

Panel on Economic Services
Meeting on 27th November 2006

IV. Tackling market malpractices associated with zero-fare tours from the Mainland

A. Follow-up actions taken on related complaints and incidents

1. Existing mechanisms for handling complaints and violations relating to inbound tour groups
 - a. Upon receipt of complaints from inbound tour group visitors, staff of the Travel Industry Council of Hong Kong (TIC) will ask the travel agent and the tourist guide concerned to submit reports on the incident. If there is evidence that the **tourist guide** concerned is suspected of misconduct or having breached the **“Code of Conduct for Tourist Guides”**, the case will be referred to the **Tourist Guide Deliberation Committee** for consideration. To ensure fairness, the tourist guide will be permitted to submit written representations and all information regarding the identity of the tourist guide is concealed in the documents submitted to the Committee.
 - b. Based on the information submitted, the Tourist Guide Deliberation Committee will decide if the tourist guide concerned has violated the Code of Conduce for Tourist Guides and decide on the penalty to be imposed, which includes warning, and suspension and revocation of the Tourist Guide Pass.
 - c. The Committee may also issue letters of advice to the travel agent concerned for failing to supervise the tourist guide. Cases where a criminal act is suspected will be referred to the law enforcement authorities such as the Police or the Independent Commission Against Corruption for action. A tourist guide aggrieved by the decision of the Tourist Guide Deliberation Committee may lodge an appeal to the TIC Appeal Board.

- d. If the **travel agent** concerned is suspected of having violated the TIC's codes and directives, the case will be handled by the **Compliance Committee**. Similarly, to ensure fairness, it similarly be permitted to submit written representations and information regarding the identity of the member is concealed in the documents submitted to the Committee.
- e. The Compliance Committee will decide if the travel agent concerned has violated the relevant rule(s) and decide on the penalty to be imposed, which includes warning, fine, and suspension and termination of membership.
- f. A travel agent aggrieved by the decision of the Compliance Committee may likewise lodge an appeal to the TIC Appeal Board.

2. The Qinghai tour group incident of 14th October 2006

- a. Immediately upon notice of the incident on the afternoon of Saturday, 14th October 2006, the TIC's Executive Director Mr Joseph Tung contacted the Hong Kong receiving agent concerned and the matter was resolved shortly. Later in the evening, Mr Tung met the tour group members at their hotel to obtain first hand information about the incident.
- b. An emergency meeting of the Board of Directors of the TIC was held on Monday, 16th October 2006 to discuss the incident. Since there was evidence showing that the tourist guide concerned had forced tour group members to shop and had abandoned the tour group, the TIC Board decided that the tourist guide should have his Tourist Guide Pass suspended for 14 days and be given 14 days to submit written representations to the Tourist Guide Deliberation Committee.
- c. The TIC Board also decided to send a warning letter to the travel agent concerned stating its grave concern over the damage that the incident had done to Hong Kong's travel industry, that it had decided to suspend the Tourist Guide Pass of the tourist guide

concerned for 14 days pending investigation of the case, and if the tourist guide was found to have breached the Code of Conduct for Tourist Guides, the travel agent shall be held responsible for the misconduct of the tourist guide and subject to disciplinary action to be imposed by the Compliance Committee.

- d. The procedures as spelled out in Point 1 of this Section above were followed. The decisions of the Tourist Guide Deliberation Committee and the Compliance Committee are given in Section B below.

B. Sanctions imposed against breaches of relevant rules and regulations

1. Sanctions imposed on the tourist guide concerned

At its meeting held on 3rd November 2006, the Tourist Guide Deliberation Committee found that the tourist guide concerned with the Qinghai tour group incident had violated Paragraphs 6(i) and 9(iii) of the Code of Conduct for Tourist Guides, namely that tourist guides shall always have regard for the interests of visitors and the reputation of the Hong Kong tourism industry, and that tourist guides shall not coerce or mislead visitors into making purchases. In view of the seriousness of the case, the Committee decided to suspend the tourist guide's Tourist Guide Pass for three months, from which 14 days would be deducted as his Pass had already been suspended during the period.

2. Sanctions imposed on the travel agent concerned

The Compliance Committee decided at its meeting held on 8th November 2006 that the travel agent concerned had violated Paragraph 3(6)(a) of the Code of Business Practice on Inbound Travel Service, namely that members shall ensure that their tourist guides observe the Code of Conduct for Tourist Guides. In view of the severe damage to the image of Hong Kong and the industry because of the incident, the Committee decided to impose a fine of HK\$100,000 on the travel agent and suspend its membership for one

month on probation for six months.

C. Measures to address problems associated with “zero-fare” and “negative-fare” tours

1. The problem of "zero-fare" and “negative-fare” tours

The issue under review is in fact one associated with “zero-reception-fee” and “negative-reception-fee” rather than “zero-tour-fare” and “negative-tour-fare”. Mainland visitors joining the so-called “zero-fare” tours to Hong Kong have in fact paid a tour fare. However, Hong Kong agents receive these tours without getting paid any reception fees. In many cases, Hong Kong agents have to pay a fee in order to receive these tours. Hong Kong agents therefore resort to cover their costs, compensate their losses and make their business viable by demanding high commissions from shops. Tourist guides therefore coerce the tour group visitors into making purchases, causing much grievance among the latter.

2. Existing measures to address the “zero-fare” and “negative-fare” tour problems

- a. The TIC issued the “Code of Conduct for Inbound Agents” in 1999. The code was revised and renamed the “**Code of Business Practice on Inbound Travel Service**” in September 2006.
- b. In January 2002, the TIC issued a Directive to require members to register with the TIC those shops that they will arrange for their tour group members to patronize. The registered shops are required to participate in the “**14-Day, 100% Refund Guarantee Scheme**” so that visitors who are taken by Hong Kong receiving agents to these shops are entitled to a full refund if they ask for it within 14 days. Cases of registered shops refusing to refund are handled by the **Committee on Shopping-related Practices** according to the “**Demerit System for Registered Shops**”. When a registered shop has accumulated 30 demerits, the Committee may recommend the TIC Board to issue a directive to

all members informing them that they are not allowed to take visitors to the registered shop concerned.

- c. In September 2002, the TIC issued a Directive to prohibit members from imposing additional charges on inbound tour group members for reasons such as leaving the tour group before completion of the itinerary, their age or occupation.
- d. In May 2003, the TIC issued the “Code of Conduct for Tourist Guides”. Under the Tourist Guide Accreditation System, all Tourist Guide Pass holders are required to abide by the code.
- e. In July 2005, the TIC issued a Directive to require that travel agents must continue to provide tour group members with such service as stipulated in the contract until all items and activities on the itinerary have completed once the travel agent has begun providing the reception service even though no reception fees are received.
- f. Travel agents having violated the TIC’s codes and directives are subject to penalties to be imposed by the Compliance Committee. Tourist guides having violated the Code of Conduct for Tourist Guides are subject to penalty to be imposed by the Tourist Guide Deliberation Committee.

D. Measures to restore and further enhance confidence of inbound tourists in visiting Hong Kong

At a recent meeting of the Board of Directors of the TIC, it was decided that the following measures would be taken to enhance protection for inbound visitors from the Mainland with a view to restoring and further enhancing their confidence in visiting Hong Kong:

- 1. Promotion of healthy practices
 - a. To set up a **“Mainland China Inbound Tour Affairs Committee”**

- The “Mainland China Inbound Tour Affairs Committee” will focus on problems associated with inbound tour groups from the Mainland and make recommendations on long-term solutions to these problems with a view to promoting healthy business practices among travel agents and tourist guides and working out effective measures to regulate reception of tours from the Mainland.
 - The Committee will be chaired by the TIC Chairman and comprise both trade and non-trade members.
 - The Committee will consider measures such as requiring members to provide contracts with their mainland partners to the TIC for investigation in the event of visitor complaints and suspected breach of codes of conducts and directives; and requiring members to provide visitors with information about their itinerary and their rights.
- b. To organize continuous training for in-service tourist guides and to seek the input of tourist guides when developing the relevant training courses.
- c. To revise the content of the warranty signed by registered shops and review the “Demerit System for Registered Shops” in order to enhance the effectiveness of the “14-Day, 100% Refund Guarantee Scheme” as well as protection for inbound visitors.

2. Enforcement of the relevant rules and regulations

- a. To set up a **“Mainland China Inbound Tour Compliance Committee”**
- Under the existing mechanism, suspected breach of rules and regulations by travel agents and tourist guides involved in the same case are handled by

two different committees separately. The TIC Board decided to set up a “Mainland China Inbound Tour Compliance Committee” which will deliberate on the conduct of the travel agent and the tourist guide involved in the same case together in the event of a complaint being received from a tour group visitor from the Mainland and a breach of the TIC’s rules by the travel agent and the tourist guide is suspected. This will ensure more effective and efficient enforcement of the relevant rules and regulations.

- The Committee will be chaired by an Independent Director and comprise both trade and non-trade members (including Independent Directors and professionals from outside the trade), with the latter being the majority.

- b. To increase the maximum fine to be imposed on travel agents for violation of the TIC’s codes and directives from HK\$10,000 to HK\$50,000 on the first occasion, from HK\$50,000 to HK\$100,000 on the second occasion, and from HK\$100,000 to HK\$200,000 on the third and any subsequent occasion during any two year period.

- c. To post on the Public section of the TIC’s website the names of those travel agents which have violated the TIC’s rules and regulations, the rules violated and the reasons of violation.

- d. To increase the number of non-trade members on the Compliance Committee with a view to enhancing transparency of the enforcement mechanism.

- e. To allocate additional manpower to conduct compliance spot-checks at shops and tourist destinations.

3. Co-operation with mainland and local authorities
 - a. As explained in Point 1 of Section C above, the zero- and negative-reception-fee problem is a cross-boundary issue. The TIC will enlist the support of tourism authorities in the Mainland in the enhancement of consumer education for their outbound travellers and in stepping up regulation of their outbound tour operators.
 - b. The TIC will also work closely with the Tourism Commission, the Consumer Council and the Hong Kong Tourism Board in promoting healthy business practices and enhancing Hong Kong's image as a tourist destination.

E. Supplementary Information

1. Composition of the TIC Board of Directors, Committees and the Appeal Board
 - a. Composition of the TIC Board of Directors
 - The TIC Board of Directors has 25 members, including the Chairman, eight member-elected directors, eight Association Member representatives and eight Government-appointed independent directors.
 - b. Composition of the Committee on Shopping-related Practices
 - The Committee on Shopping-related Practices has 16 members, eight of them being trade members and eight being non-trade members.
 - c. Composition of the Compliance Committee
 - The Compliance Committee consists of 16

members, eight of them being trade members and eight being non-trade members.

- Each Compliance Committee meeting must consist of five TIC directors, not less than two of whom must be independent directors.

d. Composition of the Tourist Guide Deliberation Committee

- The Tourist Guide Deliberation Committee has 13 members, six of whom are trade members (including one tourist guide), and seven are non-trade members.

e. Composition of the Appeal Board

- Each Appeal Board meeting must consist of three independent members, who are appointed by the Secretary for Economic Development and Labour, and two trade members, who are TIC Directors.
- The Chairman of the Appeal Board meeting will be elected from the independent members.

2. Code of Business Practice on Inbound Travel Service

The Code of Business Practice on Inbound Travel Service is given in Appendix I.

3. Code of Conduct for Tourist Guides

The Code of Conduct for Tourist Guides is given in Appendix II.

4. Compliance Statistics

- a. The TIC took up regulation of the inbound travel industry in November 2002. To date, 119 cases of suspected breach of the TIC's codes and directives by members receiving inbound tour

groups have been submitted to the Compliance Committee for deliberation. 112 cases involving 51 travel agents were substantiated and penalties imposed included warning and fines ranging from HK\$1,000 to HK\$100,000.

- b. The Code of Conduct for Tourist Guides was issued in May 2003. To date, the Tourist Guide Deliberation Committee has found 46 cases to be substantiated cases of breach of the Code. Penalties imposed included issuance of advisory letter in 15 cases, issuance of warning letter in 20 cases and suspension of the Tourist Guide Pass from one month to three months in 11 cases.
- c. The “Demerit System for Registered Shops” was implemented in April 2005. To date, 21 out of the 70 registered shops have been given demerits by the Committee. The demerits accumulated range from 3 to 15.

Travel Industry Council of Hong Kong

20th November 2006

Code of Business Practice on Inbound Travel Service

1. Objectives

The objectives of this code are to maintain and enhance the reputation, standing and good name of the TIC and its members and to provide the best services for business partners and inbound visitors, thereby encouraging the growth and development of the inbound industry and upholding the reputation of Hong Kong tourism and the public interest.

2. Principles

- (1) Members shall operate in accordance with all the provisions of this Code, and shall comply with such directives as may be issued by the TIC from time to time.
- (2) Members shall deal only with licensed or legally registered service providers.

3. Service standards

The following requirements are the most basic service standards:

(1) Contracts

Members shall sign contracts with their business partners for the benefits of both parties, and shall clearly specify in the quotation the scope and standard of their services and duly carry them out.

(2) Accommodation

- (a) Members shall specify in the contracts the names and types of accommodation. If members need to alter the accommodation because of reasons beyond their control, the grade of the new accommodation shall not be lower than that of the original accommodation.
- (b) Members shall receive inbound visitors only after accommodation has been confirmed by its providers.
- (c) Members shall send written confirmation of their accommodation reservations to their business partners.

(3) Transport

Members shall specify in the contracts the means of transport to be used such as air-conditioned coaches, limousines or ferries.

(4) Itinerary

- (a) Members shall clearly specify in the contracts the tourist attractions included in the itinerary, and shall specify whether the tour price includes all the admission fees and whether there are any optional activities.
- (b) Members shall provide inbound visitors with written information about the contents of the optional activities to be directly sold to them.
- (c) Members shall not impose any additional charge on inbound visitors except for optional activities.
- (d) Members shall take inbound visitors to all the tourist attractions included in the itinerary. If alteration or cancellation of any item in the itinerary is necessitated by reasons beyond their control, members shall give a detailed explanation of such alteration or cancellation to their business partners and inbound visitors.
- (e) If any alteration or cancellation of items in the itinerary necessitated by reasons other than those beyond their control has resulted in an increase in operating costs, members shall not impose any additional charge on inbound visitors. If such alteration or cancellation has resulted in a decrease in operating costs, members shall refund the tour price difference to their business partners.

(5) Dining places and meals

Members shall pay attention to the hygienic conditions of the dining places, and shall specify in the contracts the number and types of meals to be served.

(6) Tourist guides

- (a) Members shall ensure that their tourist guides observe the Code of Conduct for Tourist Guides issued by the TIC.
- (b) Members shall specify in the contracts or promotional leaflets targeting inbound visitors whether there is any designated service charge for the tourist guide to be payable by the inbound visitors.

(7) Shopping

- (a) Members shall conduct shopping activities in accordance with the contracts.
- (b) Members shall only take inbound visitors to patronise those shops already registered with the TIC.
- (c) Members shall assist inbound visitors in obtaining a refund for items purchased at shops appointed or arranged by them if the visitors are dissatisfied with their purchases. Members shall also be responsible for handling cases in which the visitors are dissatisfied with the souvenirs bought on tour coaches.

(8) Terms of and deadlines for payment

- (a) Any service contracts signed between members and their business partners shall specify clearly the terms of and deadlines for payment.
- (b) If the business partners fail to pay the reception fees by the deadlines in accordance with the terms of the contract, members will have the right to terminate the transaction. In such a case, the members shall notify their business partners of their decision in writing 24 hours before the scheduled arrival of the inbound visitors in Hong Kong and file a copy of the notification with the TIC as proof. (Note: This paragraph is not applicable to the conditions described in (3).)
- (c) A member which has assented or consented to allow its business partner to pay the reception fees or any amount of money due and payable after the entry of the inbound visitors concerned into Hong Kong may refuse to provide reception services for them if no reception fees are received after they have entered Hong Kong but before any reception services are provided for them by the member. In such a case, the member shall immediately notify the TIC and file a copy of the contract in question with the TIC. If the member has already begun providing reception services for them after they have entered Hong Kong, it shall continue to provide them with such services as stipulated in the contract until all items and activities in the itinerary have completed.

(9) Others

Members shall bear moral obligations in general business practices not specified in the contracts, such as confirming flights and assisting inbound visitors in seeking medical treatment in case of illness or accidents.

Compiled in September 2006

Code of Conduct for Tourist Guides

OBJECTIVES

Tourist guides play a pivotal role in Hong Kong's tourism industry. The objectives of this Code of Conduct are:

1. To ensure that tourist guides possess correct principles concerning their service, and fine professional qualities and ethics in order to provide the highest standard of service for visitors;
2. To encourage the continuing education and self-development of tourist guides;
3. To cultivate an earnest, responsible working attitude of tourist guides; and
4. To uphold the reputation of Hong Kong's tourism industry and tourist guides and to ensure sustained prosperity of the industry.

PRINCIPLES

1. Tourist guides shall strive to provide the highest standard of service in an honest and fair manner.
2. Tourist guides shall familiarize themselves with and act according to both the provisions and spirit of this Code and all regulatory requirements applicable to the conduct of their business activities.
3. Tourist guides shall understand their duties and be ready to contribute to the development of Hong Kong's tourism industry.

TOURIST GUIDES' PROFESSIONAL ETHICS

1. Provision Of Highest Standard Of Service

Tourist guides shall strive to provide visitors with the highest standard of service in accordance with the provisions of the travel service contract. The itinerary shall not be altered without the consent of the visitors and the travel agent concerned. If alteration is necessary because of emergencies or special circumstances, tourist guides shall seek approval from their travel agent and clearly explain the reasons for such alteration to the visitors.

2. Promoting A Spirit Of Co-operation

Tourist guides shall maintain a good and incorruptible working relationship with partners such as tour escorts and tour coach drivers, and the staff of all service providers such as attractions, hotels, restaurants and tour coach companies, to ensure that the services specified in contracts are provided at the highest level.

3. Abiding By The Law

Tourist guides shall abide by, and help visitors to understand and abide by, the laws of Hong Kong.

4. Compliance Of Professional Ethics

Tourist guides shall adhere to professional ethics. When receiving visitors they shall:

- i. be dutiful, sincere, courteous and attentive;
- ii. speak and act cautiously, discreetly, and be objective in their attitude;
- iii. be knowledgeable about Hong Kong and provide visitors with accurate information;
- iv. respect the religious belief, customs and habits of visitors;
- v. be punctual when performing duties;
- vi. not smoke in front of visitors and drink alcohol when working;
- vii. not gamble when working; and
- viii. not sell illicit items to visitors or recommend them to buy such items.

5. Appearance

Tourist guides shall dress properly to enhance their professional image. When performing their duties, they shall wear the Tourist Guide Pass issued by the Travel Industry Council of Hong Kong.

6. Promotion Of The Tourism Industry

Tourist guides shall ensure sustained development of the industry by:

- i. always having regard first and foremost for the interests of visitors and the reputation of the Hong Kong tourism industry;
- ii. encouraging visitors to assist in protecting such tourism resources of Hong Kong as cultural and heritage sites, the natural environment and tourist attractions, and maintaining public hygiene and public order; and
- iii. acting as Hong Kong's tourism ambassadors and actively promoting tourism as well as other local industries for the benefits of Hong Kong's economy.

7. Principles On The Acceptance Of Gratuities

- i. To maintain a professional image, tourist guides shall not collect gratuities by any coercive means, nor shall they exhibit dissatisfaction, provide sub-standard service or refuse to provide service because few or no gratuities are given.
- ii. Tourist guides shall follow their travel agents' policies concerning gratuities and shall not make use of any fraudulent acts to collect them.

8. Principles Governing Optional Activities

- i. Tourist guides shall only arrange optional activities for visitors which are approved by their travel agent and shall allow visitors to decide whether to join such activities or not.
- ii. Prior to arranging any optional activities, tourist guides shall explain clearly to visitors the content, fees, safety and responsibility issues.
- iii. When discharging their duties, tourist guides shall not engage in any activities other than those approved by their travel agent.

9. Principles Governing Shopping Activities

- i. Tourist guides shall ensure that visitors understand their consumer rights, which include
 - the right to obtain information on products and services,
 - the freedom to choose products and services, and
 - the right to complain, request their purchases to be exchanged or refunded
(TIC inbound tourist service hotline: 2807-0707)
- ii. Tourist guides shall only arrange visits to those shops which are designated by their travel agent. These shops must be registered with the Council through the travel agent concerned and undertake to provide full refunds to any dissatisfied visitors who return their purchases within 14 days. Tourist guides shall provide visitors with the 14-day full refund information before arranging for them to patronize such shops.
- iii. Tourist guides shall not coerce or mislead visitors into purchasing any goods.
- iv. Tourist guides shall not allow their service attitude to be affected nor shall they refuse to perform their duties because of visitors' unwillingness to purchase or the value of their purchases.

10. Safety Of Visitors

Tourist guides shall always attach top priority to the safety of visitors and remind them to be aware of their personal safety. In case of any accidents, they shall help arrange immediate treatment for the visitors and seek assistance from their travel agent without delay. They shall report the case to the police if necessary.

11. Acceptance Of Advantages

Tourist guides shall abide by Section 9 of the Prevention of Bribery Ordinance.

(An extract of the relevant Ordinance, the definition of "advantage" and examples of acceptance of advantages are appended to this Code.)

12. Conflict Of Interest

Tourist guides shall avoid situations which may lead to an actual or perceived conflict of interest situation and report any unavoidable conflict of interest situations to their travel agents. (Examples of conflict of interest situations are appended to this Code.)

13. Handling Of Confidential Information

- i. Tourist guides shall abide by the Personal Data (Privacy) Ordinance and shall not disclose the personal data of visitors without their consent.
- ii. Tourist guides shall not disclose any confidential information to anybody without authorization from their travel agents.
- iii. Tourist guides who have access to or control of the above information shall at all times ensure its security and prevent any abuse or misuse of the information.

INTERPRETATION, ENFORCEMENT & PENALTY

This Code is promulgated by the Travel Industry Council of Hong Kong and shall be observed by all tourist guides. Enforcement and rulings on violations of this Code are made in accordance with interpretations by the Board of Directors of the Council. The Board has the power to penalize persons found in breach of this Code and reserves the right to amend any provisions of this Code.

APPENDIX

(I) Extracts Of The Prevention Of Bribery Ordinance:

Section 9

1. Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his -
 - a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,shall be guilty of an offence.

2. Any person who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's -
 - a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,shall be guilty of an offence.

3. Any agent who, with intent to deceive his principal, uses any receipt, account or other document -
 - a) in respect of which the principal is interested; and
 - b) which contains any statement which is false or erroneous or defective in any material particular; and
 - c) which to his knowledge is intended to mislead the principal,shall be guilty of an offence.

4. If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).

5. For the purposes of subsection (4) permission shall -
 - a) be given before the advantage is offered, solicited or accepted; or
 - b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance, and for such permission to be effective for the purposes of subsection (4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

Section 2

'Advantage' means:

- a) any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;
- b) any office, employment or contract;
- c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- d) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- e) the exercise or forbearance from the exercise of any right or any power or duty; and
- f) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (a), (b), (c), (d) and (e),

but does not include an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (10 of 2000), particulars of which are included in an election return in accordance with that Ordinance.

'Entertainment' means:

The provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time as, such provisions.

(II) Examples of acceptance of advantages:

- a tourist guide accepting rebates from a retail shop as an inducement to or reward for recommending tourists to patronize the latter without first seeking permission from his/her travel agent; and
- a tourist guide accepting advantages from another travel agent as an inducement to or reward for introducing tourists to join the latter's tour packages without first seeking permission from his/her travel agent.

(III) Examples of conflict of interest situations:

- a tourist guide has shareholdings either by himself/herself or his/her immediate family member(s) in another travel agent which competes with his/her travel agent; and
- a tourist guide is of close personal relationship with a retail shop to whom he/she has business dealings on behalf of his/her travel agent.