



## **KENYA AIRWAYS' ADM POLICY EFFECTIVE FOR TICKETS /BOOKINGS ISSUED ON/AFTER**

**01 SEP 2013**

In accordance with IATA Resolution 850m and 832 KENYA AIRWAYS is publishing its Agency Debit Memos (ADMs) policy 2013.

### **SCOPE:**

KENYA AIRWAYS will issue ADMs to collect amounts or make adjustments to all Travel Agents' transactions related to the bookings, ticketing (issue & re-issue including penalty fees & additional collections), refund and use/non use of all KENYA AIRWAYS traffic documents regardless of which airlines are included in the itinerary.

The fare control will be applied on all of the following:

- Booking class and fare rule elements.
- Fuel surcharge: validating carrier should be KQ and is non refundable for non refundable tickets issued on/after 01 Aug 2013.
- Commissions/discounts if applicable.
- Carrier ticketing authority: the validating carrier (VC) is linked to the fare owner.
- Misplating subject to IATA resolution 852(Use of KQ plate on other carrier's market fares)
- Baggage allowance.
- All automated/manual fare quotes.
- Taxes and surcharges.
- Misuse of inventory system or subversion of 'Married Segment Control' (MSC).
- Misuse of a subclass.
- Creditcard: All rejected credit card transactions will be charged for the full amount.
- Coupons used out of sequence
- Refunds including application of change/refund fees and in accordance with the coupons mentioned in the GDS.
- Re-issues including penalties & additional collections
- Group booking penalty for early cancellation / deposit.
- Fake ticket numbers/Names.
- Eligibility for specific fares such as Marine / Offshores / Tour Operators/Student/Youth/Clergy/NGO etc (systematic airport checks for proof of eligibility).
- Unreported document.
- Missing or incorrect fuel surcharge (YQ/YR).
- Booking and ticketing of infants and unaccompanied minor( UMNR)

## TRAVEL AGENTS' OBLIGATIONS:

Travel Agents' obligations are described in IATA Resolution 824 in which it is stated that all tickets must be issued in compliance with the Carriers' fares, conditions, general conditions of carriage and written instructions provided to them.

## TRAVEL AGENTS' BEST PRACTICES:

- Train their staff on the KENYA AIRWAYS policy with regard to Resolution 850m , 832 & 824, and ADM procedures:
- Make available the Carriers' General Conditions of Carriage to the customer and advise the customer of the fare conditions, eligibility when required and free baggage allowance.
- Inform customers that KENYA AIRWAYS will honor flight coupons only if used in sequence and from the point of origin as displayed on the ticket. Otherwise the ticket will be rendered invalid and no refund will be accepted.
- Inform customers that at any time, customers could be charged the fare difference (plus change fee, if applicable) between the paid travel plan and the effective one, or risk denied boarding. Travel Agents should take payments systematically for any changes made to the original booking.
- Inform the Carrier of all Pseudo City Codes (PCC) / office IDs linked, bridged or emulated to its IATA numbers. The carrier will hold the agent fully responsible for all bookings made by all PCCs/office IDs linked to their IATA numbers. In case of un-dedicated bridging, the agent may not release the record back to the sub-agent.
- The Agent undertakes to only book from the availability display for the O&D (origin & destination) concerned and not by subverting married segment controls before or after EOT (end of transaction) on other O&Ds.
- Ensure that un-ticketed PNRs are either ticketed or cancelled 24 hours prior to departure or within the applicable TTL; otherwise, KQ robot will automatically cancel the un-ticketed PNR.
- Delete all HX, NO, UC, UN & US segments 24 hrs prior to departure to minimize GDS costs.
- Reservations must consist of the full names of each customer as in the customer's passport.
- Reservations/ticketing training in "live" PNRs is not permitted, only in the GDS training mode.
- Duplicate PNRs are not permitted.
- Use fare levels and fare basis as stipulated by the carrier. **All fares must be applicable at date of ticketing.**
- Issue tickets within the prescribed TTL and inform the customer of the same.
- Ensure that the baggage allowance on the ticket is in accordance with the fare conditions and the GDS.
- Agents subscribed to multiple GDS must issue tickets in the same GDS where the booking is made, and not to generate unnecessary GDS costs.

## **THE FOLLOWING APPLIES FOR KQ REVENUE INTEGRITY PROCESSES:**

### **Minimum ADM Amount**

- The minimum amount, for which an ADM is raised, is USD15. Kenya Airways can issue one ADM with multiple reasons for one original ticket. In case of persistent practices of under collection (multiple occurrences of underpayments of less than USD15) by the same IATA Agent, KQ reserves the right to recover these underpayments by sending an ADM.
- In case of ADM related to fuel surcharge, surcharges, commission, taxes, penalties and fees, no minimum applies and an ADM will be generated for real amount due.
- In case deviations of the fare rules are found on tickets during audit process, Kenya Airways will systematically generate ADMs reflecting value of difference between the real applicable fare and the applied fare. E.g A fare with a maximum stay of 3 months is issued for a passenger and the passenger later changes the return date to beyond the 3 months say 6 months. If the ticket is not re-issued to reflect the fare that will now allow that maximum stay of 6 months, the agent will be debited the amount between the originally applied fare and the new applicable fare.

### **ADM process in BSP**

#### *In compliance with IATA resolution 850m*

- An ADM can be sent out by the airline via BSP within 9 months after final travel date. When final travel date cannot be established, expiry date of the document will be used. After this period, payments will be settled directly between the travel agent and the airline.
- In line with IATA Resolution 850m, Kenya Airways will send ADMs via BSP link with no financial consequences during the latency period (14 days or period fixed by the local BSP-link organization).
- When making a dispute, a valid and clear justification must be provided at all times. Otherwise dispute cannot be handled. Responsible behavior in case of ADM disputes is required from both the Travel Agent and the Airline.
- Please mention your contact details for an efficient handling by KQ.
- Kenya Airways will reply to your dispute within 60 days (in consistency with Resolution 850m) giving a clear explanation of acceptance or denial of the dispute.
- Should Kenya Airways reject a dispute and Agent wants KQ to re-investigate, agent is requested to respond to KQ within 14 days to provide additional information. Otherwise ADM will be submitted for settlement to BSP link.

## BAGGAGE ALLOWANCE ADMs

On certain destinations/systems weight concept applies. In case of incorrect or missing baggage allowance on the ticket, an ADM will be sent according to below overview (with fixed amounts per direction). It applies worldwide.

<b>Per O&amp;D and per direction</b>	<b>Incorrect baggage allowance of 1 additional piece vs. no. of piece(s) allowed</b>	<b>Missing baggage allowance</b>
<b>Zone1 (domestic )</b> <b>Domestic Kenya</b>	<b>USD 50</b>	<b>USD 30</b>
<b>Zone2 (East Africa)</b> <b>Tanzania, Uganda, Burundi, Rwanda, Ethiopia ,Djibouti, Seychelles</b>	<b>USD 100</b>	<b>USD 50</b>
<b>Zone3 ( Rest of Africa)</b> <b>Benin, Cote D Ivoire, Ghana, Madagascar, Mali, Egypt, Senegal, Cameroon, Liberia, Zimbabwe, South Africa, Sudan, Congo DRC, Nigeria , Malawi, Zambia, Mozambique, Mayotte, Sierra Leone, Comoros, Congo Brazzaville, Angola, Botswana, Gabon, Burkina Faso, Chad,</b>	<b>USD 125</b>	<b>USD 75</b>
<b>Zone 4(rest of the world)</b> <b>All other destinations not listed in zones 1/ 2/3.</b>	<b>USD 150</b>	<b>USD 100</b>

## MISPLATING SUBJECT TO IATA RESOLUTION 852.

KQ checks if the use of KQ ticket stock for issuing on both manual and automatic fare quotes is permitted and done correctly.

1. If the marketing carrier is not permitted to be used in KQ private or public fares, the amount to be raised is based on the first applicable public fare.

*(Reason ADM: misplating -carrier not permitted in this deal)*

EXEMPTIONS:

Fares of the following carriers may be issued on a KQ document.

AF/KL/PW/DL

2. If other airlines fares are not permitted to be issued on KQ document:

Private and public fares of other airlines which are restricted to be issued only on the carriers own stock. The amount to be raised is based on the IATA rule Revenue Accounting Manual being the first applicable public fare plus USD500.00 for misuse of KQ's document..

*(Reason ADM: misplating -fare not permitted on KQ ticket stock)*

EXEMPTIONS:

However, a KQ's document may be issued for travel on other airline's flights provided KQ ticket is in conjunction with KQ on-line fares.

Subsequently such issuance must be after the agent/GSA has ascertained that;

- KQ has an Interline Agreement with the airline.
- So long as other carrier market fare does not restrict issuance of other carrier ticket stock

Fares of the airlines for which KQ is GSA may be issued on KQ respective ticket stock and check 2 will not result in an ADM.

**SPECIFIC COMMERCIAL INSTRUCTIONS IN CASE OF IRREGULARITIES.**

Reissues or refunds, not in accordance with fare rules, can be authorized in case of irregularities (e.g. weather conditions, industrial strike etc). KQ will accept derogatory transactions only if specified under Commercial instructions. Please note that relevant information must be added in endorsement box.

**SUB-CLASS ABUSE**

All tickets sold are checked on correct application of booking class. Misuse of the inventory system is charged by calculating the difference between the ticketed class and correct class and shall be applied to entire fare component.

**SPECIAL FARES**

Kenya Airways requires agents to follow fare rules and conditions of Carriage when issuing tickets. Should an agent not adhere to the fare rules and conditions, an ADM will be sent to the travel agent where passengers holding tickets with special Tour Operator fares/corporate fares are not eligible to travel with these fares. These ADMs will be charged by calculating the difference between the fare paid and the first applicable public fare.

**BREAKING OF MARRIED SEGMENTS (AUDIT OF TICKETS SOLD AS O&D)**

The following fixed amounts apply (per direction and per passenger):

Per O&D and per direction	Amount
<b>Zone1 (Domestic)</b> <b>Kenya</b>	<b>USD 100</b>
<b>Zone2 (East Africa)</b> <b>Tanzania, Uganda, Burundi, Rwanda, Ethiopia, Djibouti, Seychelles</b>	<b>USD 300</b>
<b>Zone3 ( Rest Of Africa)</b> <b>Benin, Cote D Ivoire, Ghana, Madagascar, Mali, Egypt, Senegal, Cameroon, Liberia, Zimbabwe, South Africa, Sudan, Congo DRC, Nigeria, Malawi, Zambia, Mozambique, Mayotte, Sierra Leone, Comoros, Congo Brazzaville, Angola, Botswana, Gabon, Burkina Faso, Chad,</b>	<b>USD 500</b>

<b>Zone 4(rest of the world)</b>	<b>USD 800</b>
<b>All other destinations not listed in zones 1,2 &amp;3</b>	

#### **BOOKING POLICY ENFORCEMENT.**

KQ reserves the right to take preventive measures, including but not limited to, inhibiting access – point of sale closure (POSCI) to its inventory, by any Travel Agent engaged in booking malpractices.

#### **TICKETING INFORMATION**

Revenue Management will monitor abuse of using fake/fictitious ticket numbers, names, initials and one name in PNRs to protect the bookings against cancellation by the Ticketing time limit robot and levy a penalty in accordance to the Cost Recovery Scheme.

#### **CREDIT CARD CHARGE-BACK**

In case Kenya Airways is debited by the credit card acquirer for purchase rejection by passenger, credit card misuse or fraud case on a ticket issued by the agent, Kenya Airways will charge the agent for the cost. The agent is always responsible for checking the validity of the credit card and to ensure that the card holder's signature is provided **or to secure the eligible website for e-tickets purchase.**

#### **TICKET NOT REPORTED/MISCELLANEOUS**

In case of discrepancy in the sales information/reporting of agents, an ADM is issued. This can be due to reasons such as an unreported ticket or cases in which flown tickets are missing in BSP sales reporting.

#### **MISSING/INCORRECT KQ FUEL SURCHARGE YR/YQ**

Missing or incorrect KQ fuel surcharge YR/YQ as a consequence of the modification of the Validating Carrier (VC) of the fare quote will result in an ADM.

Below is the cost recovery scheme that KQ will employ in raising ADMs.

**COST RECOVERY SCHEME**

<b>Violations</b>	<b>Cost Recovery Fee (C)</b>	<b>Inventory Wastage Fee (W)</b>
Churning	US\$20 per segment, per pax	
Ticketing information (Fictitious, Speculative, Test or Training Bookings )	US\$20 per segment, per pax	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Unaccompanied minor	A penalty of US \$ 50 plus the applicable UMNR handling fee	
Booking and ticketing of infants	US\$10 per segment, per pax	A penalty of US \$ 50 per ticket plus suspension of both parent and infant ticket
Group Bookings	n/a	Penalties as per the groups’ policy per region.
No show segment for a void/refund Ticket	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Misplating subject to IATA resolution		<i>Misplating -carrier not permitted in this deal .The amount to be raised is based on the IATA rule Revenue Accounting Manual being the first applicable public fare</i> <i>Misplating -fare not permitted on KQ ticket stock .The amount to be raised is based on the IATA rule Revenue Accounting Manual being the first applicable public fare plus USD500.00 for misuse of KQ’s document..</i>
Inactive Segments	US\$10 per segment, per pax	
Duplicate bookings	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment

		Rest of the world- US\$ 330 per passenger per segment.
Creating multiple bookings for one passenger	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Waitlist segments- not removing inactive segments e.g UC/HX on PNRs upto 24hours to departure	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.	
Reservation Change- tickets used out of sequence.		The higher applicable fare for the travelled itinerary plus Penalty of USD 10 per segment
Passive Segments by non-BSP	US\$10 per segment, per pax	
Special fares		Difference between fare paid and first applicable public fare.
Minimum connecting time	US \$ 20 per segment per pax	USD 500 penalty plus any other costs that may arise such as Hotel Accommodation that maybe offered to the customer as a result of this inconvenience to customer

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