



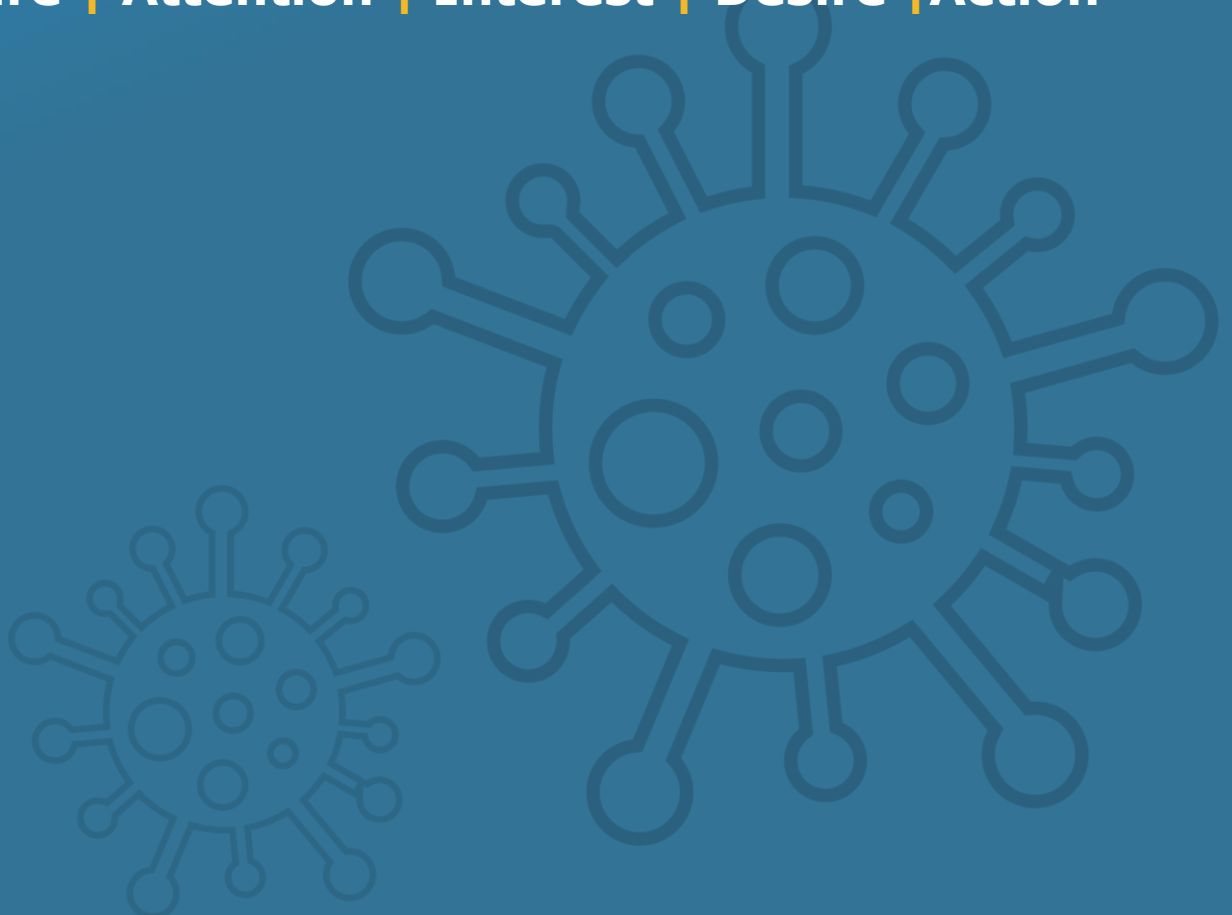
Fáilte Ireland

National Tourism Development Authority

**GUIDANCE NOTE:
CONSIDERATIONS FOR WRITING
TERMS AND CONDITIONS FOR B2B
CONTRACTING
Attractions and Activities
*Refreshed in Light of COVID-19***

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

Reassure | Attention | Interest | Desire | Action





INTRODUCTION

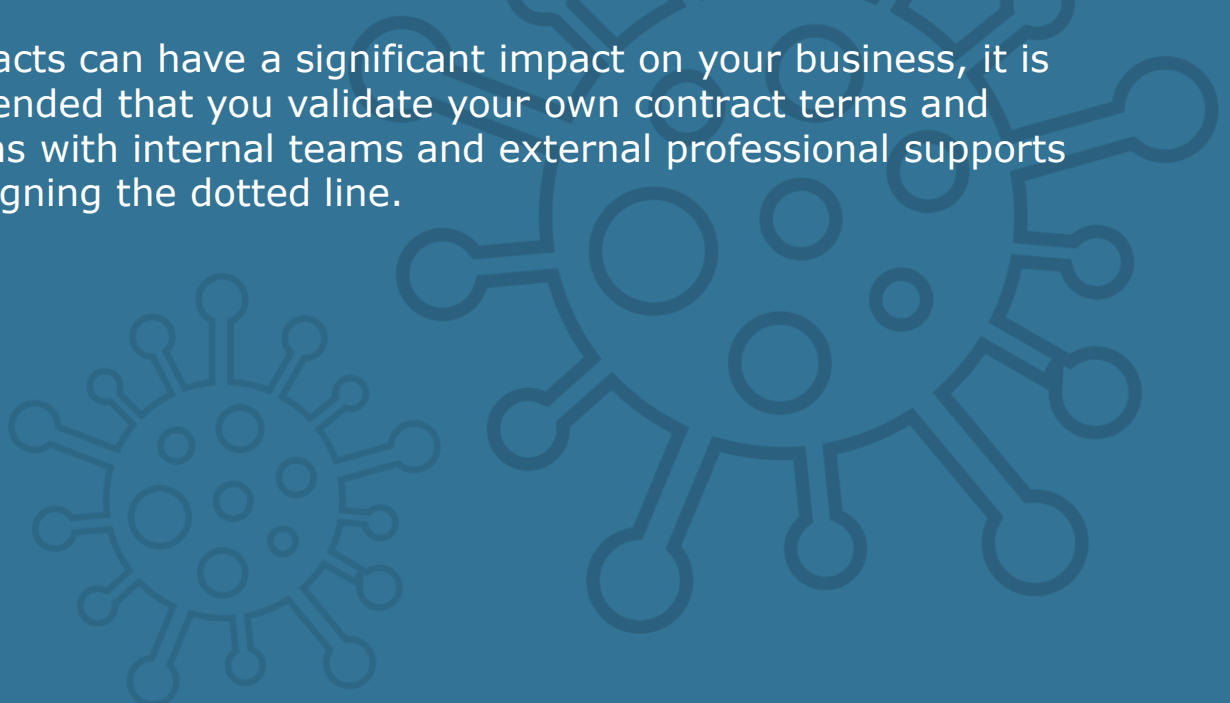
This guidance note presents a range of suggestions and ideas for you to consider when writing up the terms and conditions (T&Cs) for your business to business (B2B) contracting.

It sets out:

- Sample contractual clauses as they might appear in your T&Cs document during a normal trading environment (presented in **black** text)
- 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. Optional
Extras and
Services

3. Rate
Conditions

4. Special
Offers

5. Free Places
for Groups

6. Children's
Policy

7. Meal
Supplement

8. Close Out
Dates

9. Restrictions

10. Cancellation
Policy

11. Payment
Terms

12. COVID-19
Specific
Conditions





1. Rate Basis

Suggestions / ideas to consider

The rate quoted is net of commission and includes government tax (VAT) at the current rate of _____%.

The Attraction/Activity Provider (name provider) 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.

The rates quoted are fully inclusive of all taxes. 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 decreases must be passed on to the buyer by the tourism business.

The rate quoted includes **(NB: note product inclusions)**

(e.g.) A 2.5 hour guided tour of XX

Tea/coffee and biscuits included after the 2-hour session

XXX memento with XXX certificate provided for all participants.

In light of COVID-19, consider the following:

Please itemise any COVID-19 specific inclusions such as a disposable gloves, a 50ml hand sanitiser, disposable face mask etc.





2. Optional Extras and Services

Suggestions / ideas to consider

In addition to the general attraction/activity participation rate, supplementary services provided by the Attraction/Activity Provider (name provider) are as follows: (try and think of additional upsells that add value to your product. E.g.)

- Meals: remember local foods
- Add on experiences Etc.

The above services

- Are subject to the supplementary charges noted on the rate agreement.
- Must be pre-booked and agreed by special arrangement with the Attraction/Activity provider (name provider) in addition to the general attraction/activity participation rate.





3. Rate Conditions

Suggestions / ideas to consider

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

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.

NOTE: The Attraction/Activity Provider may want to consider offering the full public sell rate on online channels - as opposed to the B2B rate.

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.

Under no circumstances are the rates provided to be sold unpackaged or independently to the consumer directly.

NOTE: The Attraction/Activity Provider may want to consider offering the FULL PUBLIC SELL rate on online channels - as opposed to the B2B rate.





Rate Conditions (Cont.)

Suggestions / ideas to consider

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

NOTE: The Attraction/Activity Provider may want to consider offering the FULL PUBLIC SELL rate on online channels- as opposed to the B2B rate.

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.

4. Special Offers

Suggestions / ideas to consider

Define low, medium and high season periods and think of ways to drive business during these periods. For example;

- Children XXX years old can enjoy free admission during low season periods (define months that apply).
- One free child's admission allowable per every 2 adults booked during this period.

In light of COVID-19, consider the following suggestions/ideas:

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



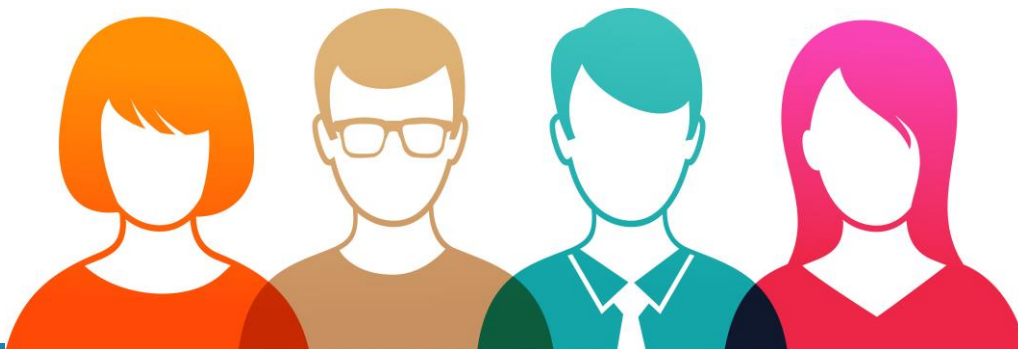
5. Free Places for Groups

Suggestions / ideas to consider

- One/two free place/s permitted per every XXX (e.g. 15/20 etc.) paying guests
- 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 places per total numbers booked.
- Free places represent a price saving that tour operators can build into their travel programmes.
- Generally, free places are assigned to drivers and guides. Travel buyers really appreciate when the price paid by customers is not inflated by these type of costs.
- During COVID-19 concessions like additional free places to bring the costs of group bookings down would be welcome.





6. Children's Policy

Suggestions / ideas to consider

- Children aged 4 years and under are free once accompanied by an adult.
- A child aged between 5 years and 12 years or younger receives a 50% discount on the adult rate
- A child of 13 years plus is charged at the same rate 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" policy for all of 2020/2021, or during certain periods within these years to help encourage sales from the family market.

7. Meal Supplement

Suggestions / ideas to consider

- The Lunch meal plan included in the rate schedule comprises (e.g.) a picnic lunch of one sandwich per person (homemade brown bread and a choice of fillings available), slice of home baked Irish fruit cake, one piece of fruit, one small bottle of mineral water (250ml), tea and coffee per person.
- The lunch meal plan includes a sit down 4 course meal of set starter, main course, dessert and tea/coffee.
- Sample menu is attached. Please note that this menu is subject to change.



8. Close Out Dates

Suggestions / ideas to consider

The Attraction/Activity Provider is closed for bookings XXXX (insert dates)
(OR)

While the provider is closed for bookings XXXX (insert dates), it will open for group bookings of (e.g. 10) plus people by special request.

In light of COVID-19, consider the following:

Due to COVID-19 some businesses may have revised or extended close out dates. If this is the case for your business, it is important to communicate this (also via contract) to the travel buyer.

9. Restrictions

Suggestions / ideas to consider

Example

- To ensure a positive experience for the Operator's clients, bookings for groups of e.g. (5/10/15 etc.) people and more can only be admitted between 8am and 12am Monday-Sunday during the high demand months of (e.g.) July and August.

In light of COVID-19, consider the following:

- This clause will need to be changed to advise the buyer of the number of people that can now be admitted due to government guidelines.
- The business may also wish to remove the restriction on July & August bookings for 2020 and 2021 if it considers that demand will be lower.



10. Cancellation Policy

Suggestions / ideas to consider

EXAMPLE - be clear on your terms

All amendments, including cancellations to bookings, must be notified in writing and received by the Attraction/Activity Provider. The Operator must be able to supply proof of same.

Cancellation policy

Final group numbers must be confirmed (e.g. 7/14 etc.) days prior to arrival.

A group constitutes (e.g.) 8 or more people.

This final agreed number must be clearly noted on the Operator's voucher and payment is based on same.

Cancellations for all pre-bookings received after this period of (e.g. 7/14 days etc.) will be charged in full.

OR:

Cancellations for all pre-bookings received after this period of (e.g. 7/14 days etc.) will be subject to a 50% cancellation charge etc.

In light of COVID-19, consider the following:

Important Note:

- In managing cancellation policies, tourism businesses 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 tourism business 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).



Cancellation Policy (Cont.)

Suggestions / ideas to consider

Cancellation policy (cont.)

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

- Final group numbers must be confirmed (e.g. 7/5/3 etc.) days prior to arrival.
- A group constitutes (e.g.) 8 or more people.
- Cancellations for all pre-bookings received after this period of (e.g. 7/5/3 etc.) days will be subject to a 50% cancellation charge.
- 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.





11. Payment Terms

Suggestions / ideas to consider

Credit Account Customers

- Where an approved credit facility is in place, invoices will be posted or emailed to the Operator.
- Invoices are billed in local currency and the Operator agrees to discharge amounts payable in local currency within (e.g. 30) days of the invoice issue date.
- Failure to comply with credit terms will result in credit facilities being withdrawn.
- Vouchers presented by the group leader/client on arrival should state clearly the services contracted and chargeable to the Operator.

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

Ad Hoc Group Bookings

- (e.g.) 10% booking deposit based on the total value of booking required immediately on confirmation of the reservation in order to secure space.
- Balance of payment (e.g. 90%) due with balance payable (e.g. 7/14 etc.) days prior to group arrival, based on final numbers quoted.
- This payment is non-refundable **OR full prepayment required at time of confirmation of booking.**

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 cancellation policy like the following:

Bookings must be paid for 72/48/24 hours in advance of the booking date.



Payment Terms (Cont.)

Suggestions / ideas to consider

NOTE: before defining terms, consider the following

- Many suppliers request an Operator who has **no credit history** with them to prepay for their first booking.
- Some suppliers request **prepayment** for as many as the first 3 initial bookings or more. Prepayment should be received and cleared in advance of a group's arrival.
- In addition, a **reference/s** may also be requested to verify that the Operator is bona fide and has a history of paying in full and on time among Irish suppliers.
- Following this check, a business may decide to extend a **30-day credit limit** to the Operator which means that an invoice issued must be paid within 30 days of receipt.
- Generally, tour operators work on a **voucher system**. You can think of vouchers a bit like cheques. Final confirmed numbers are noted on the voucher. Payment is based on this final number- even if numbers drop on the day.
- Many providers choose to get the group leader on the day to also **sign the voucher** to verify that the group attended and to verify final group numbers.
- For **last minute bookings**- where there is no time for the operator who has credit established to generate a voucher, providers often generate their own version of a voucher and have that signed by the group leader on the day. An invoice is generated on this basis and sent on to the tour operator according to the usual terms.
- Last minute bookings for an Operator without established credit should be **paid in full on the day**.

In light of COVID-19, consider the following:

- A business must ensure it is paid for the services it supplies according to contractual conditions.
- The business should take due care regarding all aspects relating to the management of payments.
- Credit should only be extended to customers on the advice on an accountant.



12. COVID-19 Specific Conditions

In light of COVID-19, tourism businesses 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 business], 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

Guided Tours

- In accordance with government guidelines on social distancing, group visitor numbers for all experiences have reduced from 55 to 25.
- All guides will conduct tours at a distance recommended by Government guidelines.
- Customers can rest assured that we have assessed the space and can guarantee that there is no issue maintaining the required social distance between visitors during tours.

Tea Rooms/Restaurant

- Each table will be completely sanitised before and after use.
- Tables have been removed from the tearooms/restaurant to comply with government guidelines on social distancing.
- The outdoor veranda area also provides additional space for al fresco dining.
- A special area has been reserved in both the tearooms for the added comfort of our valued senior visitors.





COVID-19 Specific Conditions (Cont.)

General Information

- Hand sterilisers are available throughout the building/farm/gardens.
- While on-site coverings are not provided as part of the experiences, they are available for sale for an additional charge of €2 per covering.

The Welcome

- Rest assured that our Irish welcome is stronger than ever.
- As (for example) a Galway based business 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.

