



**TARIFFS NOTICE NO: 50-09-16 TO ALL: KQ COUNTRY MANAGERS  
KQ AREA MANAGERS  
KQ SALES OFFICES  
KQ STATION MANAGERS  
KQ GSA OFFICES REVENUE ACCOUNTS**

**KENYA AIRWAYS REVISED BOOKING POLICY ON 13<sup>th</sup> SEP 2016 FROM 20<sup>th</sup> SEP 2013**

In an effort to continue to maintain a low cost structure, Kenya Airways (KQ) carefully reviews all reservation activity to address unnecessary GDS costs to reduce no-show rate and enhance the use of the inventory system.

This Booking & Ticketing policy has been developed to create awareness amongst **All Travel Agents and All Online Travel Agencies** on best practices and the un-favorable consequences to violations in GDS system usage. Adherence to booking guidelines will benefit KQ as well as all the Travel Agents/**Online Travel Agents** community. Emphasis has been placed on issues that should be avoided by Travel agents/**Online Travel Agents** to ensure KQ does not incur unnecessary GDS fees. Please familiarize yourself with the inappropriate booking practices below, which result in unnecessary GDS fees to Kenya Airways.

**CHURNING ( C )**

Churning is the act of repeatedly cancelling and rebooking the same or different itinerary for the same or different classes across one or more GDSs. This practice is unacceptable by KQ for any reason whatsoever, including but not limited to:

- Extending Ticket Time Limits.
- Circumventing Fare Rules.
- Holding the inventory in anticipation for a more competitive fare.

KQ will be charged by the GDSs for each cancellation even though the itinerary may eventually not get ticketed. Churning is an unacceptable practice. Agents engaged in such practice will be subject to Churning Cost Recovery Charge in accordance to the Cost Recovery Scheme.

*Note: When creating a new record using the "Lowest Fare" entries, all changes should be done before ending the transaction. Changing the classes of service after end of transaction will result in unnecessary GDS transaction fees.*

Normal activity by an agent in servicing client's bookings, such as, but not limited to, date changes, routing changes and class changes will not be considered as churning.

**FICTITIOUS /SPECULATIVE BOOKINGS (C/W)**

Fictitious bookings created using fictitious names for whatever reason is prohibited.

Examples of names deemed fictitious include: DONALD/DUCK, CHECK/MARK, AHMAD/MONA, TEST/T, MICKEY/MOUSE etc

Speculative bookings are defined as bookings created for the purpose of securing a visa or to secure space for a passenger's indecisiveness on a specific date of travel or for securing space to meet speculative demand.

KQ will be charged by the GDSs for each segment booked and cancelled. Such practices are considered as "intentional wastage" to its inventory. These PNRs are subject to an Administrative and Cost Recovery Charge in accordance to the Cost Recovery Scheme

### **SCHEDULE CHANGE (C)**

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 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/ARC standards. Failure to action a schedule change before departure would attract the "Inactive segment" penalty. 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

### **TRAINING AND TEST PNRs (C/W)**

Creating PNRs using active sell segment status codes for the following purposes is strictly prohibited:

- 1) Training/testing purposes. Instead, please check with your GDS support on how to sign-in "Testing mode" when training your personnel.
- 2) Fare-quoting (pricing) purposes. Instead, please use non-billable segment status Codes or Fare Quote entries.
- 3) Verify ticket time limits or test KQ responses. Instead, please consult KQ Sales Representatives in your area.

KQ will be charged by the GDSs for each segment booked and cancelled even if these segments will never be ticketed. Travel Agents/**Online Travel Agents** creating Training or Test PNRs will be charged by KQ with the relevant Cost Recovery Charge in accordance to the Cost Recovery Scheme.

### **UNACCOMPANIED MINOR ((UMNR)(C/W)**

Unaccompanied minors (UM) will pay the full adult fare (Action/Promotional fares not permitted) for the journey and an additional handling fee with the exception for Domestic travel as stipulated in the KQ tariff notice. Failure to adhere will result to a penalty as stipulated in the cost recovery scheme.

### **BOOKING AND TICKETING OF INFANTS(C/W)**

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. Failure to adhere to this will result in a penalty as stipulated in the cost recovery scheme.

### **GROUP BOOKINGS (C/W)**

It is prohibited to create multiple or individual bookings in anticipation to secure space for a speculative Group PNR.

### **NO-SHOW PNRs FOR REFUNDED/VOID TICKETS (W)**

PNRs created and tickets voided or refunded as passenger(s) no longer need the itinerary must be cancelled immediately.

Voiding and refunding tickets for the purpose of circumventing fare or fare rules or ticket time limits is also prohibited.

Voiding of tickets after passenger is no show to avoid paying no show fee as spelt out in the fares rules is prohibited.

No-show segments for un-ticketed or previously voided/refunded are a cause to wasted inventory.

Travel Agents creating these PNRs will be charged by KQ with the relevant Administrative and Inventory Wastage Charges in accordance to the Cost Recovery Scheme

### **DUPLICATE BOOKINGS (C/W)**

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**.

- A duplicate reservation is prohibited where two or more reservations are made for the same passenger when it is evident the passenger(s) will be able to use only one.
- Creating reservations for a passenger when one already exists in the Kenya Airways internal reservation system or any GDS are considered duplicate reservations.
- A booking made with the above intentions are considered duplicate in the same agency. KQ will always send notifications to the agent when such duplicates are detected and agents should desist from such practice. .

### **CREATING MULTIPLE BOOKINGS FOR ONE PASSENGER (C/W)**

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. When booking multiple similar one ways (either same or different dates or creating an illogical itinerary) for the same passenger, each itinerary must be separated and booked in different PNR.

### **WAIT LISTING (C)**

In case the itinerary has a confirmed booking on a higher class, and a lower class is waitlisted, the waitlisted segment will be systematically excluded from any "wait listing clearance."

In case the itinerary has a higher class waitlisted and a confirmed booking on a lower class, the lower class segment will automatically be cancelled once the higher class is confirmed.

If the waitlist is cleared and PNR is not ticketed, the same or an earlier Ticket Time Limit will APPLY. IF THE PNR WAS PREVIOUSLY TICKETED, A NEW TICKET TIME LIMIT WILL BE TRIGGERED. PLEASE ENSURE you reissue the ticket prior to the Ticket Time Limit expiration.

KQ will change the status code of a waitlisted PNR that cannot be cleared to the status code "UC/HX" (unable to confirm) at least 36 hours prior departure.

Travel Agents should remove the inactive "UC/HX" code immediately and up to 24hours prior to departure.

### **MARRIED SEGMENT CONTROL (MSC): (W)**

**Breaking** of Married Segments is not allowed. MSC is an essential means of protecting revenue due to airlines. It prevents reservation agents from cancelling part of an itinerary to circumvent segment-based availability and therefore protects the Origin & destination (O&D) decision made at sell time. When segments are married, restrictions apply to partial segment cancellation. Cancellation of a married segment is permitted only on condition that the remaining segment is not considered critical. Effectively, the system re-evaluates at that point in time whether an availability request would be granted for the remaining segment on its own, without downgrading the segment status. HK to HK, WL to WL are acceptable, but not HK to WL or WL to UN. If the re-booking is not possible without downgrade, then the partial cancellation is not allowed.

### **RESERVATION CHANGE (W)**

When a passenger requires a change of reservation, the Fare Rules are to be applied (MIN/MAX Stay, etc and any Reservation Change Penalties or difference in fare).

If no reservation change penalty or service charge applies and/or no change in class, the ticket has to be reissued to reflect the new changes. In a situation, where additional collection is required, Travel Agent must collect the difference/change of reservations and reissue the ticket with additional collection.

Segments booked and Ticketed must be used in sequence per the Ticket itinerary. If not used in sequence, then KQ will charge the higher applicable fare for the travelled itinerary plus Penalty of USD 10 per segment.

### **INACTIVE SEGMENTS (C)**

Inactive segments result in unproductive segment fees which are charged to KQ by GDSs. These segments include the status codes; **HX, NO, UN, US, UU**

Travel Agents must remove these inactive segments from the GDS PNR immediately or at least 24hours prior to departure. Failure to do so will result in KQ charging the travel agency the Inactive-Segment Cost Recovery Charge in accordance to the Cost Recovery Scheme. Bookings made on day of travel must be ticketed immediately.

### **PASSIVE SEGMENTS (C)**

A PNR for a passenger (active segment) must not be created in a GDS with the intention to drive tickets (passive segments) for the same passenger in another GDS. If Travel Agency/**Online Travel Agents** has multiple CRSs, then it must ensure that reservations are made through the same CRS it intends to use for ticketing.

Travel agency/**Online Travel Agents** must only enter the applicable status code for a passive segment created for ticketing purposes.

*Non-BSP /**Non ARC** Travel Agents should not use passive segments on KQ at any time.*

In all cases, it is mandatory to match all information, names, booking classes, and ticket numbers; failure to do this means the ticket numbers will not be generated to the PNR and consequently the PNR will be cancelled.

### **TICKETING INFORMATION (W)**

When making booking agents should not insert fictitious ticket numbers, names, initials and one name in PNRs to protect the bookings against cancellation by the Ticketing time limit robot. In many cases, these bookings are not cancelled when passenger decides not to travel. Kenya Airways will monitor abuse of using fake ticket numbers, fake names, initials, one name and levy a penalty in accordance to the Cost Recovery Scheme.

### **SPECIAL FARES (W)**

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, 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.

These ADM's will be charged by calculating the difference between fare paid and first applicable public fare.

### **MINIMUM CONNECTING TIME(C/W)**

Kenya Airways requires agents to follow the standard minimum connecting times in the GDS's. This will ensure that connecting passengers do so without missing their flights. Agents who will force ticketing where the minimum connecting time is below standard will receive ADMS in accordance to the cost recovery scheme.

### **ABUSE DEFINITIONS**

**Churning-** This is the act of repeatedly cancelling and rebooking the same or different itinerary for the same or different classes across one or more GDSs.

**Duplicate reservations** – A booking for the Same Passenger travelling on the Same Segment booked by the same Travel Agency/**Online Travel Agents**. ' e.g. A client booked on NBO-MBA segment on 5th July at 10.00 am and at 11.00 am is a duplicate booking.

**Fictitious Names** – Names that are considered not genuine and are only used to seats or for training purposes e.g. MR TEST or Donald Duck.

**Inactive segments** – Booked segments that are already used but of a live PNR.

**Non-billable segments**- These are segments which are passive related and are used for purposes of issuing passenger itineraries or invoicing. KQ requires agencies to use a non-billable segment with status codes. e.g 'BK' for Travelport; 'GK' for Sabre; 'MK' for Worldspan ; 'GK' for Amadeus. For specific entries, please contact your respective GDS.

**Passive segments** - 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.'

**Waitlisted segments** - A live booking that is not confirmed and has a status code ending with L, except KL, and TL' especially when classes are closed for sale.

**( C ) – Results in CRS Cost from segment fees.**

**( W ) – Results in Inventory (Space) wastage.**

**( C / W ) – Results in CRS Cost and results in Inventory Wastage**

**CRS Abuse** – An action by agent that does not result in productive revenue generating booking to the airline. This occurs after the airline has sent a transaction response to the agent as per IATA/ARC procedures and the agent does not take any action 24 hours prior to departure.

Abuse can also be in form of making bookings with the intention of meeting productivity based incentives between the agent and the GDS. These are costs that the airline will charge for.

**Cost Recovery Scheme:** A process put in place to recover segments fees for unwarranted booking and wastage of the inventory seat leading to an opportunity loss that would have yielded revenue for the airline.

**Cost Recovery fee:** Segment transaction costs levied to agents for bookings which a GDS will have charged the airline and will have paid the GDS. Yet the airline will not have yielded any revenue from the booking made by the agent. This is a booking an agent should have cancelled in order for the airline not to incur such costs from the GDSs.

**Inventory Wastage fee:** Fees levied on agent for holding booked seat space in the system and the booking does not materialize. The fee is charged for opportunity that the airline has lost to sell/earn revenue  
In the Cost Recovery fees structure a charge to the agent can be billed as Cost Recovery fee or Inventory Wastage fee or both depending on the violation in the booking.

NOTE: This policy is applicable to all ticketing agents including IATA/ARC and Non IATA/Non ARC travel agents.

Any infractions made and/or not corrected will result in a debit memo.

## 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 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</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/Online 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**

<b>Violations</b>	<b>Cost Recovery Fee (C)</b>	<b>Inventory Wastage Fee (W)</b>
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</i> .The amount to be raised is based on the IATA/ARC 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\$ 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 upto 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
<u>Service/Ticketing fee for KQ/GSA/Online offices</u>	<u>Penalty to be collected will be equivalent to the amount that was to be collected.</u>	<u>N/A</u>

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

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

<b>Per O&amp;D and per direction</b>	<b>Amount</b>
<b>Zone1 (Domestic)</b> <b>Kenya</b>	<b>USD 100</b>
<b>Zone2 (East Africa)</b> <b>Tanzania, Uganda, Burundi, Rwanda, Ethiopia, Djibouti, Seychelles</b>	<b>USD 300</b>
<b>Zone3 ( Rest of Africa)</b> <b>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,</b>	<b>USD 500</b>
<b>Zone 4(rest of the world)</b> <b>All other destinations not listed in zones 1,2 &amp;3</b>	<b>USD 800</b>

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