

Dear valued partner,

I hope you are keeping well.

I am contacting you today as I have 2 very important issues to discuss with you. Firstly, ALREADY EXISTING BOOKINGS (if we have any at your establishment currently), secondly, any NEW BOOKINGS made from today onwards.

Due to the worldwide Coronavirus (COVID-19) crisis for the travel industry, we all find ourselves in an unprecedented territory where the decisions we make today will make or break our 'South Africa brand' for the years to come. Indeed SATSA is already lobbying for flexible cancellation policies for many travellers affected by COVID-19 travel bans or advisories, in the knowledge that the brand 'South Africa' will be damaged irreparably should we as South Africans refuse to be lenient and considerate in certain (but certainly not all!) instances. Those instances would include government-imposed travel bans and/or denied entries or forced quarantine, and exclude all other reasons for cancelling where SATSA recommends sticking to original cancellation policies.

In terms of ALREADY EXISTING BOOKINGS:

We, from Tailor Made Safaris have, in conjunction with our British and Dutch travel agencies for which we act as a DMC, after careful consideration and extensive discussion decided upon the following position:

Our normal terms and conditions apply, including our normal cancellation policies, this amongst other things means our clients cannot just cancel if they don't want to travel anymore.

We will have the following exceptions where refunds would be due in full, due to EU and British legislation:

1. If the British Foreign and Commonwealth Office (FCO), or the Dutch Ministry of Foreign Affairs, issues a travel warning advising against travel to South Africa, or the specific region the client will be travelling to.
2. If the country of the clients' residence prevents the client from leaving (for example, Italy and China's current lockdown situation),
3. If South Africa issues an inbound travel ban, banning clients from entering, or forcing arriving clients into quarantine.

Should clients wish to cancel now, for example, if they are 'unsure' about traveling, or for any other reason other than the above three, normal cancellation policies apply and you are guaranteed your money. The client will be given the following options:

1. Cancel outright and lose their deposit to us, and we cancel with you and lose our deposit with you.
2. Let us explore options with you, our accommodation partners, the cost (if any) of postponing the trip to a later date. Already many of our accommodation partners have let us know that this is possible, often free of charge.

So largely, this is business as usual, but we need the following exception:

You may be aware that we at Tailor Made Safaris are operating as an independent travel agent sourcing our own clients, as well as a Destination Management Company for the British travel agency TravelLocal and the Dutch guests through the Dutch travel agency Safari's Op Maat. Effectively this means that there are 4 parties to any booking from us:

1: The foreign client, 2: the overseas travel agent, 3: us the DMC and 4: you the accommodation partner.

Any monies paid by the client, therefore, move hands 3 times, each time incurring banking fees, forex fees, fluctuating exchange rates etc. The implications for this are that when having to refund, this quickly becomes a complicated and costly affair for all involved.

We from Tailor Made Safaris find ourselves in the tricky situation where our travel agents in the UK and Holland have stopped paying deposit payments to us. They will only pay the day the client arrives successfully in South Africa and can start their tour. At that moment, the risk of the client being 'unable' to travel due to Force Majeure is removed, and any refund to the client is out of the question.

We are therefore requesting you to allow us to pay any outstanding balance to you on the day the client is arriving, as we won't have sufficient cash flow reserves to pay upfront before the client's funds will be paid over to us by the mentioned travel agencies. I hope and trust that we have shown in the past that we are reliable and trustworthy, having always paid our bills timeously.

To clarify: We are not asking for flexible cancellation policies for current bookings, we are merely asking to only pay the outstanding balance later, when the client has arrived successfully in the country, after which his funds will be paid to us by the overseas travel agent within 24 hours, and we will make immediate payment to you. Also to reiterate, should the client get cold feet, or wants to cancel for any other reason, they will have to do so at the applicable cancellation fee, and you and us will be paid normally. You will of course be guaranteed payment in such instance.

Please can you let me know as soon as possible if you can support my request so I can instruct my finance team to make the necessary arrangements? Coronavirus has presented a unique and challenging situation globally and we are trying to find a workable solution that supports all the agencies we are accountable to. I thank you for your understanding and cooperation in this regard.

Moving forward with ANY NEW BOOKINGS as of today:

This is an entirely different situation. We, ourselves, and our travel agents for which we act as a DMC, have seen a drop in enquiries and bookings as sharp as 90%. Research has shown that this is not because people don't want to travel anymore, or are afraid of getting sick, but mostly because they are afraid of not being able to travel and will lose money. Many travel agencies overseas have started to send their staff on unpaid leave, to avoid immediate retrenchments, although these are certainly on the cards. Accommodation providers worldwide are going to have many

empty beds in the next 6-12 months, and will likely have to enact similar measures to remain in business.

I feel the only way we can deal with this is by taking a shared risk together. We either do nothing and will then likely sell next to nothing and suffer the consequences of no bookings. If however, we can collaborate together sharing the risk to reap the long term benefits we can hopefully all pull through this unprecedented situation relatively unscathed. I am suggesting we reach out to clients and offer them to book a trip regardless, offering them a 100% free cancellation fee up to 10 days before arrival. Thereafter the same rules apply as mentioned above: If they cancel anywhere during those last 9 days before arrival, they will lose a 100% deposit, and you will be paid in full. Except if they 'have' to cancel due to Force Majeure in the form of a government-imposed sanction (like in the 3 options mentioned above), where we have to still refund them. You will then sit with empty beds, and we sit with having spent on office rent, staff salaries, marketing etc. having made nothing in terms of commission, and still have to cover the costs of refunding. We would like to offer this option to our clients for any booking for a trip starting before 15 December 2020, as we hope that by then the whole Coronavirus saga will be behind us.

We, from Tailor Made Safaris, are compiling a list of accommodation partners that would be willing to support us in this endeavour and take the risk with us. Suppliers that are able to support us whole-heartedly through this difficult time would then be our first choice accommodation providers moving forward. If you are unable to support us in offering this temporary refund policy to our guests the consequence may be that we cannot make any bookings with you until further notice. Please could you let me know whether you are able to accommodate Tailor Made Safaris' temporary special cancellation policy, effective until December 2020 (subject to review before this date if the situation expectedly changes and the travel market recovers sufficiently).

Please note, insurance companies are not covering clients for any cancellations due to Coronavirus. If you are under the incorrect assumption that our guests must just claim from insurance then you're sending them from pillar to post and this is simply not helpful.

What are we doing about the situation:

1. For us at Tailor Made Safaris, at this moment in time, it is all about damage control and risk management. We accept that the next few months we will make no money, we just hope to keep ticking over at cost, to avoid having to cut staff etc.
2. We will actively advertise on Google AdWords our 'free cancellation up to 10 days before travel', and then use our suppliers that can support us in our late free refund policy. Our research has shown that many people are still searching for tours but now with 'free cancellation' in their keyword entry. We will target those people specifically, having seen that very few other travel agencies are targeting these potential guests. We, therefore, hope to achieve a monopoly position for at least a few weeks before our competitors follow suit, and aim to revive the number of enquiries we're getting.

3. Apart from the free cancellation policy, we will offer clients a generous set discount on any tour they book now, further convincing them to book. This because we rather make a smaller than normal commission, than no commission at all due to having no sales.

In conclusion, can you urgently reply to me with one of the following two statements:

For EXISTING bookings:

1. Yes, for existing bookings we can work with you and are able to accommodate receiving our payment on the day the client is arriving, while our normal cancellation policies apply, with the exception of the 3 mentioned Force Majeure options in which case we all have to refund the guest.

OR

2. No, for existing bookings, we won't make exceptions and insist of balance payment to be due as per normal, and we accept that the consequence of this decision may be that the foreign travel agent will insist to use another accommodation provider than ours for these bookings.

For FUTURE bookings:

1. Yes, for new bookings until trip starting dates 16 December 2020, we can work with you and are okay with offering a free cancellation up to 10 days before arrival, and with receiving our payment on the day the client is arriving, while our normal cancellation policies apply for the period between 9 days before arrival until actual arrival, with the exception of the 3 mentioned Force Majeure options in which case we all have to refund the guest.

OR

2. No, for new bookings, we are unable to accept a free cancellation up to 10 days before arrival policy, and are aware that the consequence of this decision will be that we may not receive any bookings from Tailor Made Safaris until the Coronavirus crisis is resolved and traveller confidence is restored.

I hope you understand that I am not coercing any of our suppliers into making decisions they don't feel they can honour but I am trying to work out a plan that enables us to work collectively by sharing the risk so we can simply survive this storm. I believe by doing nothing, or by being inflexible at this time, we will do the South African travel brand irreparable harm, damaging guest confidence and trust, and simply get no enquiries which in turn means no bookings all round. Crisis situations demand strong proactive action, however unpleasant, and I firmly believe that if we can face the challenge together, we will come out stronger, and we can rebound quicker once the Coronavirus storm has passed.

Kind regards,
Nick