

Before we address the changes, it's worth recalling that there are 12 different categories under which Americans may travel to Cuba. These categories remain in place, but the changes place new restrictions, or reinstate old restrictions, within the categories.

The People to People provision is the category used by the majority of American tour operators and cruise lines offering travel to Cuba. As of November 9, 2017, individual travel is no longer allowed under the People to People provision, only group travel. This is a rollback of President Obama's broadening of the People to People category.

Ya'lla Tours USA operates under provisions other than the People to People, and has done so since 2002. The restriction on individual travel does not affect us. We will continue to offer custom travel to Cuba for any sized travel party, as well as scheduled small-group travel.

The most sweeping change instated on November 9th is that Americans may not conduct any transaction with entities owned by the Cuban military. This affects quite a few hotels across the island, but the impact on our operations is minimal. The 5-star hotels we use most often in Havana, Melia Cohiba, Melia Habana and Parque Central, are not owned by the Cuban military, so we'll continue to use them as normal. Most of the

4-star and 3-star hotels we typically use also are not affected by the new restrictions.

For the last 14 years, we have had private representation in Cuba, which has shielded us largely from dealing with military owned entities.

We regret that the few properties in Baracoa all are owned by the military, so we will no longer be able to include that area in our programs. Many of the banned hotels are beach resorts, which does not affect Ya'lla Tours or any other US operator, because beach vacations have never been allowed under US-Cuba travel restrictions.

Flights to Cuba are not affected and cruise lines will continue to sail to Cuba.

As of October 15, 2017, Ya'lla Tours USA is proud to offer private shore excursions in Havana.