In case of any discrepancy between the original Danish text and the English translation of this Act, the Danish text shall prevail

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The Danish Travel Guarantee Fund Act[1)]

(Consolidation Act No. 1419 of 2 December 2024)

Chapter 1

Scope and definitions of the Act

The Fund

1. (1) The Travel Guarantee Fund is a private self-governing institution intended to provide assistance to travellers. The fund shall provide assistance pursuant to sections 5 and 6 when a traveller has agreed a package or linked travel arrangement with a travel provider or retailer for a foreign organiser, cf. section 20, which at the time of the agreement is registered with the fund. The fund shall furthermore provide assistance according to chapter 2 a.
(2) The fund shall provide assistance under sections 5a and 6 when a traveller has agreed a travel service exclusively concerning air transport with a provider of air transport.
(3) The fund finances and serves as the secretariat for a travel complaints board established and approved under the Consumer Complaints Act. The travel complaints board processes complaints raised by consumers regarding travel services. The board is operated and financed in accordance with the Consumer Complaints Act.

Packages, linked travel arrangements, travel services etc.

2. (1) The Act applies to packages offered or sold to travellers by traders, for linked travel arrangements facilitated by traders and to agreements on travel services including only air transport.

(2) The Act does not apply to packages and linked travel arrangements which

1) are of a duration of less than 24 hours, unless they include overnight accommodation,

2) are offered or facilitated occasionally and on a non-profit basis to a limited group of travellers or

3) are purchased on the basis of a general agreement between traders regarding the purchase of business transport.

2 a. (1) In this Act, a "package" means a combination of at least two different types of travel services, cf. section 2 c, no. 1, for the purpose of same trip if

1) those services are combined by one single trader before a single agreement on all services is concluded, or
2) irrespective of whether separate agreements are concluded with individual travel service providers, those services,
    a) are purchased from a single point of sale and those services have been selected before the traveller agrees to pay,
    b) are offered, sold or charged at an inclusive or total price,
    c) are advertised or sold under the term "package" or under a similar term,
    d) are combined after the conclusion of an agreement which a trader entitles the traveller to choose among a selection of different types of travel services, or
    e) are purchased from separate traders through linked online ordering booking processes where the traveller's name, payment details and e-mail address are transmitted from the trader with whom the first agreement is concluded to another trader or traders - and an agreement with the latter traders or traders is concluded at the latest 24 hours after the confirmation of booking of the first travel service.

(2) A combination as referred to in subsection (1) which consists of a single travel service, cf. section 2c, no. 1, a-c, and one or more tourist services, cf. section 2c, no. 1, d, is only a package if the tourist services account for a significant proportion of the combination or are advertised as or otherwise represent an essential feature of the combination and are selected and purchased before the provisioning of the travel service has been initiated.

2 b. (1) In this Act, a linked travel arrangement is defined as two or more different types of travel services, cf. section 2c, no. 1, which are to be included in the same trip and do not constitute a package, and resulting in the conclusion of separate agreements with each supplier, if a trader

1) facilitates that the traveller selects and pays for each travel service separately during a single contact with said operator's point of sale, or

2) in a targeted way facilitates the purchase of at least one additional travel service from another trader when the agreement with such other trader is concluded within 24 hours of confirmation of the reservation of the first travel service.

(2) A combination as mentioned in subsection (1) consisting of a single travel service, cf. section 2c, no. 1, a-c, and one or more tourist services, cf. section 2c, no. 1, d, is only a linked travel arrangement if the tourist services account for a significant proportion of the combination value or are advertised as or otherwise constitute a significant part of the combination.

2 c. (1) For the purpose of this Act the following shall mean:

1) Travel service:
   a) carriage of passengers,
   b) accommodation,
   c) renting of cars, large motorcycles or other motor vehicles
   d) any other tourist service which is not intrinsically part of a travel service as defined in a- c or
   e) separate air transport not part of a package or a linked travel arrangement.
2) Agreement on a package: An agreement on an overall package or, if the package is provided under separate agreements, all agreements covering the travel services included in the package.
3) Start of the package: The beginning of the performance of travel services included in the package.
4) Trader: Any natural or legal person acting in the course of their trade, business, craft or profession in relation to agreements covered by this Act.
5) Point of sale: Any retail premises, whether moveable or immovable, or a retail website or similar online sales facility, telephone services, including where several retail websites or similar online sales services and telephone services are presented to travellers as a single facility.
6) Revenue: The invoiced sales of travel services covered by the Act over the last four quarters.

Organisers, traders who facilitate linked travel arrangements, retailers, travel providers and providers of air transport

3. (1) As an organiser is considered a trader who combines and sells packages, or offers them for sale, or an organiser who transmits the traveller's information to another person under section 2a, subsection (1), no. 2, e.

(2) As a retailer for a foreign organiser is considered a trader who is not the organiser, who offers or sells packages combined by a foreign organiser.

(3) As a travel provider is considered both an organiser, cf. subsection (1), and a trader who

facilitates linked travel arrangements, cf. section 2b.

(4) As a provider of air transport is considered anyone who offers or sells air transport in their own name, unless this activity is only performed occasionally.

Travellers

4. (1) As a traveller is considered any person who is seeking to conclude an agreement within the scope of the Act or who has the right to travel on the basis of an agreement covered by the Act. Anyone who buys a travel service with a view to commercial resale is not regarded as a traveller under this Act.

Chapter 2

The fund's assistance to travellers and its recourse claims Scope of coverage

5. (1) If a traveller has entered into an agreement about a package, the traveller can have the amount paid for the package reimbursed by the Travel Guarantee Fund if the organiser's financial circumstances has rendered impossible the start of the package. If the package is interrupted, the traveller may demand compensation from the fund for the portion of the payment which corresponds to the services that have not been provided to the traveller, if the interruption is due to the tour organiser's financial circumstances.

(2) If a traveller has entered an agreement about a linked travel arrangement, the traveller can have the amount paid to a travel provider reimbursed by the fund if the travel provider's financial circumstances have made one or more travel services impossible to deliver. If one or more travel services are interrupted, the traveller may demand reimbursement from the fund for the portion of the payment corresponding to the part of the service that is not provided if the interruption is caused by the travel provider's financial circumstances.

(3) If a travel provider’s economic circumstances mean that appropriate repatriation has not been secured for the traveller, the fund shall secure it within a reasonable time.

(4) If a travel provider’s economic conditions mean that appropriate accommodation and other essential requirements have not been secured for the traveller, the fund must organise these or offer reasonable compensation.

(5) The fund may also provide the traveller with reasonable compensation for losses caused by a travel provider’s economic circumstances.

(6) Travellers who have entered into an agreement about linked travel arrangements with a provider

of air transport will be similarly covered by the provisions of subsections (2)-(5). Compensation to the traveller is paid from the air travel fund account, cf. section 9.

(7) The fund may contribute to travel services being performed, should the fund estimate that it will thus achieve significant cost savings.

5 a. (1) If a traveller has entered into an agreement regarding a travel service that exclusively covers air transport, cf. section 2c, no. 1, e, the traveller is covered in accordance with subsections (2) and (3) if the travel service has been embarked on and the traveller has a valid travel document allowing them to return to a Danish airport. Domestic flights and travel services covered by sections 2a or 2b are not covered by the provision. The Travel Guarantee Fund must reimburse air bankruptcy contributions collected from domestic flights to providers of air travel and air bankruptcy contributions collected from air travel which has subsequently been used as a component in one of the travel services mentioned in sections 2a or 2b to travel providers.

(2) Where a provider of air transport's economic conditions mean that appropriate repatriation has not been secured for a traveller, the fund must secure this within a reasonable time.

(3) The fund may also pay a traveller compensation for a non-commenced prepaid trip from a Danish airport to a foreign destination, provided that there are sufficient funds in the air travel fund account after paying the expenses referred to in subsection (2). If the funds in the air travel fund account are not sufficient to cover non-commenced prepaid travel in full, a proportionate financial reimbursement of the traveller's losses will be performed. DKK 1000 is deducted from the reimbursement per trip.

Processing and deadline for making claims

6. (1) A request from the traveller for compensation pursuant to section 5 must be submitted to the fund within a reasonable time, but no later than one year after the travel services were completed or it became evident that the travel service would not be completed. The Travel Guarantee Fund will consider a request for reimbursement without undue delay.

(2) Request from the traveller for compensation pursuant to section 5a must be submitted to the Travel Guarantee Fund within a reasonable time, but no later than 6 months from when the travel services were completed or it became evident that the travel service would not be completed.

Recourse claims etc.

7. (1) The fund will assume the traveller's claims, insofar as it has satisfied these. The fund has the right to receive compensation for expenses it has paid in connection with repatriation and other assistance, cf. section 5, subsections (2)-(5) and section 5a.

(2) If the remuneration for a travel service is covered wholly or partly by loans granted to the traveller by a third party on the basis of an agreement between this party and the travel provider or the retailer for a foreign organiser, the fund will assume the traveller's claims in accordance with the Credit Agreement Act to the extent that the fund has satisfied these.

(3) To the extent it has provided travellers with compensation, repatriation or other assistance, the fund may seek compensation from the guarantee amount provided by the retailer for a foreign organiser, cf. section 8, subsection (3). If no guarantee has been provided by the retailer, the retailer shall be liable for an amount equal to the amount that should have been provided as guarantee.

(4) Anyone who facilitates travel services for a travel provider subject to a registration requirement who, contrary to the provision in section 8, subsection (3), has not provided a guarantee, is liable for the amount that should have been provided as a guarantee.

(5) An entity which sold a travel service to a travel provider for resale is liable to the fund for the completion of the travel service if the entity in question should have realised that there might have been a risk that the travel provider would be unable to complete the service.

Chapter 2 a

Fund for extraordinary situations

7 a (1) If a traveller has entered into an agreement concerning a package tour, see section 2a, the traveller may be compensated by the Travel Guarantee Fund for amounts paid to the travel provider or retailer for a foreign organiser of the package tour, if the package tour is cancelled by the travel provider or retailer for a foreign organiser, or cancelled by the traveller as a consequence of extraordinary situations affecting significant parts of the travel industry. Compensation under paragraph (1) is subject to the condition that, in accordance with subsection (9), the Danish Minister for Industry, Business and Financial Affairs has determined that the fund for extraordinary situations is to be activated, and the compensation is granted in accordance with detailed rules laid down in accordance with subsection (9).

(2) If the travel provider or retailer for a foreign organiser has already reimbursed the amount referred to in subsection (1) to the traveller, the travel provider or retailer for a foreign organiser may have the amount refunded by the Travel Guarantee Fund.

(3) The Travel Guarantee Fund may demand, of anyone, any information deemed necessary to

ensure documentation of compensation paid under subsection (1), or reimbursements under subsection (2) for cancelled package tours.

(4) The compensation referred to in subsection (1) and the reimbursement referred to in subsection (2) will be drawn from a fund for extraordinary situations established for the purpose of compensation and reimbursement by the Travel Guarantee Fund under subsections (1) and (2). This fund is administered by the Travel Guarantee Fund.

(5) The accounts of the fund for extraordinary situations are stated separately. If this is necessary to cover the Travel Guarantee Fund's obligations under subsections (1) and (2), and section 7d (1), loans may be taken out from the fund for package tours and linked travel arrangements.

(6) If the Minister for Industry, Business and Financial Affairs has activated the fund for extraordinary situations under subsection (9), payments made by the Travel Guarantee Fund under subsections (1) and (2) must be reimbursed to the Travel Guarantee Fund by the travel providers and retailers for foreign organisers. The reimbursement will be determined as an individual contribution based on the drawing on the fund by the individual travel provider or retailer for a foreign organiser under subsections (1) and (2).

(7) The Minister for Industry, Business and Financial Affairs will determine the reimbursement period and the interest on amounts due under subsection (6).

(8) If the Travel Guarantee Fund's realised and expected compensation in connection with compensation or reimbursement under subsections (1) and (2) and section 7 d(1), and compensation in connection with bankruptcy under section 5, should increase disproportionately in relation to the state's payments under the state guarantee, see section 7 b, the Travel Guarantee Fund must inform the Minister for Industry, Business and Financial Affairs thereof without undue delay, after which the Minister may decide to suspend or reduce the compensation amounts paid under subsection (1) and the reimbursements paid under subsection (2) and section 7d (1).

(9) The Minister for Industry, Business and Financial Affairs may determine that the fund for extraordinary situations must be activated. In this connection, the Minister for Industry, Business and Financial Affairs will lay down rules stipulating which extraordinary situations may be covered, including the period for which the cover applies.

7 b. (1) The state guarantees the obligations of the Travel Guarantee Fund under sections 7a and 7d (1).

(2) State payments under the state guarantee must be repaid by the Travel Guarantee Fund, together with interest at a rate and subject to conditions determined in accordance with the European Commission's approval under the state subsidy rules. The interest is credited at the end of each

calendar year.
(3) The Travel Guarantee Fund's reimbursements under subsection (2) will be made using funds from the individual contributions made by the travel providers or retailers for foreign organisers as determined under sections 7a (7) and 7d (5).
(4) The Travel Guarantee Fund will monitor whether the sum of realised and expected amounts of compensation and reimbursements in connection with repayments under section 7a (1) and (2) and section 7d (1), and compensation in connection with bankruptcy under section 5, will exceed the maximum amount of the state guarantee. The Travel Guarantee Fund must contact the Minister for Industry, Business and Financial Affairs without undue delay in situations where the maximum state guarantee is expected to be reached in the near future.
(5) Under the state guarantee, the Minister for Industry, Business and Financial Affairs is authorised to pay out up to DKK 1.5 billion to the Travel Guarantee Fund to enable the Fund to cover compensation and reimbursement amounts that have been or will be paid out under section 7a (1) and (2) and section 7d (1), and under bankruptcy, see section 5.

7 c. (1) The Travel Guarantee Fund will assume the traveller's original claim against the travel provider or retailer for a foreign organiser in cases where compensation and reimbursement have been granted under section 7a (1) and (2) and section 7d (1).
(2) The Travel Guarantee Fund's claims against the travel provider or retailer for a foreign organiser, see subsection (1), will be reduced by the payment of individual contributions to the fund.
(3) At the end of each year, at the initiative of the Travel Guarantee Fund, travel providers and retailers for foreign organisers will be informed of the total claim under subsection (1). Furthermore, travel providers and retailers for foreign organisers may, on demand, request details of the amount and nature of the claim from the Travel Guarantee Fund.
(4) The travel provider or retailer for a foreign organiser must honour the Travel Guarantee Fund's claims under subsection (1) in the following cases:
1) The travel provider or retailer for a foreign organiser cancels its registration with the Travel Guarantee Fund.
2) The travel provider or retailer for a foreign organiser registers under another guarantee scheme.
3) The travel provider or retailer for a foreign organiser decides to enter into liquidation.
4) The travel provider or retailer for a foreign organiser actively limits its activities so that turnover falls to below 50 per cent compared to 2019.
5) The travel provider or retailer for a foreign organiser becomes the subject of restructuring, bankruptcy or debt rescheduling proceedings.

6) The Board of Directors of the Travel Guarantee Fund assesses that there is an increased risk that the travel provider or retailer for a foreign organiser will be subject to one or more incidents as described in items 1 to 5.
(5) The honouring of The Travel Guarantee Fund's claims with reference to subsection (4) must take place within 14 days of the incidents referred to in subsection (4).

7 d. (1) If a travel provider or retailer for a foreign organiser has interrupted a package tour, see section 2 a, as a consequence of extraordinary situations affecting significant parts of the industry; and under the Act on Package Tours and Linked Travel Arrangements (Lov om pakkerejser og sammensatte rejsearrangementer), the travel provider or retailer for a foreign organiser is obliged to grant the traveller, in full or in part, a pro rata reduction in the price of the interrupted tour and of the travel provider's additional costs of repatriation, the amount may be reimbursed to the travel provider or retailer for a foreign organiser by the Travel Guarantee Fund.
(2) The Travel Guarantee Fund may demand, of anyone, any information deemed necessary to ensure documentation of reimbursements paid under subsection (1) for cancelled package tours.
(3) The compensation referred to in subsection (1) will be made by drawing on the fund for extraordinary situations.
(4) Compensation under subsection (1) may be granted during periods when the Minister for Industry, Business and Financial Affairs has activated the fund for extraordinary situations under section 7a (9).
(5) The payments made by the Travel Guarantee Fund under subsection (1) will be reimbursed to the Travel Guarantee Fund by the travel providers and retailers for foreign organisers. The reimbursement will be determined as an individual contribution based on the drawing on the fund by the individual travel provider or retailer for a foreign organiser under subsection (1).

7 e. (1) To the extent that it has provided cover under section 7a (1) and (2) and section 7d, the Travel Guarantee Fund will assume the claim of a travel provider or retailer for a foreign organiser against the foreign organiser's insurance company if the travel provider or retailer for a foreign organiser has taken out extended liability insurance. This applies to the Travel Guarantee Fund's cover under section 7a (1) and (2) for all periods for which the Minister for Industry, Business and Financial Affairs has determined that the fund for extraordinary situations is to be activated, see section 7a (9).
(2) In connection with applications for compensation or reimbursement under section 7a (1) and (2), or section 7d, travel providers and retailers for foreign organisers must disclose any insurance taken

out, and if the foreign organiser or retailer for a foreign organiser has taken out extended liability insurance, the insurance policy must be enclosed.
(3) The Travel Guarantee Fund may demand, of anyone, any information deemed necessary to ensure documentation of claims against insurance companies under subsection (1).
(4) To the extent that the Travel Guarantee Fund receives compensation from insurance companies under subsection 1, the compensation paid out by the insurance companies will be treated as an individual contribution to reduce the Travel Guarantee Fund's claims against the individual travel provider or retailer for a foreign organiser, see section 7c (2).

Chapter 3

Travel providers' and retailers' notification and registration in the fund, guarantees and payment of contributions

Notification, registration and guarantees

8. (1) Travel providers and retailers for foreign organisers, cf. section 20, must notify the Travel Guarantee Fund, which will register and inform those concerned about the inclusion on the register.
(2) Travel providers and retailers for foreign organisers may only offer and sell travel services if they are registered with the fund. By signage or in another, similarly clear way, registered travel providers must indicate that they are registered with the fund. This information must be freely available to the traveller.
(3) It is a prerequisite for registration that the travel provider or retailer for a foreign travel provider provides a guarantee to the fund that is based on their revenue, in accordance with the provisions in subsections (4) and (5). The guarantee must be placed in a bank, in an insurance company, by cash deposit or by deposition of other, similar assets. The Minister for Industry, Business and Financial Affairs shall lay down rules as to which other similar assets, other than cash, can be deposited. It must be possible for the fund to demand payment of the guarantee for the coverage of claims which the fund receives against the travel provider or retailer for a foreign organiser.
(4) The size of the guarantee shall be set as follows, but with respect to section 23, subsection (2):
1) If revenue does not exceed DKK 1 million, no guarantee is made.
2) If revenue exceeds DKK 1 million, but not DKK 5 million, the guarantee shall be DKK 150,000.
3) If revenue exceeds DKK 5 million, but not DKK 10 million, the guarantee shall be DKK 300,000.
4) If revenue exceeds DKK 10 million, but not DKK 15 million, the guarantee shall be DKK 600,000.

5) If revenue exceeds DKK 15 million, but not DKK 50 million, the guarantee shall be DKK 900,000.
6) If revenue exceeds DKK 50 million, but not DKK 100 million, the guarantee shall be DKK 1.35m.
7) If revenue exceeds DKK 100 million, but not DKK 250 million, the guarantee shall be DKK 1.8m.
8) If revenue exceeds DKK 250 million, the guarantee shall be DKK 2.25m plus an additional DKK 1m for every 100m the revenue exceeds DKK 250m.

(5) A trader who facilitates linked travel arrangements, but does not receive payment until after delivery of the linked travel arrangement, does not need to provide a guarantee.

(6) The retailer for a foreign organiser shall not provide a guarantee or pay contributions if the guarantee for the travel services sold by the retailer satisfies the conditions of a scheme approved in another EU or EEA country. A retailer for a foreign organiser established outside the EU/EEA area must provide a guarantee, unless the retailer can prove that the organiser has provided the appropriate guarantees, cf. section 20, subsection (2).

(7) A travel provider or retailer for a foreign organiser who is convicted or has accepted a fine for vioation of subsection (2) cannot be registered in the fund until the fund's claims under section 7 are paid.

Contributions to the Travel Guarantee Fund

9. (1) The Travel Guarantee Fund is a single legal entity whose assets, in accounting terms, are divided into two fund accounts, one for packages and linked travel arrangements, cf. sections 2a and 2b, and one air travel fund account regarding the travel service mentioned in section 2c, 1, e. The two funds' accounts are stated separately, but in some cases the fund accounts may take out loans with each other, cf. section 9c.

9 a. (1) Travel providers and retailers for foreign organisers, cf. section 20, must pay an administration contribution to the fund account for packages and linked travel arrangements to finance the fund's and the Travel Appeals Boards' operating costs. The administration contribution consists of a basic contribution and a revenue-related contribution. The size of the contribution shall be established by the Travel Guarantee Fund's Board of Directors and approved by the Minister for Industry, Business and Financial Affairs.

(2) Upon registration in the fund, a registration contribution is paid. The size of the contribution shall be established by the fund's Board of Directors and approved by the Minister for Industry, Business and Financial Affairs.

(3) The fund's board of directors may dictate that travel providers and retailers for foreign operators must pay a capital-building contribution. The contribution shall be set by the fund's Board of Directors in relation to the revenue of the travel provider or retailer for a foreign travel provider. The set amount will be approved by the Minister for Industry, Business and Financial Affairs

(4) The package fund account's capital will be set by the Board and approved by the Minister for Industry, Business and Financial Affairs.

9 b. (1) Providers of air transport, cf. section 3, subsection (5), will be charged a contribution of DKK 2 per departing passenger from a Danish airport to a foreign or domestic destination. The received contributions will be added to the air travel fund account under the Travel Guarantee Fund to cover the services included in subsection (5) and section 5a.

(2) The air travel fund account will be fully established once the fund account has reached a size of DKK 100 million. Contribution collection will then be put on hold, but with respect to subsections (3) and (4).

(3) If, after having reached a size of DKK 100 million, the size of the air travel fund account drops below DKK 75 million due to the bankruptcy of providers of air transport, the collection of contributions, cf. subsection (1), will be resumed until the fund account reaches a size of DKK 100 million once more. Contribution collection will then be put on hold.

(4) If, due to the bankruptcy of providers of air transport, the size of the air travel fund account drops below DKK 25 million, the contribution cf. subsection (1) will be increased to DKK 4, until the fund account reaches a size of DKK 100 million. Contribution collection will then be put on hold.

(5) Administrative costs of the scheme for air travel bankruptcies must be borne exclusively by the air travel fund account.

9 c. (1) Loans can be taken out across the two fund accounts if the loss-incurring fund account does not have sufficient funds to meet its obligations. In special cases, loans between the fund accounts may be demanded to be immediately settled. Loans taken out by the air travel fund account cannot be used to cover prepayments, cf. section 5a, subsection (3). Loans between fund accounts must be approved by the Minister for Industry, Business and Financial Affairs.

Chapter 4

The fund's board of directors, articles of association and powers Composition

10. (1) The Travel Guarantee Fund's Board of Directors consists of one chairman and seven members.
(2) The Board of Directors is appointed by the Minister for Industry, Business and Financial Affairs for three years with the option of reappointment. The chairman must be independent of specific business and organisational interests. One of the board members must be independent of specific business and organisational interests, while having an economic background and accounting insight. Of the other 6 members, 2 members are appointed on the recommendation of the travel providers and retailers for foreign organisers which are registered in the fund, 1 member on the recommendation of providers of air transport and 3 members on the recommendation of travellers.
(3) In the event of a tie, the Chairman has the casting vote.

Accounting

11. (1) Within 6 months of the end of a calendar year, the board shall present accounts audited by the National Audit Office for the past year with an operating review of the fund's activities to the Minister for Industry, Business and Financial Affairs.

Balanced supervisory activities

11 a. (1) The Travel Guarantee Fund's Board of Directors shall ensure that the fund's supervisory activities strike the right balance between capital size, level of contributions, size of the ordinary guarantees and requirements for additional guarantees so as to ensure that the financial and administrative costs are minimised for the travel industry as a whole, while the protection of travellers is maintained. Every four years, the Board must obtain independent, external expertise to certify that the Board of Directors has found the right balance.

Statutes and rules

12. (1) The fund's Articles of Association and the Board's rules of procedure are determined by the Board and must be approved by the Minister for Industry, Business and Financial Affairs. The articles of association must contain provisions for the placement of the fund's assets. *(2)* The cost of managing the fund is borne by the fund.

12 a. (1) (Repealed)

Information

13. (1) The fund may demand, of anyone, any information deemed necessary to ensure compliance with the law, including to determine whether a matter falls within the provisions of the law or to avoid losses to the fund. The fund may demand proof of information given pursuant to provision 1.

13 a. (1) Individuals who, as part of the fund's activities, become aware of information obtained pursuant to section 13 are subject to a duty of confidentiality regarding this information.

Reduced guarantees and contributions

14. (1) The fund may lay down provisions reducing or discontinuing the guarantee or contribution for a travel provider or retailer for a foreign organiser.
Central contact point for collaboration within the EU/EEA area

14 a. (1) The Travel Guarantee Fund is the central contact point and helps facilitate the administrative cooperation and supervision of organisers and traders that facilitate linked travel arrangements and operate in the various member states within the EU/EEA area, with regard to the obligations arising from the Act or regulations issued pursuant to the Act.
(2) The fund shall make all necessary information about this Act's requirements for guarantees available to other contact points. The fund shall reply to such requests as soon as possible.
(3) The fund shall publish electronic lists of travel providers and retailers for foreign organisers who fulfil their obligations under this Act.

Chapter 5

Deletion of registration and requirement for additional guarantee Compensation from the guarantee

15. (1) If the fund has sought compensation taken out of the guarantee provided by a travel provider or retailer for a foreign organiser, the travel provider's or retailer's registration in the fund is deleted, unless the guarantee is sufficient to cover the fund's claims and the guarantee is returned to the level stated in section 8, subsection (4) before a deadline set by the fund. This is, however, with respect to section 19.

Cancellation and termination

16. (1) If a provided guarantee is terminated or if a registered travel provider or retailer for a foreign organiser ceases to operate, the registration is deleted and the provided guarantee is released when it is considered certain that claims will not be made by travellers.

Lack of guarantee or payment of contributions, etc.

17. (1) If a registered travel provider or retailer for a foreign organiser fails to pay contributions to the fund or provide a guarantee in accordance with section 8, subsection (4), or section 19, or the fund does not receive the information listed in sections 13 and 22, subsection (3) when requesting it, the fund may decide that the registration with the fund is deleted if said obligations are not met within a specified time.

(2) If the registration of a travel provider or retailer for a foreign travel provider is cancelled under (1), the security provided cannot be released until the possibility of claims from customers may be excluded, and only to the extent that it may not have been used by the Fund to cover claims against the travel provider or retailer for a foreign travel provider for contributions not paid, with accrued interest.

Resumption

18. (1) A travel provider or retailer for a foreign organiser whose registration has been deleted pursuant to sections 15 or 17, subsection (1) may not be included in the register again until the travel provider or retailer for a foreign travel provider has paid the due amount to the fund and provided the information required by the fund.

Additional security

19. (1) The fund may require an additional guarantee from a travel provider or retailer for a foreign organiser if there is a particular risk that the fund will suffer losses. In this context, the fund must consider the provisions in the Public Administration Act on the hearing of parties and grounds. The fund's Board of Directors will set out guidelines for when a particular risk is present.

(2) If the risk mentioned in subsection (1) no longer applies, the fund must reduce the guarantee on request.

Chapter 6

The international scope of the Act, etc.

Duty to register

20. (1) The obligation to register includes domestically established travel providers and retailers for foreign organisers. The obligation to register does not apply to providers of air transport that facilitate linked travel arrangements, if these providers are already contributing to the air travel fund account. (2) Travel providers established outside the EU/EEA area which sell or offer packages or linked travel arrangements in this country, or who direct their activities towards travellers in this country, are similarly obliged to register and to provide guarantees in accordance with the provisions of this Act. The Travel Guarantee Fund covers claims, cf. section 5, resulting from agreements concluded with travel providers subject to the duty to register, to the extent that the travel provider has provided a guarantee under this Act.

21. (1) (Repealed)

Mutual recognition and proof of guarantee

22. (1) Guarantee provided by a travel provider in accordance with the rules of the country within the EU/EEA area where the travel provider was established replaces the guarantee provided under the provisions of this Act.

(2) Travel providers established in another EU/EEA country which sell packages or linked travel arrangements or offer such for sale in this country or in any way direct their business towards travellers in this country shall notify the Travel Guarantee Fund about the scale of this sales activity and about which EU/EEA country the guarantee has been provided in. On request, the travel provider must present proof that the necessary guarantee has been made.

(3) Subsection (2) applies similarly to travel providers that, besides being established in this country, are established in one or more other countries within the EU/EEA area, and who have chosen to use another guarantee scheme than the Travel Guarantee Fund.

Chapter 7

The minister's powers

23. (1) The Minister for Industry, Business and Financial Affairs shall lay down detailed rules regarding the implementation of the Act, including payment of contributions, payment of interest and fees associated with late payments, auditor validation of the guarantee and the extent of contribution obligation, registration in the fund, guarantees and the fund's assistance to travellers.

(2) On the recommendation of the fund, the Minister for Industry, Business and Financial Affairs may raise the guarantee if price developments or changes in the fund's assets warrant this, cf. section 8, subsections (3) and (4).

(3) With the consent of the Parliamentary Finance Committee, the Minister for Industry, Business and Financial Affairs may provide security for loans taken out by the funds for fulfilment of their obligations.

(4) The Minister for Industry, Business and Financial Affairs may obtain information about sales and prepayments deemed necessary for the purpose of making a decision under subsections (2) and (3) from travel providers and retailers for foreign travel providers.

(5) The Minister for Industry, Business and Financial Affairs may delegate their powers under this Act to an agency under the Ministry for Industry, Business and Financial Affairs.

(6) The Minister for Industry, Business and Financial Affairs may lay down rules on the payment of subsidies to travel providers and retailers of foreign organisers. In this connection, the Minister may authorize the Travel Guarantee Fund to administer the payment of subsidies to travel providers and retailers of foreign organisers, and also to make decisions concerning the payment of subsidies.

Right of appeal

24. (1) The fund's decisions regarding registration duty and guarantees under section 8, cf. sections 2-4, section 14, subsection (2), sections 19 and 20 and section 22, subsections (2) and (3) and on registration duty and guarantees made in pursuance of the provisions stipulated in section 14, subsection (1) and section 23, subsection (1) may be brought before the Commercial Board of Appeal. Appeals must be submitted no later than four weeks from when the decision was communicated to the entity in question.

Chapter 8

Penalty and commencement provisions, etc.

Penalties

25. (1) Insofar as a higher penalty is not incurred under other legislation, the penalty shall be fines or imprisonment for up to four months for the entity which

(1) infringes section 8, subsection (2)

(2) fails to provide the information and documentation required by the fund and the Minister for Industry, Business and Financial Affairs pursuant to section 13 and section 23, subsection (4) or

(3) submits false or misleading information to the fund or the Minister for Industry, Business and Financial Affairs.

(4) Infringement of the duty of confidentiality in section 13a is punishable by fine or imprisonment for up to four months.

(5) Criminal liability may be imposed on companies etc. (legal persons) under the rules of the Criminal Code Chapter 5.

Entry into force and transitional provisions, etc.

26. (1) This Act shall enter into force on 1 July 1997.

(2) At the same time, the Act on a travel guarantee fund, cf. Consolidated Act no. 104 of 28 February 1986, is repealed.

(3) The provisions laid down pursuant to the Act on a travel guarantee fund, cf. Consolidated Act no. 104 of 28 February 1986, shall remain in force until replaced by provisions established pursuant to this Act.

(4) Travel providers and retailers for foreign travel providers who were registered at the entry into force of the Act shall, no later than 1 January 1998, provide an increased guarantee, cf. section 8, subsections (3)- (6).

(5) Charitable associations etc. that have been granted exemption under section 7 of the Act on a travel guarantee fund, cf. Consolidated Act no. 104 of 28 February 1986 on Act on a travel guarantee fund, as amended by Act no. 454 of 30 June 1993, must, regardless of the provision in section 8, subsection (7) 2, not provide a guarantee if their activities do not change significantly.

27. (1) (Omitted)

Faroe Islands and Greenland

28. (1) The Act shall not apply to the Faroe Islands and Greenland.

(2) The Act may by Royal Decree be put into force for these regions with such deviations as the

special Faroese and Greenland conditions dictate.

Act no. 1678 of 26 December 2017 (Linked travel arrangements and amendment to structure of financing and board of directors) contains the following provision for entry into force:

2. (1) The Act enters into force on 1 July 2018, with respect, however, to subsection (2).

(2). Section 9, subsection (1) of the Act on a travel guarantee fund as worded by section 1, no. 24 of this Act enters into force on 1 January 2019.

(3) Until 1 January 2019, travel providers and retailers for foreign organisers shall pay administrative contributions in accordance with the previously existing rules.

The specific provisions on the entry into force of some of the Sections in Act No. 326 of 31. March 2020, Act No. 612 of 14 May 2020 and Act No. 1054 of 30 Jun 2020 are omitted.

[1)] The Act contains provisions implementing parts of Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, amending Regulation (EC) No 2006/2004 and Directive 2011/83/EU of the European Parliament and of the Council and repealing Council Directive 90/314/EEC, Official Journal 2015 no. L 326, page 1.