



SIS Passenger Rejection Analysis (Jan - Mar 2016)

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1. Method of measuring progress on the volume of rejections raised:

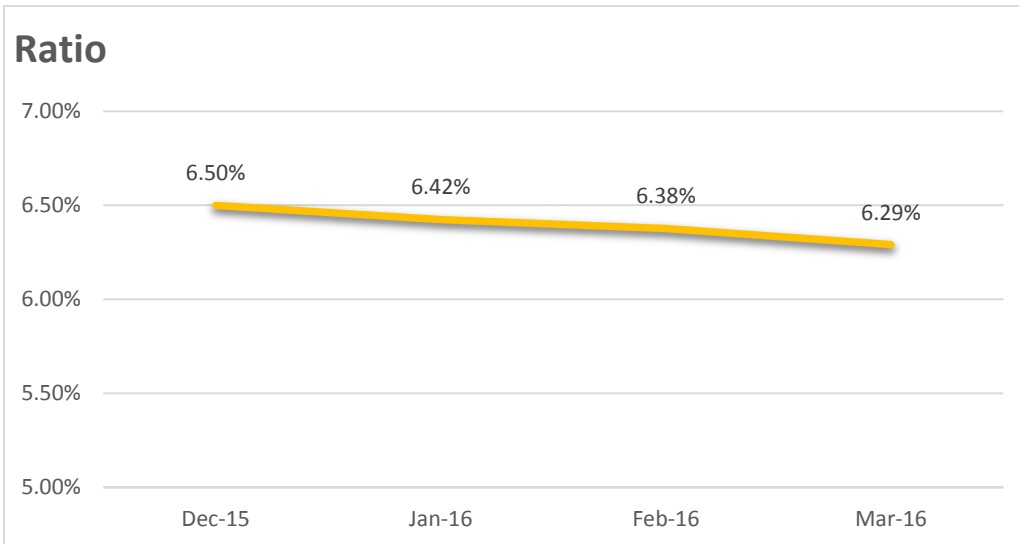
To obtain an estimate on the percentage of Prime billings rejected during a given period of time, the ratio of the sum of 1st stage rejections to the sum of prime billings submitted has been considered.

- The sum of Stage 1 rejections for 12 months over the sum of prime billings submitted during the previous 12 months:

$$\frac{\text{Sum of Stage 1 RMs of past 12 months}}{\text{Sum of Prime Billings of past 12 months}} \times 100\%$$

- Example:

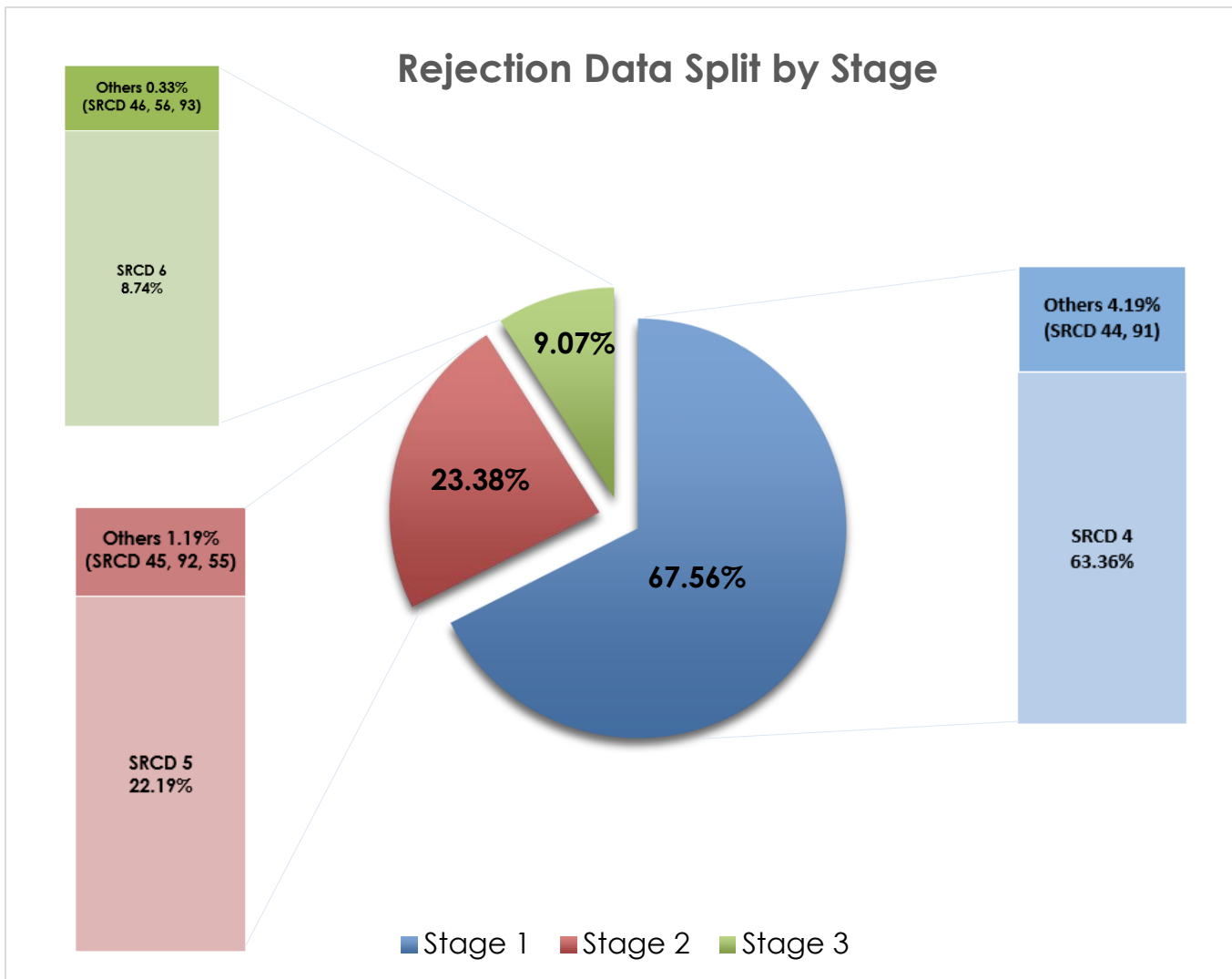
$$\frac{\text{Sum of Stage 1 RMs of Mar 2015–Feb 2016}}{\text{Sum of Prime Billings of Mar 2015–Feb 2016}} \times 100\% = \frac{8,774,486}{137,598,309} \times 100\% = 6.38\%$$



- Graph based on data from billing months January 2015 to March 2016.
- Dec 2015 is taken as the base. It takes into account the volumes processed for the entirety of 2015.
- As tracking of RM data started in 2015 and the formula considers the past 12 months, we are unable to provide a ratio for months before Dec 2015.

Note: All values in this document exclude SMI-A.

2. Global Rejection Analysis



➤ Graph based on RM count for billing months January 2016 to March 2016.

Q1 2016 - Rejection Memos Count and Value by Month

	Jan 2016	Feb 2016	Mar 2016	Total
RM Count	943,793	1,000,224	972,395	2,916,412
USD Amount (Mill)	\$ 131.03	\$ 129.10	\$ 129.20	\$ 389.32

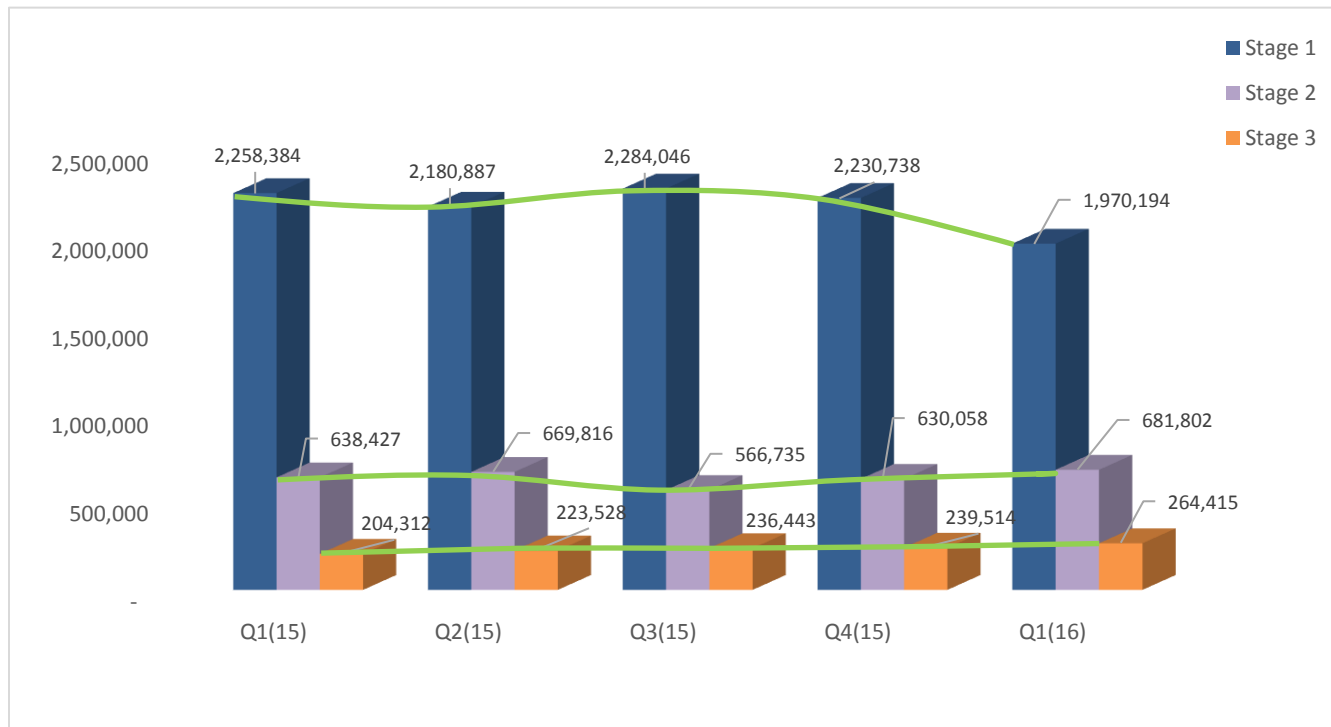
➤ In comparison to Q1 2015 (Jan - Mar 2015), the total Rejection Memo count has decreased by 6%, while the total amount has decreased by 8%.

Average Rejection Memo Count and Value Comparison - Split by Stage

Stage	Avg. RM Count Jan - Mar 2016	Avg. RM Count Jan - Dec 2015		Avg. RM USD Amount (Mill) Jan - Mar 2016	Avg. RM USD Amount (Mill) Jan - Dec 2015	
Stage 1	656,731	746,171	↓	\$ 79.90	\$ 102.15	↓
Stage 2	227,268	208,753	↑	\$ 31.07	\$ 28.04	↑
Stage 3	88,138	75,316	↑	\$ 18.81	\$ 14.11	↑
Total	972,137	1,030,241	↓	\$ 129.77	\$ 144.30	↓

- In comparison to 2015, the average first stage rejection memos count per month has decreased during 2016 by 12%. However, the average second and third stage rejection memos have both increased by 9% and 17%, respectively.

Total Rejection Memo Count - Split by Quarter



3. Non-Sampling Analysis: Rejections as per Settlement Method

SMI - I/M: Average RM Count By Stage (Excluding FIMS)

Avg. RM count	Avg. 1 st Stage		Avg. 2 nd Stage		Avg. 3 rd Stage		Avg. RM Count
Jan - Mar 2016	581,206	66%	218,385	24%	84,140	10%	883,731
Jan - Dec 2015	629,849	70%	199,785	22%	70,546	8%	900,180

- A comparison between the average RM count of Jan - Mar 2016 and Jan - Dec 2015 split by stage, along with the percentages of each stage from the total.

SMI - B: Average RM Count By Stage (Excluding FIMS)

Avg. RM count	Avg. 1 st Stage		Avg. 2 nd Stage		Avg. 3 rd Stage		Avg. RM Count
Jan - Mar 2016	66,153	90%	5,322	7%	1,921	3%	73,395
Jan - Dec 2015	104,749	93%	4,918	4%	2,543	2%	112,210

- A comparison between the average RM count of Jan - Mar 2016 and Jan - Dec 2015 split by stage, along with the percentages of each stage from the total.

SMI - I/M: Reason code breakup as per average monthly RM count

Reason Code SMI - I/M	Reason Description	1 st Stage Avg. Count and Percentage Jan - Mar 2016		1 st Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015
		Avg. Count	Percentage	Avg. Count	Percentage	
1B	Fare Reclaim	233,768	40.22%	270,639	42.97%	↓ -13.62%
1G	Tax Reclaim	210,432	36.21%	215,954	34.29%	↓ -2.56%
1A*	Fare/Tax/ISC	71,545	12.31%	77,450	12.30%	↓ -7.62%
1C	ISC Reclaim	21,611	3.72%	22,042	3.50%	↓ -1.96%
5Z	Others	14,098	2.43%	19,487	3.09%	↓ -27.65%
1E	UATP Reclaim	9,797	1.69%	7,846	1.25%	↑ 24.87%
2B	Duplicate Billing	7,696	1.32%	6,869	1.09%	↑ 12.04%
	Other codes	12,259	2.11%	9,563	1.52%	↑ 28.19%
	Total	581,206		629,849		↓ -7.72%

- Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – I/M	Reason Description	2 nd Stage Avg. Count and Percentage Jan - Mar 2016		2 nd Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
		1B	Fare Reclaim	110,931	50.80%	98,374	49.24%
1G	Tax Reclaim	58,355	26.72%	55,112	27.59%	↑	5.88%
1A*	Fare/Tax/ISC	19,121	8.76%	18,170	9.09%	↑	5.23%
5Z	Others	15,314	7.01%	17,145	8.58%	↓	-10.68%
1C	ISC Reclaim	10,460	4.79%	8,574	4.29%	↑	22.00%
5B	FIM Rejection / Rebill	1,172	0.54%	134	0.07%	↑	774.63%
1H	Handling Fee Reclaim	778	0.36%	166	0.08%	↑	368.67%
	Other codes	2,254	1.03%	2,109	1.06%	↑	6.88%
	Total	218,385		199,785		↑	9.31%

➤ Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – I/M	Reason Description	3 rd Stage Avg. Count and Percentage Jan - Mar 2016		3 rd Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
		1B	Fare Reclaim	47,367	56.30%	35,637	50.52%
1G	Tax Reclaim	16,826	20.00%	15,273	21.65%	↑	10.17%
1A*	Fare/Tax/ISC	8,275	9.83%	6,087	8.63%	↑	35.95%
5Z	Others	7,087	8.42%	10,599	15.02%	↓	-33.14%
1C	ISC Reclaim	2,458	2.92%	2,100	2.98%	↑	17.05%
1H	Handling Fee Reclaim	660	0.78%	7	0.01%	↑	9,328.57%
2A	Unmatched Sale	486	0.58%	183	0.26%	↑	165.57%
	Other codes	980	1.16%	661	0.94%	↑	48.26%
	Total	84,140		70,546		↑	19.27%

➤ Top 7 reason codes sorted as per 2016 counts

SMI - B: Reason code breakup as per average monthly RM count

Reason Code SMI – B	Reason Description	1 st Stage Avg. Count and Percentage Jan - Mar 2016		1 st Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
		1G	Tax Reclaim	39,443	59.62%	70,590	67.39%
1A*	Fare/Tax/ISC	13,436	20.31%	16,017	15.29%	↓	-16.11%
1B	Fare Reclaim	10,421	15.75%	12,612	12.04%	↓	-17.37%
2A	Unmatched Sale	795	1.20%	93	0.09%	↑	754.84%
5Z	Others	590	0.89%	1,075	1.03%	↓	-45.12%
2C	Endorsement Required	489	0.74%	176	0.17%	↑	177.84%
1C	ISC Reclaim	394	0.60%	949	0.91%	↓	-58.48%
	Other codes	584	0.88%	3,237	3.09%	↓	-81.96%
	Total	66,153		104,749		↓	-36.85%

➤ Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – B	Reason Description	2 nd Stage Avg. Count and Percentage Jan - Mar 2016		2 nd Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015
1B	Fare Reclaim	2,258	42.42%	1,936	39.36%	↑ 16.63%
1G	Tax Reclaim	1,833	34.44%	1,898	38.60%	↓ -3.42%
5Z	Others	461	8.66%	513	10.43%	↓ -10.14%
1C	ISC Reclaim	341	6.41%	206	4.20%	↑ 65.53%
1A*	Fare/Tax/ISC	290	5.44%	235	4.79%	↑ 23.40%
2A	Unmatched Sale	94	1.77%	5	0.09%	↑ 1,780.00%
5B	FIM Rejection / Rebills	29	0.55%	13	0.26%	↑ 123.08%
	Other codes	16	0.31%	111	2.26%	↓ -85.59%
	Total	5,322		4,918		↑ 8.21%

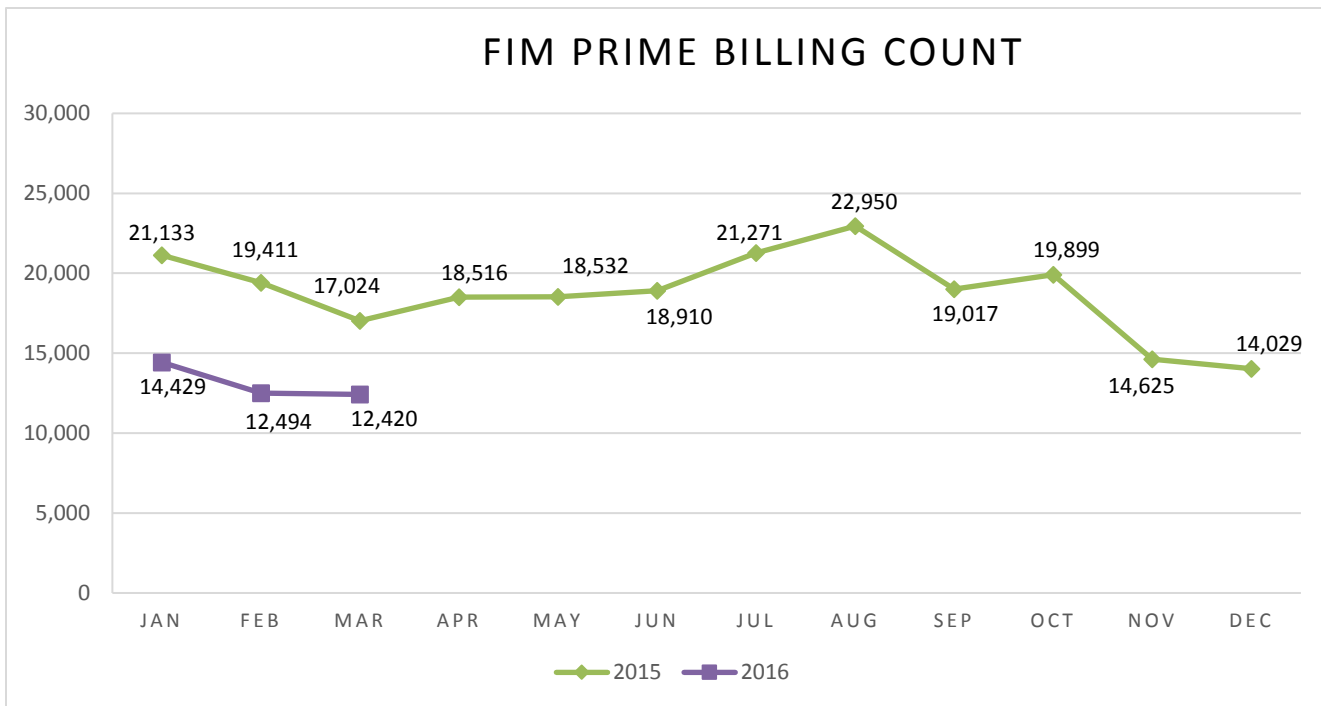
➤ Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – B	Reason Description	3 rd Stage Avg. Count and Percentage Jan - Mar 2016		3 rd Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015
1B	Fare Reclaim	1,243	64.72%	1,312	51.58%	↓ -5.26%
1G	Tax Reclaim	255	13.28%	632	24.86%	↓ -59.65%
5Z	Others	193	10.05%	474	18.65%	↓ -59.28%
1A*	Fare/Tax/ISC	124	6.47%	98	3.85%	↑ 26.53%
2A	Unmatched Sale	91	4.76%	5	0.18%	↑ 1,720.00%
1C	ISC Reclaim	11	0.57%	11	0.44%	0.00%
2D	Billing Outside Time limit /Out of Period	3	0.14%	9	0.35%	↓ -66.67%
	Other codes	0	0.02%	2	0.08%	↓ -100.00%
	Total	1,921		2,543		↓ -24.46%

➤ Top 7 reason codes sorted as per 2016 counts

*Note: Reason code 1A is being misused as a default code. Due to this misuse, the counts of 1A were split into the correct reason codes. For example, a rejection memo which has only a difference of fare but with reason code 1A will be included in the 1B count.

4. Non Sampling Analysis: FIMs



- The graph shows a decrease in FIM prime billings starting towards the end of 2015 due to the IATA Paper Out project to eliminate all paper documents.

FIMs Prime Billing Count

FIMs	Jan-16	Feb-16	Mar-16	Average	Total
SMI I/M	12,152	11,217	11,239	11,536	34,608
SMI B	2,277	1,277	1,181	1,578	4,735
Total	14,429	12,494	12,420	13,114	39,343

FIM Rejection Memos - Source code wise Average per month - Split as per SMI

SMI - I/M	SRCD 44	SRCD 45	SRCD 46	Total
Avg. RM count Jan - Mar 2016	9,201	2,305	1,480	12,986
Avg. RM count Jan - Dec 2015	11,225	2,332	1,388	14,946

SMI - B	SRCD 44	SRCD 45	SRCD 46	Total
Avg. RM count Jan - Mar 2016	171	28	29	228
Avg. RM count Jan - Dec 2015	347	74	54	475

5. Sampling Billing Analysis

Average Monthly Count 2016 vs 2015

	Form A/B Monthly Avg.	Form D/E Monthly Avg.	Form F Monthly Avg.	Form XF Monthly Avg.
Jan - Mar 2016	856,767	12,779	1,227	568
Jan - Dec 2015	1,066,524	13,886	1,645	786

Average Monthly Amount 2016 vs 2015

	Form A/B Monthly Avg. USD (Mill.)	Form D/E Monthly Avg. USD (Mill.)	Form F Monthly Avg. USD (Mill.)	Form XF Monthly Avg. USD (Mill.)
Jan - Mar 2016	\$ 169.15	\$ 3.26	\$ 0.05	\$ 0.04
Jan - Dec 2015	\$ 230.30	\$ 3.53	\$ 0.09	\$ 0.05

6. Glossary

Term	Definition
ACH	Airlines Clearing House. It is the A4A's Clearing House for Interline Billings
BM	Billing Memo
IBSOPS WG	Interline Billing and Settlement Operation working group
ICH	IATA Clearing House
ISC	Interline Service Charge
RAM	IATA Revenue Accounting Manual
RM	Rejection Memo
SMI	<p>Settlement Method Indicator - In SIS it indicates the clearing house to be used for settlement as well as the Revenue Accounting rules to be followed</p> <p>SMI - I – settlement through the ICH using the RAM rules</p> <p>SMI - M – Inter clearance settlement of a billing from an ACH member to an ICH member using RAM rules. It could also be a billing from an ACH member to another ACH member using RAM rules</p> <p>SMI - A – Settlement through the ACH using ACH rules</p> <p>SMI - B – Bilateral settlement using RAM rules</p>
SIS	Simplified Invoicing and Settlement
SIS SG	The SIS Steering Group that overlooks the governance of SIS
SRCD	Source Code
UATP	Universal Air Travel plan

7. Annex 1. Passenger Source Codes Table

Source Code	Description
1	Lifted Passenger Coupons
2	Exchange Passenger Coupons
3	Refunded Passenger Coupons
4	Rejected documents – 1 st Rejection
5	Rejected documents – 2 nd Rejection
6	Rejected documents - 3 rd Rejection
8	Lost Ticket Billings
9	Billing Memos
14	Flight Interruption Manifests
21	Mutilated / Illegible Documents
23	EMD Billings
24	Credit Memos
25	Excess Baggage Coupon Billings
26	Multi-Purpose Document Billings
27	Rebilling of UAF coupons in Non Sampling
44	Rejected Flight Interruption Manifests – 1 st Rejection
45	Rejected Flight Interruption Manifests – 2 nd Rejection
46	Rejected Flight Interruption Manifests – 3 rd Rejection
51	Sample Form C coupons
54	Sample Evaluation (Form D)
55	Sample Audit / Rebills (Form F)
56	Sample Rebills (Form XF)
60-69	Prime Billing Source codes (Optional source codes for Bilateral use)
70-79	Billing Memo Source codes (Optional source codes for Bilateral use)
80-89	Rejection Memo Source codes (Optional source codes for Bilateral use)
90	Frequent Flyer Prime Coupon Billing
91	Rejected Frequent Flyer Coupons – 1 st Rejection
92	Rejected Frequent Flyer Coupons – 2 nd Rejection

93	Rejected Frequent Flyer Coupons – 3 rd Rejection
94	Billing Memo – Frequent Flyer Coupons