



COMMONWEALTH  
Business Travel Group, Inc.

# 2025 Contract Language Survey Results

June 11, 2025

Billings, MT

# 2025 Contract Language Survey

- 14 respondents (out of 26 members)
- Only 6 respondents shared their agency name. All responses have been anonymized. Feel free to identify yourself if you are comfortable with it.
- Disclaimer:  
I am not a lawyer. I don't even play one on TV. None of this should be construed as legal advice or legally acceptable language. Consult a real lawyer to finalize changes to your client contract.
- Awards

# Parties and Scope

- 12 of 14 respondents
- Cover the basics:
  - Legal name of each party
  - Establish reference terms like “Agency” and “Client”
  - Give addresses and/or states of incorporation
- Scope should describe the services provided:
  - Can be a very broad description
  - Can itemize services
  - Can reference another part of the agreement like a pricing schedule or exhibit



# Billing and Payment Terms

- 13 of 14 respondents
- Credit card required for travel purchases
- Some flexibility for fees
  - Monthly or weekly invoice
  - Monthly credit card charge (merchant)
- Set terms for non-CC payment:
  - 10/15/30 days
  - Late payment percentage – 1.5% to 5.0% per month (check what is allowed in each state)



# Billing and Payment Terms

- Belt and suspenders award: Agency 5
  - Defines merchant fee of 4%
  - Corporate credit card authorization
  - Individual credit card authorization
  - Hotel no-show charges
  - Airline/GDS violations
  - Airline debit memos
  - TPS reports
  - And I'm going to need that stapler.



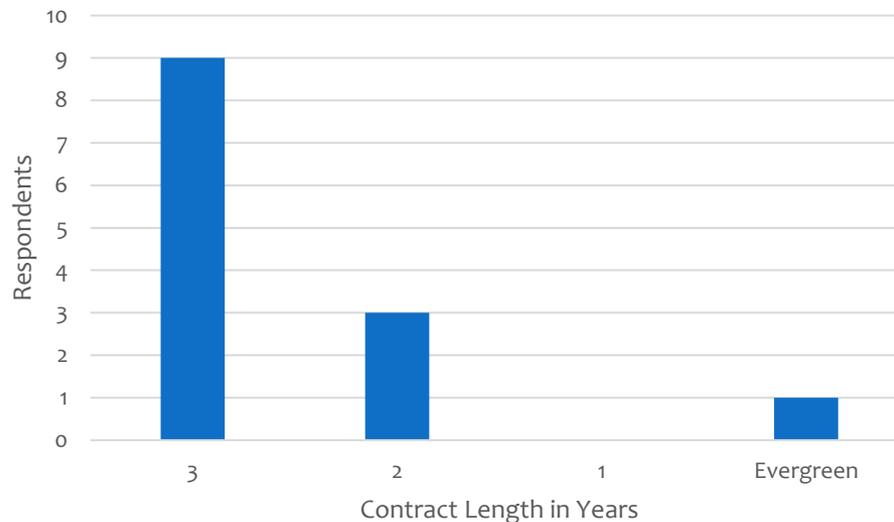
# Miscellaneous Charges

- 6 of 14 respondents
- Debit memos (Agencies 1, 5, 8, 12)
- Price increase, CPI (2)
- Optional tools and services (11)
- Third party T&C (11)
- Implementation delays (2, 9)

# Term of Agreement

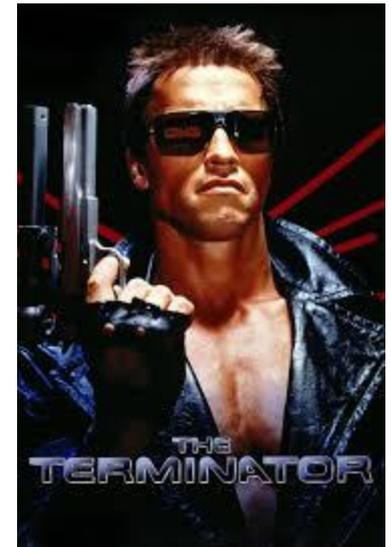
- The answer is 3
- 13 of 14 respondents
- Many include 1-year auto-renewal

3



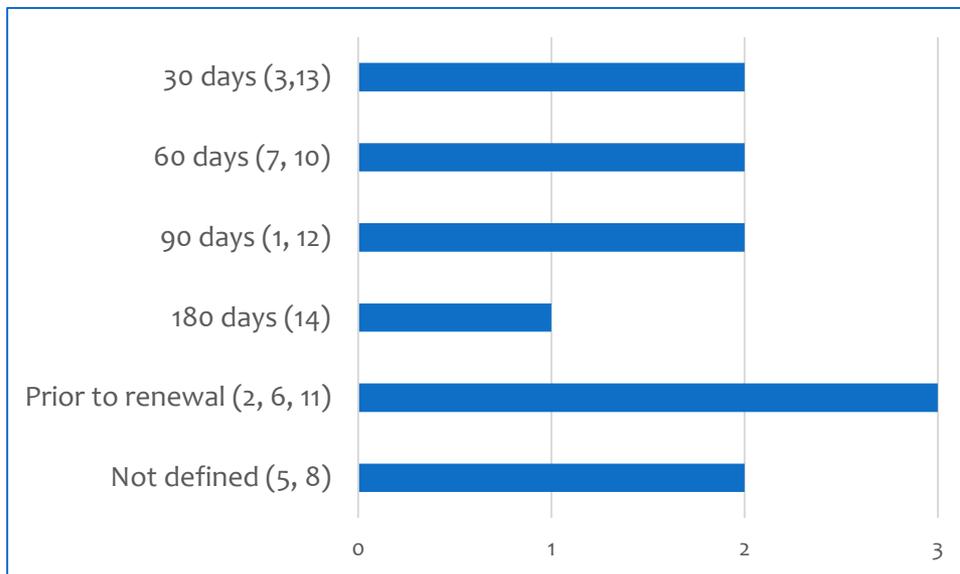
# Termination

- Termination for cause
  - 12 of 14 respondents
  - Allows X days from notification to remedy, most 30 days, some 60 and 90
    - Agency 8 allows immediate termination in the case of insolvency (mutual)
    - Agency 9 allows immediate termination in cases of fraud or willful misconduct
    - Agency 10 allows 48-hour termination in cases involving criminal activity, public health or safety, or threatens to do harm to business



# Termination

- Termination for convenience
  - 30/60/90 days after notification
  - Usually mutual



# Indemnification



- 9 of 14 respondents
- Good example (Agency 8, because of the last line):  
Each party shall defend, hold harmless, and indemnify the other and its respective successors, assigns, officers, directors, agents, employees, staff, and members from and against any liabilities, losses, damages, costs and expenses, including reasonable attorneys' fees, which the other party may suffer by reason of any claims, demands, actions, or suits arising from the other party's failure to comply with the terms of this Agreement, or by reason of any negligent acts or willful misconduct of the parties, its agents, servants, staff or employees in connection with this Agreement. The provisions of this Section shall survive the termination of this Agreement. *In no event shall TMC's total aggregate liability hereunder exceed the transaction or management fees paid under this agreement in the preceding twelve (12) months.*

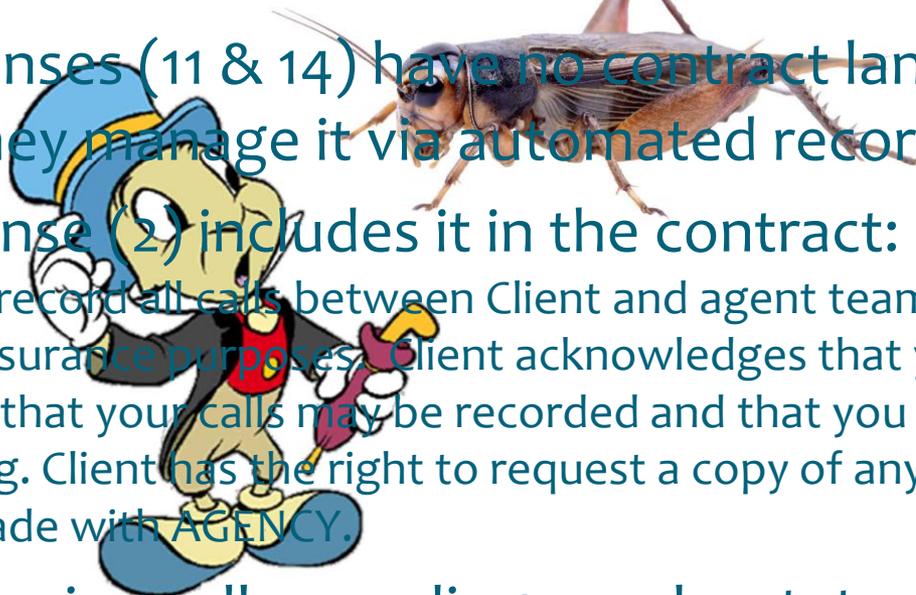
# Indemnification



- 9 of 14 respondents
- Good example (Agency 8, because of the last line):  
Each party shall defend, hold harmless, and indemnify the other and its **homies** from and against any **pay out**, which the other party may suffer by reason of **lawsuits** arising from **bad things**. The provisions of this Section **never go away**. *In no event shall TMC pay you more than 12 months of fees.*

# Call Recording

- Pretty much crickets on this one...
- Two responses (11 & 14) have no contract language but said they manage it via automated recording
- One response (2) includes it in the contract:  
AGENCY may record all calls between Client and agent team for training and quality assurance purposes. Client acknowledges that you have been notified that your calls may be recorded and that you consent to such recording. Client has the right to request a copy of any call recordings made with AGENCY.
- Laws governing call recording vary by state



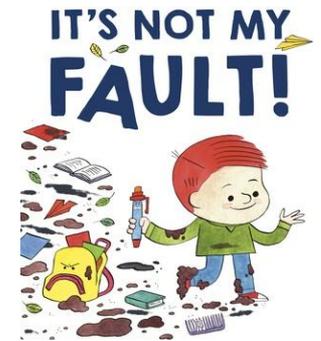
# Relationship of Parties and Personnel

- 10 of 14 respondents
- Most say that the parties are independent contractors/contracting parties
- Not a partnership, JV, or principal and agent.
  
- Only 6 mention personnel (2, 6, 8, 9, 10, 12)
- TMC direction and control of employees
- Company will not recruit TMC employees during Term and 1 to 2 years after termination.



# Disclaimer of Liability

- 13 of 14 respondents
- Often a long section with all-cap text
  - “Chill” award: Agency 14, one sentence long
- TMC is an agent for suppliers;  
not responsible for acts, omissions, delays, injury, etc.
- Another good place to cap aggregate liability  
(i.e. total amount of fees paid over last 3-12 months)



# Disclaimer of Liability

- Belt and suspenders award: Agency 4

Agent for Suppliers: TMC acts as a sales agent for any airline, hotel, car-rental company, tour operator, cruise line, or other service provider named in your itinerary (hereinafter referred to as “Supplier” or “Suppliers”). TMC is not responsible for acts or omissions of the Suppliers or their failure to provide services or adhere to their own schedules, failure to provide refunds, financial default, or failure to honor future trip credits. TMC has no special knowledge regarding the financial condition of Suppliers and assumes no liability for recommending a trip credit in lieu of a refund.

Risks of Travel and Release: TMC assumes no responsibility for and shall not be liable for any refund, personal injury, property damage, or other loss, accident, delay, inconvenience, or irregularity which may be caused by any wrongful or negligent acts or omissions on the part of any other party not under TMC's control, or by any acts of God, acts of government, unsafe conditions, terrorism, health hazards including pandemics, illness, natural disasters, human-caused disasters or events, weather hazards, or the suitability of accommodations, transportation or services rendered for a disabled person of any portion of any trip; and any Supplier price drop after your travel arrangements have been confirmed, paid in full, or ticketed. You hereby release TMC from all claims arising out of any problems covered in this paragraph.

TMC has no special knowledge regarding the financial condition of the Suppliers, unsafe conditions during travel or at destinations, health hazards (including pandemics), potential natural disasters, weather hazards, special restrictions or requirements (such as, but not limited to health affidavit forms, health screenings prior to departure or upon arrival, face coverings or quarantines) suppliers or governments may impose from time to time, or climate extremes at locations to which you may travel.

For information concerning such dangers regarding domestic (U.S) or international travel, TMC recommends you contact the Travel Warnings Section of the U.S. State Department at (202) 647-5225 or [www.travel.state.gov](http://www.travel.state.gov), click on "Find International travel Information" then click on "Country Information", and fill in the name of the destination country. For medical information and health information, TMC recommends contacting the U.S Centers for Disease Control at (877) FYI-TRIP or [www.cdc.gov/travel](http://www.cdc.gov/travel) and click on “Destinations”. It is your personal decision to travel, and you are doing so with full knowledge of current travel recommendations and travel restrictions with regards to the risks of COVID-19.

You hereby expressly assume all of these risks and dangers, and you hereby expressly agree to forever release, discharge, and hold TMC and our agents, employees, officers, directors, associates, affiliated companies, guides, group leaders, and subcontractors harmless against any and all liability, actions, causes of actions, suits, claims, and demands of any and every kind and nature whatsoever which you now have or which may hereafter arise out of or in connection with these risks and dangers.

# Material Change

- 8 of 14 respondents
- Triggers are changes to:
  - Governance – Laws, rules, regulations
  - Suppliers – Access to content, fees
  - Vendors – Costs, content, substitution
  - Client action – Scope, net deals, travel volume
  - Agency compensation

# Material Change

- Consequences:
  - Reprice
  - If no new terms after 30 days, termination
- Other:
  - Several agencies use this area to put in the right to increase prices annually based on the Consumer Price Index (CPI-U)

# Compliance

- 9 of 14 respondents
- Language designating TMC as “preferred” or “exclusive” travel management company
- Most require client’s “best effort”
- Enforcement or “teeth”:
  - Those with client volume in material change clause have some recourse
  - Implied TMC right to audit client, but not explicit

# Compliance

- Notables:
- Agency 2 – Requires 80% of client's air and hotel spend (and specifies those amounts), and 80% commissionable hotels
- Agency 6 – Explicitly asks client to refrain from using any other agency, TMC, OTA, and direct bookings via airline, hotel or rental car company websites; or getting its own GDS contract.

# Other Language Not Included Above

- Governing law
- Definitions section (most do in-line definitions)
- Force Majeure (only two agencies, 7 & 8)
- #1 most frequent additional clause (6 of 14):  
Confidentiality
- Closely related language:
  - Traveler profiles
  - Data Protection / Security / Processing / DPA

# Data Security

- Recent language demanded by new customer:

## 13 Data Security

A) TMC shall use reasonable and appropriate physical, administrative and technical safeguards designed to protect the confidentiality, integrity, availability and security of information, data and other content that is provided by Client to TMC in connection with the Services (“Client Data”). TMC will provide Client with notice of any unauthorized third-party access to the Client Data of which TMC becomes aware and will use reasonable efforts to remediate identified security vulnerabilities.

B) TMC shall store all Client Data in the United States of America. In the event Client Data is accessed for any reason by any person or entity from any location outside the United States of America, any such access shall only be via a virtual desktop infrastructure, any such Client Data shall remain within the United States of America and within TMC’s secure environment, and any such Client Data shall not be transferred, stored, or downloaded outside the United States of America. TMC shall require any and all of its subprocessors or subcontractors providing Services to Client in connection with this Agreement, including but not limited to the OBT and GDS, to agree, in writing, to adhere to the same restrictions and conditions as set forth herein.

C) By the very nature of the travel industry and applicable laws and regulations, Client Data will be shared with Travel Suppliers. For example, the Transportation Security Administration (TSA) in the United States of America requires airlines (and therefore TMC) to collect and report each traveler's full name, date of birth, and gender; Travel Suppliers require payment information including credit card numbers. Such information will be securely conveyed by industry standard means, such as via Global Distribution Systems (GDSs). Client acknowledges this arrangement and agrees that secure data transfer to Travel Suppliers are excluded from the requirements described in section 13.B) above.

# Other Language Not Included Above

- Notable: Hotel Audit and Cost Reduction Program
  - Analysis by city & chain; rate and amenity comparisons
  - RFP and negotiation process including LRA and BAR
  - Implementation with directory, documented savings, and rate audit
  - Agency commits that average hotel rates do not have an annual increase more than industry inflation
  - Client commits to providing authorization letter and 80% compliance; allows commissionable rates.

# Things to Watch Out For

- Danger! Danger, Will Robinson!
- Customer-drafted contracts
- Service Level Agreements (SLAs)  
(when the client defines the terms)
- Late-stage change requests / requirements
- Consultants!



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