

DIRECTIVE

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IMPORTANT ANT

Code of Business Practice on Inbound Travel Service Resolution No. 152 (Directive category: Inbound)

The Code of Business Practice on Inbound Package Tours (formerly known as the Code of Conduct for Inbound Agents) has been in place since 1999, and some provisions of the Code have become outdated in the past seven years. With a view to meeting the actual needs of the inbound industry and further raising its professionalism, the Board of Directors has therefore adopted the Inbound Committee's proposal to resolve that:

With immediate effect, members which carries on inbound travel business, including those which only provide accommodation reservation services for inbound visitors, shall comply with the newly compiled Code of Business Practice on Inbound Travel Service.

A copy of the Code of Business Practice on Inbound Travel Service is attached for members' reference. Violation of this directive and the Code will be subject to penalties in accordance with Article 11(3)(a)&(b) of the TIC's Articles of Association.

This Directive supersedes Resolution No. 74.

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

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Joseph Tung Executive Director

Code of Business Practice on Inbound Travel Service

1. Objectives

The objectives of this code are to maintain and enhance the reputation, standing and good name of the TIC and its members and to provide the best services for business partners and inbound visitors, thereby encouraging the growth and development of the inbound industry and upholding the reputation of Hong Kong tourism and the public interest.

2. Principles

- (1) Members shall operate in accordance with all the provisions of this Code, and shall comply with such directives as may be issued by the TIC from time to time.
- (2) Members shall deal only with licensed or legally registered service providers.

3. Service standards

The following requirements are the most basic service standards:

(1) <u>Contracts</u>

Members shall sign contracts with their business partners for the benefits of both parties, and shall clearly specify in the quotation the scope and standard of their services and duly carry them out.

- (2) Accommodation
 - (a) Members shall specify in the contracts the names and types of accommodation. If members need to alter the accommodation because of reasons beyond their control, the grade of the new accommodation shall not be lower than that of the original accommodation.
 - (b) Members shall receive inbound visitors only after accommodation has been confirmed by its providers.
 - (c) Members shall send written confirmation of their accommodation reservations to their business partners.
- (3) <u>Transport</u>

Members shall specify in the contracts the means of transport to be used such as air-conditioned coaches, limousines or ferries.

- (4) <u>Itinerary</u>
 - (a) Members shall clearly specify in the contracts the tourist attractions

included in the itinerary, and shall specify whether the tour price includes all the admission fees and whether there are any optional activities.

- (b) Members shall provide inbound visitors with written information about the contents of the optional activities to be directly sold to them.
- (c) Members shall not impose any additional charge on inbound visitors except for optional activities.
- (d) Members shall take inbound visitors to all the tourist attractions included in the itinerary. If alteration or cancellation of any item in the itinerary is necessitated by reasons beyond their control, members shall give a detailed explanation of such alteration or cancellation to their business partners and inbound visitors.
- (e) If any alteration or cancellation of items in the itinerary necessitated by reasons other than those beyond their control has resulted in an increase in operating costs, members shall not impose any additional charge on inbound visitors. If such alteration or cancellation has resulted in a decrease in operating costs, members shall refund the tour price difference to their business partners.

(5) **Dining places and meals**

Members shall pay attention to the hygienic conditions of the dining places, and shall specify in the contracts the number and types of meals to be served.

(6) <u>Tourist guides</u>

- (a) Members shall ensure that their tourist guides observe the Code of Conduct for Tourist Guides issued by the TIC.
- (b) Members shall specify in the contracts or promotional leaflets targeting inbound visitors whether there is any designated service charge for the tourist guide to be payable by the inbound visitors.
- (7) <u>Shopping</u>
 - (a) Members shall conduct shopping activities in accordance with the contracts.
 - (b) Members shall only take inbound visitors to patronise those shops already registered with the TIC.
 - (c) Members shall assist inbound visitors in obtaining a refund for items purchased at shops appointed or arranged by them if the visitors are dissatisfied with their purchases. Members shall also be responsible for handling cases in which the visitors are dissatisfied with the souvenirs bought on tour coaches.

(8) Terms of and deadlines for payment

- (a) Any service contracts signed between members and their business partners shall specify clearly the terms of and deadlines for payment.
- (b) If the business partners fail to pay the reception fees by the deadlines in accordance with the terms of the contract, members will have the right to terminate the transaction. In such a case, the members shall notify their business partners of their decision in writing 24 hours before the scheduled arrival of the inbound visitors in Hong Kong and file a copy of the notification with the TIC as proof. (Note: This paragraph is not applicable to the conditions described in (3).)
- (c) A member which has assented or consented to allow its business partner to pay the reception fees or any amount of money due and payable after the entry of the inbound visitors concerned into Hong Kong may refuse to provide reception services for them if no reception fees are received after they have entered Hong Kong but before any reception services are provided for them by the member. In such a case, the member shall immediately notify the TIC and file a copy of the contract in question with the TIC. If the member has already begun providing reception services for them after they have entered Hong Kong, it shall continue to provide them with such services as stipulated in the contract until all items and activities in the itinerary have completed.
- (9) Others

Members shall bear moral obligations in general business practices not specified in the contracts, such as confirming flights and assisting inbound visitors in seeking medical treatment in case of illness or accidents.

Compiled in September 2006