

DIRECTIVE

Issue Date: 13 September 2019

Ref: BOD239/13092019/O/JM

Rules governing cancellation of package tours (revised) Resolution No. 239 (Directive category: Outbound → Package Tour)

To ensure better protection for consumers, the Board of Directors resolved at its meeting on 10 September 2019 to adopt the Outbound Committee's proposal to revise the rules governing cancellation of package tours as follows:

- **1.** The following definitions are applicable to this Directive:
 - (1) "package tour" refers to outbound travel services which contain transport, accommodation and activities arranged all by members for travellers. Merely booking meals, admission tickets or services by members for travellers is not arrangement of activities;
 - (2) "short-haul area" refers to the countries and places specified in Attachment 1;
 - (3) "long-haul area" refers to the countries and places specified in Attachment 2; and
 - (4) "working day" excludes Saturdays, Sundays and public holidays.
- 2. If a member cancels any package tours bound for <u>Guangdong province</u> <u>and Macao</u> before departure, it shall notify its customers of the cancellation at least <u>one day before departure (excluding the day of</u> <u>departure)</u>, failing which it shall handle the cancellation in accordance with Point 6.
- 3. If a member cancels any package tours bound for <u>the short-haul area</u> before departure, it shall notify its customers of the cancellation at least <u>seven days before departure (excluding the day of departure)</u>, failing which it shall handle the cancellation in accordance with Point 6.
- 4. If a member cancels any package tours bound for <u>the long-haul area</u> before departure, it shall notify its customers of the cancellation at least <u>14 days before departure (excluding the day of departure)</u>, failing which it shall handle the cancellation in accordance with Point 6.

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- 5. For package tours straddling any two or all three of these places: Guangdong province and Macao; the short-haul area; and the long-haul area, the notification period of cancellation shall be the same as that pertaining to the place where its duration of travel is no less than two-thirds of the duration of the itinerary, and if each place where its duration of travel is less than two-thirds of the duration of the itinerary, the notification period of cancellation shall be the same as that pertaining to the farthest place of the itinerary. In calculating two-thirds of the duration of such package tours, such time as less than one day is considered one day.
- 6. Subject to applicable situations in Points 2, 3 and 4, a member shall refund the money paid by its customers in accordance with applicable rules and pay 15% of the tour fare but not exceeding HK\$1,000 to each of its customers as compensation within three working days.
- 7. Even if a member cancels package tours in accordance with the requirements set out in Point 2, 3 or 4, it shall still refund the money paid by its customers in accordance with applicable rules within three working days.
- 8. If a member cancels package tours for reasons beyond control, it need not make any compensation.

Members are advised to notify customers of cancellation of package tours by, for example, recordable telephone, SMS, instant messaging app, email, fax and post so that the notification records can be retained.

This Directive supersedes Directive Nos. 77 and 98 and paragraphs 3(11)(a) and 3(11)(b) of the Code of Business Practice on Outbound Package Tours, and applies to tour participants who sign up for package tours on or after 1 October 2019. Violation of this directive will be subject to penalties laid down in Article 11 of the TIC's Articles of Association.

For latest information on rules of the TIC, please visit the TIC website (<u>www.tichk.org</u> \rightarrow "Codes and Regulations").

BY ORDER OF THE BOARD OF DIRECTORS TRAVEL INDUSTRY COUNCIL OF HONG KONG

Alice Chan (Mrs) Executive Director

Attachment 1: Short-haul area Attachment 2: Long-haul area

Attachment 1

Short-haul area

"Short-haul area" refers to the countries and places listed below:

Mainland China (except Guangdong province and Macao), Cambodia, Brunei, Indonesia, Japan, Laos, Malaysia, Myanmar, North Korea, the Philippines, South Korea, Singapore, Taiwan, Thailand and Vietnam.

Attachment 2

Long-haul area

"Long-haul area" refers to the countries and places listed below:

Any places other than the short-haul area, Guangdong province and Macao.