



SIS Passenger Rejection Analysis (Apr - Jun 2016)

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

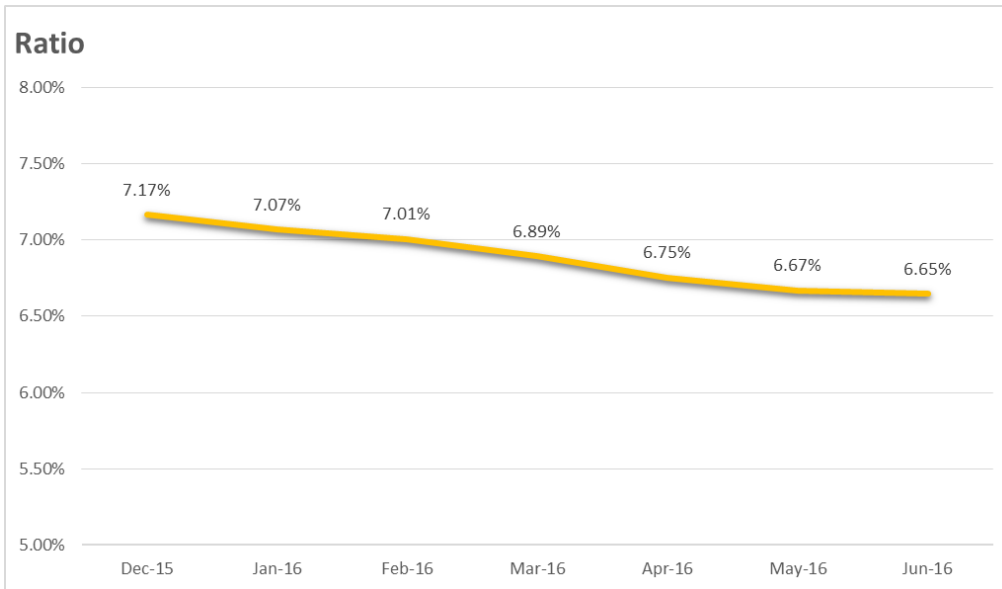
To obtain an estimate on the percentage of Prime billings rejected during a given period of time, the ratio of the sum of 1st stage rejections to the sum of prime billings submitted has been considered.

- 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:

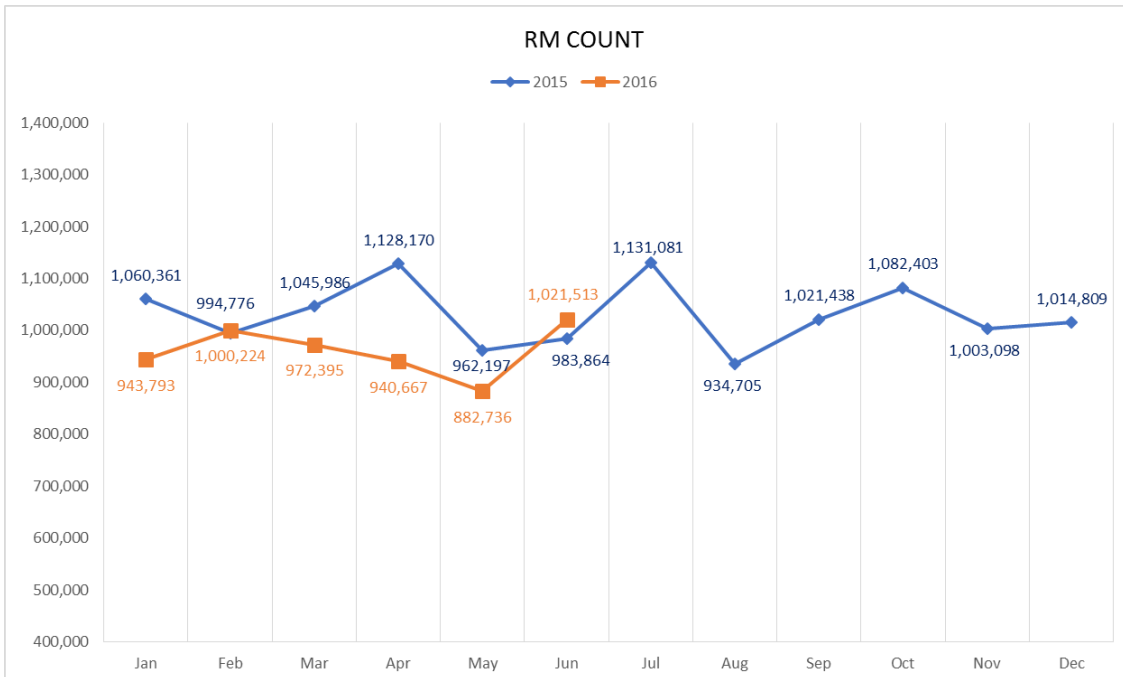
$$\frac{\text{Sum of Stage 1 RMs of Mar 2015–Feb 2016}}{\text{Sum of Prime Billings of Mar 2015–Feb 2016}} \times 100\% = \frac{8,774,486}{137,598,309} \times 100\% = 6.38\%$$



- Graph based on data from billing months January 2015 to June 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.

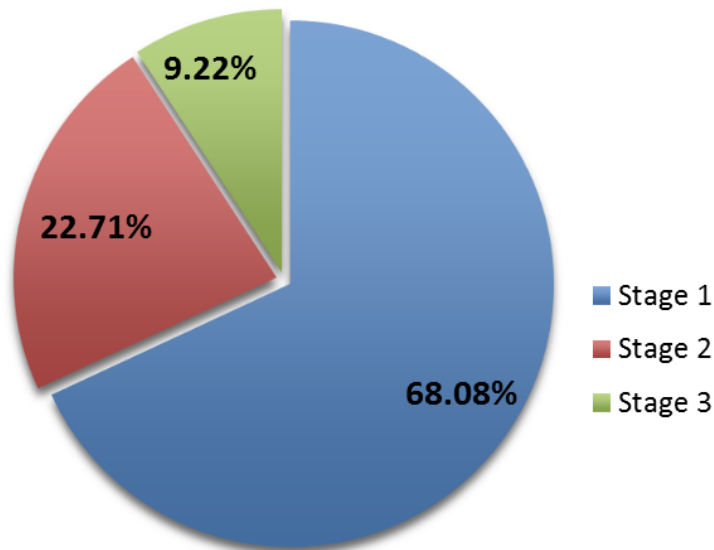
Note: All values in this document exclude SMI-A.

2. Global Rejection Analysis

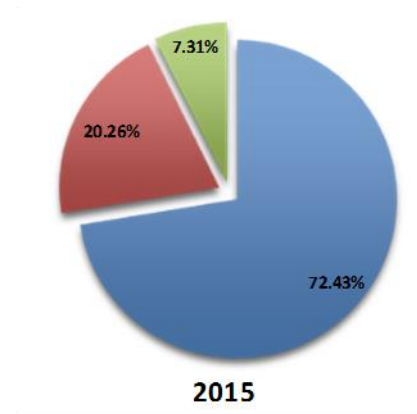


- Graph based on Rejection Memo counts of all stages
- In comparison to the base year 2015, the average monthly rejection memo count has decreased by 7%.

By Stage



Jan - Jun 2016



- While the analysis is mainly based on 1st stage rejections, the percentages of 2nd and 3rd stage rejections are also tracked.

Q1 2016 - Rejection Memos Count and Value by Month

	Apr 2016	May 2016	Jun 2016	Total
RM Count	940,667	882,736	1,021,513	2,844,916
USD Amount (Mill)	\$ 113.10	\$ 103.51	\$ 119.39	\$ 336.01

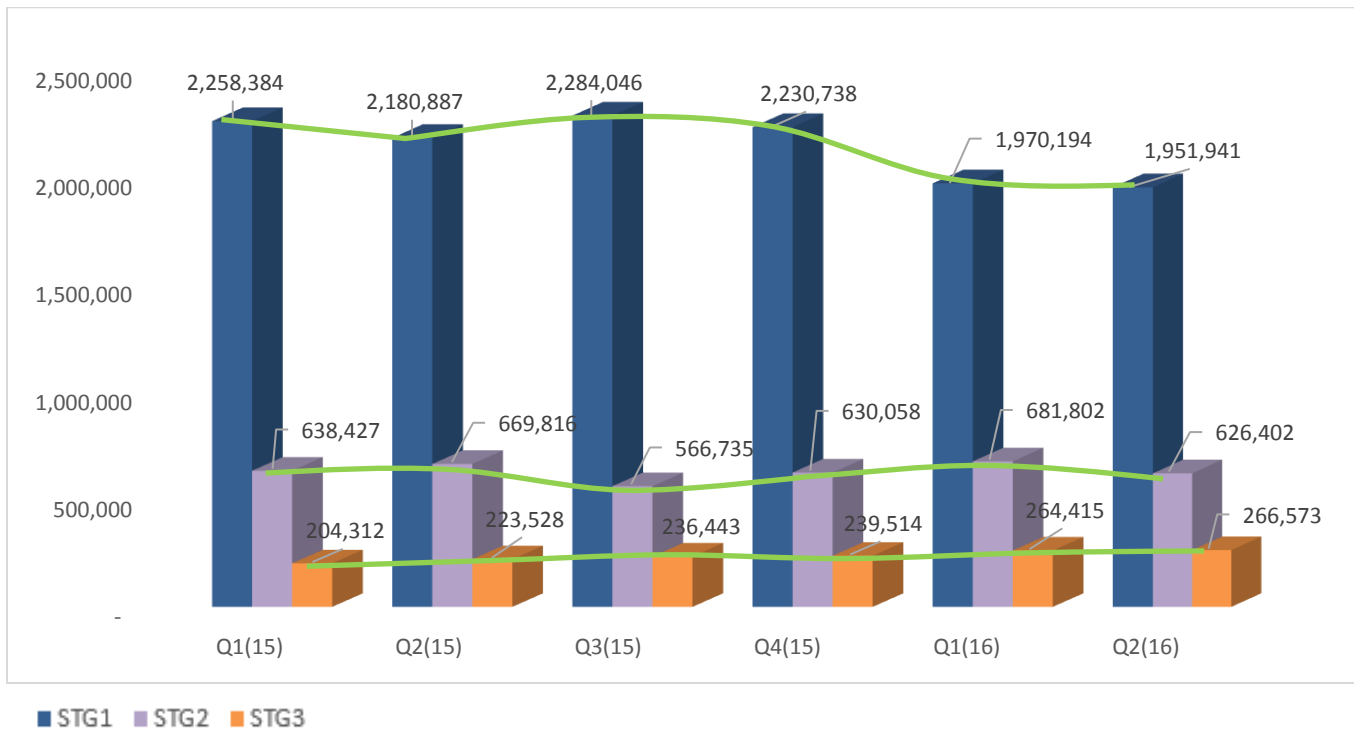
- In comparison to Q2 2015 (Apr - Jun 2015), the total Rejection Memo count has decreased by 7%, while the total amount has decreased by 27%.

Average Rejection Memo Count and Value Comparison 2016 vs 2015 - Split by Stage

Stage	Avg. RM Count Jan- Jun 2016	Avg. RM Count Jan - Dec 2015		Avg. RM USD Amount (Mill) Jan- Jun 2016	Avg. RM USD Amount (Mill) Jan- Dec 2015	
Stage 1	653,689	746,171	↓	\$ 76.71	\$ 102.15	↓
Stage 2	218,034	208,753	↑	\$ 26.70	\$ 28.04	↓
Stage 3	88,498	75,316	↑	\$ 17.47	\$ 14.11	↑
Total	960,221	1,030,241	↓	\$ 120.89	\$ 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 4% and 18%, 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 - Jun 2016	586,843	67%	209,335	24%	84,381	9%	880,559
Jan - Dec 2015	629,849	70%	199,785	22%	70,546	8%	900,180

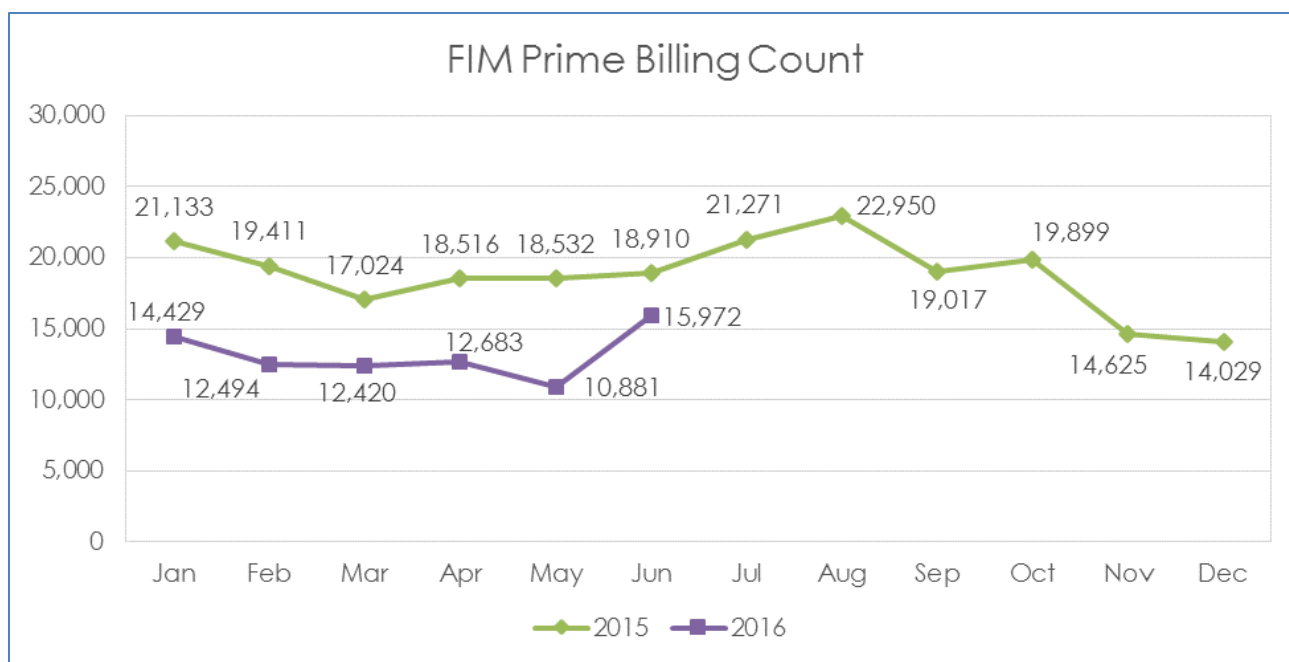
- A comparison between the average RM count of Jan - Jun 2016 and Jan - Dec 2015 split by stage, along with the percentages of each stage from the total.

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 - Jun 2016	58,252	89%	5,452	8%	2,182	3%	65,886
Jan - Dec 2015	104,749	93%	4,918	4%	2,543	2%	112,210

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

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. However, in June 2016 there is a sudden spike in FIM billings.

FIMs Prime Billing Count

FIMs	Apr-16	May-16	Jun-16	Average	Total
SMI I/M	10,427	9,233	12,863	10,841	32,523
SMI B	2,256	1,648	3,109	2,338	7,013
Total	12,683	10,881	15,972	13,179	39,536

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	8,461	2,052	1,367	11,880
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	134	29	26	189
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 - Jun 2016	865,612	11,885	1,166	542
Jan - Dec 2015	1,066,524	13,886	1,645	786

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	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 SMI - I – settlement through the ICH using the RAM rules 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 SMI - A – Settlement through the ACH using ACH rules SMI - B – Bilateral settlement using RAM rules
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