

# Pause of global ship operations extended thru summer season; Compensation/refund options for cancelled cruises

Hi everyone,

Due to reduced air availability, the closure of cruise ports around the world and other factors impacting travel, we are extending our pause of global ship operations through the end of the summer season. Princess President Jan Swartz explains the company's decision in a <u>video announcement</u>.

While we remain laser focused on returning to the seas as soon as it is safely possible, we have made the decision to cancel 2020 cruises and associated cruisetours for the destinations listed below:

- All remaining Alaska cruises on Emerald Princess and Ruby Princess
- All remaining Europe & Transatlantic cruises on Enchanted Princess, Regal Princess, Sky Princess, Crown Princess and Island Princess
- Summer Caribbean cruises and all Canada & New England cruises on Caribbean Princess and Sky Princess
- Summer to fall cruises departing from Japan on Diamond Princess
- Fall cruises on Pacific Princess sailing to Hawaii & French Polynesia through November
- Australia-based cruises on Sapphire Princess and Sea Princess through August
- July cruises sailing from Taiwan on Majestic Princess

**Note:** This announcement does not include any additional cancellations for Coral Princess, Grand Princess, Royal Princess, Star Princess or Sun Princess.

View FAQs and cancelled voyage list. Additional details about the cancelled voyages can be found here.

## Guidance on bookings cancelled by Princess on May 6, 2020

To support you in managing your clients, we kindly ask that you review the compensation options for those whose bookings are now cancelled as a result of our latest extension of our pause in global ship operations.

<u>You or your client should not cancel bookings that were cancelled by Princess on May 6, 2020.</u> You client's booking will be automatically cancelled by Princess in the near future. You and your client should receive an email regarding the cancellation which will cover their two compensation options.

### Cancelled bookings paid in full

We hope that your clients who are paid in full will stick with us by accepting a special higher value future cruise credit offer. Your client will receive 100% of the value of the cruise or cruisetour fare paid as a future cruise credit (FCC), and they'll also receive <u>an additional 25% bonus FCC.</u> The FCCs can be used on any voyage through May 1, 2022. No action is required to receive this option and your clients will be notified by email once the credit has been issued.

Alternatively, your client can request a refund for all monies paid on your booking through this <u>online form</u>. Requests must be received by **June 15, 2020,** or your client will automatically receive the higher value option which includes a bonus 25% FCC.

## Cancelled bookings not paid in full

For those guests with bookings not paid in full, they will receive Double the Deposit, which includes a refundable FCC for the money currently on deposit, plus a matching bonus FCC that can be used on any voyage through May 1, 2022. The matching bonus FCC will not exceed the base cruise fare amount of the current cruise and will have a minimum value of \$100 per person. In order to receive the above FCCs, no action is required.

Money paid in excess of the cruise fare for Princess Vacation Protection, taxes, fees and port expenses, airfare or hotel packages will be refunded or transferred to a new booking if you're ready to rebook. In any event, prepaid shore excursions and/or special service items will be refunded.

As an example, if your client paid a deposit of \$100 or less (perhaps during a dollar deposit sale), they would receive a \$100 bonus deposit. Conversely, if your client had paid a deposit of \$100, plus \$900 on a \$2,000 cruise fare, they would receive an FCC totaling \$1,000 (100% of money paid), plus matching \$1000 bonus FCC. In the case that the monies your client paid toward the cruise exceed the value of the cruise fare, the amount beyond the cruise fare will be refunded or transferred to a new booking if they are ready to rebook.

Alternatively, your client can request a refund for all monies paid on your booking through this <u>online form</u>. Requests must be received by **June 15, 2020,** or your client will automatically receive the higher value Double the Deposit option.

### Compensation for bookings not paid in full on voyages cancelled on May 6 by Princess Higher value option with bonus FCC (default) Lower value (refund only) • 100% value of eligible monies paid transferred to a future cruise • 100% refund of cruise deposit paid credit, which includes, standard deposit, partial payments toward cruise fare, plus air, hotel, Princess Vacation Protection, transfers and • 100% full refund of prepaid purchases, such as shore excursions applicable taxes, fees and port expenses. and special service items • Bonus future cruise credit matching the value of eligible monies paid, not to exceed the base cruise fare amount of the cancelled cruise (minimum of \$100 per person) • 100% full refund of prepaid purchases, such as shore excursions and special service items. Money paid in excess of the cruise fare for Princess Vacation Protection, taxes, fees and port expenses, airfare or hotel packages will be refunded or transferred to a new booking if you're ready to rebook.

## FCCs can now be used toward cruise deposit

I'm happy to report that FCCs for this round of cancelled cruises can now be used toward a deposit on a future booking, however, they cannot be applied toward air or hotel. Please note that FCCs in lieu of refund (limited to up to 100% of cruise fare) are refundable, but bonus FCCs are not. If your client changes their mind and later requests a refund, the initial FCC will be refunded and the Bonus FCC will be cancelled.

Given the volume of requests and the care being dedicated to make sure each booking is handled accurately, we appreciate your patience during this time. Refunds will be processed and prioritized by sailing date of the cancelled voyage (earliest ones first) and FCCs will be created in the order of when the guest preference was received. Please know that we are doing everything in our power to expedite this process.

Finally, we are pleased to advise that **Princess will once again protect travel advisor commission** on bookings for cancelled cruises that were paid in full, in recognition of the critical role you play in our business and success. And don't forget that we will also protect your commission when the FCCs are redeemed for a future cruise with Princess (including the bonus amount).

This latest extension will no doubt generate a few questions from you and your clients. So I invite you to join me for <a href="Princess Update #6">Princess Update #6</a> webinar at 10 am PT/1 pm ET, Thursday, May 7, where I will do my very best to provide a

detailed update and answer as many questions as possible. We are limited to "only" 3,000 attendees, so get there early! But don't worry if you sleep in. We will record the webinar and post on OneSourceCruises.com. Register here

For the latest on travel advisories and restrictions, please visit our <u>Notices & Advisories page</u> on princess.com. And be sure to visit our <u>Cruise with Confidence</u> page at

OneSourceCruises.com for updates on our enhanced health protocols, webinars and support tools.

We know that the past few months have been challenging and we sincerely appreciate your patience and understanding. We'll continue to do everything we can to inform and support you and your clients, as we navigate through these extraordinary circumstances.

Thank you for your ongoing support.



Best Regards.

John Chernesky

Sr. Vice President, North America Sales & Trade Marketing

**Princess Cruises**