



INTERNATIONAL
HOTEL & RESTAURANT
ASSOCIATION



CODE OF PRACTICE

On the relations between

HOTELIERS AND TRAVEL AGENTS

drawn up by the

**INTERNATIONAL HOTEL & RESTAURANT ASSOCIATION
(IH&RA)**

and the

**UNIVERSAL FEDERATION OF TRAVEL AGENTS'
ASSOCIATIONS
(UFTAA)**

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INTRODUCTION

This text replaces the IHA/UFTAA Code of Practice on Hoteliers/Travel Agents relations signed on July 3rd, 1991 which replaced the 1979 IHA/UFTAA Convention and codified the same basic principles which, for many years, have governed relations between hoteliers and travel agents.

Many existing national conventions and agreements reflect the provisions of the former IHA/UFTAA Convention and the above-mentioned Code of Practice.

Several States have incorporated these essential provisions into their national legislation. Accordingly, it is probable that the consistency of law and practice will avoid any serious risk of a divergence of commercial practice and contractual arrangements that would leave hoteliers and travel agents in a state of uncertainty as to their rights and obligations.

In so far as the terms of the former Convention and Code of Practice stated what is still customary practice, courts and tribunals can be expected to apply the same principles in absence of any contract, or when no conflicting contract has been signed by the parties.

In the absence of a contract and when non-contractual terms are under dispute, the Code of Practice seeks to provide useful guidance to hoteliers and travel agents with a view to promoting harmonious relations and avoiding possible misunderstandings or disputes. It includes, general principles to which are annexed :

- a list of definitions,
- a check-list for individual client and group contracts
- arbitration rules.
- an individual and group cancellation chart
- an explanatory chart for cancellation policy for groups.

Art. 1. Signatories

The signatories are :

- the International Hotel & Restaurant Association, headquartered at 251, rue du Faubourg St Martin, 75010, PARIS (France), hereafter referred to as "IH&RA",
- The UNIVERSAL FEDERATION OF TRAVEL AGENTS' ASSOCIATIONS, having its registered office at : 163, rue Saint-Honoré, 75001 PARIS (France) and its General Secretariat at : 1, avenue des Castelans, Stade Louis II - Entrée H. 98000 MONACO (Principality of Monaco), hereafter referred to as "UFTAA".

Art. 2. Obligations of the Signatories

The signatories undertake :

- to intercede with the relevant national associations to ensure that the clauses of this Code of Practice are complied with at an international level.
- to recommend that their respective members and affiliates give preference, when concluding hotel contracts, to the members and affiliates of the other signatory body.

Art. 3. Exclusively International Nature of the Code of Practice.

The Code of Practice shall apply to relations of an international nature between a hotelier and a travel agent whose establishments are situated in different countries.

Art. 4. National Level

The signatories recommend that associations use the same principles, given in this Code of Practice, as a basis when concluding conventions/codes at a national level.

Art. 5. Auxiliary and complementary role of the Code Of Practice

- a) The Code of Practice shall apply whenever no contract has been concluded between the hotelier and the travel agent.
- b) It shall also apply in order to complement contracts in respect of any provision not included therein.
- c) This Code of Practice is intended by its signatories to serve as a directive for the solution of disputes between hoteliers and travel agents, whether amicably, judicially or in arbitration.

Art. 6. Scope of the Code Of Practice

The Code of Practice is intended to govern contracts known as "hotel contracts" between travel agents and hoteliers.

If any article of the Code of Practice conflicts with national law (for example : "anti-trust" law) or international law, the signatories acknowledge that such articles would not apply.

Art. 7. Definition of the Hotel Contract

The "hotel contract" is a contract by which a hotelier agrees with a travel agent to provide hotel services, at a specified price, to a traveller or a group of travellers who are client(s) of the travel agent (see annex n°4 – "Check-list").

Art. 8. Reservation

- a) Hotel contracts shall be initiated by a reservation request from the travel agent to the hotelier.
- b) Verbal reservation requests shall be confirmed immediately in writing (letter, telegram, telex, fax, e-mail ... etc) to the hotelier.
- c) Reservation requests shall specify the services to be supplied.

Art. 9. Confirmation

- a) Upon receipt of the reservation request from the travel agent, the hotelier shall confirm the reservation in writing, stipulating in particular the price of the services ordered, by letter, telegram, telex, fax, e-mail ... and/or by the issuance of a reservation number explicitly referring to the request.
The hotelier shall refrain from accepting reservations which he cannot honour.
- b) Upon receipt of the hotelier's confirmation or within a time-limit fixed by the latter, the travel agent must notify, in writing, his/her acceptance of the hotelier's conditions.

Art. 10. Reservation Document

- a) Acceptance of the voucher :

If so agreed between the hotelier and the travel agent, the hotelier must accept a voucher.

The travel agent acknowledges that the voucher issued to his/her client - for the hotelier - is a guarantee of payment, unless clearly specified otherwise.
- b) Services to be specified on the voucher should include – at least : dates of arrival and departure, hotel services to be provided and possibly the means of transport.

- c) Vouchers covering an extension of hotel services are subject to prior written agreement between the hotelier and the travel agent regarding the services to be provided and/or the maximum credit amount permitted.

Art. 11. Rates

The hotelier shall abide by the agreed contractual rates in the currency of the country where the hotel is located or any other currency stated in the contract. However, long-term contracts may contain a clause concerning adjustment of the rates.

Art. 12. Advance Payment

The hotelier may request either total or partial pre-payment.

- a) The hotelier may require a reservation fee or "advance payment" (earnest money or guarantee deposit) as a condition of his/her acceptance of the order. If the hotelier considers "advance payment" as "earnest money" (see annexed definition) it should be specifically stipulated. The reservation fee will be deducted from the final invoice but will not be reimbursed in case of late cancellation.
- b) Any such advance payment may be treated as a "guarantee deposit", except when a cancellation is made in accordance with the hotelier's written cancellation policy or customary trade practices.
Whenever the hotelier requests an advance payment, the hotel contract shall be concluded only on payment of this amount or when proof of payment has been produced.
- c) The hotelier shall acknowledge receipt of the advance payment no later than seventy-two (72) hours thereafter.

Art. 13. Payment due to the hotelier

- a) The services payable by the travel agent are those specified in the confirmation document (hotel contract).
- b) The travel agent having concluded a hotel contract is responsible for payment of the specified services except when it has been agreed that the invoice shall be paid directly by the client.
- c) In the case of a long hotel stay, the travel agent may be asked to pay the hotelier during the course of the stay for the services already provided, according to the terms of the contract.
- d) In cases where the travel agent reserves hotel services to be paid directly by the client, the hotelier guarantees the travel agent's commission on the confirmed services.
- e) For direct payments, the hotelier will accept only those credit cards for which he is accredited.

Art. 14. Clear Understanding of the Commission Policy

The hotel policy regarding payment of commission and terms of such payment must be clearly indicated and agreed upon by the travel agent before or at the time of the confirmation.

Information regarding commission policy should normally include:

- a) whether a commission will be paid and on which services ;
- b) the rate(s) of commission ;
- c) whether commissions are payable on any extension of stay agreed by the hotel and/or on reservations effected by the client during his stay, for a further period where the payment is guaranteed by the travel agent.

Art. 15. Definitions of Groups and Individuals

- a) The group
A group is a minimum of fifteen (15) persons arriving and departing together, considered by the travel agent and the hotelier as one entity.
(see a ex)
Allotments, congresses, conferences, seminars, incentive tours, exhibitions ... etc. may require specific written agreement.
(see a exes 8 a d 9)

The group confirmation from the hotelier shall specify identical services for each member of the group. The total charge shall be presented in one invoice.

If, after the confirmation, the group is reduced to less than fifteen (15) persons, the hotelier must notify the travel agent whether he/she still considers this party as a group.

- b) Individual (see annex6)
An individual client is the person who cannot benefit from group conditions.

Art. 16. Cancellations – General Terms

- a) the terms and time-limits governing total or partial cancellation of the hotel contract, together with the amount of any possible compensation due in case of late cancellation, shall be agreed upon at the time of confirmation. The hotelier shall clearly define his/her cancellation policy for the concerned period.

The client shall be informed of this cancellation policy.

- b) Cancellations shall be signified in writing and dated (via registered letter, identified telex, fax, e-mail ..).
For a cancellation to take effect from the date of a verbal communication, the written cancellation must refer expressly to it. Any written document received from the hotelier, referring to the verbal communication, shall dispense the travel agent from any further written reconfirmation

Where applicable, the hotelier may issue a cancellation reference number to be retained by the travel agent, dispensing him/her from any written cancellation.

Art. 17. Cancellation of Groups

(see annexes 2 and 3)

a) cancellation time-limits :

In the absence of agreement to the contrary, the travel agent may cancel a group reservation without having to pay compensation, according to the following rules:

- 1) the entire group (100%) may be cancelled validly up to thirty (30) days prior to the arrival date.
- 2) a maximum of 50% of the initial reservation may be cancelled at least twenty-one (21) days prior to the arrival date.
- 3) a maximum of 25% of the initial reservation may be cancelled at least fourteen (14) days prior to the date of arrival.

b) Cancellation fees

- 1) Cancellations made outside the above-mentioned time-limits shall entitle the hotelier to the following compensation :
 - a) a fee fixed in advance ;
 - b) in the absence of such an agreement : two-thirds (2/3) of the price of the reserved services (minimum one night per cancelled client);
 - c) in case of cancellation within the three (3) days preceding the arrival date : three-quarters (3/4) of the price of the reserved services;
- 2) If the hotelier covers the loss by sub-letting the room(s), he/she will not be entitled to such compensation. The hotelier may be required to prove that he/she did not sub-let the room(s).

c) reclaiming of rooms by hoteliers

- 1) When a reserved group occupies more than 30% of the total room capacity, the hotelier will notify the travel agent, in writing, between sixty (60) and thirty (30) days prior to the date of arrival, that he/she (the hotelier) intends to dispose of all or some of the rooms which the travel agent does not guarantee.
- 3) The hotelier cannot dispose of any room guaranteed by the travel agent.

- 4) If the travel agent guarantees the rooms initially reserved, he cannot make use of article 17 a) 1.

Art. 18. Cancellations for Individuals

(see annex)

a) Cancellation time-limits

In the absence of contractual conditions to the contrary, the minimum periods of notice that shall be observed by the travel agent to notify a cancellation to the hotelier, are as follows :

- 1) In tourist-type hotels :
 - fourteen (14) days before the date of arrival, in low season,
 - thirty (30) days before the date of arrival, in high season,
- 2) In all other hotels, according to the cancellation rules applied by the hotel : the same period of notice as for clientele acquired directly by the hotel and before 18.00 hours on the eve of the arrival date.

b) Cancellation fees

In the absence of contractual conditions to the contrary, cancellations notified after the above-mentioned time-limits shall entitle the hotelier to the following compensations :

- 1) For tourist hotels :
 - a) For any stay of one (1) or two (2) nights, in low or high season : the equivalent of services ordered for a one-night stay.
 - b) For any stay of three (3) nights or over, in low season : the equivalent of services ordered for a one-night stay.
 - c) For any stay of three (3) nights or over, in high season : the equivalent of services ordered for a three-night stay.
- 2) For all other hotels :
for whatever length of stay : the equivalent of the services ordered for one-night stay.

Art. 19. Guaranteed and Non-Guaranteed Reservations - No-Shows

a) non guaranteed reservations

If a hotelier accepts a booking, he/she must keep the rooms available for the guests until 18.00 hours on the scheduled day of arrival. After 18.00 hours, he/she may dispose of the rooms.

b) guaranteed reservations

The guarantee given by the client or the travel agent is constituted by a payment in cash, cheque or credit card (or, in the case of the travel agent, a formal guarantee indicated on the reservation document or the voucher) as stipulated in article 12.b.

The hotelier can demand a guarantee for any non-guaranteed reservation, for which the client or travel agent expressly requests the hotelier to maintain the reservation beyond the normal time-limit of 18.00 hours.

Once the guarantee is granted, the hotelier will keep the room at the client's disposal until midday on the day following the scheduled date of arrival. Thereafter he may dispose of the room.

c) No-show

If the client does not arrive at the hotel before 18.00 hours, this will constitute a no-show. In this case, the conditions relating to late cancellations are applicable (art. 16 to 18).

If the amount of compensation to be paid in the case of a late cancellation or no-show is not specified, it is accepted that it should be equivalent to the cost of the start rooms for a minimum of one night and a maximum of three nights per room.

Article 20. Premature Departure

In the event of a premature departure or non-utilisation of services ordered, the travel agent shall compensate the hotelier for the actual loss suffered, except in those cases where the hotelier is responsible for the premature departure or non-utilisation of these services, or when the hotelier and the client have agreed, in writing, on any other solution.

If the advance payment made by the travel agent is not sufficient to cover the full amount of the bill, the hotelier shall request the balance of payment from the travel agent unless it has been agreed that the bill shall be paid directly by the client.

These provisions shall be applicable to the travel agent's clients only if they also apply to the hotel's direct clients.

Art. 21. Information Provided to the Hotel

The travel agent shall provide the hotelier with all necessary, relevant and detailed information on the services requested and send the rooming list minimum 7 days prior to arrival .

The travel agent shall provide information concerning the group's arrival details.

Art. 22. Information to the Travel Agent and Client

- a) The hotelier shall provide the travel agent with relevant, precise information concerning the category/standards, location and services of the hotel.
- b) The travel agent is obliged to transmit to his/her client the information exactly as supplied by the hotelier.
- c) The hotelier & the travel agent must refrain from taking any action or making any statement that would cast doubt on the quality of services provided by the other party or that could damage his/her professional reputation.

Art. 23. Quality of Services Provided

The services provided by the hotelier to the travel agent's clients, in accordance with the hotel contract, shall be of the same quality as those provided by the hotelier, on the same conditions, to his/her direct clients unless otherwise agreed in the contract.

Art. 24. Disposal of Rooms

- a) The hotelier must keep the reserved room at the disposal of the client from 15.00 hours until 18.00 hours, on the day of arrival, unless the reservation has been guaranteed or a late arrival has been specified.
- b) Unless otherwise agreed, a hotel room must be vacated by the client no later than twelve (12) noon on the day of departure.

Art. 25. Obligations to The Client

- a) For any reservation duly accepted and confirmed, the hotelier shall respect his/her contractual commitments.
Failing this, he/she shall compensate the travel agent for the loss actually suffered.
- b) Should the hotelier not provide the client with the reserved accommodation he/she (the hotelier) has confirmed, this latter will, at his/her expense :
 1. secure accommodation for the client at the nearest equivalent hotel and pay, where applicable, for any difference of price ;
 2. notify the client or the travel agent, in advance of the client's arrival, where applicable, eventually pay for the client's communication cost to notify his/her home or office of the change of hotel. The hotelier will also pay for the client's transportation to the other hotel;
 3. pay for the client's transportation back to the original hotel, if the client wishes to return to the hotel he/she had originally reserved when space becomes available.
- c) The hotelier will refrain from soliciting the client to make direct reservations in future.

Art. 26. Force Majeure.

Whenever one of the parties to the hotel contract finds it impossible to fulfil his/her obligations owing to a case of force major, that is "circumstances that are unforeseen, irresistible and beyond his/her control", he/she is exonerated from their obligations without having to pay any compensation.

Art. 27. Notification of "Force Majeure"

When the hotelier or travel agent finds him/herself unable to fulfil his/her obligation for reasons of force majeure, he/she shall immediately notify the other party by all means at his/her disposal in order to limit potential damages.

Art. 28. Refraining from Multiple Bookings

Even if a travel agent has simultaneously requested reservations for the same stay of a client or a group from different hotels he/she shall refrain from finalizing several hotel contracts for the same stay of a client or a group, with the intention of cancelling, at a later date and within the time-limits mentioned in this Code, the reservations he/she decides not to retain, he shall refrain from finalizing more than one contract.

In such cases the hotelier can unilaterally cancel the reservation concerned and not refund any paid reservation fee.

In the case of a series of group reservations, all reservations concerned may be cancelled.

Art. 29. Amicable Settlement of Dispute

In the case of a disagreement, including a force majeure issue between the contracting parties, an amicable settlement should be sought. Failing such a settlement, either party can refer the case to the IH&RA/UFTAA Liaison Committee.

Art. 30. Settlement of Disputes

- a) Any international dispute arising from a contract between a hotelier and a travel agent may be submitted for conciliation and arbitration to the IH&RA/UFTAA Liaison Committee.
- b) Further to a written agreement by both parties to submit their dispute to the IH&RA/UFTAA arbitration committee, the most diligent party shall serve its international body a request for arbitration, and send it all the relevant documents.
- c) The arbitration procedure is set out in the "Arbitration Rules" annexed to this document. **(see a ex 5)**

Art. 31. Interpretation of the Code of Practice

The IH&RA/UFTAA Liaison Committee members, appointed to it by each of the two signatories, shall be competent to interpret the provisions of the Code of Practice.

Art. 32. Text of Reference

The French version of the Code of Practice constitutes its authoritative reference text.

Art. 33. Enforcement Date of the Code Of Practice

This Code of Practice will come into force on October 20th 1999, following its adoption by the two signatories.

Signed on October 20, 1999 by

IH&RA President
Dr. Osmane Aïdi

FUAAV President
Sr. Assane Fall

DEFINITIONS

In the application of this Code of Practice, the following terms shall be used with the meaning given below even if this meaning differs from a meaning in use in national private law.

Advance payment :

Any sum that is paid before the arrival of a client/group to guarantee the reservation. An advance payment must be identified at the time of payment by the parties as “guarantee deposit”, “earnest money” or “reservation fee” in order to define its possible refund.

Guarantee deposit :

Partial payment in advance of reserved services, made by the travel agent to the hotelier. Such payment is deducted from the final hotel invoice or refunded if the hotel contract is cancelled in accordance with the provisions in art. 16-20 above.

Earnest money :

In French, Portuguese, Spanish – and possibly other national laws – the term “earnest money” (“arrhes” in French) means : “contractual compensation which is not repayable if the contract is cancelled by the fault of the person who paid the earnest money, and which is to be paid back double if the contact is cancelled by the fault of the person who received the earnest money.”

Reservation fee

Sum paid by the travel agent to the hotelier, before the client’s arrival. Such amount will be deducted from the final hotel invoice but not reimbursed in case of cancellation.

Hotel :

Shall be considered as hotels all accommodation establishments so designated in accordance with the national legislation of the countries in which they are located.

Hotel contract :

Document by which a hotelier agrees to provide hotel services to a traveller/or a group of travellers who is (are) a client(s) of the travel agent.

Hotel services :

Hotel services include bedrooms, breakfast and other meals, meeting and function rooms and/or facilities etc...

Hotel tariff :

List of the prices of the various services provided by the hotel separately or jointly, published officially for travellers.

Travel agent :

All individuals or corporate bodies (companies) so designated in accordance with the legal provisions of their country or by the national association or the international federation concerned, and whose work consists in particular of reserving rooms and other services in hotels to accommodate travellers.

Voucher :

A voucher is a document issued by a travel agent by which he undertakes to pay the hotelier for (suppress “hotel”) services ordered by the travel agent and to be rendered to the travel agent’s client(s). Such services or their maximum value shall be mentioned on the voucher.

A copy of a voucher may be used as reconfirmation document.

INDIVIDUAL CLIENT & GROUP CANCELLATIONS CHART

ANNEX 2

GROUP – CANCELLATION BY THE TRAVEL AGENT: ARTICLE 17-b

TIME LIMITS	CANCELLATION	CANCELLATION FEES
30 days	Up to 100% of the group originally reserved	b) <u>Cancellation fees</u> 1) Cancellations made outside the time-limits shall entitle the hotelier to the following compensation: a. A fee fixed in advance;
21 days	Up to 50% of the group originally reserved	b. In absence of such an agreement : two-thirds (2/3) of the price of the reserved services (minimum one night per cancelled client); c. In case of cancellation within the three (3) days preceding the arrival date: three-quarters (3/4) of the price of the reserved services;
14 days	Up to 25% of the group originally reserved	If the hotelier covers the loss by sub-letting the room, he/she will not be entitled to such compensation. The hotelier may be required to prove that he/she did not sub-let the room(s).

GROUP – CANCELLATION BY THE HOTELIER : ARTICLE 17

b) Cancellation by the hotelier

When a reserved group, occupies more than 30% of the total room capacity, the hotelier will notify the travel agent, in writing, between sixty (60) and thirty (30) days prior to the date of arrival, that he/she (the hotelier) intends to dispose of all or some of the rooms which the travel agent does not guarantee. Such a clause will not apply if the travel agent guarantees all the rooms reserved.

INDIVIDUALS : ARTICLE 18

TYPE OF HOTEL	TIME LIMITS	CANCELLATION FEES
In tourist type hotels	• high season = 30 days	Stay of 1 or 2 nights : 1 night - art. 18 b) 1. a) Stay of 3 nights or more : 3 nights - art.18 b) 1. c)
	• low season = 14 days	1 night - art. 18 b) 1. a) -b)
Other hotels	Same period of notice as for clientele acquired directly: and before 6.00 p.m. on the eve of the arrival date	1 night (whatever length of stay).



EXPLANATORY CHART FOR CANCELLATION POLICY FOR GROUP (ARTICLE 17.)

Example : based on a group of 100 Persons - Price \$200 Per Person (\$100 For Hotel Services And \$100 On Other Services)

NUMBER OF DAYS BEFORE THE ARRIVAL DAY		CANCELLATION: % OF THE GROUP				PORTION OF PRICE INVOLVED		COMPENSATION TO BE PAID BY THE TRAVEL AGENT TO THE HOTELIER
Example	100 percent							
		25	50	75	100	\$100 hotel services	\$100 other services	
31 days	• 100%							0
22 days	• 25%							0
	• 50%							0
	• 100%					\$100 hotel services	\$100 other services	$2/3$ of \$100 = \$67 x 50 persons = \$3 350
15 days	• 25%							0
	• 100%					\$100 hotel services	\$100 other services	$2/3$ of \$100 = 67x 75 persons = \$5 025
10 days	• 100%					\$100 hotel services	\$100 other services	$2/3$ of \$100 = \$67 x 100 persons = \$6 700
2 days	• 100%					\$100 hotel services	\$100 other services	$3/4$ of \$2000 = 150x100 persons = \$15.000

**CHECK-LIST FOR CONTRACT CONCERNING INDIVIDUAL
CLIENTS AND GROUPS
(NOT APPLICABLE TO ALLOTMENT CONTRACTS)**

- 1) Reservation and formation of the contract
 - a) mentioning of the contracting parties and their contractual competence (or that of their representatives)
 - b) reservation request – followed by a written confirmation if the request has been made verbally.
 - c) indication of the services to be rendered
 - d) date of commencement and termination of the contract
 - e) availability of the accommodation for the client
 - f) information on the category and location of the hotel and services available.

- 2) Price conditions and payment
 - a) guarantee of payment by the travel agent
 - b) prices of services to be rendered
 - c) advance payment if any, and status of such payment
(earnest money, guarantee deposit, reservation fee ..)
 - d) any special payment arrangements (full credit voucher, direct payment by the client, credit card payments ...)
 - e) notice to be given for price changes
 - f) time limits for payments
 - g) interest on late payments
 - h) partial payments during stays of long duration

- 3) Commission
 - a) amount, method and date of payment of commission due to the travel agent
 - b) basis for calculation of commission (net or gross of taxes and service charges)
 - c) commission arrangements for extension of stays
 - d) maximum period of commissionable stay
 - e) services that are commissionable

- 4) Cancellation, no-show ..
 - a) conditions of form for valid cancellation
 - b) time-limits for valid cancellation
 - c) compensation for late cancellation
 - d) compensation for no-show
 - e) compensation for premature departure or non-utilization of the services ordered

- 5) Special conditions for groups
 - a) applicability of group rates
 - b) arrangements for supply of rooming-lists for the group
 - c) payment conditions for the group
 - d) conditions in case of partial cancellation

IH&RA/UFTAA ARBITRATION RULES

1) PERMANENT ARBITRATION BODY

The IH&RA/UFTAA Liaison Committee is equally composed of representatives of travel Agents and hoteliers. As stipulated in article 3 of the code, the arbitration will apply to disputes of international nature; The arbitrators are chosen from representatives of the two professions. Professional or legal experts can also be appointed arbitrators.

2) ARBITRATION REQUEST

The party wishing to resort to the IH&RA/UFTAA Liaison Committee arbitration should submit its request, either to the IH&RA Secretariat General or to the UFTAA Secretariat General.

This request must in particular include:

- a) names, position and addresses of the parties,
- b) statement of the claimant's claim
- c) agreements entered into, correspondence exchanged between the parties as well as all other documents or information likely to establish the rights and obligations of the parties and the circumstances of the dispute.

3) ARBITRATION PROPOSAL

With a view to the settlement of a dispute, an arbitration proposal can be made, either by the IH&RA to one of its members, or by UFTAA to one of its affiliates.

4) REGISTRY

The Secretariat which receives the request for arbitration shall serve as the registry during the arbitration proceedings.

5) ACCEPTANCE BY THE RESPONDENT

- a) The Registry shall forward a copy of the request to the respondent.
With his acceptance of the request for arbitration, the respondent shall forward to the Registry, as early as possible, his grounds of defence, any proposition he may wish to make and all documents together with all information likely to support his defence.

- b) A copy of the reply shall be forwarded to the claimant for his information.

6) APPOINTMENT OF ARBITRATORS

They are appointed by the registry and are four (4) in number : two (2) representatives of the travel agents and two (2) representative of the hoteliers.

7) COMPILATION OF THE FILE

It is the responsibility of the Registry to compile the file for the arbitrators.

8) ARBITRATION AGREEMENT

- a) The arbitration agreement is the agreement whereby the parties definitively undertake to settle their dispute by arbitration and cover the costs incurred.
- b) This agreement, indicating the arbitrators appointed and the matter subject of the dispute is forwarded to each of the parties to the dispute.
- c) Furthermore, each party shall receive a copy of the pleadings supplied by the opposite party, indicating his grounds of claim or defence (grounds of defence referred to in art. 5.a).
- d) The agreement, duly signed and dated by both parties shall be returned to the Registry as speedily as possible.

9) CHALLENGE OF ARBITRATORS

- a) At the stage of signature of the agreement, the parties have the right to challenge the arbitrators.
The only grounds for challenge are those listed hereafter:
 1. relationship or association with one of the parties ;
 2. an arbitrator having an interest in the case ;
 3. objection to one of the parties ;
 4. previous connection with the dispute as an arbitrator.
- b) In the event of the replacement of a challenged arbitrator, this should be reflected in the agreement.

10) EFFECT OF THE ARBITRATION AGREEMENT

When the parties have agreed to resort to the arbitration of the IH&RA/UFTAA Liaison Committee, they thereby under-take to abide by the present rules.

11) SUBMISSION OF THE FILE TO THE ARBITRATORS

- a) On receipt of the agreement signed by both parties, the registry transmits same to the arbitrators, together with the file prepared for them.
- b) The parties are informed by the Registry of the date of transmission of documents.

12) PLACE OF ARBITRATION

The arbitration shall take place at the Secretariat which serves as Registry.

13) PROCEDURE BEFORE THE ARBITRATORS

The rules applicable to the procedure before the arbitrators shall be those arising from the present arbitration rules and, where the rules are silent, the rules of procedure of the place of arbitration.

14) REPLACEMENT OF AN ARBITRATOR DURING THE PROCEEDINGS

In the event of the death illness or extended unavailability to attend of an arbitrator, the Registry shall appoint a replacement, without its being necessary to recommence the proceedings.

15) CONSIDERATION OF THE CASE BY THE ARBITRATORS

- a) The arbitrators proceed to consider the case by all appropriate means. They can appoint one or more technically or **legally** competent experts, defining their mission in advance and requesting reports on the points in dispute.
- b) The arbitrators make their decision on the basis of the documents unless one of the parties seeks a hearing.
- c) At the request of one of the parties or of their own volition, the arbitrators can call upon the parties to appear before them ; they shall advise the Registry which will convoke the parties.
- d) The parties shall appear either in person or by duly appointed representatives.

- e) When the parties put forward new claims or counter claims before the arbitrators, they are bound to present the same in writing. Unless the party against whom a new claim has been made agrees, the arbitrators have no power to take note thereof.

16) ARBITRAL DECISION TIME LIMIT

The arbitral decision giving reasons following the consideration of the case by the arbitrators, shall be made within three (3) months of the agreement having been passed to the arbitrators. Nevertheless, this period can be extended by one month if this is necessary for the investigation of the case.

17) AGREED SETTLEMENT

If the parties reach an agreement before the arbitrators, this fact is recorded by the Registry.

18) FAILURE OF THE ARBITRATORS TO AGREE

- a) In the event of a division of opinion, the arbitrators prepare a document setting out such disagreement. They shall be called upon to set out in writing their distinct and reasoned opinion, either in the same of in separate reports.
- b) By this same decision, they shall appoint an umpire.

19) PROCEDURE BEFORE THE UMPIRE

- a) The umpire is bound to make his/**her** decision within one month of the day of his acceptance unless this time limit is extended by the act of appointment.
- b) He may not make his decision before having consulted the divided arbitrators who shall meet for this purpose.
- c) The umpire shall review all of the evidence, taking into account the opinions of the arbitrators and shall make his/**her** decision. Such decision shall be final. No reasons need to be given for his/**her** decision.

20) MAKING THE DECISION

The decision is deemed to be made at the place of arbitration and on the day of its signature by the arbitrators.

21) NOTIFICATION OF THE DECISION TO THE PARTIES

The decision having been made, the Registry shall send to the parties a copy of the text signed by the arbitrators or the umpire.

22) FINAL AND ENFORCEABLE NATURE OF THE DECISION

- a) The decision is final.
- b) By submission of their dispute to the arbitration of the IH&RA/UFTAA Liaison Committee, the parties undertake to carry out the decision promptly and waive all.

23) DEPOSITING OF DECISION

The original texts of all decisions made in accordance with the present rules shall be deposited both at the IH&RA Secretariat General and at the UFTAA Secretariat General.

24) COSTS OF ARBITRATION

In their decision, the arbitrators, in addition to the decision on the substance of the dispute, shall make a decision on the costs of the arbitration, and shall decide which party shall be responsible for their payment or in what proportion they shall be borne by the parties.

Where applicable, the costs of arbitration shall include :

- a) administrative expenses,
- b) arbitrators' fees,
- c) experts' fees, in the event of expertise,
- d) arbitrators' travelling expenses.

INDIVIDUAL CLIENT CONTRACT*
(one contract per group under 15 pax)

ANNEX 6

1. CONTRACTING PARTIES

Hotel :

(company name)

(address)
Tel : -----telex : -----
Fax : -----
e-mail : -----
Licence number : -----
VAT number : -----

(Authorized person – name and title)

ID N° of the National Association when applicable :

Travel agent :

(company name)

(address)
Tel : -----telex : -----
Fax : -----
e-mail : -----
Licence number : -----
VAT number : -----

(Authorised person – name and title)

2. PURPOSE OF THE CONTRACT

Reservation in the hotel -----
(above mentioned or name, address and city)
for the services mentioned thereafter :

This contract is based on the IH&RA / UFTAA Code of Practice (1999) and article numbers quoted therein refer to the corresponding articles.

* See Article 15
14 September 1999

3. BOOKING CONDITIONS (articles 8-9-10)

a) Arrival and departure

Number of persons planned	ARRIVAL AT HOTEL				DEPARTURE FROM HOTEL				Number of nights
	Day	Month	Year	time	Day	Month	Year	time	
Optional information	Means of transport : ----- Flight / ----- nber : -----				Means of transport : ----- Flight / ----- nber : -----				

b) Accommodation

CLIENTS

Single room(s) (number) Twin bedded room(s) (number) Double room(s) (number) Triple room(s) (number) 4 Pax room(s) (number) Suite (s) (number)

TOUR LEADER / GUIDE / DRIVER

Persons (number) Single room(s) Twin bedded room(s)

c) Room facilities

Bath/WC (number) Shower/WC (number) Bath/shower/WC On same floor (number) Heating (cross) Air conditioning (cross)

Minibar (cross) Television (cross) Telephone (cross) Safe in room (cross) Computer / fax connection in room (cross)

Other facilities / Requirements : -----

d) Meals

Breakfast In breakfast lounge Continental/buffet/American (cross)

Half-board with (lunch or dinner) (cross)

(number)

Full-board (cross)

(special meal requested)

(special meal requested)

Breakfast (time)

Lunch (time)

Dinner (time)

Other Facilities / Requirements : -----

e) Other services

4. PRICE AND PAYMENT (articles 11-12-13-14)

Price per day per person per room / unit in ----- (currency) – taxes and service included.

net price (non commissionable)

commission : ----- %
(specify)

Type of room	Facilities				Adjacent rates include the following meal plan
	Shower / WC	Bath / WC	Bath and WC on same floor	Air conditioned	
Single					Room only
					Breakfast
					Halfboard
					Fullboard
Double / Twin					Room only
					Breakfast
					Halfboard
					Fullboard
Triple					Room only
					Breakfast
					Halfboard
					Fullboard
4 Pax room					Room only
					Breakfast
					Halfboard
					Fullboard
Suite					Room only
					Breakfast
					Halfboard
					Fullboard

Special requests : -----

Special requests : -----

Other services : -----

a) Price supplement

Early arrival / late departure :

Other : -----
(please specify)

b) Arrangements for payment

Prepayment :

Reservation fees or Guarantee deposit or Advance payment or Earnest money (*)
(per person / room)

Payment :

Payment against invoice within a given deadline :

Means of payment :

Interests on late payment (in %)

* see IH&RA / UFTAA Code of Practice – Appendix I Definitions
14 September 1999

5. **CANCELLATION** (articles 16-18-19 and annex 2-3)

a) **Without compensation**

- Before 18.00 hours on the eve of the arrival date
- Tourist-type hotel : high season ----- days
- Tourist-type hotel : low season ----- days

b) **With compensation**

- in high season (tourist-type hotel)
 - for a stay of 1 or 2 nights : 1 night compensation
 - for a stay of 3 nights or more : 3 nights compensation
- in low season (tourist-type of hotels) : 1 night compensation
- in other type of hotels : 1 night compensation
- other compensation (specify) : -----

6. **TRANSMISSION OF THE ROOMING LIST TO THE HOTEL** (article 21)

Days prior to arrival of the group

7. **SETTLEMENT OF DISPUTES** (articles 29-30)

The parties agree to submit any dispute arising from this contract to :

- The IH&RA / UFTAA Arbitration Committee
- The court and tribunals of the country where the service in dispute was rendered
- Other (specify) : -----

8. **CODE OF PRACTICE**

The parties to this contract acknowledge that they are aware of the terms and conditions of the IH&RA / UFTAA Code of Practice.

Done in duplicates in :-----, on-----.

FOR THE HOTEL
 name and title of authorised person :

FOR THE TRAVEL AGENCY
 name and title of authorised person :

(Signature)

(Signature)

GROUP CONTRACT*
(one contract per group)

ANNEX 7

5. CONTRACTING PARTIES

Hotel	Travel agent
----- (company name) ----- ----- ----- ----- (address) Tel : ----- telex : ----- Fax : ----- e-mail : ----- VAT number : ----- ----- (Authorized person – name and title) -----	----- (company name) ----- Licence number : ----- ----- ----- (address) Tel : ----- telex : ----- Fax : ----- e-mail : ----- VAT number : ----- ----- (Authorised person – name and title) -----

6. PURPOSE OF THE CONTRACT

Reservation in the hotel -----
(above mentioned or name, address and city)
for the services mentioned thereafter :

This contract is based on the IH&RA / UFTAA Code of Practice (1999) and article numbers quoted therein refer to the corresponding articles.

* See Article 15
14 September 1999

7. BOOKING CONDITIONS (articles 8-9-10)

b) Arrival and departure

Number of persons planned within the group	ARRIVAL AT HOTEL				DEPARTURE FROM HOTEL				Number of nights
	Day	Month	Year	time	Day	Month	Year	time	
Optional information	Means of transport : Flight / ----- nber :				Means of transport : Flight / -----nber :				

b) Accommodation

CLIENTS

Single room(s) (number)	Twin bedded room(s) (number)	Double room(s) (number)	Triple room(s) (number)	4 Pax room(s) (number)	Suite (s) (number)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

TOUR LEADER / GUIDE / DRIVER

<input type="text"/> Persons (number)	<input type="text"/> Single room(s)	<input type="text"/> Twin bedded room(s)
---------------------------------------	-------------------------------------	--

c) Room facilities

Bath/WC (number)	Shower/WC (number)	Bath/shower/WC On same floor (number)	Heating (cross)	Air conditioning (cross)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Minibar (cross)	Television (cross)	Telephone (cross)	Safe in room (cross)	Computer / fax connection in room (cross)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Other facilities / Requirements :

f) Meals

Breakfast
In breakfast lounge
Continental/buffet/American
(cross)

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

Half-board with
(lunch or dinner)
(cross)

<input type="text"/>	<input type="text"/>
----------------------	----------------------

(number)

Full-board
(cross)

<input type="text"/>

.....
(special meal requested)

<input type="text"/>

.....
(special meal requested)

<input type="text"/>

Breakfast
(time)

<input type="text"/>

Lunch
(time)

<input type="text"/>

Dinner
(time)

<input type="text"/>

Other Facilities / Requirements :

g) Other services

.....

4. **PRICE AND PAYMENT** (articles 11-12-13-14)

Net price (non commissionable) per day per person per room / unit in ----- (currency)
 – taxes and service included.

Type of room	Facilities				Adjacent rates include the following meal plan
	Shower / WC	Bath / WC	Bath and WC on same floor	Air conditioned	
Single					Room only
					Breakfast
					Halfboard
					Fullboard
Double / Twin					Room only
					Breakfast
					Halfboard
Triple					Room only
					Breakfast
					Halfboard
4 Pax room					Room only
					Breakfast
					Halfboard
Suite					Room only
					Breakfast
					Halfboard

Special requests : -----

Special requests : -----

Other services : -----

a) Price supplement

Early arrival / late departure :

Other : -----
 (please specify)

c) Arrangements for payment

Prepayment :

Reservation fees or Guarantee deposit or Advance payment or Earnest money (*)
(per person / room) (per person / room) (per person / room) (per person / room)

Payment :

Payment against invoice within a given deadline :

Means of payment : Interests on late payment (in %)

* see IH&RA / UFTAA Code of Practice – Appendix I Definitions
 14 September 1999

8. **CANCELLATION** (articles 16-17 and annex 2-3)

a) **Without compensation**

Up to 100% of the group : days prior to arrival

Up to 50% of the group : days prior to arrival

Up to 25% of the group : days prior to arrival

b) **With compensation**

Amount of :

2/3 of the price of the reserved services (minimum 1 night per cancelled client)

Cancellation made 3 days prior to arrival : ¾ of the price of the reserved services.

9. **TRANSMISSION OF THE ROOMING LIST TO THE HOTEL** (article 21)

Days prior to arrival of the group

10. **SETTLEMENT OF DISPUTES** (articles 29-30)

The parties agree to submit any dispute arising from this contract to :

The IH&RA / UFTAA Arbitration Committee

The court and tribunals of the country where the service in dispute was rendered

Other (specify) :

8. **CODE OF PRACTICE**

The parties to this contract acknowledge that they are aware of the terms and conditions of the IH&RA / UFTAA Code of Practice.

Done in duplicates in :-----, on-----.

FOR THE HOTEL
name and title of authorised person :

FOR THE TRAVEL AGENCY
name and title of authorised person :

(Signature)

(Signature)