Contents

2 Introduction

3 Best Practices

3 ADM Policy
4 General ADM Process
4 Disputes
5 Booking

6 Attachment ‘A’- ADM Policy Template
The ADM User Group (formerly known as the ADM Working Group) was established in 2016 in accordance with the requirements set by the Passenger Agency Conference Steering Group (PSG) to identify and address the root causes of the high volume of ADMs in the industry. The Group gathered industry subject matter experts across Airlines, Agents, GDSs, ATPCO, ARC and IATA, all of whom brought an enormous knowledge base in the examination of existing industry practices, challenges and workarounds in the ADM process.

The ADMUG facilitated discussions around three objectives:

- To reduce the need for the issuance of ADMs by addressing its root cause
- To facilitate a lean and efficient revenue auditing and adjustment process
- To improve the relationship between industry stakeholders by reducing the friction brought through ADMs

With the Group’s collective knowledge, the ADM User Group agreed on a set of industry best practices, which will facilitate a more efficient and effective working process, together with the Passenger Agency Conference Resolutions, to support the three objectives and extend the benefits to the entire industry.

As discussions evolve, this document may be updated from time to time, when appropriate. Please always refer to the latest version number.
Best Practices

◆ ADM Policy

Airlines

1. Whenever the Airline’s ADM policy has been updated, the link in BSPlink should also be updated accordingly.

2. Utilising the available fields in BSPlink, the Airline should highlight any major changes to their policies in the Remarks field to help Agents easily identify and comply with the new policy.

Airlines should inform Agents of the changes to their policies by utilizing the Email Alert mechanism made available in BSPlink. Even if the URL link has not changed, Airlines may still use this functionality to send notifications to Agents to inform them that there is a change of policy.

3. Airlines should use the standard template (please refer to Attachment ‘A’) when structuring a new or updating an existing ADM Policy, as much as applicable. This will provide Agents with the necessary information to comply with your Airline’s Policies and make informative decisions to prevent ADMs.

4. Include the full audit scope in the ADM Policy including a reference of any kind to your Airline’s Ticketing / Booking policy.

At least once a year, review your Airline’s ADM Policy to ensure that the links in BSPlink are still valid and the contents of the links are up to date.

5. Maintain a valid email address in BSPlink to ensure that the annual policy review reminders can be received.

Travel Agents

1. Set up and maintain updated email addresses in BSPlink to receive update alerts from Airlines when their ADM policies have changed.

2. Stay up-to-date with the ADM Policies to ensure that your Agency has the appropriate information in order to comply with each Airline’s Policies.
◆ General ADM Process

1. When reporting ADMs, if it is related to a tax issue, utilize the tax box provided in the ADM fields.

2. Use the same industry-wide fictitious RTDN numbers so it can be easily identified.*

   * Subject to identifying the correct range to use.

3. Always check the BSP’s currency and decimals before uploading an ADM into BSPlink, for BSPs using dual currencies. This will help avoid million-dollar transactions issued due to an incorrect currency being used.

4. Third party auditors that are managing ADM processes on behalf of Airlines must also apply the same best practices and have access to the same information as the airline.

5. Whenever there is an issue with an automatically priced transaction, the Airline should first verify if it was due to an internal error. Whenever the audit is done by a third-party editor, the Airline should validate it before issuing the ADM.

6. Avoid using abbreviations in ADM Reason for Memo and subsequent ADM comments. If abbreviations are to be used, the recipient should be able to find a reference glossary or documentation that has a full explanation of the abbreviations used.

7. Limit usage of emails and use BSPlink as much as possible for ADM conversations to ensure all the comments and feedback can be included in the history of the ADM document and be available for all the parties.

8. Maintain a list of ADM contacts for 2nd level support for both Travel Agents and Airlines.

◆ Disputes

1. It is expected that the dispute reasons are considered by an Airline and a comprehensive reject reason is provided in the event of the rejection of a dispute.

2. If an ADM has been forwarded to your GDS for investigation, only raise the dispute or post-billing dispute after you have received a reply from your GDS.
### Booking

<table>
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<tr>
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<th>Churning definition</th>
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<tbody>
<tr>
<td><strong>Horizontal Churning</strong></td>
<td>Repeated cancellation and rebooking of the same itinerary/routing for the same passenger prior to the actual issuance of a ticket, independent of the booking class, PNR and reservation system.</td>
</tr>
<tr>
<td><strong>Vertical Churning</strong></td>
<td>Repeated cancellation and rebooking of the same itinerary/routing for the same passenger prior to the actual issuance of a ticket, independent of the booking class.</td>
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1. Issuance Process & Procedures

Issuance Principles should be established in accordance with Passenger Agency Resolution 850m, clearly indicating:

- If Airline has any minimum value established for the issuance of a single ADM
- In case Airline collects any administration fees associated with the raising of an ADM, it should be (a) incorporated in the same ADM document raised for adjustment and (b) communicated to the Agent the inclusion of the fee
- Airline will provide Agent with the contact details of a personal department that has knowledge of the concern ADM should it be different from Section 6 of this Policy
- Any alternative uses of ADMs will be listed in this Policy after consultation has taken place as per Resolution 850m
- ADM will not be issued which group together unrelated transactions, however, more than one charge can be included on one ADM if the reason for the charge is the same
- No more than one ADM should be issued in relation to the same original ticket issuance, unless it is specified for a different adjustment from the ADM previously issued

ADMs shall only be processed through the BSP if issued 9 months after the final travel or after the refund has been made by the Agent. Any exceptions that apply should also be clearly listed in the Policy.

2. Expectations

Global Best Practices and Individual Expectations per Airline for Travel Agents, including (but not limited to) providing valid contacts for any ADM related matter and possible second level contacts.

3. Audit Scope & ADM Reasons

Please ensure to include the full audit scope of your Airline. Wherever applicable, to use the following categories as a section so it is clear which standard ADM Reason Code the audit item relates to.

- Booking
- Chargebacks
- Commission
- Exchange
- Fare
4. Disputes

Airline processes for the Dispute (in accordance to R850m) and Post-Billing Dispute for ADMs (R818g and R812).

5. ACMs

Airline issuance principles and processes for ACMs should be addressed, as well as Agent expectations for ACM requests. Consider including the circumstances or reasons in where an ACM will be issued and the expected timeframes.

Also include any timeframes in which ACM requests from Agents will be accepted as a general practice, and include the channels for receiving such requests.

6. Contact Details

Airline contacts relating to ADMs, including other departments (if applicable) and possible second level escalation contacts.

Examples of types of contacts:

- ADM/ACM queries and disputes
- Chargeback teams (if any)
- Local sales team contacts (if any)
- Fare Filing teams (if any)

7. Glossary & Miscellaneous

Clearly indicate list of abbreviations used for ADM communications, as well as any miscellaneous information that the Airline may wish to include in their Policy.