

Prepayments

PROCEDURE VALIDATION

Version	Corporate area	Approved by:	Approval date
1	Operations (Process Owner)	Operations Control Director Chief Operations Officer	Date
	Internal Audit	SVP Internal Audit	
	Resources	SVP Human Resources	
	Strategy & Development	Chief Commercial Officer	
	Finance	VP Administration	
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Always find the latest version of this document and all the related ones in the **Business Processes** section of the Digital Knowledge Workplace, [Minor – Organization Portal](#).

 Remember that your Digital Knowledge Workplace credentials are the same you use to access to the Minor Hotels Intranet, Team Member Reservations or MyNH App.

OBJECTIVE AND SCOPE

This procedure outlines the steps to manage **prepayments** requested during the **reservation process** for both **individual** and **group bookings**. The requirement for prepayment is determined by the applicable **guarantee policies**, and **all prepayments must be accurately recorded in TMSforHotels**.

This procedure is applicable to Minor Hotels Europe & Americas.

SUMMARY

1. Daily service performance
 - 1.1 Request, follow-up, and registration of prepayments
 - 1.1.1 Indicate the type of guarantee in the reservation
 - 1.1.2 Follow-up of prepayments
 - 1.1.3 Identification and invoicing of the prepayments
 - 1.2 Cancellation and modification of the reservations
2. Mandatory document filing and retention

1 INTRODUCTION

1.1 Request, follow-up, and registration of prepayments

1.1.1 Indicate the type of guarantee in the reservation

Responsible parties: CRO, GEM, Reservations Dept. of the hotel, In-house Sales, Front Office

All reservations that require prepayment prior to arrival must be clearly identified in TMS using the appropriate guarantee type ID. Depending on the booking channel through which the prepaid rate is confirmed, the reservation must be updated in the Guarantees tab with the corresponding type of guarantee. For detailed guidance, refer to the document [New TMS Guarantees](#).

PROCESS TASKS

- **Reservations with a non-refundable prepaid rate:** the total amount of the reservation must be charged to the customer once the booking has been confirmed.
- **M&E reservations:** the required prepayments will be indicated by the agent who creates the Booking File, in the **Deposits** tab (amount requested, request date, due date, etc.).
- If a **proforma** invoice is required (e.g., for group reservations, agencies without credit, etc.), the following information must be included, always in compliance with the legal requirements of each country:
 - Reservation number
 - Name of the guest
 - Reservation details (arrival and departure dates, group name, etc.)
 - Information about the deposit to be made
 - Status of the prepayment
 - Hotel information
 - Bank account number of the hotel to which the transfer must be made
- All reservations that require advance payment can be identified in the transaction */CCSHT/RS_06_60_ALV – Guarantees Status*.

KEY TASKS

Always request 100% of the prepayment.

Applicable commissions must be settled in accordance with the procedure established by the company.

1.1.2 Follow-up of prepayments

Responsible parties: Front Office, In-house Sales

As part of the follow-up process for outstanding prepayments, the transaction */CCSHT/RS_06_60_ALV – Guarantees Status* must be reviewed daily. This ensures proper tracking and collection of due amounts and dates. For detailed guidance, refer to the [Prepayment Guarantee Management](#) procedure.

If the required prepayment has not been received, contact the customer to follow up. Based on the customer's response and the situation, assess whether to proceed with the **cancellation** of the reservation or continue managing it.

PROCESS TASKS

RESERVATIONS WITH RESTRICTIVE RATES

- **Direct payment reservations:** charges for prepaid rates must be made at the time the reservation is received. Daily, consult the transaction *Display Individual Reservations (/CCSHT/RS03_IN)* by filtering the **creation date** (same day or previous day) and selecting the **PREPAID** layout. This report shows all reservations with rates that require advance payment as a mandatory condition. Prepayments not collected must be charged at the hotel to the credit card provided by the customer, either through the **Pin Pad** (for hotels using the TMSforPay payment gateway) or the **credit card terminal**.
- **Agencies WITH CREDIT** are allowed to guarantee the reservation payment with an **agency voucher**. This voucher guarantees the reservation without a limit on arrival time and covers expenses in case of a no-show.
 - For agencies booking through an **interface** (or trade page), the **voucher number** provided in the reservation is considered a valid guarantee.
 - For reservations made via **telephone**, the agency must immediately send a **copy of the voucher** to the hotel.
 - For bookings confirmed through **GDS**, the system requires the agency to enter a **credit card number** as a guarantee.
 - **Exception:** For GDS reservations made by **Travel Agencies with credit**, the **IATA number** is accepted as a guarantee—even if the voucher has not been received—provided this condition is stated in the contract (e.g., Viajes El Corte Inglés, CWT, etc.).
- **Agencies WITHOUT CREDIT:** prepayment by **credit card** (Pay By Link) or **bank transfer** is mandatory.
- **MINOR WEB reservations:** the prepayment is automatically charged to the credit card provided by the client in hotels operating with the **virtual payment gateway (Adyen)**. Hotels not using this system must charge the prepayment via the **Pin Pad** (if TMS4PAY is implemented) or the **credit card terminal**.

M&E RESERVATIONS

- Run the TMS report */CCSHT/RS_DEPOSITOS – Reservation Prepayments* daily to review the status of prepayments due for a specific hotel.
- **Agencies WITH NET INVOICING:** **GEM** will request the appropriate deposits and leave the outstanding amount to be billed on credit or adjust the amounts in the final proforma, depending on whether the agency has a credit line.

RECOMMENDATIONS

- For **last-minute groups** where prepayments are not received before arrival, an **additional payment method**, such as a **credit card**, may be requested. This allows the hotel to manually charge the required deposits.
- Pay close attention to the **Remarks** field in reservations prepaid by a **virtual credit card**, as these cards cannot always be charged in advance. For example, **Expedia Virtual Cards** are only activated on the **day of check-in**.

FORBIDDEN

Important – Data Security Requirement

Under no circumstances may credit card details (including **PAN** and **CVV**) be stored in any document or system other than the **PCI DSS-compliant platform (PCI Bubble)**.

1.1.3 Identification and invoicing of prepayments

Responsible parties: Front Office, In-house Sales, SSC/BU AR Department (as applicable)

PROCESS TASKS

- **MINOR Website Reservations:** prepayments are processed automatically via the virtual payment gateway (**Adyen**). TMS will generate a notice in the **Actions** tab of the reservation indicating that there are deposits pending invoicing (e.g., “Payment Already Made...” with the amount charged to the credit card).

Issue the **advance payment invoices** and retain them as backup for the reservation.

Refer to the [Adyen Payments Management](#) Procedure for further details.

- **Prepayments by Bank Transfer*:** each time the **Shared Services Center (SSC)** identifies a prepayment in the bank statement, a **URN** will be opened in the **Digital Workforce Platform (DWP)**. The hotel must resolve the URN by indicating the **invoice number** that corresponds to the received payment.

The hotel will receive a notification via its **generic email account**. All available bank statement details (e.g., customer name, transfer remarks, amount paid, transfer date) will be included in the URN header.

The hotel must then identify the reservation in **TMS** and register the corresponding prepayment using the appropriate concept for each country.

The SSC has a standard processing time of **4–5 working days** from the moment the income is registered in **SAP** until it is uploaded to **DWP**.

Refer to the document [Prepayments Management in DWP](#) for recommended guidelines to avoid delays, instructions for resolving URNs, and tips for minimizing incidents in prepayment management via this tool.

** Note: In hotels with their own administration, the system for managing received prepayments may differ. If in doubt, consult the **BU Administration Department**.*

- **M&E Reservations:** at the end of the service, the hotel must issue a **single invoice** covering all services, deducting the **deposits made** (considered payments on account).

Pay special attention to the type of tax applied, depending on the services being invoiced.

Applicable **commissions** must be settled according to the procedure established by the company.

KEY TASKS

Please note that compliance with the Fourth Anti-Money Laundering Directive* is mandatory in all EU countries. It particularly affects M&E Organizers and Front Office teams regarding cash collections, which must not exceed the thresholds set in each country. These country-specific limits are always updated and detailed in the [Policy on Prevention of Money Laundering and Terrorist Financing](#) in Minor Hotel Europe & Americas, S.A., available on the Compliance site of the Minor Hotels Intranet.

- The acceptance of cash payments up to the country's maximum limit applies to the total amount of the service provided (even if split/deferred payments are agreed upon).

Example: For an event worth €15,000 in a hotel in Spain, only €1,000 can be accepted in cash (from a resident), regardless of any deferred or split payment arrangements. This means the remaining €14,000 must be paid by the customer via credit card or bank transfer to the hotel, either in a single or multiple payments.

- Penalties for breaching the cash limits amount to 25% of the cash paid.
- To ensure compliance, systems in each country must be correctly configured to distinguish between residents and non-residents, applying the appropriate maximum limits. TMS will not allow cash payments exceeding the legal limits (even if split or deferred) for the same reservation (individual, event, or group). The total transaction/service provision amount will always be used as the reference.
- Additionally, the F&A Directors of each BU are responsible for notifying IT via the NH Service Desk of any changes to cash limits in the countries under their responsibility, so that systems can be updated accordingly.

(*) Directive 2015/849 of 20 May 2015 on the Prevention of the Use of the Financial System for the Purposes of Money Laundering or Terrorist Financing.

FORBIDDEN

ITALY: Cash payments exceeding €1,999.99 are not allowed for EU citizens.

Non-EU citizens must complete the form "*Dichiarazione sostitutiva dell'atto di notorietà*", following the instructions outlined in the policy "*Incassi di contanti senza limite per stranieri*".

Both documents are available in the Business Processes section of the [Digital Knowledge Workplace](#).

1.2 Request, follow-up, and registration of prepayments

Responsible parties: CRO, GEM, Reservations Department of the hotel, In-house Sales, Front Office, BU AR Department

When a cancellation is made, the prepayment will be reimbursed according to the cancellation policy of the corresponding reservation (individual or group, with or without meeting room). Refer to the [Modifications of Reservations with Restrictions and Prepayments](#) procedure.

If a prepayment exceeds the amount of the charges billed, the surplus will be returned to the customer.

In all cases, the return of the prepayment (total or partial) must be made using the same payment method in which it was received.

A refund will be made by **bank transfer only** in the following cases:

- If the prepayment was made by bank transfer.
- If the original payment method was cash and the amount to be returned exceeds €300.
- If the original payment was made by credit card and the refund cannot be processed through the credit card terminal.

Refunds by bank transfer must be requested through NH Service Desk (JIRA), and the payment method in TMS must always be set to **TRANSFER**. Refer to the [FI Refund & Third Parties Payment Process](#).

2 MANDATORY DOCUMENT FILING AND RETENTION

Responsible parties: Front Office Department

The following documents must be filed in accordance with the tax and accounting legislation of each country:

- **Prepayment invoices/receipts**, along with supporting documentation.
- **Cash refund invoices**, which must be signed by both the guest and the team member who issued them, as proof of agreement.