

PYT & CRUISE POLICY ON CANCELLATIONS, REFUNDS, POSTPONEMENTS FEES & COMMISSIONS

BACKGROUND

In light of the current unprecedented situation around COVID-19 and its impact on all levels of the travel industry [travellers, agents, tour operators, service providers and not least of all airlines] we want to explain our policy with regard to cancellations, postponements, refunds and commissions

As you may appreciate travel agent's income is derived from a combination of fees charged to clients for services and commissions paid by tour operators and service providers

These are in all cases a payment to the agent for work done in researching, designing and booking a travel product or service

The way in which tour operators and service providers commission agents varies greatly across the industry from rebate, monthly payment, discount on payment [nett] compared to the client payment to the agent [gross] and many others

When a booking or service is cancelled for any reason far from undoing the work already done by the agent it actually adds to it in the processing of the cancellation and where required preparation of documentation for a travel insurance claim by the client

It is generally accepted across the industry that agents are entitled to keep fees and commissions already paid or received rather than refund them back to the client [because they are for work done which isn't being undone]

It is also accepted that agents are entitled to charge another fee for the extra time spent processing cancellations and preparing insurance claim documentation

The reason this is becoming topical now is that clients are on occasions querying why they haven't got back in refund everything they paid the agent

What they do get back is everything the agent paid the supplier that the supplier refunded to the agent which is most often a lower amount

Sometimes an analogy helps

- Say you paid a contractor \$1000 to lay paving bricks and his quote included labour, materials and bricks
- Sometime later you decide to [or have to] pull them up and lay lawn
- You would not expect the contractor to repay you the \$1000
- Even if you could get him to buy the bricks and materials back off you he is not going to refund you his labour costs

Consider the agent fees and commission as "labour costs" for the travel industry

Maybe it is just that travel agent "labour" is not quite as obvious to the client as the contractors labour but they are both payments made for a service or expertise

At Please Yourself Travel & Cruise we aim to retain flexibility to respond to each client's situation at all times

For example

- the charging of our Travel Planning Fee is discretionary
- we do on occasions discount tours below the advertised price by actually sharing some of our commission back to you the client as discount
- we try to retain a common sense approach to our fees and charges to our mutual satisfaction

We strongly believe this is a core part of our personalized service

WHY HAVE WE SAID ALL THIS ?

Because in these challenging times some of you our clients will want to know why your refund is different to what you paid – I hope the preceding helps explain that

And we believe in transparency when it comes to our dealings with our clients – you can't understand what you don't know !

SO WHAT ARE WE DOING – OUR POLICY GUIDELINES

Consistent with our core beliefs about a personalized travel service and in order to keep providing that to you in difficult economic circumstances for all of us the following is the principle within which we will manage cancellations, postponements and refunds going forward

- We will never refund to you less than we get refunded from the supplier on cancellation
 - We will aim to include in your cancellation refund 20% [discretionary] of our fee / commission that is in amounts you have paid to us [consistent with our discounting by commission sharing when quoting to you]
 - For postponements we will preserve the total amount you have paid us [less in some cases costs the supplier has paid and can't get refunded] – some will be held by the supplier and some by us
 - We will charge a fee of AUD100 per client file to process cancellations *
 - We will charge a fee of AUD200 per client file to prepare travel insurance claim documentation *
- *These fees can be claimed on travel insurance and will be paid in most instances

AND FINALLY – SOME TIPS ON CANCELLATIONS, POSTONEMENTS & REFUNDS

- Don't rush in to cancelling too early as conditions may change in your favour [especially at the moment where airlines are revising their waiver conditions almost daily]
- Know your deadlines – times by which you must act or the options change and maybe not for the better
- Remove credit card details held against any booking where you have paid a deposit and the balance payment is automatic – this way you regain control of the booking
- Don't expect refund \$ to come quickly – in the current situation flight refunds are taking up to 12 weeks to be paid – as soon as we are able to reconcile your account we will pay any amounts owing immediately
- Remember the agent or service provider you are dealing with is also having to manage the process within their unique constraints – we are all in this together especially at the moment

SUMMARY

Our goal at Please Yourself Travel & Cruise is to survive and then thrive
Survive the extreme challenges we are all facing at the present
and then
Thrive when the world of travel returns to “normal”

To do that we need to

- take care of ourselves so we are still here when everyone is ready to travel again
- take care of you our clients so when you want to travel again you will come back to us

Some businesses won't make it but we are determined we will with your support

If you have any questions or can see where we might be able to improve what we do please get in touch

Stay safe and healthy

Alan & Ginny
Please Yourself Travel
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