where a new or revised Schedule of Agency Terms is published by the CAA in Official Series 3, there is an expectation that principal ATOL holders will be able to demonstrate compliance with the new or revised agency terms with effect from the date of publication. ATOL holders are encouraged to update the terms of all existing agency agreements between principal ATOL holder and agent as soon as practicable following the publication of a revision to the Schedule of Agency Terms, with best practice being no more than 6 months from the date of publication.

As a consequence of making this change, we propose also to amend ATOL standard term 2.2 to ensure that the wording of this term is consistent with that of the new agency term 11. The proposed amendments are shown below.

Proposed revised ATOL standard term 2.2

“When appointing an agent (in accordance with ATOL Regulations 10,12 and 22) ATOL holders must send a written agency agreement (either in hard copy or electronically) to the proposed agent. This agreement must contain all the terms of the agreement between the principal ATOL holder and the agent, including the terms mandated by the CAA and published in the CAA’s Official Record Series 3 pursuant to ATOL Regulation 22. If new or revised terms are published by the CAA (in the CAA’s Official Record Series 3) those new or revised terms will take effect on the date of publication and apply immediately from that date to the terms of all agency agreements between the principal ATOL holder and the agent.

No terms negotiated between the principal ATOL holder and the agent may contradict or purport to contradict the CAA’s mandated terms. Any that do will be void.

Note: Where a new or revised Schedule of Agency Terms is published by the CAA in Official Series 3, there is an expectation that principal ATOL holders will be able to demonstrate compliance with the new or revised agency terms with effect from the date of publication. ATOL holders are encouraged to update the terms of all existing agency agreements between principal ATOL holder and agent as soon as practicable following the publication of a revision to the Schedule of Agency Terms, with best practice being no more than 6 months from the date of publication.”