



A KINGFISHER COMPANY TRAVEL FIELD GUIDE

7 Hotel Room-Block Contract Clauses That Quietly Cost Companies Thousands

— and the one question to ask before you sign each one.

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You didn't ask to plan the offsite. It landed on your desk on top of everything else — and now there's a hotel contract in your inbox with language no one ever trained you to read. Here are the seven clauses we check on every contract before it reaches a signature. Knowing them won't make you a contracts attorney. It will keep your company from paying for rooms no one slept in.

1

Attrition

WHAT IT IS The percentage of your room block you're financially responsible for even if those rooms go unbooked — often measured cumulatively across all nights, or, worse for you, night by night.

THE TRAP Signing 80–90% attrition against an optimistic headcount. If attendance slips even modestly, you pay for empty rooms.

ASK BEFORE YOU SIGN *Can we lower the attrition percentage, measure it cumulatively, and tie it to a realistic forecast?*

2

Cancellation Schedule

WHAT IT IS A sliding scale of penalties that escalates as your event approaches — commonly 25% to 50% to 100% of expected revenue at set dates.

THE TRAP Not knowing your walk-away cost at each date. If the event moves or shrinks, you discover the penalty after it's triggered.

ASK BEFORE YOU SIGN *What is our exact financial exposure at each cancellation date, and is there any resale credit?*

3

Force Majeure

WHAT IT IS The clause that excuses performance when something outside anyone's control — a disaster, a government travel restriction — makes the event impossible or impractical.

THE TRAP One-sided language that protects the hotel but not you, or that quietly excludes epidemics and government action. (We learned this one the hard way in Barcelona in 2019.)

ASK BEFORE YOU SIGN *Is force majeure mutual, and does it explicitly cover government travel restrictions and public-health events?*

4

Room Release / Cutoff Date

WHAT IT IS The date unbooked rooms in your block are released back to the hotel — after which your guests pay rack rates, if rooms remain at all.

THE TRAP A cutoff set too early, or rooms released without notice, leaving late-booking attendees stranded or overpaying.

ASK BEFORE YOU SIGN *When is the cutoff, will you notify us before releasing rooms, and can we add rooms back if we need them?*

5

Comp Rooms & Concessions

WHAT IT IS The value the hotel includes — a common ratio is one complimentary room per 40 booked, plus possible upgrades, meeting space, Wi-Fi, or parking.

THE TRAP Leaving real money on the table because no one asked. Concessions are negotiable and frequently unclaimed.

ASK BEFORE YOU SIGN *What is our comp-room ratio, and can we add suite upgrades, an F&B credit, or waived resort and parking fees?*

6

Food & Beverage Minimum

WHAT IT IS A guaranteed minimum spend on catering and banquets, separate from rooms, that you commit to regardless of actual consumption.

THE TRAP Agreeing to a minimum you can't realistically hit — then paying the shortfall as a penalty.

ASK BEFORE YOU SIGN *Is the F&B minimum realistic for our group, and do taxes and service charges count toward it?*

7

Resale / Mitigation

WHAT IT IS Whether the hotel must try to resell rooms you don't fill before charging you attrition on them.

THE TRAP Paying attrition on rooms the hotel quietly resold to someone else — effectively being billed twice for the same bed.

ASK BEFORE YOU SIGN *If the hotel resells our released rooms, do we receive credit against attrition?*



You shouldn't have to become a contracts expert to run one event.

At Kingfisher Company Travel, we check all seven of these on every contract — and negotiate the terms — before anything reaches your leadership's signature. Two founders, 30 years inside corporate travel at HP, one accountable advisor from first inquiry to final checkout.

Booking a company event this year? Your first engagement includes a complimentary Post-Event Reconciliation — a \$350 value.

TO BEGIN YOUR GROUP HOTEL INQUIRY

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