Contents

CMP 459 - Validation of RM Billed / Accepted Values in SIS.........................2
  Example of the current validation..................................................................2
  Currency conversion validation......................................................................4
  Currency conversion procedures for Bilateral invoices (SMI “B”)...............5
  Warning period prior to enabling the full validation.....................................5
CMP 459 - Validation of RM Billed / Accepted Values in SIS

Prior to Release 1.3, the Billed and Accepted amounts provided in rejection memos were not being validated against what was provided in the previous transaction. In order to ensure the consistency of data throughout the course of the rejection process, SIS has implemented such a validation.

Example of the current validation

Please consider the following scenario:

Stage 1 RM

<table>
<thead>
<tr>
<th>Billed</th>
<th>Accepted</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>500.00</td>
<td>450.00</td>
</tr>
<tr>
<td>Tax</td>
<td>15.00</td>
<td>15.00</td>
</tr>
</tbody>
</table>

Correct Stage 2 RM

<table>
<thead>
<tr>
<th>Billed</th>
<th>Accepted</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>450.00</td>
<td>500.00</td>
</tr>
<tr>
<td>Tax</td>
<td>15.00</td>
<td>15.00</td>
</tr>
</tbody>
</table>

SIS now validates that the billed value provided in a RM matches the accepted value of the previous transaction. Any discrepancies on these amounts will result in a warning and eventually full validation error.

Common mistakes observed by SIS Operations:

Incorrect Stage 2 RM

<table>
<thead>
<tr>
<th>Billed</th>
<th>Accepted</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>500.00</td>
<td>550.00</td>
</tr>
<tr>
<td>Tax</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>
In the above incorrect example, even though the difference is correct, the invoice will fail validation as the billed gross amount does not match with previous accepted amount (450). Also, the tax has been incorrectly specified as 0.00 which does not match the previous accepted value.

As per example provided in section 3.8.3 of the ISP (below), all values that appear in the previous stage transaction should be provided in order to ensure billing accuracy.

This validation affects the following fields:

**PAX**
- Gross
- Tax
- ISC
- Other Commission
- Handling Fee
- UATP
- VAT

**CGO**
- Weight Charges
- Valuation Charges
- Other Charges
- ISC
- VAT
Currency conversion validation

Before comparing RM Billed/Allowed amounts with the previous transaction, currency conversion needs to be done.

It is possible that the Currency of Listing of the invoice of the rejected transaction; and the Currency of Listing of the invoice of the rejecting RM are different. Even if they are the same, it is possible that the Currency of Billing of the rejected invoice was different from the Currency of Listing of the rejected invoice, so exchange rate variations need to be considered.

So in such cases, currency conversion procedures need to be applied.

The only scenario where currency conversion is not required is when the Currency of Listing & Billing of the previous rejected invoice and the Currency of Listing of the current rejecting RM are the same.

Currency conversion procedures for Currency of billing of previous transaction: USD/EUR/GBP

Stage 1 RM
Period: Dec P1 2012
Currency of Listing of invoice of rejected transaction = EUR
Currency of Billing of invoice of rejected transaction = USD
Dec 2012 rate EUR - USD = 0.77918

<table>
<thead>
<tr>
<th></th>
<th>Billed</th>
<th>Accepted</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>184.44</td>
<td>50.00</td>
<td>134.44</td>
</tr>
<tr>
<td>Tax</td>
<td>109.08</td>
<td>20.00</td>
<td>59.08</td>
</tr>
</tbody>
</table>

Correct Stage 2 RM
Period: March P1 2013
Currency of Listing of invoice of rejecting RM = GBP
March 2013 rate GBP - USD = 0.65396

<table>
<thead>
<tr>
<th></th>
<th>Billed</th>
<th>Accepted</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>41.96</td>
<td>0.00</td>
<td>41.96</td>
</tr>
<tr>
<td>Tax</td>
<td>16.78</td>
<td>0.00</td>
<td>16.78</td>
</tr>
</tbody>
</table>
The amount to be provided in the billed gross amount of RM stage 2 should be calculated as follows: Gross amount of previous transaction / exchange rate of previous transaction (this value should be truncated (unrounded) at 10 decimals (high precision) to minimize loss of value) * exchange rate of actual transaction (i.e. 50.00 / 0.77918 = 64.1700248979 * 0.65396 = 41.96)

Currency conversion procedures for Bilateral invoices (SMI “B”)

When SMI “B” (or bilateral like) billings have been rejected, where the exchange rate defined between Currency of Listing of invoice of previous transaction (i.e. AUD) and Currency of Billing of invoice of previous transaction is not USD, GBP or EUR, conversion has to happen via USD.

Warning period prior to enabling the full validation

Please note that SIS currently provides a warning for this particular validation and allows the transaction to still be eligible for settlement. However in January P4 2014, SIS will take a decision to enable the full validation which will cause the invoice to go into error non-correctable status. Please ensure you make the appropriate changes in order to ensure you are following the rejection memo logic as per the ISPG and this reference guide.
Thank you

In case of any questions, please contact

sishelp@iata.org