

Qatar Airways Policy on Agent Debit Memo (ADM)

Background

Qatar Airways considers you as our key partners in business. We seek your support and cooperation to effectively implement our policy on Agent Debit Memos (ADMs). Therefore, Qatar Airways would like to make its ADM policy transparent for all travel agents. You may already be well aware of the practices and fully compliant to the requirements but we wish to reiterate the points through a formal policy document. The purpose of this document is to make clear to agents all the circumstances under which ADMs will be raised.

Scope

This policy is applicable to Qatar Airways staff and agents selling QR inventory.

Distribution

Qatar Airways website: qatarairways.com

Travel Agents Worldwide

Legal Position

ADMs are a legitimate accounting tool being used by the Airlines to collect amounts or make adjustments to agent transactions related to the issuance and use of Traffic Documents. Alternative uses of ADMs may also exist: an ADM could also be issued for debits that are not directly related to Traffic Documents, e.g. deposits or penalties for group sales, Global Distribution System (GDS) or booking misuse, (etc).

Qatar Airways will raise ADM on a Billing and Settlement Plan (BSP)/Airline Reporting Corporation (ARC) stock holder or non BSP/ARC non stock holder participating agents on incorrect ticketing/reporting and other prohibited practices for bookings which are not made in compliance with Qatar Airways booking and ticketing practices, resulting in revenue leakage and loss of revenue opportunity. Where applicable, Qatar Airways have used specific references from the relevant International Air Transport Association (IATA) resolutions.

Travel agents obligations are described in IATA resolution 824, in which is stated that the agents should issue tickets in compliance with Carrier's fares, fare rules, general conditions of carriage and written instructions of the carrier to the agent (e.g. memo, circular, manual, etc). Airlines have the right to audit and send ADMs for all transactions that are not made in compliance with required booking and ticketing practices. Qatar Airways reserves the right to revise the amount and amend the ADMs issuance process. Unless the agent produces credible evidence, the agent owes the Airlines the amount shown on the ADM.

In cases where an IATA / ARC Agents chooses to have commercial relationship with non IATA / non ARC agents, this commercial relationship is fully the responsibility of the IATA / ARC Ticketing agent. The Ticketing agent is liable for malpractices involved and ADMs will be raised to the ticketing agent accordingly, regardless of their location. This includes:

- IATA / ARC Ticketing agents who issue tickets on behalf of a non IATA / non ARC where the booking has been made by the non IATA / non ARC agent. Such ADMs will be handled as per IATA resolution 850M.

Scope of ADM Issuance/Policy

Following matrix defines different violations or non-compliance practices which will result in the issuance of ADM i.e. a debit will be raised to the booking/ticketing agent. These violations include but are not limited to the following:

Table 1 - ADM matrix

Issue	Scope of Audit	Outcome	Penalty
Reservation Booking Designator (RBD) violation	Validation on booked vs. ticketed data where there is a mismatch between ticketed and booked RBD	Debit will be raised to Booking/Ticketing agent	Fare difference between ticketed vs. booked RBD

<p>Fare/salesviolation</p>	<p>Validation for the compliance of fare and sales conditions on all purchased tickets (e.g. advance purchase, agency applicability, add-on fares, blackout period, booking class, under collection of fare, booking flight condition, Other Airlines (OAL) carrier condition, routing, sale date validity, travel date validity/seasonality violation, stop over surcharge, upsellcharge for class upgrade, over-claim of commission, combination condition, min/max stay conditions, under collection of taxes and fees, weekend surcharge, child/infant discounts and all other special discounts, date of birth check, expiry of fare, Pricing Unit Concept (PUC), baggage allowance check, Carrier Identification Plate (CIP)/plating violation: abuse of CIP/plating conditions on QR/OAL plate where the fare rule/fare note does not allow to do so, regardless if the ticket is auto or manually priced.</p> <p>Note: The following oneworld fare products can be fully ticketed on the stock of oneworld carriers/members. Global Explorer oneworld Explorer Circle Pacific Circle Trip Explorer Circle Atlantic Circle Asia and South West Pacific Visit Africa</p>	<p>Debit will be raised to Booking/Ticketing agent</p>	<p>Fare/tax/commissiondifference</p>
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	<p>Visit Asia Visit Japan Visit Australia & New Zealand Visit Malaysia Visit South America Visit Europe Visit North America Visit Middle East Visit SASC Select a validating carrier which has ticketing agreements with all airlines in the itinerary.</p>		
Fare violation for tickets issued with open/request status	Validation on purchased tickets with open/request status where confirmed reservation is required	Debit will be raised to Booking/Ticketing agent	Fare difference to first higher fare where Wait List (WL) is permitted or fixed amount
Refund violation	Validation on documents claimed for refund, duplicate refund check.	Debit will be raised to Booking/Ticketing agent	Fare/tax/commission difference
Reissue violation	Validation on reissued documents	Debit will be raised to Booking/Ticketing agent	Fare/tax/commission difference
Travel audit	Validation on flown coupon vs. ticketed coupon (e.g. comparison between RBD on both coupons, flight number/flight date mismatch, ticketed vs. flown routing, collection).	Debit will be raised to Booking/Ticketing agent	Fare difference between flown RBD to ticketed RBD
Additional audit checks	Violation of which will result in the issuance of ADM: dual utilization, Miscellaneous Charges Order (MCO)/Prepaid Ticket Advice (PTA) over-utilization, utilization against void sales and unreported sales, identification of no show passengers and blocking the future utilization for non-refundable cases as well as conversion of fare collected against such cases into revenue,	Debit will be raised to Booking/Ticketing agent	Entire value of the ticket (violated sector)

	collection of no show charges for refund transactions where applicable, MCOs issued for class upgrades, Excess Baggage Ticket (EBT)/MCO issued for excess baggage, Passenger Name Record (PNR) check for min/max stay condition in case of e-tickets, materialization rate for group sales.		
ExcessiveChurning	Verification on agency rebooking a segment or segments canceled either by the agency or airline four (4) or more times in one PNR or across different PNRs.	Debit will be raised to Booking/Ticketing agent	To be invoiced if the total misuse cost is equal to or exceeds \$15 in any single audit month. The amount is subject to revision.
Duplicatesegments	Verification on agency created duplicate segments	Debit will be raised to Booking/Ticketing agent	To be invoiced if the total misuse cost is equal to or exceeds \$15 in any single audit month. The amount is subject to revision.
Other misuse	Verification on agency with other misuse involved, which includes: fictitious bookings, invalid day of operation, reject overrides, invalid flight number, invalid city pair, invalid booking class, invalid open segment, invalid waitlist class, and fake names. Segments cancelled within 24 hours of departure if charged to airline will be recharged to agent.	Debit will be raised to Booking/Ticketing agent	To be invoiced if the total misuse cost is equal to or exceeds \$15 in any single audit month. The amount is subject to revision.
Inactivebookings	Verification on agency bookings with segment status HX/UN/NO/UC/US etc. otherwise known as non-productive segments.	Debit will be raised to Booking/Ticketing agent	To be invoiced if the total misuse cost is equal to or exceeds \$15 in any single audit month. The amount is subject to revision.
Origin & Destination (O&D) violation	Verification on bookings that do not follow the O&D logic and other various practices used to manipulate the system to	Debit will be raised to Booking/Ticketing agent	Fixed amount of USD300 per passenger

	accept bookings made against the married segment logic.		
Hidden group	Verification on multiple individual ticketed PNRs created for large groups which expressly prohibited as against QR Group Policy and Procedures.	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
Minimum Connecting Time (MCT) violation	Verification on bookings that undercut required MCT	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
Fictitious names	Verification on bookings created with fictitious names	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
Dupe PNRs	Verification on duplicate PNRs	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
Dupe segments	Verification on duplicate segments	Debit will be raised to Booking/Ticketing agent	Fixed amount USD100 per segment per passenger
Speculative bookings	Bookings made when no definite passengers exists, in anticipation of possible sale	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
	Bookings created in higher classes that are released close to departure to make seats available in lower classes	Debit will be raised to Booking/Ticketing agent	Fixed amount USD300 per passenger
	Excessive waitlists	Debit will be raised to Booking/Ticketing agent	Fixed amount USD100 per segment per passenger
Illegal class mix	A booking made with an illegal combination of classes in order to secure space that is not then ticketed at the correct price	Debit will be raised to Booking/Ticketing agent	Fare difference to first higher fare where mix class is permitted
Combining negotiated space	Combination of negotiated	Debit will be	Fare difference between G

with free sale inventory	space (G class) with free sale inventory within one O&D without authorization	raised to Booking/Ticketing agent	class fare and RBD booked with free sale
Cross borderticketing	Ticket issuance in such a way it appears that the travel commences in a different country than is actually the case or containing flight segments not intended for use	Debit will be raised to Booking/Ticketing agent	Fare difference between fare purchased and the actual travel commences
Back to back ticketing / out of sequence used	The issuance or use of coupons from two or more tickets issued at round trip fares or the combination of two or more round trip fares end to end on the same ticket, for the purpose of circumventing applicable tariff rules, such as advance purchase and minimum stay requirements.	Debit will be raised to Booking/Ticketing agent	Fixed amount of USD300 per direction per passenger
Use of robotic macros/scripts	Use of robotic macros/scripts to perform availability functions within GDSs	Debit will be raised to Booking/Ticketing agent	Fixed amount of USD5 per hit
Baggageallowance	Verification on baggage allowance printed on the ticket vs. the actual allowance approved for applicable fares/Point Of Sales (POS)/deal code, etc.	Debit will be raised to Booking/Ticketing agent	Fixed amount of USD300 per passenger
POC (Point Of Commencement) violation	Creation of segment (s) not in the right booking sequence as per the journey passenger intends to travel, with the intention to circumvent QR inventory to obtain seats in RBD (s) which may have not been available when the same was requested.	Debit will be raised to Booking/Ticketing agent	Fixed amount of USD300 per passenger. This is the minimum amount Qatar Airways will be charging. It remains the airline prerogative to recover the fare difference where deemed necessary, between the RBD booked and next available RBD that should have been booked when the same was requested from the right availability / booking sequence.

ADM Issuance Process

In compliance with IATA resolution 850M:

- ADM will be raised on Qatar Airways traffic documents (157), issued by, or at the request of the agent, regardless of which airlines are included in the itinerary of the QR traffic document.

- Qatar Airways mandates 100% e-ticketing issuance. Where a paper ticket is issued, Qatar Airways may impose a charge that will be collected by ADM.
- To cover the cost of the audit process, Qatar Airways will levy for each ADM an administration fee of QAR25 (or equivalent amount in local currency), identifiable by the MF code. This charge will be reversed only upon full acceptance of the dispute for wrong ADM issuance by Qatar Airways. Qatar Airways reserves the right to revise administration fee with or without prior notification.
- An ADM may also be used as a means to collect penalty charge for each seat falling below the agreed materialization rate for group sales.
- Qatar Airways will endeavor to provide as much information as possible on an ADM to ensure it is specific enough about the reason a charge has been raised.
- ADMs will be issued for each specific transaction; however, more than one transaction can be included in one ADM if the reason for the charge is the same for the same agent.
- For GDS misuse, ADMs will be raised if the total misuse amount of the billable misuses, listed herein (Duplicate Cost, Churning Cost, Fake name Cost, Invalid Flight Number Cost, Inactive Bookings costs, Invalid Class of Booking Cost, Other Misuse Costs.), equals or exceeds USD Fifteen (\$15) in any single audit month. The amount is subject to revision.
- If Qatar Airways raises an ADM for non-compliance with fare rules, the general principle applied is to raise the fare to the next applicable fare.
- Qatar Airways will only issue more than one ADM in relation to the same original ticket, if different, unrelated charges apply. This does not apply when an ADM is cancelled and raised again for the same reason but for a different value.
- Qatar Airways will raise ADM via BSPLINK/ARC as per applicable BSP/ARC guidelines.
- Qatar Airways complies with respective local BSP/ARC procedures in providing agents with a minimum period of notice in order to review ADM raised and dispute it.
- To adjust refunds, an ADM will only be issued within nine months of the BSP remittance date on which the document was settled. For any charge due beyond this period, Qatar Airways will agree with the agent bilaterally the best settlement method.
- ADMs/ACMs may be processed through the BSP/ARC, for a maximum period of 30 days following default action taken against an Agent in accordance with IATA Resolution 818g, attachment "A", Section 1.0
- For any ADM issued through BSP/ARC link, the date of issue is considered as the date of receipt by the agent. A daily monitoring of ADMs through BSP/ARC link is highly recommended to the agents.
- For non BSP/ARC cases, the ADMs shall be circulated by respective Qatar Airways local office.

ADM Dispute

- Qatar Airways shall endeavor to handle rejected or disputed ADMs in a timely manner in compliance with applicable IATA resolutions and regulations. Where an agent has disputed an ADM within the latency dispute period provided the dispute was sent to the address notified on the ADM in question, Qatar Airways will endeavor to handle rejected or disputed ADMs in a timely manner in compliance with applicable IATA resolutions and regulations. The travel agent can dispute the ADM as per the "Latency period" applicable in respective BSP/ARC country/market practice.
- Qatar Airways shall examine the reasons for the dispute and approve where it is proved that the charge was wrong/not due and/or evidence to the contrary is provided.
- For any un-resolved disputes, Qatar Airways reserves the right to deduct the disputed amount from applicable Productivity Link Bonus (PLB).
- Qatar Airways expects travel agents not to dispute an ADM where the reason is valid and evidence to the contrary is not available and to raise all disputes as per applicable BSP/ARC guidelines. If the dispute is invalid or evidence to the contrary is not available, administration charge of QAR25 per ADM will be applicable.

Booking/Ticketing Agents' and Qatar Airways' Responsibilities

This section is to clearly define the role and expectations from Booking/Ticketing Agents as well as Airlines.

Booking/Ticketing Agents' Responsibility:

- Proper issuance of tickets, in compliance with Tariffs, Rules, General conditions of carriage and instructions provided by the Carrier. Travel Agent's obligations are described in IATA Resolution 824.
- Inform passengers, where required, that the Airline reserves the right to make inspections concerning the use of Traffic Documents and to demand, if needed, the payment of the difference between the fare paid and the applicable one. In case of refusal, the Airline reserves the right to deny board the passenger.

- Advise passengers that the Airline will honour every flight coupon only when correctly used, following the right sequence and from the point of origin as per fare calculation shown on the ticket. Any irregular use of ticket or flight coupons sequence will invalidate the entire Traffic Document.
- Re-issue ticket if changes pertaining to flight/date/booking class are made after ticket issuance and whenever the payment of a charge or a difference is needed. Ticket to be reissued irrespective of Additional Collection (ADC) or no ADC.
- Inform passengers that the Airline reserves the right to collect any difference in taxes implemented by the respective Government Authorities.
- Check passenger's eligibility for typological fares (e.g. Seaman, Resident and Government) or Tour Operator (TO) fares, before issuing a ticket and to inform the passenger that the proof of eligibility may be requested by the Airline at any time. The Airline reserves the right to settle with the customer or alternatively an ADM shall be raised on the Travel Agent (e.g. in case of passengers holding tickets with special TO fares without being eligible to travel with such fares).
- To train their staff in ADM procedures; their purpose and the dispute period that exists.
- To ensure that when an ADM is disputed, the response is specific in detail and the relevant supporting information is sent to Qatar Airways to the address indicated on the ADM.
- Not to dispute an ADM where the reason is valid and evidence to the contrary is not available.
- To raise all disputes as per BSP/ARC guidelines applicable.

Qatar Airways' Responsibility:

- Try to minimise irregularities in issuing/managing tickets through audits.
- Provide as much information and detail about the reason a charge is being made in order to ensure its accuracy.
- To avoid recurrence of irregularities, agree with the Agent concerned the most suitable corrective action if the volume and types of anomalies are deemed to be above average. Qatar Airways will attempt to address these issues bilaterally with the agent concerned.

Contact and Information Requests

All ADM disputes/requests for supporting/additional information should be addressed to the below mentioned email ID.

Email ID: revaudit@qatarairways.com.qa

The airline contact details provided in the ADM should not be used for any dispute communications.