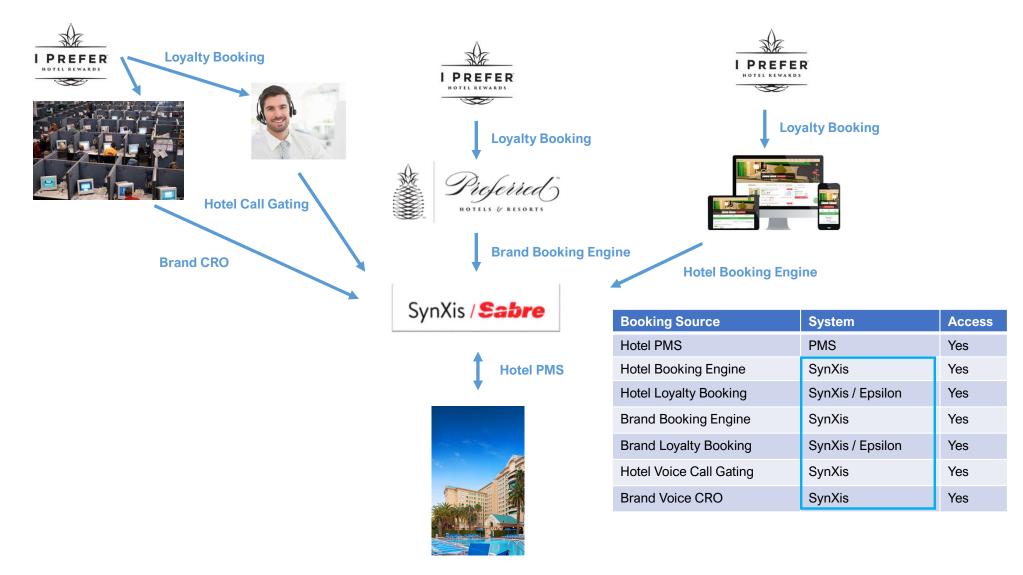
Canceling at the Source

How transactions flow and how fees are assessed

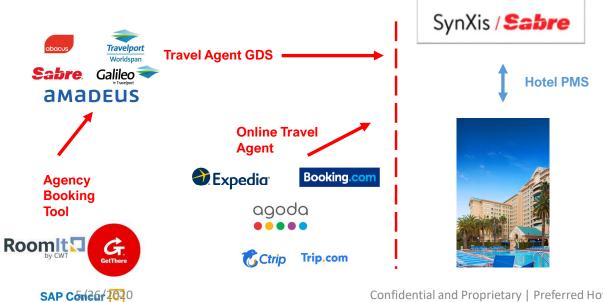
HOTELS & RESORTS



| | Loyalty Booking Image: Second s | Loyalty Booking Professed Rottle KIWARDS Differed Rottles & RESORTS Brand Booking Engl | | /alty Booking | |
|---|--|---|---------------------------|------------------|--------|
| | | SynXis / Sabre | Booking Source | System | Access |
| Obocus Travelport Worldspan Travel Agent GDS Sabre Galileo | | Hotel PMS | Hotel PMS | PMS | Yes |
| | | | Hotel Booking Engine | SynXis | Yes |
| amadeus | | • | Hotel Loyalty Booking | SynXis / Epsilon | Yes |
| | Online Travel | | Brand Booking Engine | SynXis | Yes |
| | Agent | and the second second | Brand Loyalty Booking | SynXis / Epsilon | Yes |
| Agency | Expedia Booking.com | m Sin | Hotel Voice Call Gating | SynXis | Yes |
| Booking Tool | agoda | | Brand Voice CRO | SynXis | Yes |
| | | | Travel Agent GDS | GDS | No |
| | Ctrip Trip.com | | Travel Agent Booking Tool | GDS | No |
| SAP Condar 2020 | | Confidential and Proprietary Preferred Hotels & | Online Travel Agent | ΟΤΑ | No |

What makes these different?

- Bookings are handled via a third party not the CR
- Each has their own integration with the CR
- Each has a different fee model to support their business structure
- As a third party, none allow corporate access to their data through their portal.
 - They need to be informed if the booking is not accepted.
 - Bookings remain active until they are canceled on their end.
 - Preferred, and hotels, are billed for active reservations.
 - No Shows are considered active. These services do not allow cancelation after the arrival date.
 - Billing the guest for a no show is intended to offset the cost to service the no show.



| Booking Source | System | Access |
|---------------------------|--------|--------|
| Travel Agent GDS | GDS | No |
| Travel Agent Booking Tool | GDS | No |
| Online Travel Agent | ΟΤΑ | No |

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As Preferred does not have access to third party tools, there is more potential for transaction fees in these channels for bookings that are not canceled.

Expect that this "cost" is necessary to extend your distribution via third party tools.

The only solution not to incur these costs is not to distribute on these channels.

Cancel at the Source

This is included in the implementation process for the hotel, located here: <u>https://preferrednet.net/revenue-</u> <u>distribution/synxis-crs-interfaces/cancel-</u> <u>at-the-source/</u>

A reminder that third party sources will always bill for active reservations that pass the arrival date.

Hotels traditionally bill guests for no shows. This is intended to offset the cost to service the no show.



| REVENUE & | CANCEL AT THE SOURCE |
|-----------------------------------|--|
| DISTRIBUTION | as of 01 January 2018 |
| | Operational Procedure for Reservation Invoice Reconciliation (downloadable pdf) |
| REVENUE MANAGEMENT | Preferred Hotels & Resorts generates reservation invoices on or about the 10th of each month and distributes them via e-mail (Postal Mail if requested). Invoicing is based on net confirmed reservations for arrivals within |
| | |
| SYNXIS CRS & INTERFACES - | Invoices reflect reservations that are in the system as of midnight on the last day of the month. |
| ESSENTIALS | This document is best summarized by four letters: C.A.T.S: Cancel At The Source |
| SUPPORT LINKS | Reservations made through all of Preferred Hotels & Resorts' distribution channels must be canceled |
| CONTACT US | at the original source of the reservation to avoid booking fees being billed. |
| SERVICE LEVELS | These channels include the following: |
| CANCEL AT THE SOURCE | Voice Agent – Call center booking application. |
| GDPR 2018 | Internet Booking Engine (IBE) for PH&R Brand websites as well as hotel websites, including mobile booking engines. |
| LATEST NEWS & UPDATES | Global Distribution Systems (GDS) including Amadeus, Apollo/Galileo, Sabre and Worldspan used by travel agents and also powering some online travel agencies programs (OTA's), such as Orbitz Retail and Priceline Opaque. |
| TLS 1.2 | Internet Distribution Systems (IDS) to On-line Travel Agencies (OTA's) primarily for retail rates to most major OTA's and some OTA merchant programs. |
| SYNXIS GDS IDS MAPPING REQUEST | Direct Connect (DC) and Channel Connect Express (CCX) to OTA's for merchant rates. |
| TTE PAPITY | Reservations are funneled to SynXis CRS in a one-way direction and they must be canceled at the source |

Q: I have a two-way enhanced interface. If I cancel a booking in my PMS, it cancels it in SynXis as well. Is that sufficient?

A: Not for third party bookings (GDS, OTAs) as cancelations are not sent out of SynXis to third parties. They would still need to be informed of the cancelation so that a transaction fee is not charged.

Q: The travel agency contact details are not valid, or they are not answering my communication. What do I do?

A: Try to research the agency via IATA.org, your commission processing system or even Google. Regardless, if the booking remains active on arrival, the hotel will be billed for that transaction.

5/26/2020

Q: In March-June of 2020, Preferred helped cancel bookings for our hotel. Is this a standard process? Will my hotel be charged for these bookings?

A: During the pandemic, Preferred assisted hotels with canceling bookings as an exception. Any fees for non-canceled bookings were not assessed to hotels and were paid by Preferred on their behalf. During normal business times hotels would be charged for active bookings.

Q: The guest has a non-refundable booking, but we are refunding the money. Does this remove the transaction fee?

A: The cancellation policy does not impact the transaction fee. The booking must be canceled at the source so that the fee is not levied. The deposit process is solely at the discretion of the hotel.

Q: The booking is non-commissionable so I do not need to pay the transaction fee.

A: Commission payment is not related to transaction fees. As long as the reservation is active when the arrival date passes a fee is assessed.

Q: Can I dispute my monthly invoice and request no-shows to be credited to my account?

A: In the past, this was considered on a case by case basis. However, in all instances Preferred paid these fees on behalf of the hotels. Representation on the GDS requires fees be paid for all active bookings. Moving forward, reciprocity to pay fees for no shows is requested as a standard industry fee structure.

Q: I have a few reservations from an OTA that had invalid credit card details, so I cannot charge a no-show fee. Can these fees be waived?

A: Active bookings after the arrival date are always charged a transaction fee. Hotels are encouraged to review new bookings every day and check credit card details to ensure they are valid prior to arrival. Hotels should carefully decide whether to distribute on an OTA that does not provide prepayment or pass these details.

Support

Cancel at the Source Document: https://preferrednet.net/revenue-distribution/synxis-crsinterfaces/cancel-at-the-source/

To cancel bookings made in SynXis: preferred@preferredhotels.com

To cancel third party bookings: contact the source

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Thank You

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