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Risk Planning Checklist: Contract Stage Questions

Use this before signing any major event contract.

The goal: understand your exposure and build in flexibility where it matters most.

Confirm the following:

1. CANCELLATION TERMS

- What are the cancellation penalty steps and trigger dates?
- How much time sits between each penalty increase?
- Push to extend the penalty-free window (e.g., 90 days instead of 120)?
- Can deposits be held as credits instead of forfeited?
- Can we build in formal review dates without penalty?

2. ATTRITION

- What happens if numbers drop by 20%? 30%?
- When is the final number locked in?
- Can we still reduce after that without full penalty?
- If numbers increase, can the supplier accommodate at original pricing?

3. FORCE MAJEURE

- What events trigger force majeure? (war, pandemic, government action, natural disaster)
- Is the definition realistic or so narrow it never applies?
- If DFAT issues a Level 4 advisory, does it trigger?
- If insurance will not cover travel, does that trigger it?
- What evidence is required to invoke it?
- Make sure it's mutual, ie conditions apply equally where guests are travelling from as in the destination

4. POSTPONEMENT

- If we postpone (not cancel), can deposits transfer as credits?
- How long can credits be held? (12 months? 24 months?)
- Will original pricing hold or reset to market rates?
- Can we change the format or reduce scope when rebooking?

5. PAYMENT SCHEDULE

- When are deposits due and how much?
- When is final payment due?
- Can we delay final payment closer to the event (reducing exposure)?
- Can we extend final payment to after the event? (Consider providing credit card, or other, guarantees)
- At each payment milestone, what is our total exposure if we cancel?

6. INSURANCE ALIGNMENT

- What does our event insurance actually cover?
- What is excluded? (pre-existing conditions, civil unrest, epidemics)
- If DFAT advisory changes after we book, are we covered?
- Does insurance cover full contract value or just deposits?
- Are you mandating individual travel insurance for every guest?

7. ALTERNATIVE FORMAT

- If the physical event becomes impossible, is there a broadcast or hybrid option?
- Would that achieve the same outcome?
- What would it cost to pivot?

8. SUPPLIER-SPECIFIC

Hotels

- Can room nights be reduced without penalty?
- Can deposits be held as credits for future bookings?

Airlines

- Are tickets refundable or credits only?
- What is the name-change policy?
- Can we use group fares?

Ground Operators

- What portion is refundable at each stage?
- Can they pivot to a different location within the destination?

9. DECISION TRIGGERS

- When will we make the go/no-go decision?
- What factors inform it? (advisory levels, insurance, supplier flexibility, guest sentiment)
- Who has authority to decide?

THE CRITICAL QUESTION

Before signing, ask:

If this event cannot go ahead as planned, what options do we have and what will they cost?

If you cannot answer that clearly, the contract is not ready to sign.

HOW TO USE THIS

1. Work through this list with your team before signing
2. Identify where you need more protection or flexibility
3. Negotiate on what matters most
4. Document what you achieved (and what you could not move)
5. Make sure the client understands their exposure at each stage

Not every supplier will move on every point. But if you do not ask, the answer is always no.
