

RJ – ADM Policy

Issuance Principle

1. ADMs are a legitimate accounting tool for use by airlines and should only be used to collect amounts or make adjustments to agent transactions in respect of the issuance/refund and use of the traffic documents issued by or at the request of the agent.
2. 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, Electronic Miscellaneous document reason of issuance (etc.).
3. These ADMs will be handled as per IATA resolution 850M.
4. Royal Jordanian will raise ADM on
 - a) A Billing and Settlement Plan (BSP)
 - b) Airline Reporting Corporation (ARC) stock holder
 - c) Non BSP/ARC non stock holder participating agents.
Incorrect document sales or refund reporting and other prohibited practices for bookings which are not made in compliance with Royal Jordanian booking and ticketing practices for all type of services, resulting in revenue leakage and loss of revenue opportunity. Where applicable, Royal Jordanian has used specific references from the relevant International Air Transport Association (IATA) resolutions.
 - d) Travel agents obligations are described in IATA resolution 824, in which is stated that the agents should issue/refund documents 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. Royal Jordanian 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.

Minimum Amount

The minimum amount fixed for the issuance of a single ADM is **5.00USD** (or equivalent amount in local currency), excluding administration taxes / fees / charges for which the debit memo may be of lower value as well. Differences that are lower than the amount above mentioned, related to more transactions of the same kind and with the same memo reason, may be included in one single ADM.

Administrative Fees

To cover the cost of the audit process, the Carrier will levy for each ADM a handling fee of **10.00USD** (or equivalent

amount in local currency) or **5% on document total for Credit Card tickets issued within market where specific Credit Cards are not acceptable**, identifiable by the MF code (malpractice fee). For charges which are lower than the minimum amount, included in one single ADM, the Carrier will apply only once the handling fee. This charge will be reversed only upon full acceptance of the dispute for wrong ADM issuance.

BSP processing of ADM

1. ADMs shall be processed through the BSP/ARC links if issued within 9 months of the final travel date. ADM referring to refund made by the agent shall be processed by the BSP/ARC within 9 months after such refund has been made by the agent. Any debit action initiated beyond this period shall be handled directly between the airline and the agent.
2. ADMs/ACMs may be processed through the BSP /ARC for a maximum period of thirty days following default action taken against an agent in accordance with resolution 818G, attachment A section 1
3. Any ADM related to a specific transaction only, and may not be used to group and related transaction together, however, more than one charge can be included in one ADM if the reason of the charge is the same, and a detailed supporting list is provided with the ADM.
4. Royal Jordanian 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.
5. 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.
6. For non BSP/ARC cases, the ADMs shall be circulated by respective Royal Jordanian local office.

Dispute

1. All rejected or disputed ADM will be handled by Royal Jordanian in a timely manner.
2. Except where otherwise agreed in a market, ADMs should not be used to collect third party cost not directly associated with the initial ticket issuance of passenger journey.
3. When the agent has used an automated pricing system to generate the total ticket price including the fare, taxes, fees and charges specific to the purchase, and subsequent issuance, of a ticket of a journey, and there has been absolutely no manipulation by the agent, on such price the ticketing system shall send a fare calculation mode indicator FCMI to the airline, in accordance with the provisions of IATA PSC resolution 722F and 722G, to identify automated pricing has been used. The airline shall insure the FCMI indicator is passed to an agent in the event an ADM is issued.
4. Royal Jordanian 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

Reason for ADM issuance

Violations	Cost Recovery Fee	Inventory Wastage
Churning	USD20 per segment, per passenger	
Fictitious, Speculative, Test or Training Bookings	USD20 per segment, per passenger	J/class: USD300 per segment per passenger Y/class: USD50 per passenger per segment
Group Bookings	USD20 per segment, per passenger	J/class: USD300 per segment per passenger Y/class: USD50 per passenger per segment
No show and cancellation twice or more within 24hours for a non-ticketed segment	USD30 per segment, per passenger	
Excessive Void/refund for Ticketed segment within 24hours prior departure	USD50 per segment per passenger	
Duplicate Bookings	USD10 per segment, per passenger	
Inactive Segments	USD10 per segment, per passenger	
Passive Segments by non-BSP	USD10 per segment, per passenger	
O&D violation and married segment breaking	USD300 per segment, per passenger	
Minimum/Maximum Stay	The difference between collected amount in the document and the Confirmed fare rules concerning minimum and maximum stay which being adhered to.	
Booking class	The difference between the actual amounts collected in the document and where fare paid matches the ticketed class.	
Advance purchase	The difference between collected amount in the document and confirming fare rules concerning advance purchase which being adhered to.	
Weekdays/weekend surcharges	Difference between the actual amounts paid and confirmed fare that ensuring correct surcharges have been applied.	
Flight requirements	Difference between the actual amounts paid and confirmed fare that ensuring that the fare rules permit the flights ticketed.	
Add-Ons	Difference between the actual amounts paid and confirmed fare that ensuring ticketed add-ons are correct.	
Child/Infant discounts	Difference between the actual amounts paid and confirmed fare that ensuring correct discounts have been applied.	
Other discounts	Difference between the actual amounts paid and confirmed fare that ensuring other discounts such as Senior Citizen, Students, Ships Crew. Etc have been applied.	
Missing Date of Birth on the ticket	Difference between the actual amounts paid and confirmed fare that ensuring that DOB is endorsed on the ticket if fare rule requires in case of senior citizen, youth, child, student and infant tickets.	
Stop over and transfers	Difference between the actual amounts	

	paid and confirmed fare where the stopover & transfers are only taken when permitted and the relevant surcharges have been applied.	
Incorrect Carrier combinations	Difference between the actual amounts paid and confirmed fare allows the use of a mixture of carriers to certain destinations, that checks are made to ensure the correct carriers, and classes are used.	
Commission	Difference between the commission amounts collected in the document and correct commission that should be applied according to the commission table on that area.	
Tax	The difference between the actual collected tax in the document and the correct taxes should be paid for <ul style="list-style-type: none"> - The journey ticketed or - Document issued for tax collection reason. 	
Form Of Payment restriction	The whole document amount should be charged.	
Open Jaw/Backhaul/Circle Trip Minimum	Difference between the actual amounts paid and confirmed fare that ensuring that open jaw fares are applied correctly/ Ensuring that a backhaul check has been made to all one way fares with a HIP, on IATA fare construction/ Ensuring that a Circle Trip Minimum check has been made to all circle trips fares including a HIP on either the outbound or return sectors of the itinerary, on IATA constructed fares.	
Round the world minimum	Difference between the actual amounts paid and confirmed fare that ensuring the round the world minimum check has been applied to all the IATA constructed round the world fares.	
Fare combination	Difference between the actual amounts paid and confirmed fare that ensuring that the ticketed fares are combinable.	
Routing	Difference between the actual amounts paid and confirmed fare that ensuring the correct routing has been applied as per the fares rules.	
Baggage allowance	- Difference between the actual amounts paid and Confirmed fare that ensuring that correct baggage allowance is used when ticketed. - Or the excess baggage charges will apply.	
Penalty of refund, change reservation no-show not collected	ADM amount will be the penalty amount. In case two penalties applied on same ticket the higher one to be collected	
Cancellation	ADM will be with the correct cancellation fee or percentage that should be charged.	
Commission	ADM will be with the commission at the correct rate is repaid on any refund, or refundable portion, of a fare or on a cancellation charge.	

Duplicate	In case of refund of documents are duplicated including conjunction tickets the ADM will be raised with the duplication amount.	
Full Refund on partly used ticket	The difference amount between the actual refunded amount and the correct amount of refund that must be calculated on partly used tickets or documents.	
Correct Plating Carrier	Full amount refunded will be raised.	
Issuing Agent	Full refunded amount will be raised in case refunded is not being processed by the original issuing agent.	
Credit Card	Full refund amount will be raised.	
IATA Fare Construction	The difference between the refunded amount Re-constructing IATA published fares to ensure the correct value is refunded.	
Tax refund	The difference between the taxes refunded and the correct taxes to be refunded.	
Exchanges refund	Ensuring exchanges have been calculated correctly.	
Surcharges Refund for Non-Refundable tickets	The full amount of surcharges will be raised.	
Surcharges Refund on Refundable tickets	The difference between refundable amount of surcharges and the correct amount of surcharges to be refunded.	