



**TARIFFS NOTICE NO: 51-09-16 TO ALL: KQ COUNTRY MANAGERS
KQ AREA MANAGERS
KQ SALES OFFICES
KQ STATION MANAGERS
KQ GSA OFFICES REVENUE ACCOUNTS**

KENYA AIRWAYS' REVISED ADM POLICY EFFECTIVE FOR TICKETS /BOOKINGS ISSUED ON/AFTER 13 SEP 2016

KENYA AIRWAYS is revising its Agency Debit Memos (ADMs) policy 2013.

SCOPE:

KENYA AIRWAYS will issue ADMs to collect amounts or make adjustments to all Travel Agents' transactions related to the bookings, ticketing (issue & re-issue including penalty fees & additional collections), refund and use/non use of all KENYA AIRWAYS traffic documents regardless of which airlines are included in the itinerary. The fare control will be applied on all of the following:

- Booking class and fare rule elements.
- Fuel surcharge: validating carrier should be KQ and is non refundable for non refundable tickets issued on/after 01 Aug 2013.
- Commissions/discounts if applicable.
- Carrier ticketing authority: the validating carrier (VC) is linked to the fare owner.
- Mislating subject to IATA/ARC Resolution (Use of KQ plate on other carriers market fares)
- Baggage allowance.
- All automated/manual fare quotes.
- Taxes and surcharges.
- Misuse of inventory system or subversion of „Married Segment Control“ (MSC).
- Misuse of a subclass.
- Credit card: All rejected credit card transactions will be charged for the full amount.
- Coupons used out of sequence
- Refunds including application of change/refund fees and in accordance with the coupons mentioned in the GDS.
- Re-issues including penalties & additional collections
- Group booking penalty for early cancellation / deposit.
- Fake ticket numbers/Names.
- Eligibility for specific fares such as Marine / Offshores / Tour Operators/Student/Youth/Clergy/NGO etc (systematic airport checks for proof of eligibility).
- Unreported document.
- Missing or incorrect fuel surcharge (YQ/YR).
- Booking and ticketing of infants and unaccompanied minor (UMNR)
- Standard Minimum connecting times (MCT) in the GDS and ARS

TRAVEL AGENTS' GSA's and Online Travel Agents (OTAs) OBLIGATIONS:

Travel Agents' obligations are described in IATA/ARC Resolution 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 on the KENYA AIRWAYS policy with regard to IATA/ARC Resolution and 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 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**. In case of un-dedicated bridging, the agent may not release the record back to the sub-agent.
- 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.
- Ensure that un-ticketed PNRs are either ticketed or cancelled 24 hours prior to departure or within the applicable TTL; otherwise, KQ robot will automatically cancel the un-ticketed PNR.
- 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.
- Duplicate PNRs are not permitted.
- Use fare levels and fare basis as stipulated by the carrier. **All fares must be applicable at date of ticketing.**
- Issue tickets within the prescribed TTL and inform the customer of the same.
- 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.
- **Ensure correct service/ticketing fee is collected in all KQ Airport Ticketing Office (ATO) , City Ticketing Office (CTO), General Sales Agents (GSA) OTAs**

THE FOLLOWING APPLIES FOR KQ REVENUE INTEGRITY PROCESSES:

Minimum ADM Amount

- The minimum amount, for which an ADM is raised, is USD15. Kenya Airways can issue one ADM with multiple reasons for one original ticket. In case of persistent practices of under collection (multiple occurrences of underpayments of less than USD15) 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, surcharges, commission, taxes, penalties and fees, no minimum applies and an ADM will be generated for real amount due.
- 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.

ADM process in **General Worldwide**

In compliance with IATA /ARC Resolution

- 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/ARC 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 behavior in case of ADM disputes is required from both the Travel Agent /OTAs and the Airline.
- 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/ARC Resolution) 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 information. Otherwise ADM will be submitted for settlement to BSP/ARC link.

BAGGAGE ALLOWANCE ADMs

On certain destinations/systems weight concept applies. In case of incorrect or missing baggage allowance on the ticket, an ADM will be sent according to below overview (with fixed amounts per direction). It applies worldwide.

Per O&D and per direction	Incorrect baggage allowance of additional piece vs. no. of piece(s) / Weight allowed	Missing baggage allowance
Zone1 (domestic) Domestic Kenya	USD 50	USD 30
Zone2 (East Africa) Tanzania, Uganda, Burundi, Rwanda, Ethiopia ,Djibouti, Seychelles	USD 100	USD 50
Zone3 (Rest of Africa) Benin, Cote D Ivoire, Ghana, Madagascar, Mali, Egypt, Senegal, Cameroon, Liberia, Zimbabwe, South Africa, Sudan, Congo DRC, Nigeria , Malawi, Zambia, Mozambique, Mayotte, Sierra Leone, Comoros, Congo Brazzaville, Angola, Botswana, Gabon, Burkina Faso, Chad,	USD 125	USD 75
Zone 4(rest of the world) All other destinations not listed in zones 1/ 2/3.	USD 150	USD 100

MISPLATING SUBJECT TO IATA/ARC RESOLUTION

KQ checks if the use of KQ ticket stock for issuing on both manual and automatic fare quotes is permitted and done correctly.

1. If the marketing carrier is not permitted to be used in KQ private or public fares, the amount to be raised is based on IATA fare for the class (cabin of travel) booked

(Reason ADM: misplating -carrier not permitted in this deal)

2. If other airlines fares are not permitted to be issued on KQ document:

Private and public fares of other airlines are not permitted on KQ stock irrespective of whether KQ participates in their routing.

EXEMPTIONS:

Fares of the following carriers may be issued on a KQ document.

AF/KL/PW/DL

KQ will check whether fare sold on ticket is a KQ published fare and if not ,the amount to be raised is based on the IATA rule Revenue Accounting Manual being IATA fare for that class (cabin of travel) booked plus USD500.00 for misuse of KQ’s document..

When such a violation is detected then KQ shall bill the agent/station/GSA and OTAs the difference between fare (for class (cabin) booked) and fare collected plus penalty of USD 500.00.

Example of such violation:-

ISSUED BY KENYA AIRWAYS LTD.											CONJ TICKET(S)		PLACE OF ISSUE 81210062	
ENDORSEMENTS/RESTRICTIONS NONEND/TK/KQ ONLY											DATE OF ISSUE		ORIGIN/DESTINATION MIDLAND TOURS AND TRAVEL LILONGWE	
PASSENGER NAME (NOT TRANSFERABLE)											01AUG14		LLWLLW	
MUNTHALI JOYCE MRS											PNR : QH4HBS/1G			
X	FROM LLW		KQ	724	L	05AUG	1305	OK	TAKQX12M	05AUG	05AUG	20K		
X	TO NBO		TK	808	T	06AUG	0210	OK	TAKQX12M	06AUG	06AUG	20K		
	TO IST		TK	807	T	07AUG	1820	OK	TAKQX12M	07AUG	07AUG	20K		
X	TO NBO		KQ	722	L	08AUG	0826	OK	TAKQX12M	08AUG	08AUG	20K		
	TO LLW													
FARE USD980		FARE CALC LLW KQ X/NBO TK 1ST 490.00 TK X/NBO KQ LLW 490.00 NUC980.00END ROE1.0 XT 6172TR1646YQ145201YR												
EDV FARE MNW403270														
TFR MNW12345LD		REMARKS CASH												
TFR MNW2056YZ		CASH 588859 CREDIT 0 DEBITOR 0 COMI 4033 DISCOUNT 0 NET NET 399237 MNW												
TFR MNW153019KT		INVAGT												
TOTAL MNW570,892.00		CPN		AIRLINE CODE		FORM AND SERIAL NUMBER		OK		APR CODE		TOUR CODE		
AGENT INFO 7733		ORIG ISSUE 07086257711924												
CONTROL NO		0		708		5257711924								

(Reason ADM: misplating -fare not permitted on KQ ticket stock)

- 3. Special Prorate Agreement (SPA) -Add on amounts shall not be used as standalone fares and tickets issued for such amounts.

Special Prorate Agreement (SPA) - Add on amounts are only used to construct through fares to offline destinations.

Special Prorate Agreement (SPA)-Add on amounts shall not be displayed anywhere on the ticket, be it on fare box or fare calculation string.

When such a violation is detected then KQ shall bill the agent/station/GSA and OTAs the difference between fare (for class booked) and fare collected plus penalty of USD 500.00.

Example of such violation:-

ISSUED BY KENYA AIRWAYS LTD.										CONU TICKET(S)		PLACE OF ISSUE 34382401			
ENDORSEMENTS/RESTRICTIONS										DATE OF ISSUE		ORIGIN/DESTINATION		ELITE HOLIDAY TRAVEL SERVICES TAIPEI	
PASSENGER NAME (NOT TRANSFERABLE)										08AUG14		TPE/KHH			
TUNG/YUANLIN MR										PNR: Y3FLJR					
XCC	GOOD FOR PASSAGE	CARRIER	FLIGHT	CLASS	DATE	TIME	STATUS	FARE BASIS	NOT VALID BEFORE	NOT VALID AFTER	ALLOW				
FROM	TPE	CI	309	Y	01SEP	2245	OK	QTO214TW			20K				
TO	KHH	VOID	VOID	VOID	VOID			VOID							
TO	VOID	VOID	VOID	VOID	VOID			VOID							
TO	VOID	VOID	VOID	VOID	VOID			VOID							
TO	VOID	VOID	VOID	VOID	VOID			VOID							
FARE USD52		FARE CALC TPE CI KHH52.00USD52.00END													
EQV FARE TWD1562															
T/F/C		REMARKS CASH													
T/F/C		CASH 1562 CREDIT 0 DEBTOR 0 COMMI 0 DISCOUNT 0 NET NET 1562 TWD													
T/F/C		INVAGT													
TOTAL TWD1,562.00		OPN	AIRLINE CODE	FORW AND SERIAL NUMBER	OK	APP CODE		TOUR CODE							
AGENT INFO 7908								ORIG ISSUE							
CONTROL NO		0	708	2486119688				07082486119688							

(Reason ADM: misplating -fare not permitted on KQ ticket stock)

EXEMPTIONS:

However, a Kenya Airways document may be issued for travel on other airline's flights/fares provided this ticket will be in conjunction with a ticket issued on KQ on-line fare for the same passenger.

Subsequently such issuance must be after the agent/GSA has ascertained that;

- KQ has an Interline Agreement with the airline.
- So long as other carrier market fare does not restrict issuance of other carrier ticket stock

Fares of the airlines for which KQ is GSA may be issued on KQ respective ticket stock and check 2 above will not result in an ADM.

SPECIFIC COMMERCIAL INSTRUCTIONS IN CASE OF IRREGULARITIES.

Reissues or refunds, not in accordance with fare rules, can be authorized in case of irregularities (e.g. weather conditions, industrial strike etc). KQ will accept derogatory transactions only if specified under Commercial instructions. Please note that relevant information must be added in endorsement box.

SUB-CLASS ABUSE

All tickets sold are checked on correct application of booking class. Misuse of the inventory system is charged by calculating the difference between the ticketed class and correct class and shall be applied to entire fare component.

SPECIAL FARES

Kenya Airways requires agents to follow fare rules and conditions of Carriage when issuing tickets. Should an agent not adhere to the fare rules and conditions, an ADM will be sent to the travel agent where passengers holding tickets with special Tour Operator fares/corporate fares are not eligible to travel with these fares. These ADMs will be charged by calculating the difference between the fare paid and the first applicable public fare.

BREAKING OF MARRIED SEGMENTS (AUDIT OF TICKETS SOLD AS O&D)

The following fixed amounts apply (per direction and per passenger):

Per O&D and per direction	Amount
Zone1 (Domestic) Kenya	USD 100
Zone2 (East Africa) Tanzania, Uganda, Burundi, Rwanda, Ethiopia, Djibouti, Seychelles	USD 300
Zone3 (Rest Of Africa) Benin, Cote D Ivoire, Ghana, Madagascar, Mali, Egypt, Senegal, Cameroon, Liberia, Zimbabwe, South Africa, Sudan, Congo DRC, Nigeria, Malawi, Zambia, Mozambique, Mayotte, Sierra Leone, Comoros, Congo Brazzaville, Angola, Botswana, Gabon, Burkina Faso, Chad,	USD 500
Zone 4(rest of the world) All other destinations not listed in zones 1,2 &3	USD 800

BOOKING POLICY ENFORCEMENT.

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.

TICKETING INFORMATION

Revenue Management will monitor abuse of using fake/fictitious ticket numbers, names, initials and one name in PNRs to protect the bookings against cancellation by the Ticketing time limit robot and levy a penalty in accordance to the Cost Recovery Scheme.

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.**

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.

MISSING/INCORRECT KQ FUEL SURCHARGE YR/YQ

Missing or incorrect KQ fuel surcharge YR/YQ as a consequence of the modification of the Validating Carrier (VC) of the fare quote will result in an ADM.

Below is the cost recovery scheme that KQ will employ in raising ADMs.

COST RECOVERY SCHEME

Violations	Cost Recovery Fee (C)	Inventory Wastage Fee (W)
Churning	US\$20 per segment, per pax	
Ticketing information (Fictitious, Speculative, Test or Training Bookings)	US\$20 per segment, per pax	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Unaccompanied minor	A penalty of US \$ 50 plus the applicable UMNR handling fee	
Booking and ticketing of infants	US\$10 per segment, per pax	A penalty of US \$ 50 per ticket plus suspension of both parent and infant ticket
Group Bookings	n/a	Penalties as per the groups’ policy per region.
No show segment for a void/refund Ticket	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.

Misplating subject to IATA/ARC Resolution		<i>Misplating -carrier not permitted in this deal</i> .The amount to be raised is based on the IATA rule Revenue Accounting Manual being the first applicable public fare <i>Misplating -fare not permitted on KQ ticket stock</i> .The amount to be raised is based on the IATA/ARC rule Revenue Accounting Manual being the first applicable public fare plus USD500.00 for misuse of KQ’s document..
Inactive Segments	US\$10 per segment, per pax	
Duplicate bookings	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Creating multiple bookings for one passenger	n/a	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.
Waitlist segments- not removing inactive segments e.g UC/HX on PNRs upto 24hours to departure	Domestic- US\$ 55 per passenger per segment East Africa – US\$ 130 per passenger per segment Africa-US\$280 per passenger per segment Rest of the world- US\$ 330 per passenger per segment.	
Reservation Change- tickets used out of sequence.		The higher applicable fare for the travelled itinerary plus Penalty of USD 10 per segment
Passive Segments by non-BSP	US\$10 per segment, per pax	

Special fares		Difference between fare paid and first applicable public fare.
Minimum connecting time	US \$ 20 per segment per pax	USD 500 penalty plus any other costs that may arise such as Hotel Accommodation that maybe offered to the customer as a result of this inconvenience to customer
Service/Ticketing fee for KQ/GSA/OTA offices	Penalty to be collected will be equivalent to the amount that was to be collected.	N/A

EXCEPTIONAL COST RECOVERY SCHEME FOR ANGOLA AND VIETNAM MARKETS

Violations	Cost Recovery Fee (C)	Inventory Wastage Fee (W)
Churning	US\$ 100 per segment, per pax	
Ticketing information (Fictitious, Speculative, Test or Training Bookings)	US\$ 100 per segment, per pax	USD 800 per one way routing per passenger e. g LAD- NBO-BKK
Unaccompanied minor	A penalty of US \$ 200 plus the applicable UMNR handling fee	
Booking and ticketing of infants	US\$ 100 per segment, per pax	A penalty of US \$ 200per ticket plus suspension of both parent and infant ticket
Group Bookings	n/a	Penalties as per the groups' policy per region.
No show segment for a void/refund Ticket	n/a	USD 800 per one way routing per passenger e. g LAD-NBO- BKK for any un ticketed / voided / refunded tickets with booking still live in the system. In all other cases of NO-SHOW, charges will apply as per fare rules.

Misplating subject to IATA/ARC Resolution		<i>Misplating -carrier not permitted in this deal .The amount to be raised is based on the IATA/ARC rule Revenue Accounting Manual being the first applicable public fare Misplating -fare not permitted on KQ ticket stock .The amount to be raised is based on the IATA/ARC rule Revenue Accounting Manual being the first applicable public fare plus USD500.00 for misuse of KQ's document..</i>
Inactive Segments	US\$ 100 per segment, per pax	
Duplicate bookings	n/a	USD 800 per one way routing per passenger e. g LAD- NBO-BKK
Creating multiple bookings for one passenger	n/a	USD 800 per one way routing per passenger e. g LAD- NBO-BKK
Waitlist segments- not removing inactive segments e.g UC/HX on PNRs up to 24hours to departure	USD 800 per one way routing per passenger e.g LAD- NBO-BKK	
Reservation Change- tickets used out of sequence.		The higher applicable fare for the travelled itinerary plus Penalty of USD 100 per segment
Passive Segments by non-BSP	US\$ 100 per segment, per pax	
Special fares		Difference between fare paid and first applicable public fare.
Minimum connecting time	US \$ 100 per segment per pax	USD 800 penalty plus any other costs that may arise such as Hotel Accommodation that maybe offered to the customer as a result of this inconvenience to customer
Service/Ticketing fee for KQ/GSA /OTA offices	Penalty to be collected will be equivalent to the amount that was to be collected.	N/A

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