

# Quick Reference Guide for Travel Agents

## Agent Debit Memo (ADM) Policy of Pegasus Airlines



## Table of Contents

Introduction .....	2
General Information regarding Pegasus’s ADM policy .....	3
ADM Policy .....	4
Fare violations .....	4
Commission violations .....	5
Service Fees, Surcharges and Taxes .....	5
Refund violations .....	5
Exchange violations.....	5
Ticket Related.....	5
No-show .....	5
A no-show occurs when e.g. a passenger misses the plane or when a Travel Agent fails to cancel a booking, ticketed or un-ticketed, .....	5
In case of no-show ticket all taxes are refundable except YR/YQ.....	5
Uncollected change fees .....	6
Mishandling of Schedule changes.....	6
Other violations such as but not limited to .....	6
Overview dispute procedure.....	6
Churning .....	6
Duplicate .....	7
Inactive segments .....	8
Fraudulent, fictitious, or speculative bookings are forbidden.....	8
Cancelling Reservations .....	8
Name changes.....	9
Restricted Credit Cards .....	9
Restriction of Credit Cards Issued in Russia .....	10
Role of the travel agent – how to prevent ADMs and keep the related efforts to a minimum .....	10
Implementation Date .....	11
Agent Credit Memos (ACMs): .....	11
IATA resolutions supporting the Pegasus Airlines policies stated in this document .....	11

## Introduction

In an effort to eliminate unnecessary cost and effort for you as an agent and to offer our customers the best possible service and availability, Pegasus Airlines carefully reviews all reservation activity, at the same time addressing avoidable GDS costs.

This document shall provide you with a transparent overview of the circumstances under which an ADM will be issued and explain the guidelines that Pegasus applies to ensure the proper issuance of tickets, in compliance with tariffs, rules, general conditions of carriage and other instructions provided by Pegasus, IATA and the GDS.

Infractions made and/or not corrected will result in an Agency Debit Memo (ADM), as per IATA-Reso 850m.

Please take a moment to review the booking and ticketing practices listed and explained below.

## General Information regarding Pegasus's ADM policy

Pegasus audits every booking with a PC segment and 100% of tickets validated on 624 PC ticket stock. This is in order to ensure the highest level of policy compliance and to provide equal and fair treatment to all agencies.

ADMs are issued for ticket-, PNR- and/or booking related transactions. This includes previously made reservation transactions and ticket usage.

If Pegasus raises an ADM for non-compliance with fare rules, the general principle applied is to raise the fare to the next applicable fare. Any divergence from this principle and for non fare related ADMs (e.g. a fixed amount for changes to the ticket) is communicated to the agent in advance, e.g. through notes in the fare rules.

Pegasus issues ADMs within 9 months after the last date of travel and makes all efforts to issue them quickly and accurately. However, in certain cases Pegasus reserves the right to issue an ADM for up to 9 months, e.g. if a fully flexible ticket is first rebooked and then refunded at the end of the limitation period.

For better overview Pegasus includes only one ticket on an ADM; there are no multiple ticket ADMs.

Pegasus endeavors to provide as much information as possible on an ADM to ensure it is specific in its detail about the reason why a charge is made.

Pegasus does issue ADM's for all amounts.

Pegasus collects an administration fee of 20 EUR for the issuance of each booking-, fare- and commission-related ADM. The administration fee for tax-related ADMs is 10 EUR.

This fee is to cover the cost of the audit process and will be issued as part of the memo.

In case of credit card charge backs, Pegasus collects an administration fee of 45 EUR.

ADMs are used by Pegasus to adjust the amount collected on agency transactions, on Pegasus travel documents, to the correct amount of said transaction. An ADM may also be used to collect amounts where a traffic document has not been issued, if agreed with the agent, e.g. for deposits for group sales.

Types of ADMs issued by Pegasus include, but are not limited to:

## ADM Policy

### Fare violations

- Incorrect fare application and combinability (e.g. routing or sales restrictions)
  - Incorrect fare value (under collection)
  - Minimum / maximum stay, advanced purchase rules
  - Seasonality, flight applications
  - Codeshare flights not allowed
  - Stopovers, transfers and surcharges
  - Incorrect RBD (booking class), on PC and on other Airlines
  - Incorrect Fare Basis
- Open or waitlisted sectors (where reservation is required)

A fare and tariff is only guaranteed when the fare was auto-priced by the system and the ticket was issued with ticket number, based on confirmed flights and ticket reported in ARC/BSP autopriced and stored but not (yet) ticketed fares are subject to any price change. The ticketed fare remains guaranteed up to a voluntary first flight and/or itinerary change.

Any change needs observation of the corresponding fare rule, which also applies to taxes which need to be reassessed in case of reissue/rerouting before departure.

**Important:** Please note that entering a ticket designator and / or tour code does not inhibit the autopricing function! This is a – very common – misperception. The autopricing does work and the fare is automatically stored. What really happens is that a little “flag” is set in the ticket, indicating that the ticket has been “manually manipulated”.

With this indicator, the GDS fare guarantee will not be honored by the GDS. However, as long as the fare and other amounts are calculated correctly no ADM will be issued!

PC does not give out any override of any fare violations via any remarks in a PNR.

### Commission violations

- Incorrect application
- Over-collection of commission (standard & supplementary)
- Discounts (e.g. seamen fares)

### Service Fees, Surcharges and Taxes

- Incorrect collection of taxes and surcharges
- Missing taxes/surcharges
- Wrongly altered taxes/surcharges
- Already used taxes refunded by mistake

### Refund violations

- Incorrect calculation of refund amount, taxes and fuel
- Incorrect application of cancellation penalty (e.g. in case of no-show)
- Incorrect calculation of refunds commission amount
- Incorrect form of payment on refunds (versus sale)

### Exchange violations

- Missing rebooking fee (calculated per transaction)
- Missing fee in case of name change/correction

### Ticket Related

- Ticket was voided but used
- Ticket was voided but PNR not cancelled within 24 hrs and before departure of the flight
- Ticket amount was subject to a chargeback but subsequently used

### No-show

A no-show occurs when e.g. a passenger misses the plane or when a Travel Agent fails to cancel a booking, ticketed or un-ticketed,

In case of no-show ticket all taxes are refundable except YR/YQ.

## Uncollected change fees

By changing a flight in a passenger booking record, the corresponding e-ticket shall be fare and flight adjusted within that change transaction. That guarantees an effective customer service with smooth check-in before flight departure and at the same time prevents the flight bookings from being cancelled due to ticketing deadline control. **Important:** A flight change transaction performed without e-ticket adaptation for e.g. fare adjustment and/or change fee collection will become subject to ADM.

Please note that based on the applying fare rule(s) a change fee may need to be collected for each change – even if the ticket is not reissued every time! In case of non-observance an ADM will be raised to collect the applicable change fees as per the fare rules.

## Other violations such as but not limited to

- Invalid / no ticketing agreement
- Use of fake / manual ticket numbers
- Invalid or incomplete ticket designator data
- Non compliance with group agreements
- Charge backs and unreported tickets

## Overview dispute procedure

An agent can dispute an ADM issued by Pegasus Airlines via BSP Link, within 14 days after issuance in accordance with IATA Reso 850m.

Pegasus will handle rejected or disputed ADMs in a timely manner. The dispute will be reviewed within 30 days of receiving it.

If Pegasus rejects the dispute, an explanation for the rejection will be sent to the agent via ARC Memo Manager or IATA BSP Link.

## Churning

Churning refers to any repeated booking or canceling of the same itinerary in the same class or different classes of service across one or more passenger name records or GDSs

including, without limitation, to circumvent or extend ticketing time limits, hold inventory or to meet GDS productivity requirements.

The above practices are strictly prohibited and if identified, will be invoiced on a per segment basis and could potentially incur very high invoice amounts.

Any passenger booking seen 5(five) or more times per booking will be liable for cancellation of all existing bookings, with appropriate cost recovery and penal action from the sixth cancelation. "Churning" is not permitted for any reason including, without limitation, to circumvent or extend ticketing time limits, to hold inventory, or to find a fare, or carry forward special remarks from one itinerary to another.

## Duplicate

Travel Service Provider must not create a Duplicate Booking for any reason, or duplicate any reservation booked by another agency or that exists in another CRS/GDS internal. It is the responsibility of the Travel Service Provider to determine if the customer already made a reservation.

All duplicate bookings generated by a single GDS or multiple GDSs subscriber are prohibited, including:

Multiple itineraries for any number of passengers with the same passenger name, whether identical itineraries or not reserving one or more seats on the same flight or different flights for the same time frame, regardless of the class of service or format used to make the reservations,

Additionally, creating a reservation where it is logically impossible to be used on each segment created across one or more PNRs or GDSs is not permitted. Examples of fee application related to Duplicate Segments.

Violations at 10 EUR will now be billed at the per segment level and not at the passenger per segment level. A segment will be billed at 10 EUR per segment regardless of whether there are 1 or more passengers in the segment.

Examples below detail how the 10 EUR per segment fee is calculated:

- ✦ PNR Examples of duplicate segments within the same PNR
- ✦ PNR Examples of duplicate segments across PNRs within the same IATA number
- ✦

All duplicate bookings generated by a single GDS subscriber are prohibited, including:

- ✦ Multiple itineraries for any number of passengers with the same passenger name, whether identical itineraries or not
- ✦ Reserving one or more seats on the same flight or different flights for the same time frame, regardless of the class of service or format used to make the reservations
- ✦ Creating bogus reservations where it is logically impossible for travel to take place
- ✦ Duplicates created within the same PNR or through the creation of multiple PNRs

### Inactive segments

When a reservation is affected by a schedule change, ticketing time limit action, flight cancellation or any other circumstance, Pegasus Airlines sends a notification directly to the original booking agents GDS queue. This notification communicates the change and directs the booking agent to accept the changes in the passenger name record (PNR) and remove the inactive segments.

Changes to itinerary segment status resulting in inactive segments require action at least 24 hours prior to departure. This includes cancelling ticketed or un-ticketed segments with a status code of UN, UC, NO, HX, WK, WL, or WN.

### Fraudulent, fictitious, or speculative bookings are forbidden

These are defined as reservations where a booking is entered into a GDS regardless of input codes, using fictional or fabricated names, with no intent for travel and is not directly related to a request from a passenger to purchase a ticket.

Additionally, creating such PNRs to hold or block reservations due to expected demand, customer indecision, or for any reason including, without limitation, to circumvent any of Pegasus Airline's fare rules or policies is not permitted. Travel Service providers must not create any fictitious, testing or training bookings in the live GDS environment. Such action blocks airline seats from sale.

### Cancelling Reservations

Cancelling and rebooking of the same itinerary in the same or different classes of service across one or more PNRs or GDSs to

circumvent or extend ticketing time limits is not permitted. As defined by Pegasus Airlines instances of 5(five) or more transactions per booking and/or more than 3 PNRs - i.e. book-cancel-book-cancel etc. - are monitored closely to detect churning cases.



## Name changes

Pegasus ; General rule: The full name (according to travel document, e.g. passport) and title of each passenger must be entered at the time of booking. Name change is not permitted. A name change means that the person travelling is replaced by another person. Changes of family name or firstname are thus not permitted within the same PNR. Hence if a change is needed it is considered as a new booking, thus the original PNR must be cancelled and a new PNR must be created, based on current availability. The original unused ticket may be refunded according to fare rules and a new ticket is to be issued as per the actual applicable fare.

## Restricted Credit Cards

Specific type of credit cards have been prohibited from purchasing on 624 PC stock. Prohibited credit cards can be checked from below BIN's. BIN (Bank Identification Number) refers to first six digits of credit card.

Prohibited BIN's									
222933	517384	521666	528056	531729	537681	549732	553508	553566	556107
222934	517385	522412	528075	531794	537742	552458	553509	553568	556592
511162	517386	522438	528189	531923	538015	552516	553510	553570	556625
511689	517387	522799	528190	532123	538090	552562	553518	553572	556852
512310	517388	522981	528191	532150	538151	552585	553521	553575	557093
513081	518623	524225	528192	532218	538163	552766	553536	553577	557659
513082	519027	524744	528193	532278	539162	552774	553538	553580	557750
513083	519050	525322	528194	532779	539220	552779	553539	554381	557898
513796	519315	525344	528195	532941	539593	552788	553541	554756	558068
514796	519524	525345	528219	533033	539671	552905	553542	555076	558678
515757	519763	526142	528232	533039	539953	553183	553543	555110	558709
516146	520311	526154	528802	533144	540245	553185	553544	555111	558718
516404	521356	526156	529015	533163	540350	553397	553545	555113	558719
517204	521539	526171	530062	533165	540542	553408	553546	555270	558731
517205	521540	526800	530664	533510	540545	553411	553547	555274	558734
517233	521541	527154	530788	534446	541885	553412	553549	555277	558736
517234	521542	527252	530855	534651	542312	553459	553551	555278	558754
517246	521543	527264	530930	534670	542348	553480	553552	555279	558764
517247	521544	527273	530958	535823	542712	553497	553553	555296	558773
517248	521545	527299	531007	536105	542981	553502	553554	555443	558798

517249	521546	527547	531387	536384	543298	553503	553556	555558	558949
517264	521547	527548	531388	536489	543824	553504	553558	555641	559941
517381	521548	527704	531710	537034	544608	553505	553560	555702	559960
517382	521549	527733	531713	537064	545283	553506	553562	555797	559978
517383	521550	527741	531726	537648	549430	553507	553564	555880	

### Restriction of Credit Cards Issued in Russia

Due to the restrictions imposed by credit card companies, all transactions initiated with credit cards issued in Russia will not longer work, therefore amount will not be collected in case an issuance of tickets and ancillary services.

With the result of successful issuance of tickets and ancillary services by credit cards issued in Russia, full amount of product will be collected from related agent through debit memo.

### Role of the travel agent – how to prevent ADMs and keep the related efforts to a minimum

With this document, Pegasus has provided a comprehensive and transparent overview of the reason for and cases in which ADMs will be issued. Detailed and up-to-date information is made available via. Also travel agents are welcome to contact their Pegasus Airlines contact person in case of doubt.

Pegasus counts on you as a valued travel agent partner to:

- . Train agency staff in correct ticketing procedures to avoid ADMs and also educate them about ADM-related processes
- . Ensure that when an ADM is disputed, the response is specific in detail and the relevant supporting information including contact details are provided
- . To raise all disputes within the ARC dispute period (according to Resolution 850m) . Not to dispute an ADM where the ADM reason is valid and evidence to the contrary is not available
- . Notify Pegasus of any ADM that is in question with a GDS. Pegasus Airlines will suspend collection efforts for up to 90 calendar days - after this period, the Agent must pay the ADM and seek reimbursement from the GDS
- . Pay their ADMs on time (payments are due within 30 calendar days of ADM issuance, unless in dispute; disputes are due within 60 calendar days from the ADM issue date):

Pegasus reserves the right to inhibit an Agency's ability to view, book and ticket Pegasus inventory and/or terminate the Agency Compensation Agreement, due to frequent violations of the booking & ticketing policy and/or failure to pay any outstanding fee(s).

Booking Policy	Cost Recovery Fee Charged ( in EUR)
Fare violations	fare difference between ticketed vs. Booked RBD + admin fee for fare ( 20 € )
Commission violations	fare / tax comission difference admin fee for fare ( 20 € )
Service Fees, Surcharges and Taxes	fare / tax difference + general admin fee for fare ( 5 € )
Refund violations	fare / tax difference + admin fee for fare ( 20 € )
Exchange violations	fare / tax difference + admin fee for fare ( 20 € )
Uncollected change fees	fare / tax difference + admin fee for fare ( 20 € )
Churning	10 € per segment + general admin fee
Duplicate	10 € per segment + general admin fee
Inactive segments	10 € per segment + general admin fee
Fraudulent, fictitious, or speculative bookings are forbidden	10 € per segment + general admin fee
Cancelling Reservations	10 € per segment + general admin fee
Restricted Credit Cards	5 € per ticket + admin fee for fare ( 20 € )
<b>General Admin Fee</b>	5 € per segment
<b>Administrative fee each ADM for fare</b>	20 € per segment
<b>Administrative fee each ADM for chargeback</b>	45 € per segment

## Implementation Date

This policy will be effective 01-04-2019 and replaces all other Booking and Ticketing Policies in place before and remains valid until further notice.

## Agent Credit Memos (ACMs):

The above also applies for ACMs (Agency Credit Memos) with the exception that there is no general ACM-fee applied.

The time limit to dispute an ACM in BSP Link is 7 days for ACMs while it is 30 days for ADMs.

## IATA resolutions supporting the Pegasus Airlines policies stated in this document

Please note that all defined terms in the following IATA Resolutions shall have the meaning as mentioned/defined in the respective IATA Resolution.

In reference to the **IATA Resolution 824, §3.1** the agent is authorized to sell air passenger transportation on the services of the carrier and on the service of other carriers as authorized by the carrier. The sale of air passenger transportation means all activities necessary to provide the passenger with a valid contract of carriage etc.

**IATA Resolution 824, §3, 3.2:** All services sold pursuant to this agreement shall be sold on behalf of the carrier and in compliance with carrier's tariffs, conditions of carriage and

the written instruction of the carrier as provided to the agent. The agent shall not vary or modify the terms and conditions set forth in any Traffic Document used for services provided by the carrier, and the agent shall complete these documents in the manner prescribed by the carrier.

**IATA Resolution 852:** Selection of validation carrier, for the issuance of documents on behalf of the carrier and in compliance with the carrier's validation principle; the agent shall comply with the instructions issued by the ARC and the ticketing carrier in relation to the issuance and reporting of electronic tickets.

**IATA Resolution 890, §1- 4:** The agents shall comply with the resolution and instructions issued by the ARC Manual and the ticketing carrier in relation to acceptance of cards.

**IATA Resolution 049x,** Fare Changes, resolved that,

1. Transportation shall be subject to the fares and charges in effect on the date, on which full payment is made, for travel on the specific dates and journey shown on the ticket.
2. Provided no voluntary change is made to the originating flight, no increase in fare effected through a change in fare level, a change in conditions governing the fare, or cancellation of the fare itself, shall apply.
3. In the event of a voluntary change to the originating flight, the fares and charges for the passenger's journey shall be recalculated in accordance with the fares and charges in effect on the date on which the change is made and is reflected on the ticket.
4. In the event payment is made prior to confirmation of reservations for the originating flight, the fares and charges for the passenger's journey shall be recalculated in accordance with the fares and charges in effect on the date on which the confirmation is made.

**IATA Resolution 830a, §1:** Practices such as listed herein, in other applicable Resolutions, or in carriers written instructions, but not limited thereto, violate the governing conditions referred to above. They can result in action being taken, e.g. charging the agent with the difference between the fare applied and the fare applicable to the service in accordance with Member's tariff.

**IATA Resolution 838:** change of traffic documents by agents is only allowed when authorization of the airline has been given.

