



## CHINA AIRLINES / MANDARIN AIRLINES AGENCY DEBIT MEMO POLICY

China Airlines / Mandarin Airlines is herewith publishing its ADM (Agency Debit Memos) Policy in accordance with IATA Resolution 850m. The purpose is to make clear the circumstances under which ADM will be issued and to highlight the guidelines that CI will apply. ADM may be issued for any type of violation but not limited to ticketing and booking. More than one ADM may be issued to same ticket for different reasons.

This ADM policy is valid from Dec 1, 2020 until further notice.

### 1. General

CAL will raise ADMs to collect amounts or make adjustments to agent transactions in respect of the issuance with CI plate (297) and use of BSP Standard Traffic Documents in ticketing/EMD, reissues and refunds in accordance with IATA Resolution 850m. When penalty charge is clearly mentioned, we issue ADMs based on the amount.

### 2. Violation of ticketing and refunds

- If the fare, taxes and fees are under collected.
- If commission, which is not applicable, is taken.
- If refund rules are not followed.
- If the fare rule is broken in any way, e.g. min/max stay, stopovers, penalties, changes etc.
- If a ticket is not reported to CI or if it is not paid.
- If the fare calculation line is not in accordance with IATA ticketing rules.
- If the fare basis or IT code is incorrect.
- If fare, taxes and fees are not in the appropriate box, e.g. taxes and fees inserted as fare and so on.
- Credit card fraud: If CI is debited by the credit card acquirer for fraudulent activity related to an Agent ticket, CI will charge the Agent for all the cost in accordance with IATA resolution 890.
- If Agents use the credit card (CC) and commission box when it is not allowed according to the local CC agreement if applicable
- If there is a ticketing error which is due to incorrect information in the GDS, CI will issue the ADM to the Agent and the Agent will then have to claim the

money from the GDS. This does not apply if CI has loaded the incorrect information to the GDS's;

- Others.

### 3. Violation of booking

When the corresponding action is detected, ADM will be issued according to the amount specified for each item.

CAL Booking Policy	Item	Description	Penalty Charge (per segment per pax)
Article 1	Duplicate Bookings	For booking multiple seats on the same or conflicting flights on single or multiple PNRs for a same passenger.	USD 10 for duplicate
Article 2	Churning	For repeatedly cancelling/booking same itinerary in the same or different classes on one or more PNRs without ticketing by ticketing time limits.	<p>USD 10 for Churning in Excess of 5 times</p> <p>The penalty charge will be calculated as follows:</p> <ul style="list-style-type: none"> <li>➤ 4 times: (4-4) times X USD 10 = USD 0 (no penalty)</li> <li>➤ 5 times: (5-4) times X USD 10 = USD 10</li> <li>➤ 6 times: (6-4) times X USD 10 = USD 20</li> </ul> <p>So on and so forth</p>
Article 3	Married Segment Control Violation	For intentionally breaking Married Segment Control.	<p>USD 200</p> <p>+ Fare difference to the highest applicable fare of the respective cabin class + ADM fee</p>
Article 4	Fictitious Booking	To use a pseudonym to book an unintended flight segment or training purpose etc.	USD 10

Article 5	Secure Flight Passenger Data	For failure to register SFPD required by U.S. Transportation Security Administration (TSA), without entering or deliberately entering false information	USD 40
Article 6	Discarding Unused Segments	For failure to remove non-ticketed unused segments (HX, UN, UC, NO, SC, TK, US, PN, HL, or WK etc.) more than 24 hours prior to flight departure.	USD 10
Article 7	Discarding Passive Segments Not Used for Ticketing	For failure to remove passive segments (GK, PK, YK, DS etc.) not used for ticketing more than 24 hours prior to flight departure.	USD 10
Article 8	PNR Claim	For processing PNR claim which is not approved by CAL.	USD 10
Article 9	Passenger contact information	For failure to register Passenger contact information required by country of travel.	USD 10

#### 4. Processing of ADMs and Opposition Procedure

- Administration fee : "Administration fee" is levied on per ticket basis: Fixed rates in commonly used currencies:  
USD25/TWD750/HKD200/CNY170/CAD35/AUD35/NZD38/KRW30,000/  
JPY2,700/EUR22/GBP20. Other currency : A fixed rate of USD25 or the equivalent rate in local currency using the BSR (Bank Selling Rate) effective on the ADM issuing date.
- ADM amount : If the fare, taxes or fees are under collected the ADM amount will reflect the difference between the applicable amount that should have been charged and what was actually collected. In case the correct amount was collected but the ticketing rules were not followed an ADM administration fee will be issued per ticket.
- ADM waive principle:

- If the ADM is issued due to "the local BSP does not open credit card transactions" or "passenger refuses to pay", the administrative fees are exempted because it is not the agent's responsibility.
  - According to the IATA Resolution 850m, if an ADM is cancelled due to its issuance in error, the relevant administrative fee shall also be cancelled or refunded. Therefore, when an ADM is cancelled due to its issuance in error or the reason behind the ADM issuance is not attributable to agent, the administrative fee may be written off simultaneously.
- ADM settlement:
    - BSP: The settlement of an ADM will be done through BSP if the ADM is issued within 9 months after the last travel date. ADM' s referring to refunds made by Agents shall be processed through BSP within 9 months after the refund has been made by the Agent. After this date, payment will be settled between the Agency and the Airline directly.
    - The ADM will be automatically processed in the first available billing period after the dispute period has ended. Alternatively, the first available billing period following a dispute by the Agent and subsequent rejection of dispute by the Airline. The dispute period is 15 days.



## CAL Booking Policy

China Airlines has established CAL Booking Policy to offer passengers a greater number of seats. We appreciate your observance of our policy for reserving, booking or ticketing air transportation on all CAL group flights. CAL establishes this policy based on IATA resolution: 824,3.3.1, 824,3.3.2 and 830a. For GDS/CRS/NDC practices that are considered a violation, CAL reserves the right to issue ADMs and charge penalties to IATA ticketing agencies, demand compensation for damages due to abusive bookings to non-IATA agencies, cancel all abusive bookings and cease any agencies access to view, book and do ticketing through GDS/NDC terminals.

IATA ticketing agencies are responsible to manage/supervise their sub-non-IATA agencies for not violating booking policies and are subject to receive ADM for their sub-non-IATA agencies' misconduct.

This Booking policy is valid from DEC 1, 2020 until further notice.

### **Article 1: Duplicate Bookings**

The same travel agency re-orders for the same or different booking classes and the number of times with the repeated booking method (including HK/HL). If the number of times is up to 5, the overlocking transaction management will be charged according to the number of overlocking of the reservation record.

### **Article 2: Churning**

Avoid repeatedly cancelling and rebooking the same itinerary to circumvent the ticket time limit or for any other reason.

### **Article 3: Married Segment Control Violation**

Please do not willfully split or dissolve O&D itineraries linked by Married Segment Control (defined by IATA 1777.1.1.2).

- All reservation, fare calculation and issuance of ticket needs to be done as unit of O&D itinerary.
- In case of changing the itinerary (adding or cancellation of segment), cancel all O&D itinerary and re-book the new O&D itinerary.

- In case of detecting Married Segment Control violation, we will require cancellation of the booking or instruct for rebooking in correct ways. Please also be aware that measures may be taken to stop future bookings.

#### Article 4: Fictitious Bookings

Please make reservations under the name of the actual passenger who will be boarding the flight. Agencies can create a test or training PNR only in the training mode of a GDS provider. Creating any fictitious bookings including testing or training bookings other than in training mode of a GDS is not permitted.

#### Article 5: Ensure to Input CORRECT Secure Flight Passenger Data

SFPD is required by the government depending on the destination. Please input CORRECT SFPD into the PNR prior 72 hours before departure.

#### Article 6: Discarding Unused Segments

Please cancel any segments that will remain non-ticketed and unused (HX, UN, UC, NO, SC, TK, US, PN, HL, WK, etc.) more than 24 hours before departure.

#### Article 7: Discarding Passive Segments not used for Ticketing

Please remove passive segments (GK, YK, DS, etc.) not used for ticketing more than 24 hours before departure.

#### Article 8: PNR Claim

Please do not process PNR claim which is not approved by CAL in order to change the PNR owner.

#### Article 9: Ensure to Input Passenger Contract information

Customer contract information is required by the government depending on the destination. Please input SSR CTCE/CTCM elements into the PNR prior 72 hours before departure.