

# COVID-19: Guidance on refunds and exchanges

Revised version – July 2022

## Introduction

LPA has developed this guidance to support the industry to operate and provide as much consistency across the industry as possible when dealing with refunds and exchanges in a COVID-19 environment.

LPA first released guidance in October 2020 and it has evolved since then to reflect changes in government directives.

The current COVID landscape is quite different to the start of the pandemic and when LPA's guidance on COVID related refunds and exchanges was first released. A substantial proportion of the Australian population is now vaccinated, which means there is a lower risk of getting and transmitting COVID-19, and of severe illness if a person contracts the virus. Despite this, risks remain as new variants emerge and mandated control measures (such as mask mandates and capacity/density restrictions) have been removed by most state and territory governments. However some directives requiring self-isolation in certain circumstances remain in force.

Australian Consumer Law does not require a refund or other remedy to be provided to ticketholders if they cannot attend an event because a government directive requires them to self-isolate, for example, because they have contracted COVID-19 or are a close contact. However, LPA's view is that event organisers should make clear in the ticket terms and conditions at the time of purchase if ticketholders who cannot attend an event due to a government directive will not be provided a refund or other remedy. In addition, such ticket terms and conditions should allow greater flexibility to transfer tickets and outline the available exchange/resale mechanisms in such circumstances.

This guidance has been updated to reflect that Australia is now transitioning to 'living with COVID'. Enhancing trust and confidence with government and consumers that the industry is acting responsibly and fairly within the context of COVID-19 and more broadly continues to be important. As such, **Members are strongly encouraged to offer consumers flexibility with respect to ticket refunds and exchanges**, as well as offering mechanisms enabling consumers to resell their tickets if they can no longer attend the event.

LPA acknowledges that each organisation will develop its own refunds and exchanges policy that is appropriate for its specific context and government directives.

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## Guiding principles

This guidance has been developed with the following principles in mind:

- i. **Safety first:** Events are COVID safe for all workers and audiences and mitigate risks of community transmission to the general public.
- ii. **Two-way trust:** The industry can trust consumers to stay home if unwell with COVID-19 symptoms and consumers can trust the industry to treat them fairly.
- iii. **Transparency:** The industry will disclose key terms upfront so that consumers are fully aware of them when buying tickets.
- iv. **Positively influence consumer behaviour:** Refund/exchange policies need to positively influence consumer behaviour (i.e. isolate if COVID positive) and not include unnecessary requirements that serve as a disincentive.
- v. **Supporting industry sustainability:** Refund/exchange policies enable the industry to retain ticket proceeds, wherever possible.
- vi. **Evolving:** This guidance will be reviewed and may evolve as government directives and requirements change.

## Guidance

### Terminology

1. In this guidance, the term 'remedy' refers to **at least one** of the following:
  - **exchange** - a ticket is exchanged for the same production/event on a different date, or to a different production/event. This remedy may be more appropriate for productions/events running for several weeks/months, or for productions/events with new or planned dates in the future, or companies that program multiple productions/events within a season/year.
  - **credit note/voucher** - the price paid for the ticket is held in credit against the customer's account or is transferred to a voucher for use towards tickets to another production/event by the same presenter. A credit note/voucher should only be offered if the presenter has sufficient productions/events available in the foreseeable future and should provide the customer with a reasonable timeframe to use the credit note/voucher. This remedy may be more appropriate for companies that self-ticket, and may not be appropriate where the venue/ticketing company is acting as an agent.
  - **refund** - the price paid for the ticket is returned to the ticket purchaser.

### Consistency

2. For each event, the applicable venue/ticketing agent and presenter should review and discuss their COVID-specific refunds and exchanges policy for consistency.
3. If possible, each venue should have a consistent refunds and exchanges policy for all events at the venue.

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## Circumstances for remedies

4. Members should make clear in the ticket terms and conditions or COVID-specific refunds and exchanges policy whether or not a remedy will be provided if a ticket holder cannot attend the event because a government directive prevents their attendance – for example:
  - the ticket holder is a confirmed case of COVID-19 (and is required to self-isolate on the day of the event); or
  - has COVID-19 symptoms, has been tested for COVID-19 and is awaiting test results (and the event falls within the period of awaiting test results).

If a remedy is offered, Members may:

- require ticket holders to provide their request for a remedy in writing prior to the event or within a specified timeframe.
  - ask ticket holders to provide supporting evidence, where possible. Evidence may not be deemed necessary where an exchange or credit/voucher is offered as a remedy.
5. Members may wish to have a COVID-specific refunds and exchanges policy to deal with ticket holders who are feeling unwell with COVID-19 symptoms. The policy may address matters such as timeframes for remedy requests and supporting evidence.
  6. Members do not need to provide a remedy if:
    - a ticket holder is well and does not wish to attend an event due to fears of exposure to COVID-19, including being exposed to unvaccinated persons; or
    - a ticket holder is unwell and does not attend an event (Members' policies or ticket terms and conditions may provide for remedies to be provided in limited circumstances, such as if the ticketholder has contracted COVID-19); or
    - a ticket holder is from a group at a higher risk of COVID-19; or
    - a ticket holder is denied entry into the event for reasons which were disclosed to the ticket holder in the ticket terms and conditions at the time of purchase. For example, these reasons may include (but not be limited to) non-compliance with mandatory mask wearing, vaccination (unless legally exempt), or QR check-in requirements (or unwillingness to provide personal contact information when requested); or
    - the ticket holder attends the performance and subsequently leaves part way through due to feeling unwell.

Members may wish to provide a discretionary remedy in the above circumstances.

7. Members could consider maintaining a waitlist of customers to whom tickets can be offered if they become available.
8. Remedies do not need to be extended to other members of a group booking if they do not meet the conditions set out in the ticket terms and conditions or COVID-specific refunds and exchanges policy.
9. Members are not obliged to offer remedies to ticket holders who purchased tickets on the secondary ticket market (unless the ticket was purchased from an authorised resale platform operated by the Member).

### Live streamed events

10. Some Members may present live events to both live and online audiences. If a ticket holder has bought a ticket to attend in person and cannot subsequently attend due to a government directive, a remedy could include attending as an online audience member.
11. If an event is originally offered only as a live experience and subsequently is only offered as a live streamed performance, a full refund to the live event must be offered as one of the remedies.

### Government directed closures/restrictions

12. If an event is cancelled or rescheduled due to government directives, Members must comply with the ticket terms and conditions applicable at the time of ticket purchase.
13. If an event is required to reduce capacity due to government directives, Members must comply with the ticket terms and conditions applicable at the time of ticket purchase.
14. In addition, if Members can accept donations in accordance with relevant laws, Members may ask whether ticket holders are willing to donate the price paid for the ticket. Members must inform ticket holders who will receive the donated amounts.

### Other mechanisms to enhance consumer confidence

15. LPA encourages Members to provide options for ticket holders when they can no longer attend the event due to a change in circumstance. This may include:
  - exchange to an alternative date, if available
  - offering to facilitate the resale of tickets; providing a resale channel
  - offering a 'warranty' whereby consumers can buy the right to extra flexibility or (if available) ticket insurance<sup>1</sup>
  - discretionary refund.

### Audience communications

16. Members may wish to update their ticket terms and conditions to ensure they clearly inform consumers how various COVID-19 issues are dealt with, or publish their COVID-specific refunds and exchanges policy.
17. Key terms must be disclosed upfront to consumers. The ticket terms and conditions that were in effect at the time the ticket was purchased will apply - not any subsequent varied or new terms.
18. Members should communicate with consumers before the event outlining:
  - measures for presenting a COVID safe event;
  - expectations that consumers will only attend the event if feeling well (i.e. not displaying COVID-19 symptoms or required by government directives to quarantine/self-isolate/stay at home); and
  - any government directives which may be in effect at the time.

### Expiry

19. This guidance will remain in effect until further updated, as and when required, depending upon levels of active COVID-19 cases in the community and government directives at the time.

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<sup>1</sup> LPA notes that there are limited companies that offer ticket insurance in the Australian market. Members should also be aware of the [requirements applicable to add-on insurance](#) (which includes ticket insurance).