Ireland Tour & European Cruise Update

As of 3/15/2020

At the Travel Luncheon on March 11th, we had a great discussion on the state of our Ireland and European Cruise as it pertains to the current Covid-19 Virus situation and subsequent cancellations from the Cruise lines, Airlines and Tourist site shutdowns. As a result, I want to update everyone involved on our current situation and the strategies I feel we should use moving forward.

The situation seems to change daily. I receive policy statements from all the airlines and Princess Cruises regarding their policy on cancellations and their refund policies if we decide to cancel, either individually or as a total group. I will update my web site at <u>www.falcontours.us</u> as needed with the latest updates from our vendors.

The main take away from our discussion, was that it is in our best interest to take "wait and see" position. It does not benefit anyone to cancel all our plans at this time. I described 3 things that could happen;

- 1) The situation stays as it is today. Our tour is still possible
- 2) The situation gets much better. Our tour is still going.
- 3) Things get worse. This would result in more airline restrictions and Princess cancelling more cruises. This would actually benefit us in that the airlines would be forced to refund all our money.

For instance. If an individual cancelled today, as your agent, I would work to get them as much of a refund as possible. But since we fall out of cancellation windows, the air fare is non-refundable. The hotels and activities that I have paid for on your behalf are under no obligation to refund us. If the travel ban extends to our tour date, then American Airlines has been refunding those affected and I have a better position to get a refund from our vendors. And for our Cruise customers, I describe later how the new Princess Cruise cancellation policy can really help us.

Ironically, both the Ireland and Cruise are still possible at this time.

- The Travel Ban on flights from Europe are for 1 month and end over a month before our tours
- Princess Cruises has suspended all cruises for 2 months. This means that our tour that is 70 days away is still scheduled to sail.

I will keep you updated on the latest Policy changes from our Vendors.

PRINCESS CRUISE POLICY

The "wait and see" strategy has already paid off. Since our meeting, Princess Cruises has changed their policy for cancellation. Instead of the initial date of March 31st to cancel our cruise and get 100% Future Cruise Credit. Princess has now amended their policy for all cruises before July of this year. We can now cancel our cruise up to 48 hours before sailing and still get 100% Future Cruise Credit. Not that we would wait that long, but it does give us some reassurance that we can sit tight and cancel at a later date which could only increase the amount of refunds we would be able to get. Even better, Princess is offering up to 175% to 225% FCC for all cruises that they had to cancel. Or customers can take 100% back in a refund. I have a customer doing a 23 day cruise next week from Australia to Los Angeles thru Hawaii. Their total cruise was over \$10,000. With the cancellation, they are now getting \$22,000 in Future Cruise credit to be used on multiple cruises thru 2021! If Princess decides to cancel our cruise in the next month or so, that could make a big difference on the amount we get in FCC. That could turn a \$1300 cruise fare into almost \$3000 in Future Cruise Credit. That would be nice for those thinking of next year's Iceland tour 😊

American Airlines Change Fee Policy

Unfortunately, the Airlines have been slow to change their policy on refunds and change fees. They are more afraid of travelers not booking flights than they are those that have already booked. At this time, they are offering "No change Fee" for all "New" flights booked. This doesn't help us since we booked months ago. They are offering "No change Fee" but no Refunds for flights that have been cancelled. Which just means that you can use the funds on a future flight at no charge. Again, no help to us at this time since our flight is still going as planned. This policy may change. The airlines are under extreme pressure from to change their policy to allow more flexibility in this crisis. I will monitor the situation and keep you posted.

WHAT DOES ALL THIS MEAN?

At this time, our Ireland tour and Europe Cruise is in limbo. With the current travel ban and Princess cancellations, we are still able to complete our trip. That said, if there are cancellations I will do everything possible to get as much of a refund as possible. By waiting to see, we have already seen a great improvement in the Princess policy that will let us cancel much later and still get our cruise portion refunded in the form of a Future Cruise Credit. And if more cancellations occur, we could even see double our credit. I have been in contact with the hotels and vendors that I have paid to see what can be done for refunds if necessary. They are working with me as the situation develops in the next few weeks.

Unfortunately, the airfare with American is the snag. If we cancel our flights, then we will get a credit minus change fees. Those fees can be high for international flights. From \$250 up to \$750 per ticket. The next couple of weeks could make a difference in their policies. At the moment, you can't even call the airlines unless you have a flight in the next 3 days. So, I will keep monitoring the emails sent to all Tour companies and Travel agents to see what works best for us.

If you have any questions, or would like to give me your opinion, feel free to email me or call at any time.

Thanks Dave Hagan Falcon Tours