

## **Rules and Regulations for Hotel/Lodging Programs**

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### **Guaranteed Reservation Program**

The guaranteed reservation service helps merchants assure room availability when your guests arrive. It also offers a no-show payment guarantee for one night's stay plus tax if the cardholder fails to claim the room or cancel the reservation before the cancellation deadline. Some of the requirements for the guaranteed reservation service are:

- 1) Hotel reservation cancellation time and date may vary, but must not exceed 72 hours prior to the scheduled arrival date
- 2) If you require that a cardholder cancel before 6:00 pm on the scheduled arrival date, you must mail the cancellation policy to the cardholder. Note: If the reservation service reservation is made within 72 hours of the arrival, your cancellation deadline must be no earlier than 6:00 pm on the arrival date
- 3) You must provide proof that the cardholder received a copy of your cancellation policy. It is recommended that fax a copy of the policy to the cardholder and have the cardholder sign the policy prior to confirming the reservation.
- 4) If a cardholder who has guaranteed his or her reservation by use of his or her credit card calls the hotel, motel, third party booking agent or resort to cancel the reservation within the agreed upon period, then the hotel, motel, third party booking agent or resort is obligated to cancel the guaranteed reservation and issue the cardholder a cancellation number that verifies that the reservation has been cancelled. The cardholder should be advised to retain the cancellation number. It is also recommended that the hotel, motel, third party booking agent or resort confirm the cancellation in writing, advising the cardholder of the cancellation number.
- 5) A cardholder who has guaranteed a reservation by use of his or her credit card arrives within the specified period (until checkout time the next day), the hotel, motel, or resort is obligated to provide a room to the cardholder.

If the hotel, motel, third party booking agent or resort is unable to provide a room, then the hotel, motel, or resort is obligated to provide at no additional charge a comparable room for one night, transportation to the other lodging, and a three-minute domestic or long distance phone call, whichever the cardholder deems necessary to advise of a change of location.

- 6) Before the cardholder's expected arrival, the hotel, motel, or resort shall prepare a registration card and assign a room number on that card.
- 7) If the cardholder has not claimed or cancelled the guaranteed reservation accommodations by the specified time, the hotel, motel, resort or its third-party booking agent must hold the room(s) available according to the reservation until check-out time the following day.

At that point in time the hotel, motel, third party booking agent or resort may bill the cardholder for one night's room rate.

The following procedure should be followed to bill the cardholder's:

- a. The hotel, motel, third party booking agent or resort complete a sales slip by filling in the cardholder's name, credit card account number, card expiration date, date of no show, assigned room number and merchant number, and writes the words "guaranteed reservation/no-show" in place of the cardholder's signature.
- b. The hotel, motel, third party booking agent or resort must follow its usual authorization procedures for the transaction.
- c. Assuming the account is not listed in the Warning Bulletin and either the transaction amount is under the floor limit or authorization has been provided, the merchant is to deposit the no-show charge in the usual manner. There are no special deposit requirements on the merchant
- d. The actual no-show registration card, reflecting the assigned room number, shall be retained six months from the date that the transaction is processed.

### **MasterCard Express Checkout**

If a merchant is participating in the Express Checkout service for all MasterCard cards, the merchant must:

1. At the time of check-in, inquire whether the MasterCard cardholder would like to use the Express Checkout service or routinely provide the necessary form (Express Checkout Authorization Form) in its "welcome package."
2. Have the MasterCard cardholder complete and sign the Express Checkout Authorization Form. MasterCard recommends that the Express Checkout Authorization Form minimally include the name, address, and phone number of the hotel, motel, or resort, and space for the cardholder's name, address, room number, cardholder signature, and account number.

Additionally, the account number may be imprinted on the form. The form should state clearly that the cardholder directs the hotel, motel, or resort to charge his or her MasterCard account number for his or her bill and process his or her MasterCard Transaction Information Document 'TID' (transaction receipt) without a cardholder signature.

3. Imprint a TID with the cardholder's MasterCard account number and follow its normal authorization procedures.
4. On the cardholder's departure the merchant must complete the TID using the checkout date as the transaction date, indicating the total amount of the bill and print legibly in the space allotted for the customer's signature the words "signature on file—express checkout."
5. Process the TID in the usual manner. There are no special deposit requirements imposed on the merchant.
6. Mail a copy of the itemized bill, TID, and the Express Checkout Authorization Form to the cardholder at the address noted on the authorization form within three business days of the date the cardholder checked out.
7. Retain and make available to MasterCard and the issuer all pertinent records pertaining to the itemized bill and authorization requests in the event of a dispute.

## **MasterCard Advance Resort Deposit**

If a hotel, motel, or resort is participating in the Advance Resort Deposit service for all MasterCard cards, the following procedures apply:

1. If a MasterCard cardholder phones a participating merchant or travel agent and requests an advance deposit with his or her MasterCard card, the reservation clerk explains the terms of the reservation, cancellation, and refund policies to the cardholder.
2. The reservation clerk takes the cardholder's account number, card expiration date, name, and address and confirms the room rate and location.
3. The reservation clerk is required to confirm the status of the card. The reservation clerk must follow its normal authorization procedures for a non-face-to-face transaction. If the result of the authorization call is denial, the reservation clerk must so advise the cardholder.
4. The reservation clerk completes a Transaction Information Document 'TID' filling in the cardholder's name, MasterCard account number, card expiration date, reservation confirmation number, and MasterCard merchant identification and writes the words "advance deposit" in place of the cardholder's signature. MasterCard recommends that the merchant note on the TID any special terms and conditions regarding its refund policy.
5. The merchant mails a letter of confirmation, a copy of the TID (including the reservation confirmation number) and information concerning its cancellation and refund policies to the cardholder at the address previously provided.
6. The merchant deposits the TID for the advance deposit in the usual manner. No special deposit requirements are imposed on the merchant.
7. If a cardholder cancels his or her reservation in accordance with the agreed upon procedures, the hotel, motel, or resort is obligated to cancel the reservation and issue a credit to the cardholder.

## **Visa Priority Check-Out Service**

### **General Requirements**

A Hotel or Cruise Line participating in the Priority Check-out Service must:

- Hold a valid Priority Check-out Service contract with an Acquirer
- Accept all Cards when a Cardholder requests the Priority Check-out Service

### **Transaction Receipt and Priority Check-out Agreement Completion**

The Merchant must:

- Ask the Cardholder to complete, sign, and return a Priority Check-out Agreement. The Cardholder must include the mailing address to receive a copy of the Hotel bill
- Complete a Transaction Receipt, including the total obligation amount and the words "Priority Check-out" on the signature line of the Transaction Receipt
- Review the completed Priority Check-out Agreement and ensure that the Account Number matches the Account Number on the Transaction Receipt, if applicable

### **Transaction Receipt Delivery**

At Cardholder request, the Merchant must provide a Transaction Receipt copy, the itemized bill, and the signed Priority Check-out Agreement either:

- Onsite
- By mail within 3 business days of the Cardholder's departure

### **Document Retention**

The Merchant must retain the itemized bill and signed Priority Check-out Agreement for a minimum of 6 months after the Transaction Date.

## **Visa Advance Deposit Service**

### **General Requirements**

A Hotel or Cruise Line participating in the Advance Deposit Service must both:

- Accept all Visa Cards or Visa Electron Cards for an advance deposit if the Cardholder agrees to the service
- Hold a valid Advance Deposit Service contract with an Acquirer

### **Billing Information**

The Merchant must obtain the following information from the Cardholder:

- Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card
- Telephone number and mailing address
- Scheduled date of arrival for a Hotel, or embarkation for a Cruise Line
- Intended length of stay or voyage

The Merchant must determine the Advance Deposit Transaction amount, not to exceed the following:

- For lodging accommodations, the cost of the intended length of stay (not to exceed 14 nights lodging)
- Cost of the cruise

The deposit amount must be applied to the total obligation.

### **Reservation Information**

The Merchant must inform the Cardholder of the following, as applicable:

- Reserved accommodation rate and the Transaction amount
- Exact Merchant name and location
- Name of the cruise ship and point of embarkation
- Merchant's intention to hold the accommodation for the number of nights paid for
- Merchant cancellation policy

### **Reservation Confirmation**

The Merchant must provide both:

- A confirmation code, and advise the Cardholder to retain it
- Advance deposit requirements, cancellation policy requirements, and the actual date and time that the cancellation privileges expire

The Merchant must advise the Cardholder that it will both:

- Hold the accommodations according to the reservation
- Provide written confirmation of a Cardholder reservation change if requested

The Merchant must also advise the Cardholder that it will retain part or all of the Advance Deposit Transaction amount if the Cardholder has **not**:

- Registered by check-out time the day following the specified last night of lodging for a Hotel (the Cardholder will lose the unused amount of the reservation)
- Checked in by embarkation time for a Cruise Line
- Cancelled the reservation within the time limit specified by the Merchant

Under the Advance Deposit Service, a Cardholder may forfeit the advance deposit. However, the Merchant must **not** charge the Cardholder for a No-Show Transaction.

### **Transaction Receipt Completion**

The Merchant must complete a Transaction Receipt with the following information:

- Advance deposit amount
- Cardholder name and Account Number
- Cardholder telephone number and mailing address
- The words “Advance Deposit” on the Transaction Receipt signature line
- Confirmation code
- Scheduled check-in or embarkation date
- Date and time that cancellation privileges (if any) expire without deposit forfeiture for unused accommodations

### **Transaction Receipt Delivery to Cardholder**

The Merchant must mail the Transaction Receipt copy and cancellation policy to the Cardholder within 3 business days of the Transaction Date.

### **Cancellation Period**

The Merchant must accept all Cardholder cancellations within the time limits specified by the Merchant.

### **Cancellation Confirmation**

The Merchant must provide a cancellation code and advise the Cardholder to retain it in case of dispute.

The Merchant must complete a Credit Transaction Receipt, including **all** of the following:

- Transaction amount
- Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card
- Cardholder mailing address
- Cancellation code



- The words “Advance Deposit” on the Transaction Receipt signature line

Within 3 business days of the Transaction Date, the Merchant must both:

- Deposit the Credit Transaction Receipt
- Mail the Cardholder’s copy to the Cardholder