



Fáilte Ireland

National Tourism Development Authority

GUIDANCE NOTE:

CONSIDERATIONS FOR WRITING TERMS AND CONDITIONS FOR B2B CONTRACTING

Accommodation

Refreshed in Light of COVID-19

**COVID-19 SALES & MARKETING FOR RECOVERY
REBOOTING B2B INTERNATIONAL BUSINESS**

Reassure | Attention | Interest | Desire | Action





INTRODUCTION

This guidance note presents a range of suggestions and ideas for you to consider when writing up the terms and conditions (T&Cs) for your business to business (B2B) contracting.

It sets out sample contractual clauses;

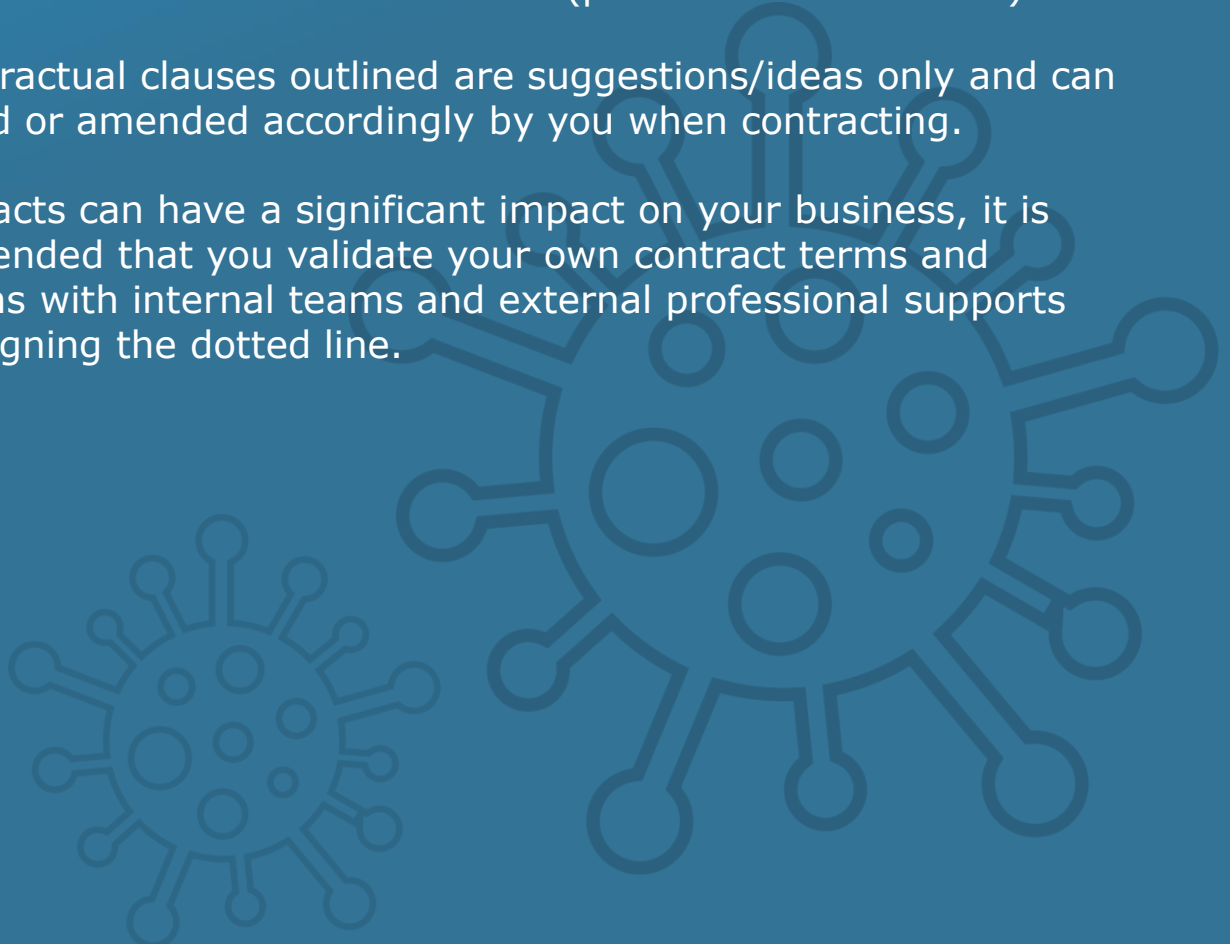
- as they might appear in your T&Cs document during a normal trading environment (presented in **black** text)

AND

- suggestions/ideas on amendments you might consider making in order to take account of COVID-19 (presented in **blue** text)

The contractual clauses outlined are suggestions/ideas only and can be edited or amended accordingly by you when contracting.

As contracts can have a significant impact on your business, it is recommended that you validate your own contract terms and conditions with internal teams and external professional supports before signing the dotted line.





Sample Topics in your Terms & Conditions (T&Cs) Document for Business to Business (B2B) Contracting

1. Rate Basis	2. Rate Conditions	3. Room Supplements and Special Conditions	4. Free Room Places
5. Children's Policy	6. Additional Extras	7. Special Offers	8. Black-Out Dates and Fair Rates
9. Close Out Dates	10. FIT Allocations	11. Restrictions	12. Cancellation Policy
13. Resale of Rooms	14. Alternative Accommodation	15. Billing and Payment	16. COVID-19 Specific Conditions





1. Rate Basis

Suggestions / ideas to consider

- **Rates quoted** are net of commission and include government tax (VAT) at the current rate of xx%. The Hotel reserves the right to amend these rates in the event of changes to the rate of tax, or the introduction of any new government levy.
(NOTE: COVER FOR CHANGE IN VAT CLAUSE)
- Rates include **service charges**. **Gratuities** are at a client's discretion.

In light of COVID-19, consider the following:

This clause states that if the VAT rate is adjusted, the associated increase or decrease must be passed onto the travel buyer by the tourism business.

Rates quoted include (NB: note inclusions)

- full Irish buffet breakfast
- free WiFi
- free car parking.
- access to leisure centre
- Family games rooms, bathrobes in rooms etc.)

In light of COVID-19, consider the following:

Please itemise any COVID-19 specific inclusions such as a welcome gift bag including disposable gloves, a 50 ml hand sanitiser, disposable face covering etc.

Define upgrades. E.G.

- Seaview Room (bay window views of... Dublin Bay/Spanish Point beach etc.)
- Executive rooms
- Junior Suite
- Superior Suite etc.





Rate Basis (Cont.)

Suggestions / ideas to consider

Rate terms used in this contract apply as follows:

- **PPS** refers to per person sharing.
- **SS** refers to single supplement.
- **BB** refers to Bed & Breakfast rate.
- **DBB** refers to Dinner, Bed & Breakfast rate.

Dinner Supplement

- The meal plan included in DBB rates comprises a 3-course set menu, inclusive of starter, main course, dessert and tea/coffee.
- DBB rates apply to group bookings of minimum xx (e.g. 10/15 etc.) people
- Sample menu is attached. Please note that this menu is subject to change.
- 1 free meal per every (e.g.) 20 paying meals booked.

In light of COVID-19, consider the following:

- A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to consider increasing the number of free meal places for group bookings.
- Free meal places represent a price saving that tour operators can build into their travel programmes.





2. Rate Conditions

Suggestions / ideas to consider

Rates apply only to bona fide leisure FIT and ad hoc group leisure travellers booked via the Tour Operator cited in this contract. They do not apply to other client types, including business travellers, incentive, conference and events groups/delegates.

Rates are applicable for global markets only and are not applicable for sale to the domestic Irish market.

In light of COVID-19, consider the following:

Travel buyers that engage in the domestic market generally receive a commissionable, rather than a discounted/net rate.

Rates are quoted exclusively for the named Operator on its own distribution system and are non-transferrable. Breaches to this will lead to termination of the contract.

Neither agreed rates nor allocations will feature on any public or consumer internet site. Nor should they feature on any distribution system that offers or sells directly to the public or are otherwise featured in the public domain. Under no circumstances are the rates provided to be sold unpackaged or independently to the consumer directly.

Rates are intended only for packaging with other elements of travel and must be packaged before onward distribution.

Any rates which are packaged and sold to another third party for onward distribution are bound by the terms and conditions of this contract. The Operator company cited on this contract will ensure communication of and compliance with said terms and conditions.



3. Room Supplements & Special Conditions

Suggestions / ideas to consider

The **single supplement** charge may be applied to a maximum number of XX single occupancy rooms per group booking. Thereafter, the full room rate applies.

In light of COVID-19, consider the following:

A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to consider extending the single supplement rate to a higher number of single occupancy guest room types.

Triple/Quad Room Reduction:

- €XX per person, per night to be deducted off the per person sharing rates.
- Triple room defines a room with one double and one single bed (3 single beds etc.).
- Quad room defines a room with two double beds (one double and 2 single beds etc.).

In light of COVID-19, consider the following:

The tourism business may need to indicate how many people (particularly non-family members) are allowed in all room types (especially for rooms with tight space) in line with Government social distancing guidelines.





4. Free Room Places

Suggestions / ideas to consider

- Option 1: One free room permitted per every XXX (e.g. 15/20 etc.) paying guests
- Option 2: One free room permitted per every XXX (e.g. 15/20 etc.) paying rooms
- Maximum 2 free places permitted per confirmed group

In light of COVID-19, consider the following:

- A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to consider increasing the number of free rooms per total rooms booked.
- Free room places represent a price saving that tour operators can build into their travel programmes.
- Generally, free rooms are assigned to drivers and guides.
- Travel buyers really appreciate when the price paid by customers is not inflated by these type of costs.





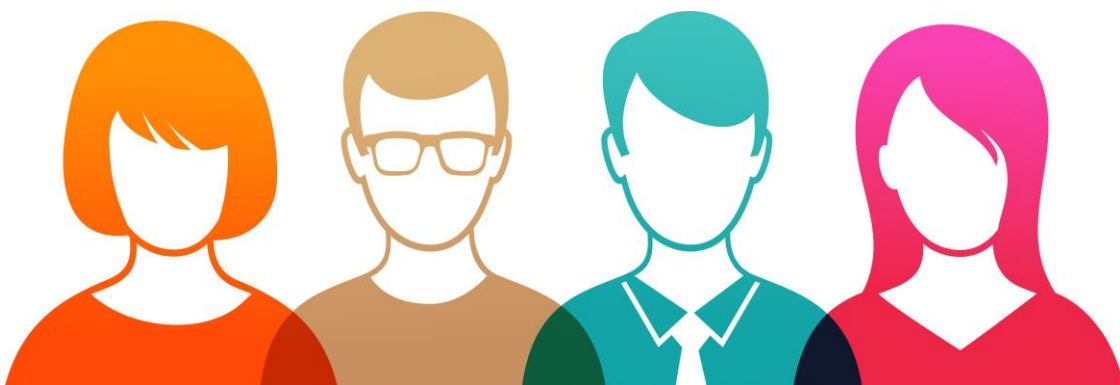
5. Children's Policy

Suggestions / ideas to consider

- Children of 4 years of age and under are free once sharing in an adult's room. A quality travel cot with full bedding is included in the room price.
- A child aged between 5 years and 12 years or younger is subject to a supplement of €XXX per child when sharing in an adult's room. Breakfast is included in this rate.
- A child of 13 years plus is charged at the same rate as an adult.
- Dinner supplement per child up to 12 years old is €XXX. Price includes a main course and dessert from the children's menu.
- Dinner supplement for a child aged 13 years plus is charged the same as an adult.

In light of COVID-19, consider the following:

- A tourism business that is child friendly and aiming to support growth of B2B markets in 2020/2021, could consider a "children go free" accommodation policy for all of 2020/2021, or doing certain periods in this year to help encourage sales from the family market.
- Concessions regarding meals would also be appreciated.





6. Additional Extras

Suggestions / ideas to consider

- Porterage: the charge is €X per bag each way.
- OR the charge is €X per person each way.

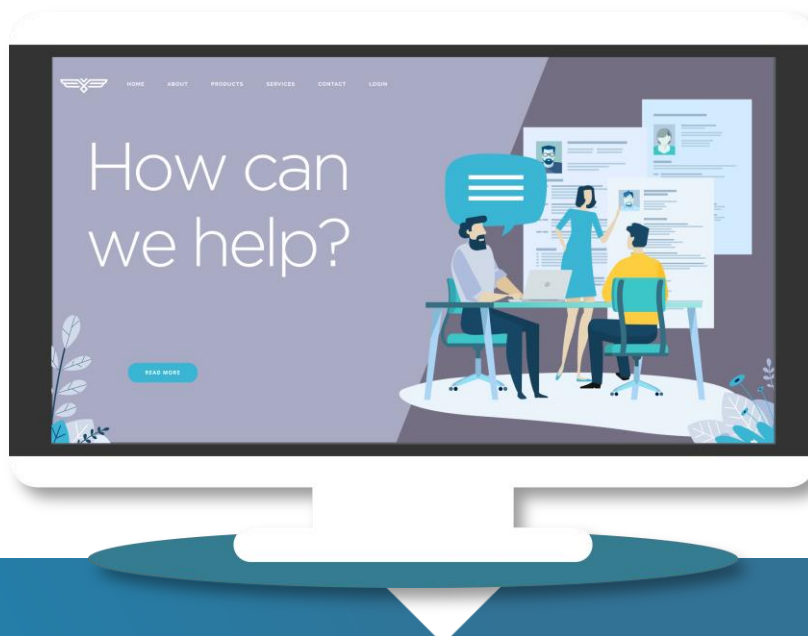
7. Special Offers

Suggestions / ideas to consider

- (E.G.) The Hotel commits to a 3 night special offer with the third night free for Friday night arrivals throughout the months of July and August only.
- Such special offers are subject to the same black out/fair rate policy conditions as noted below.

In light of COVID-19, consider the following:

- In the past, value-add offers like these have helped drive business during low/shoulder seasons for accommodation providers.
- A tourism business that is aiming to support growth of B2B markets in 2020/2021, could consider offers like this.





8. Black Out Dates and Fair Rates

Suggestions / ideas to consider

In the past, accommodation providers have introduced black out or fair rate policies in contracts. These rate types operate as follows:

Black out rates: accommodation is made unavailable (closed out) via contract due to a high demand date such as a concert or sporting event.

Fair rates: accommodation is made available (i.e. not closed out) but, at a higher rate for a high demand date such as a concert or sporting event.

Clauses linked to these rate types are often noted as follows:

- While the Hotel will make every effort to limit the number of black out/ fair rate dates to those noted in this contract, occasionally further black out/fair rate dates may arise throughout the year.
- In this case, the Hotel commits to communicating additional black out/ fair rate dates verbally and in writing to the Operator.
- A minimum of (e.g. 30/45/60/90) days' notice period will apply to all newly advised blackout dates/ fair rate dates.

In light of COVID-19, consider the following:

- A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to avoid enforcing black out and fair rate dates.

9. Close Out Dates

Suggestions / ideas to consider

E.G. Hotel closed for Christmas XX-XX inclusive

In light of COVID-19, consider the following:

- Some businesses may revise or extend close out dates. If this is the case for your business, it's important to communicate this (also via contract) to the travel buyer.



10. FIT Allocations

Suggestions / ideas to consider

- Agreed allocation commitment will be released back to the Hotel at 12.00 noon on the specified release date (e.g. 14/7 days in advance of date held).
- Bookings requested after this time are subject to availability.
- Allocations are based on agreed production levels. These will be reviewed on a quarterly/annual basis. Should allocations not be taken up the Hotel reserves the right, subject to written notice, to reduce the allocation, to amend the rate, or both.

In light of COVID-19, consider the following:

A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish

- to remove the clause noted in the third bullet point above and
- ease the release dates on allocations or align conditions for FIT allocation with the conditions that apply for free sale (i.e. non-allocation based) FIT bookings.

Allocation is based on the agreed number of rooms held per night, excluding black out and close out dates as advised at the time of signing this contract and any additional such dates added during the season.

In light of COVID-19, consider the following:

As noted above, a tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to avoid enforcing black out and fair rate dates.

Fair rates apply to all allocations sold on all Fair Rate dates noted within the terms of this contract. (NB: if using Fair Rate policy).



11. Restrictions

Suggestions / ideas to consider

- No minimum stay restrictions apply to the allocations allowed.
- **OR** a minimum 2-night stay restriction applies on Friday and/or Saturday nights arrivals only.
- Determine if the above restriction applies to FIT free sale and allocation bookings only (or, otherwise).

In light of COVID-19, consider the following:

In light of COVID-19 and the uncertainty regarding global travel, a business may wish to remove restrictions such as a two night minimum stay.





12. Cancellation Policy

Suggestions / ideas to consider

Important Note:

- Regarding the management of cancellation policies, accommodation providers must ensure that they ONLY engage with the named tour operator who purchased the room (and any additional services) according to the agreed rates and booking terms.
- Under no circumstances should the accommodation provider engage with the tour operator's end client (to note that the end client could be a) a direct private customer of the tour operator or b) a professional travel partner who collaborates with the tour operator).

All amendments, including cancellations to bookings, must be notified in writing to the Hotel and the Operator must be able to supply proof of same.

FIT cancellation policy

- Cancellation policy for all FIT reservations is (e.g.) 48 hrs in advance of arrival date.
- Cancellations received after this time will be charged for the first night's accommodation.
- FIT Reservations - in the case of a 'No Show', one night's accommodation will be charged at contracted rate. Additional nights reserved will be released at no charge.

In light of COVID-19, consider the following:

A tourism business that is aiming to support growth of B2B markets in 2020/2021 may wish to apply a softer cancellation policy:

- Cancellation policy for all FIT reservations is (e.g.) 48 /24 hours in advance of the arrival date.
- Cancellations received after this time will be charged for the first night's accommodation.
- If the cancellation arises due to COVID-19 (e.g. global travel is restricted or forbidden in an international country due to a COVID-19 outbreak), a full refund will be applied.



Cancellation Policy (Cont.)

Suggestions / ideas to consider

Group cancellation policy

The table outlines a sample cancellation policy:

When cancellation is made	4/6 weeks in advance of arrival	4 and 2 weeks of arrival	2 and 1 weeks of arrival	7 days and 4 days of arrival	3 days and day of arrival
Cancellation fee that applies	No cancellation charge	50% of total value of booking	75% of total value of booking	90% of total value of booking	100% cancellation fee

- Final numbers must be confirmed (e.g.) 4/6 weeks out. Based on a min. group booking of XX (15/20 rooms), max. (e.g. 1, 2) rooms may be cancelled between 4 weeks and 72/48/24 hours of arrival. After this, cancelled rooms are charged in full.

In light of COVID-19, consider the following:

- Group cancellations within 21/14 days of arrival are subject to a cancellation charge of 20% of the total value of the booking.
- Cancellations made within 14 and 7 days of arrival are subject to 50% of the total value of the booking.
- All cancellations made within 7 days and 4 days of arrival are subject to 75% cancellation fee of the total value of the booking.
- All cancellations made between 4 days and 24 hours of arrival are subject to 100% cancellation fee.
- Final numbers must be confirmed (e.g.) 21/14 days out. Based on a minimum group booking of XX (15/20 rooms), maximum (e.g. 1-5 etc.) rooms may be cancelled between 7 days and 72/48/24 hours of arrival. After this time, cancelled rooms will be charged in full.
- If cancellation arises due to COVID-19 (e.g. global travel is restricted or forbidden in a country due to COVID-19), a full refund will be applied.
- OR a credit note to this value will apply that can be set against future bookings by [name travel buyer].



13. Resale of Rooms

Suggestions / ideas to consider

- In all circumstances, the Hotel will endeavour to resell any rooms cancelled.
- For any cancelled rooms that are resold by the Hotel, cancellation charges will be deducted from the Operator's invoice.

In light of COVID-19, consider the following:

A tourism business may determine that this clause can be removed for 2020/2021country (due to a COVID-19 outbreak), a full refund will be applied.



14. Alternative Accommodation

Suggestions / ideas to consider

- Hotel reserves the right to arrange alternative comparable accommodation of similar standard and location where the booked accommodation becomes unavailable.
- In such eventuality the Hotel shall communicate at the earliest opportunity with the Operator in order to best facilitate both the Operator and its clients.

In light of COVID-19, consider the following:

- A tourism business may determine that this clause can be removed for 2020/2021.
- Or the business might retain this clause in the knowledge that this scenario may not arise in 2020/2021.



15. Billing and Payment

Suggestions / ideas to consider

Credit Account Customers

- Where an approved credit facility is in place invoices will be sent or emailed to the Operator on date of departure. Invoices are billed in local currency and the Operator agrees to discharge amounts payable in local currency within (e.g.) 28 days of stay/within 30 days of the invoice issue date.
- Failure to comply with credit terms will result in credit facilities being withdrawn.
- Hotel reserves the right to levy interest on overdue accounts at 2% per month or to levy the maximum amount allowable under law.
- Accommodation Vouchers presented by the guest/client on arrival should state clearly the services contracted and chargeable to the Operator.
- Credit card preauthorisation will be taken at check in to cover anticipated the client's incidental charges.

In light of COVID-19, consider the following:

- A tourism business may wish to retain the clause regarding invoice payment instructions for credit account customers for 2020/2021.
- Depending on the relationship the tourism business has with the customer, it may wish to simply encourage the payment of invoices on time, without stating the application of a 2% penalty level for late payments.

Non-Credit Account Customers

- Where a credit facility has not been arranged a deposit schedule will apply. Default in adhering to the deposit schedule may at the Hotel's sole discretion result in the cancellation of the booking and applicable cancellation fees will be charged.
- Standard Payment terms are as follows: (example below- some Hotels choose 3 instalment payment periods).



Billing and Payment (Cont.)

Suggestions / ideas to consider

Ad Hoc Group Bookings

- 10% booking deposit based on the total cost of booking required immediately on confirmation of the reservation in order to secure space.
- Balance of payment (90%) due with full rooming list payable 30 days prior to group arrival.
- Full prepayment required for all groups booked within 30 days of arrival.

In light of COVID-19, consider the following:

- A deposit payment of €1/€5/€10 is required for each booking.
- Balance of payment due with full rooming list payable 21/14/7 days prior to group arrival.
- Full prepayment required for all groups booked in advance of 21/14/7 days of arrival.

FIT bookings

- Full prepayment required at time of booking.

In light of COVID-19, consider the following:

- A deposit payment of €1/€5/€10 is required for each booking.
- The balance is payable (e.g.) 72/48/24 hours before arrival.



16. COVID-19 Specific Conditions

Suggestions / ideas to consider

In light of COVID-19, accommodation providers may wish to stipulate conditions that specifically relate to the management of guests and their safety at this time. Such conditions could include the following:

As always, [name accommodation provider], the wellbeing and safety of our guests and team is truly important to us. In light of COVID-19 and for the duration of COVID-19, we are therefore delighted to advise that we have introduced the following services for your customers

Check-in & check-out for individuals

- Contactless payment is accepted for all supplementary charges and credit card guarantees for extras.
- Express check-out is available for all guests.

Check-in & check-out for groups

- A designated group check-in area has been created where all pre-checked in room keys can be collected. To note that each room key will be arranged in alphabetical order and a member of our team will be available (according to Government social distancing regulations) to help with any queries.
- Contactless payment is accepted for all supplementary charges and credit card guarantees for extras for any group members who wish to avail of this service.
- Express check-out is available for all guests.





COVID-19 Specific Conditions (Cont.)

Suggestions / ideas to consider

Guest Rooms

- All rooms will be fully cleaned and sterilised by our house keeping team in advance of arrival. A sign will be placed on all door handles to confirm and reassure customers of same.
- Daily housekeeping will continue and, for this, all guests will be requested to place the "Please Clean" card outside their bedroom door. On this card, the guest has the option to input a preferred cleaning time (for example between 11 and 11.30am) when housekeeping can enter the vacated room and ensure that it is cleaned and re-sterilised. To facilitate the house keeping team, it is requested that this card is placed on the door handle before 9am each morning.
- All services requested by the guest (including for example requests for ice, newspapers, drinks and meals) will be covered and delivered for collection outside the bedroom door.

Restaurant & Bar

- Each table will be completely sanitised before and after use.
- Tables will be removed from the restaurant and bar area to comply with Government guidelines on social distancing.
- The restaurant outdoor veranda area also provides additional space for al fresco dining.
- The bar has a number of private snug areas that are ideal for small gatherings and families (up to 15 people).
- A special area has been reserved in both the restaurant and bar for the added comfort of our valued senior guests.

The welcome

- Rest assured that our Irish welcome is stronger than ever.
- As (for example) a Galway Hotel with a proud tradition, all of our guests will be treated to the Claddagh Welcome that has been inspired by the renowned Claddagh ring symbolising love, loyalty and friendship. Replacing the "handshake", the Claddagh Welcome makes a clear statement by gently crossing the arms across the body in a kind gesture of guest recognition.



Note:

For businesses that wish to change contractual clauses solely for the COVID-19 period, it is advisable to attach a cover note explaining the context, advising that these contractual changes will once again be reviewed and updated once this period passes.

Example:

Dear [insert name]

Firstly, we would like to thank you for all the business that you have sent to our hotel in the past. Now, more than ever, we value the special relationships that have been created over many years with our customers. COVID-19 has been hard on all of us. And yet, we are delighted to be open and welcoming our customers once more.

In light of these challenging times, I enclose an updated rate agreement and associated terms and conditions. I would like to emphasise that we are committed to maintaining the flexibility reflected, particularly in the payment and cancellation policies for the remainder of 2020 and up until the end of 2021.

While nobody can predict the future, we would like to reserve the option to update and further revise rate agreements and terms/conditions for 2022.

Rest assured that the welcome at [insert name] will be even bigger and brighter in spite of the current challenging environment...

