

# ALTO



## Best Practice Guidelines

For Education  
Providers & Agents

The aim of the ALTO Best Practice Guidelines is to establish a framework for organisations within the international education industry, where each acknowledges and accepts their reciprocal commitments to work as true partners.

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# The ALTO Best Practice Guidelines for Education Providers & Agents

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ALTO is a professional association where educational agencies, education providers, universities, national and international associations, and industry service providers join as a global community. We provide a platform for leaders and decision makers in the industry to further develop and grow their businesses through networking, professional development, and information exchange.

ALTO seeks to use its position to facilitate a meaningful conversation about aspects of our business that impact both immediate issues and long-term viability of the industry.

## Our Aim

We propose that these principles and guidelines become an industry-wide code, a badge of integrity, honesty, and transparency. We want them to become shorthand for ethical, open, and caring conduct around the key issues facing the industry. We value the importance of partnership and treat each other with respect, honesty, and professionalism. We will respect each other's business aims and support each other to deliver excellent student experiences.

## Terms & Definitions:

This document relates to the relationship between an Education Provider and the Agent who refers students to them for courses.

Definition for client for all bookings that are referred by an agency.

- The “Agent” is the Education Provider’s client.
- The “student” is the Agent’s client.
- The student remains “the client” of the Agent for the duration of their course. Agents and Education Providers should agree this relationship for extensions or re-enrolment.
- “The student” is the Agent’s client unless they enrol with the Education Provider directly in which case, they become the Education Provider’s client. If the student is a minor, his/her parents or legal representatives are the Agent’s clients. While the student attends their course, the Education Provider’s relationship will include direct interaction with the student pertaining to academic delivery, health, safety and welfare, and local services which are provided directly by the Education Provider. This may include the use of student’s personal contact information to communicate information and services.
- Hereinafter, Agents and Education Providers will be jointly referred to as the “parties”.

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## Purpose of the ALTO Best Practice Guidelines:

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The purpose of this document is not to restrict members in how they run their businesses, but to highlight key areas we feel should be considered and agreed upon before entering a partnership. ALTO puts these guidelines forward to direct current and future partners in considering key areas that are the basis of a business relationship.

We are committed to continuously reviewing and updating these policies and procedures, to accommodate any changes the industry might face.

The ALTO Best Practice Guidelines and the introduction of the ALTO Mediation Panel are the result of discussions between Education Providers and Agents during the global pandemic, which highlighted the need to address ongoing issues surrounding the financial terms and conditions, and practice of Education Providers and Agents, which were heightened by the consequences of different international laws and restrictions.

This document, together with the ALTO Mediation Panel, will ensure that ALTO Education Providers and Agents have clearly defined recommended working parameters which they are encouraged to discuss with their partners and amend in their contracts accordingly. If a member of the association feels that, despite having agreed to the ALTO Best Practice Guidelines, their partner doesn't observe their contractual responsibilities, they will have the opportunity to bring the matter to the attention of the ALTO Mediation Panel for advice.

ALTO members are invited to commit to these guidelines and recommendations and participating members will be permitted to use the ALTO Best Practice Partner Stamp.

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# 01

## Preliminary Due Diligence

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Before entering a partnership, the parties are advised to carry out their due diligence in selecting partners. The following are recommended:

- At least one 'in person' or online meeting between the decision-making parties.
- Select partners that hold insurance against bankruptcy, liability or are included in a scheme to ensure the continuation of the student's programme in case of bankruptcy.

### Agents:

- Pay a personal visit to the Education Provider and request 2-3 references from other agents.
- Select partner Education Providers that hold quality assurance membership and request their national association's recommendation

### Education Providers:

- Require 2-3 references from existing partners of the Agent.
- Recommend selecting partner agents with a national or international quality assurance organisation membership and ask them to provide a reference for the Agent.

## 02

## Agreements between Education Providers & their Clients

The parties should set mutually suitable Terms & Conditions. These should form the basis of a written agreement between the Education Provider and Agent. When drawing up the Terms & Conditions between Education Providers and Agents, partners should consider the different local legal requirements and regulations and put mutually agreeable terms in place when these legal requirements are different in the two countries.

We recommend that ALTO members work together to align their contracts with the recommended ALTO Best Practice Guidelines and include a clause to their revised agreements stating that parties can turn to the ALTO Mediation Panel in case the terms set out in the agreement are not met.

The ALTO Best Practice Guidelines recommends that the contract between the Education Provider and the Agent include at least the following elements:

### The payment Terms & Conditions:

- Commission structure of original booking, extensions, returning students (e.g. fixed or performance based)
- Refund policy, etc.
- Commit to truthful representation.
- Set out conditions of payment, including for junior, adult, or short vs long term programmes, and payment plans if agreed.
- Determine the official booking process, including for last minute bookings.
- Confirm seasonal or regional market discounts.
- Define any other commercial terms (e.g., marketing contributions, bonuses).
- Cancellation terms if any of the parties are not able to perform the service(s) they have contractually agreed to do.
- Agents are to inform the Education Provider about their own country's legal restrictions if those terms significantly differ from the destination country's regulations. For example, about voucher vs. refund policies.
- Unless otherwise specified, the agreements should be ongoing.
- Causes and process to terminate the agreement.

This is by no means an exhaustive list, and all local legal requirements must also be considered.

## 03

**Agreement between Agents & Students:**

Agents are advised to sign a written agreement with every student and collect the gross course and accommodation fees in advance, according to the legal regulations in their home countries. It is recommended that full fees should be collected no less than 21 days before departure date.

- If full fees are not collected i.e.: in the case of a long-term programme the payment terms should be agreed and included in the Education Provider and Agent agreement.
- When specifically requested by the Education Provider partner, a clause could be added to the contract between the Agent and the student which includes the Education Provider's terms and conditions translated into the student's mother tongue.

## 04

**Payment term considerations for Education Providers & Agents:**

Students should be protected from any payment dispute between the Education Provider and the Agent. Both Education Provider and Agents should include consequences for non-payment or late payment in their Terms & Conditions.

Agents should pay the net course and accommodation fees 72 hours before the student's arrival at the latest or as per agreement between parties. The Education Provider should be entitled to stop services to the student in case of the course and accommodation fees not being received if this is agreed in their Terms & Conditions. This should be agreed between the Education Provider and the Agent in advance. In case of long-term programmes, a special payment plan needs to be agreed in advance by both parties.

It is advisable to investigate payment protection or guarantor schemes if both parties deem it necessary for the protection of the student and to ensure that they can continue their programme in the event of financial interruption.

<https://www.investopedia.com/terms/l/letterofcredit.asp>

When net payment is not possible or included in the terms between the Agent and the Education Provider, the Agent should pay the gross fees before the student's arrival and Education Provider should transfer the full agency commission by return or as per agreement between parties. If the commission is not received within 72 hours, late payment interest rate should apply and be fixed in the contract.

## 05

**Agree conditions for repeat clients, direct sales & joint promotions****Repeating clients and extensions:**

Education Providers should not consider a student referred to them via an Agency as their own client. A policy for extensions and returning clients should be included in the agreement. Therefore, any change in the original booking, or a repeat booking should go through the Agency and/or be rewarded by the Agency's commission.

Education Providers should not contact the Agent's clients directly with sales campaigns unless the Education Provider is prepared to pay commission on the direct booking.

**Education Provider direct sales and joint promotions:**

Direct recruitment by Education Providers should not undersell Agents in the given country. When engaging in direct / online recruitment, Education Providers should be aware of the impact direct recruitment may have on their Agent partners, and how this could affect the relationship between parties.

It is advisable to offer the Agent the opportunity to take part in the promotion and organise a joint project. When this is not possible / practical because the Education Provider has several partner agents in the given market, then the Education Provider might choose to take direct bookings from the country and advise the Agent.

## 06

**Corporate Social Responsibility**

Parties are encouraged to implement a Responsible Business Conduct policy, in consideration of the impact of the industry on the environment & compliance with human rights. The following are examples of steps to be taken, any additional measures beyond what is indicated below are strongly encouraged.

- In an attempt for the industry to reduce its carbon footprint, both Agents and Education Providers will aim to reduce excessive and unnecessary international travel and keep the majority of their B2B dealings online.
- Both Education Providers and Agents will actively promote the advantages of digital brochures and aim to significantly reduce their printed material and international shipping volume.
- Both Agents and Education Providers will strive to create and implement a management concept where they integrate social and environmental concerns in their business operations and promote corporate social responsibility in their interactions with clients and partners.

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## 07 New products, market testing & joint projects

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Agents and Education Providers will continue to work in partnership to ensure there is continual development of new courses. Agents and Education Providers agree to talk to each other and keep up to date on what the market wants.

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## 09 Data protection

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Our partners, employees and stakeholders expect that information be handled in accordance with applicable data protection laws in their country, including any personal data.

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## 08 Health & safety

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Education Providers and Agents should be accredited by local and industry accrediting bodies, and will adhere to the government health and safety and local accreditations guidance.

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## 10 Harassment & discrimination

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We believe that all business relationships must be free of harassment and discrimination. Harassment is conduct intended to disturb or upset and is typically repetitive. Discrimination is any distinguishing treatment of someone based on their actual or perceived association with a certain group or category. All parties must not engage in such conduct and be particularly sensitive to actions that might be acceptable in some cultures but not in others.

# 11

## The Mediation Panel

The ALTO Mediation Panel will mediate where there is a dispute between members who have agreed to follow ALTO Best Practice Guidelines in their contract. The members are invited to respect and act upon the advice of the panel.

The panel will be made up of 3 members elected for 1 year at the AGM

- one Education Provider representative
- one Agent representative
- one non-trading member – an Association Representative
- two substitutes \*
- the ALTO Association Manager (AM) will oversee and administer the process and keep the minutes of the meetings

\*Substitutes are called in when one of the panel members is too closely involved with the case or is not available to attend the meeting.

Any party can initiate a mediation/process if it considers that the ALTO Best Practice Guidelines included in their contract were not met by their partner and it has caused damage or inconvenience to their business.

Both parties must hold a valid membership with ALTO at the time of the disputable event in question and the time of claim.

# 12

## Mediation Resolution

Prior to submitting a claim before the Mediation Panel, the parties voluntarily agree to accept the result of the mediation process and understand that the ultimate aim of the service is to avoid both parties going through a lengthy and expensive legal procedure. Any amendments to the proposed resolution can be made with the consent of the parties and approval of the Mediation Panel.

### Mediation Panel result:

1. Parties can accept the proposal and the case is solved
2. Parties can appeal against the decision of the MP, and the case goes in front of the ALTO Board.

The ALTO Best Practice Guidelines document will undergo a trial period before members vote to accept it as a Code of Conduct and part of the ALTO Constitution.

# ALTO

If you are either a business owner or hold a senior leadership position within your Company and are interested in joining ALTO please contact the Association Manager:

[reka.lenart@altonet.org](mailto:reka.lenart@altonet.org)