



KENYA AIRWAYS' REVISED ADM POLICY EFFECTIVE 1 APR 2017-Updated in OCT 2019.

SCOPE:

KENYA AIRWAYS will issue ADMs/invoices to collect amounts or make adjustments to all Travel Agents and Staff transactions related to the bookings, ticketing, sales and refund as per IATA Res 850M and 830A.

This policy applies to all GDS subscribers including travel agents and any person or entity accessing Kenya Airways internal reservation system content via the Internet or any other electronic means. It is the responsibility of the GDS subscribers to ensure that all of its employees, agents and contractors, in all of its locations are familiar with this policy.

The scope of the audit not exhaustive will be applied to what is mentioned in the matrix below;

ADM Matrix

Following matrix defines different violations or non-compliance practices which will result in the issuance of ADM i.e. a debit will be raised to the booking/ticketing agent.

Violations	Scope of Audit	Outcome	Cost Recovery Fee
Churning	The act of repeatedly cancelling and rebooking the same or different itinerary for the same or different classes across one or more GDSs is defined as churning .If segments in a PNR are rebooked more than 4 times after cancellation by TTL or airline, ADM will be raised for the excessive churn cost amount.	Debit will be raised to Booking/Ticketing agent	<p>UPTO 30SEP19 CRS abuse fee of USD 5 per segment per passenger will be applied the 6th and consecutive times. This is regardless if the PNR was ticketed afterwards.</p> <p>From 01OCT 2019 Onwards. Abuse penalty of USD5 per segment per passenger will be applied the 5th and consecutive</p>

			times. This is regardless if the PNR was ticketed afterwards.
High cancellation rate	A cancellation of more than 75% of the bookings for flights departing within the month. This is regardless of the time the bookings were generated.	Debit will be raised to booking/ticketing agent	A fee of one (1) USD will be applied per passenger segment booked above the 75% limit.
Ticketing information (Fictitious, Test or Training Bookings)	Verification on bookings created with fictitious names and ticket numbers.	Debit will be raised to Booking/Ticketing agent	USD 20 per segment, per passenger
Speculative bookings	Bookings made when no definite passengers exists, in anticipation of possible sale. Bookings created in higher classes that are released close to departure to make seats available in lower classes.		Fixed amount USD300 per passenger per segment
Booking and ticketing of infants	Verification of bookings with INF where status is on HN. Passengers travelling with Infant must have INF SSR present and confirmed in their PNR. No ticket should be generated when the request is on HN or UC status. No manual building of TST (Automatic stored ticket) for ticketing purposes. Exemptions will be where there is no published one way fare permitted on a percentage of a published round trip fare	Debit will be raised to Booking/Ticketing agent	A penalty of US \$ 50 per ticket plus suspension of both parent and infant ticket
Private & Corporate fares Abuse	Where we have Private or other special fares, and agent does not	Debit will be raised to Booking/Ticketing	Difference between fare paid and first

	<p>adhere to the pax eligibility criteria or fare rules and conditions. An ADM will be sent to the travel agent where passengers holding tickets with special Tour Operator fares are not eligible to travel with these fares, for instance when a Tour Operator fare is sold Without any additional services or if the minimum required level of these services (in regard to KQ rules) is not reached.</p> <p>Applying corporate discounts on tickets sold to passengers who are not employees of the contracted corporate.</p>	agent	unrestricted public fare in the same cabin.
Contractual missing or incorrect information on the ticket	<p>Such as but not limited to;</p> <ul style="list-style-type: none"> -Corporate Information - Ticket Designator/tour code -special fare basis - Ticket Number on EMD or missing EMD number on the Ticket -Fare Calculation box in case of reissue 	Debit will be raised to Booking/Ticketing agent	A fixed amount ADM of 50 USD will be raised (in addition to another ADM amount e.g. fare difference if needed)
Commissions, service fee, surcharges and taxes violations	<p>Incorrect collection of taxes and surcharges, Missing taxes/surcharges ,Wrongly altered taxes/surcharges, and Already used taxes refunded by mistake</p>	Debit will be raised to Booking/Ticketing agent	Fare/tax/ commission difference
Use of correct SSR codes	<p>KQ will accept SSR requests only when the relevant SSR codes are confirmed and booked correctly. Any cost incurred due to wrong booking of the SSR shall be pushed to the originator of the booking</p>	Debit will be raised to Booking/Ticketing agent	USD 50 per segment per pax plus any cost incurred
Group Bookings/	Conditions specified in	Debit will be	Plating on a

Hidden group	<p>the KQ groups tool contract will be audited such as fare, taxes and surcharges, number of passengers travelling (minimum 10 passengers). Groups must be plated on the airline ticket stock specified in the group section of the distribution contract between agent and KQ.</p> <p>Non-materialisation of group (less than 10 clients travelling) are charged retrospectively per ADM for each No Show passenger. ADM is calculated with a fixed amount.</p> <p>Verification on multiple individual ticketed PNRs created for large groups which expressly prohibited as against KQ Group Policy and Procedures.</p>	raised to Booking/Ticketing agent	<p>different carrier ticket stock than specified in the contract will raise an ADM of 100 USD for each ticket.</p> <p>Non-Materialisation per pax. Short Haul-80 USD), Medium Haul 150 USD Long Haul 350 USD</p> <p>Hidden Groups-fixed amount of USD 150 per passenger</p>
No show segment for a void/refund Ticket	Verification of holding bookings with voided/refunded/fictitious tickets without cancelling the booking.	Debit will be raised to Booking/Ticketing agent	<p>USD 350 per one way routing per passenger for any un ticketed / voided / refunded tickets with booking still live in the system.</p> <p>From 01Aug18 for Journeys within domestic Kenya only- charge USD200 per passenger.</p> <p>In all other cases of NO-SHOW, charges will apply as per fare rules.</p>

<p>Misplating subject to IATA resolution 852</p>	<p>Abuse of carrier identification plate(CIP)/plating conditions on KQ/OAL plate where the fare rule/fare note does not allow to do so, regardless if the ticket is auto or manually priced.</p> <p>This could also occur in the case when Private fares of other airlines are used on KQ ticket stock or for any other fares for which KQ plate is not allowed (pricing rule: "sales restriction and flight application").</p> <p>Exemptions ; Fare of the following airlines may be issued on KQ document if their fare rules allow ; AF/KL/DL/PW</p>	<p>Debit will be raised to Booking/Ticketing agent</p>	<p>If a case of Misplating, the following penalties will apply;</p> <p>Economy Short haul-100 USD), Medium Haul 300 USD Long Haul 450 USD</p> <p>Business Class Short haul-200 USD), Medium Haul 400 USD Long Haul 650 USD</p>
<p>Wrong Routing not permitted on third carrier / wrong booking class on third carrier.</p>	<p>In case of wrong booking class or routing not permitted, ADM will be raised.</p>	<p>Debit will be raised to Booking/Ticketing agent</p>	<p>Penalty will be based on the applicable fare as per the billing carrier plus USD 20 administration fee</p>
<p>Abuse of Special Prorate Amounts (SPA'S)</p>	<p>KQ's documents shall be issued when the fare to be collected is based on a through constructed fare. NO SPA stand alone sectors shall be sold without combination with KQ's fares/sectors.</p>	<p>Debit will be raised to Booking/Ticketing agent</p>	<p>If STAND ALONE SPA AMOUNT USED AS A FARE is detected the issuing AGENT or GSA shall be billed for FULL IATA FARE(excluding excursion and Apex) from point of origin to destination of the itinerary PLUS USD 250 for misuse of interline prorates . Where Full IATA fares as explained above are not available,</p>

			the highest carrier cabin fare applies as per the sector flown.
Inactive and Passive Segments	<p>Verification on agency bookings with segment status HX/UN/NO/UC/US etc. otherwise known as non-productive segments.</p> <p>The agent undertakes to delete from the PNR all flight segments with a status HX/NO/UC/UN (*) latest 24 hours before departure or be subjected to a fixed fee as per stated penalty.</p> <p>Any booking that does not reserve a seat in the airline inventory and is a duplicate of a live booking, i.e. bookings with status codes ending with K (except 'HK'), or BL, ML, GL, PL. Industry standards require that Passive segments be used "for the purpose of ticketing" only after a booking has been made in an airline inventory system.</p> <p>If a passive segment is rejected by KQ then the passive segment should be cancelled immediately by the agent to avoid unnecessary GDS fees to KQ. Any passive cancelled within 24hrs to flight departure is chargeable.</p>	Debit will be raised to Booking/Ticketing agent	US\$15 per segment, per pax
Name update fee	Where name update fee is not collected on KQ stock only.	Debit will be raised to Booking/Ticketing agent	Applicable name update fee as per KQ policy
Schedule change	Segments created due to schedule changes e.g. TK, TL should be cancelled by the agent to avoid double costs and agent accept schedule changes or	Debit will be raised to Booking/Ticketing agent	US\$15 per segment, per pax

	<p>rebook passenger as deemed appropriate. Un-actioned Schedule change costs are very expensive and must be cleared from the queues urgently and in accordance with IATA standards. For any schedule change made during non working hours but are for future dates, these must be actioned by the agent the next working day.</p>		
Duplicate PNRS by same Agent	<p>Verification on created duplicate PNRS for same passenger.</p> <p>KQ does not allow customers to hold more than one reservation to /for travel on, or around the same date for bookings created by the same agent. In case of cancellation of those duplicate bookings by KQ, a fixed amount per passenger and per cancelled segment will be raised</p>	Debit will be raised to Booking/Ticketing agent	Fixed amount USD100 per passenger
Duplicate segments	<p>Creating multiple one way itineraries for one passenger in the same PNR is PROHIBITED. It causes problems during check-in and processing upgrades and reissues.</p> <p>In case of cancellation of those duplicate bookings by KQ, a fixed amount per passenger and per cancelled segment will be raised</p>		Fixed amount USD50 per passenger per segment.
Back to back ticketing /	The issuance or use of coupons from two or more tickets issued at round trip fares or the combination of two or more round trip fares end to end on the same ticket, for the purpose	Debit will be raised to Booking/Ticketing agent	The higher applicable fare for the travelled itinerary plus Penalty of USD 10 per segment

	of circumventing applicable tariff rules, such as advance purchase and minimum stay requirements or low fares.etc.		
Coupon Trashing / coupons used out of sequence	<p>Coupon trashing is where Origin Destination through fare ticketing has been done with onward sectors that the passenger does not intend to utilize, with the ticketed journey cheaper than the passengers actual journey. This is a violation and no waivers shall be granted.</p> <p><i>Example</i> Tickets issued for travel JNB–NBO-ADD with the through fare for JNB – ADD whereas passengers’ actual journey is JNB – NBO. The passenger should be issued with a ticket on correct fare for the intended journey JNB-NBO only.</p>		An ADM penalty of USD 300 per direction per passenger plus fare difference if applicable.
Cross border ticketing	Ticket issuance in such a way it appears that the travel commences in a different country than is actually the case or containing flight segments not intended for use	Debit will be raised to Booking/Ticketing agent	Fare difference between fare purchased and the fare where actual travel commences.
Fare/sales violation	Validation on the compliance of fare and sales conditions on all purchased tickets (e.g. advance purchase, agency applicability, add-on fares, blackout period, booking class, under collection of fare, booking flight condition, Other Airlines (OAL) carrier condition,	Debit will be raised to Booking/Ticketing agent	Fare/tax/ commission difference

	, sale date validity, travel date validity/seasonality violation, stop over surcharge, up sell charge for class upgrade, combination condition, min/max stay conditions, under collection of taxes and fees, weekend surcharge, child/infant discounts and all other special discounts, date of birth check, expiry of fare, Pricing Unit Concept (PUC).		
Training Tickets From IATA Code 9999999(0-9) And Ticket series XXX-99xxxxxxxx	<p>Non cancellation of Test tickets and use of the same for reissue into an acceptable series that can be used for travel.</p> <p>staff are advised NOT to reissue any ticket with series number 99xxxxxxxx issued from IATA codes 9999999(0-9) These tickets can be identified after the airline code with series 99 e.g. 706-99xxxxxxxx, they are training tickets issued on 1G-Travelport live environment and should be reported immediately to RM system support team with copy to Security investigation team</p>		Full ticket cost shall be recovered from the staff who re-issues these tickets
Fare violation for tickets issued with open/request status	Validation on purchased tickets with open/request status where confirmed reservation is required	Debit will be raised to Booking/Ticketing agent	Fare difference to first higher fare where Wait List (WL) is permitted
Refund violation	<p>Validation on documents claimed for refund, duplicate refund check.</p> <p>Incorrect calculation of</p>	Debit will be raised to Booking/Ticketing agent	Fare/tax/ commission difference

	<p>refund amount, taxes and fuel</p> <p>Incorrect application of cancellation penalty (e.g. in case of no-show)</p> <p>Incorrect calculation of refunds commission amount</p>		
Reissue violation/ uncollected change fee	Validation on reissued documents	Debit will be raised to Booking/Ticketing agent	Fare/tax/ commission difference plus penalty of USD 20
Minimum Connecting Time (MCT) violation	Verification on bookings that undercut required MCT	Debit will be raised to Booking/Ticketing agent	Fixed amount USD200 per passenger
Origin & Destination (O&D) violation(Married segment control)	<p>Verification on bookings that do not follow the O&D logic and other various practices used to manipulate the system to accept bookings made against the married segment logic.</p> <p>When segments are married, restrictions apply to partial segment cancellation</p>	Debit will be raised to Booking/Ticketing agent	Fare difference between actual Origin /Destination (O&D) pair used for booking and the O&D pair ticketed, plus an ADM fee of USD 200 for economy and USD 400 for business per segment/passenger
Illegal class mix/ Travel audit	<p>A booking made with an illegal combination of classes in order to secure space that is not then ticketed at the correct price.</p> <p>Validation on flown coupon vs. ticketed coupon (e.g. comparison between RBD on both coupons, flight number/flight date mismatch, ticketed vs. flown routing, collection).</p>	Debit will be raised to Booking/Ticketing agent	<p>Fare difference to first higher fare where mix class is permitted or</p> <p>Fare difference between flown RBD to ticketed RBD</p>
Incorrect or missing Baggage allowance	Verification on baggage allowance printed on the ticket vs. the actual allowance approved for applicable fares/Point Of Sales (POS)/deal	Debit will be raised to Booking/Ticketing agent	Economy - USD 50per passenger Business class US\$ 100 per passenger

	code, etc.		
Split bookings	Any abusive use of split bookings which overrides the ticketing time limit (TTL) generated by the robot to benefit from a more lenient ticket time limit will be liable to a fixed ADM amount per passenger and per KQ flight segment	Debit will be raised to Booking/Ticketing agent	Per passenger per segment USD 50 for economy USD100 for Business
Credit Card charge -back	In case Kenya Airways is debited by the credit card acquirer for purchase rejection by passenger, credit card misuse or fraud case on a ticket issued by the agent, Kenya Airways will charge the agent for the cost. The agent is always responsible for checking the validity of the credit card and to ensure that the card holders signature is provided or to secure the eligible website for e-tickets purchase	Debit will be raised to Booking/Ticketing agent	Kenya Airways will charge the agent for the cost
Ticket Not Reported /miscellaneous	In case of discrepancy in the sales information/reporting of agents, an ADM is issued. This can be due to reasons such as an unreported ticket or cases in which flown tickets are missing in BSP/ARC sales reporting.	Debit will be raised to Booking/Ticketing agent	Value of unreported sale.

Definition: Using OW flight sector length; **SH-** Where flight time is less than 2 hrs; **MH-**Between 2hrs and 6hrs; **LH-**Above 6hrs.

TRAVEL AGENT'S, GSA's, Online Travel Agents (OTAS) and Airline Staff OBLIGATIONS:

Travel Agents obligations are described in IATA Resolution 824 and ARC ARA in which it is stated that all tickets must be issued in compliance with the Carriers' fares, conditions, general conditions of carriage and written instructions provided to them.

TRAVEL AGENTS', GSA's, and OTAs BEST PRACTICES:

- Train their staff to comply with KENYA AIRWAYS booking policy guidelines and also with IATA Resolutions and ARC -ARA -ADM Procedures:
- Make available the Carriers' General Conditions of Carriage to the customer and advise the customer of the fare conditions, eligibility when required and free baggage allowance.
- Inform customers that KENYA AIRWAYS will honor flight coupons only if used in sequence and from the point of origin as displayed on the ticket. Otherwise the ticket will be rendered invalid, customer denied boarding and no refund will be accepted.
- Inform customers that at any time, customers could be charged the fare difference (plus change fee, if applicable) between the paid travel plan and the effective one, or risk denied boarding. Travel Agents should take payments systematically for any changes made to the original booking.
- Inform the Carrier of all Pseudo City Codes (PCC) / office IDs linked, bridged or emulated to its main agent codes. The carrier will hold the agent fully responsible for all bookings made by all PCCs/office IDs linked to their agent codes
- The Agent undertakes to only book from the availability display for the O&D (origin & destination) concerned and not by subverting married segment controls before or after EOT (end of transaction) on other O&Ds.
- Action all queues on daily basis and Delete all HX, NO, UC, UN & US segments 24 hrs prior to departure to minimize GDS costs.
- Reservations must consist of the full names of each customer as in the customer's passport.
- Reservations/ticketing training in "live" PNRs is not permitted, only in the GDS training mode.
- Use fare levels and fare basis as stipulated by the carrier. All fares must be applicable at date of ticketing.
- Inform passengers that the Airline reserves the right to collect any differences in taxes implemented by respective Government Authorities.
- Ensure that the baggage allowance on the ticket is in accordance with the fare conditions and the GDS.
- Agents subscribed to multiple GDS must issue tickets in the same GDS where the booking is made, and not to generate unnecessary GDS costs.
- Check passenger's eligibility for Private and other special fares (e.g. Seaman, Corporate, Labour etc) or Tour Operator (TO) fares, before issuing a ticket and to inform the passenger that the proof of eligibility may be requested by the Airline at any time. The Airline reserves the right to settle with the customer or alternatively an ADM shall be raised on the Travel Agent (e.g. in case of passengers holding tickets with corporate fares without being eligible to travel with such fares).
- To ensure that when an ADM is disputed, the response is specific in detail and the relevant supporting information is sent to Kenya Airways to the address indicated on the ADM.
- Not to dispute an ADM where the reason is valid and evidence to the contrary is not available.

- To raise all disputes as per BSP/ARC guidelines applicable.

Kenya Airways' Responsibility:

- Aim to minimise irregularities in issuing/managing tickets through audits.
- Provide as much information and detail about the reason a charge is being made in order to ensure its accuracy.
- To avoid recurrence of irregularities, agree with the Agent concerned the most suitable corrective action if the volume and types of anomalies are deemed to be above average. Kenya Airways will endeavour to address these issues bilaterally with the agent concerned.
- KQ reserves the right to take preventive measures, including but not limited to, inhibiting access – point of sale closure (POSCI) to its inventory, by any Travel Agent/OTA engaged in booking malpractices.

General ADM process Worldwide

In compliance with IATA Resolution 850 m and ARC ARA processes,

- An ADM can be sent out by the airline via BSP/ARC Link within 9 months after final travel date. When final travel date cannot be established, expiry date of the document will be used. After this period, payments will be settled directly between the travel agent and the airline.
- In line with IATA Resolution 850m, Kenya Airways will send ADMs via BSP/ARC link with no financial consequences during the latency period (14 days or period fixed by the local BSP/ARC -link organization).
- When making a dispute, a valid and clear justification must be provided at all times. Otherwise dispute cannot be handled. Responsible behaviour in case of ADM disputes is required from both the Travel Agent /OTAs and the Airline staff.
- Please mention your contact details for an efficient handling by KQ.
- Kenya Airways will reply to your dispute within 60 days (in consistency with IATA Resolution and ARC ARA procedures) giving a clear explanation of acceptance or denial of the dispute.
- Should Kenya Airways reject a dispute and Agent wants KQ to re-investigate, agent is requested to respond to KQ within 14 days to provide additional new information. Otherwise ADM will be submitted for settlement to BSP/ARC link.
- For non BSP/ARC cases, the ADMs shall be circulated by respective Kenya airways local office.

ADM issuance process

- An ADM relates to a specific transaction and will not be used to group unrelated transactions together. However more than one charge can be included in an ADM if the reason for the charge is the same and a detailed supporting list is provided with the ADM.
- No more than one ADM will normally be raised in relation to the same original ticket issuance. When more than one ADM is raised in relation to the same ticket, it shall be specified for a different adjustment to previous issues.
- Except where otherwise agreed in the local market, ADMs will not be used to collect third party costs not directly associated with the initial ticket issuance of passenger journey. However GDS wastage costs form an exception and will be settled through ADMs.
- In case deviations of the fare rules are found on tickets during audit process, Kenya Airways will systematically generate ADMs reflecting value of difference between the real applicable fare and the

applied fare. e.g A fare with a maximum stay of 3 months is issued for a passenger and the passenger later changes the return date to beyond the 3 months say 6 months. If the ticket is not re-issued to reflect the fare that will now allow that maximum stay of 6 months, the agent will be debited the amount between the originally applied fare and the new applicable fare

Minimum ADM Amount

- The minimum amount, for which an ADM is raised, is USD 10.
- Kenya Airways can issue one ADM with multiple reasons for one original ticket in regard to minimum amount. In case of persistent practices of under collection (multiple occurrences of underpayments of less than **USD 1** by the same IATA/ARC Agent, KQ reserves the right to recover these underpayments by sending an ADM.
- In case of ADM related to fuel surcharge, other surcharges, commission, taxes, penalties and fees, no minimum applies and an ADM will be generated for real amount due.

ADM Dispute

- Kenya Airways shall endeavour to handle rejected or disputed ADMs in a timely manner in compliance with applicable IATA resolutions and regulations. Where an agent has disputed an ADM within the latency dispute period provided(14 days or period fixed by the local BSP/ARC -link organization) the dispute was sent to the address notified on the ADM in question, Kenya Airways will endeavour to handle rejected or disputed ADMs in a timely manner in compliance with applicable IATA resolutions and regulations. The travel agent can dispute the ADM as per the “Latency period” applicable in respective BSP/ARC country/market practice.
- Kenya Airways shall evaluate the reasons for the dispute and approve where it is proved that the charge was not due.
- For any un-resolved disputes, Kenya Airways reserves the right to deduct the disputed amount from applicable Agent’s incentive programme.

Kenya Airways expects travel agents not to dispute an ADM where the reason is valid and evidence to the contrary is not available and to raise all disputes as per applicable BSP/ARC guidelines. If the dispute is invalid or evidence to the contrary is not available, and this is repeatedly done minimum administration charge could apply.

Contact Information

Policy also available through the link;

https://www.kenya-airways.com/uploadedFiles/adm_policy_updated_aug_2018.pdf

The e-mail address to contact for ADM/ACM questions and issues is:
RevenueAssuranceandQualityGroup@kenya-airways.com.