



Agency Debit Memo Policy

- In accordance with IATA Resolution 850m/830a, Nepal Airlines Corporation reserves the right to issue Agency Debit Memos to recover excessive GDS cost wastage.
- The purpose of this document is to provide clarity for all circumstances under which ADMs will be raised.
- NAC will issue ADMs to collect amounts or make adjustments to agent transactions related to the violation of GDS or fare rules while booking and issuance the Nepal Airlines traffic documents.
- Generally, the ticketing agent shall be responsible for any breach of the currently valid guidelines, tariffs and policies in connection with the ticketing process, even if the booking was made by another agency e.g. a sub agency; in case of any other breach of the guidelines, the respective booking agency shall be liable.
- Nepal Airlines reserves the right to take additional action up to and including restricting that agency's access through the specific GDS, which was used by the agency to abuse Nepal Airlines inventory.
- NAC reserves the right to amend and/or to adapt and/or to delete rules and fees described in this document.

Definition

- **Speculative / Fictitious Booking:** Bookings made in an anticipation of a sale where no definite passenger exists / or for productivity purposes where no definite passenger exists by using fake names.
- **Administrative Booking:** Bookings created for testing/agency training/business tracking services (printing itineraries or invoices)
- **Churning:** Segments that are repeatedly cancelled and rebooked to circumvent time limits or to meet GDS productivity
- **Duplicate Bookings:** Booking more than one segment/PNR for same passenger for same/different route.
- **No-Show:** Inventory spoilage caused by a person who reserves a seat on a flight but neither it is attended nor cancelled.
- **Passive Booking:** Non-active booking entered in the GDS to issue ticket for active booking originally hosted in the airline system
- **Inactive Booking:** Segments in PNR with status code PN, HX, UN, NO, SC, TK, UC, US or WK



Hence Nepal Airlines will issue the ADM if IATA /Non IATA Agents breach of the following fare rules or violation of GDS while booking and issuance of Nepal Airlines traffic documents.

Titles	Descriptions	Charges
Cancellation Ratio	<ul style="list-style-type: none"> The cancellation ratio defines the relation between the total number of cancelled segments and number of booked segments. To minimize excessive GDS costs, a cancellation ratio above 70% must be avoided. Nepal Airlines will raise an ADM of per passenger segment if the limit is reached over. 	<ul style="list-style-type: none"> The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Excessive Churning	<ul style="list-style-type: none"> Cancelling and rebooking the same flight and date in the same or different RBD for a passenger is not permitted, regardless of whether the segments are created within the same PNR or a new booking. Cancellation ratio (=the relation between booked and cancelled segments) above 70 must be avoided. Cancellations should be done latest 24 hours before departure. Verification on agency rebooking a segment or segments cancelled either by the agency or Airline four (4) or more times in one PNR agent or across different PNRs. 	<ul style="list-style-type: none"> The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Unproductive bookings (fictitious names, test bookings, illogical itineraries)	<ul style="list-style-type: none"> Creating bookings for testing or training purposes using our live inventory is not permitted All pricing related tests must be done without End of Transaction or using the training mode in your GDS. Verification on agency with other misuse involved, which includes: fictitious bookings, invalid day of operation, reject overrides, invalid flight number, invalid city pair, invalid booking class, invalid open segment, invalid waitlist class, and fake names. All Segments should be cancelled within 24 hours of departure. 	<ul style="list-style-type: none"> The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Duplicate	<ul style="list-style-type: none"> Nepal Airlines does not allow duplicate 	<ul style="list-style-type: none"> The

booking/PNR	<p>bookings. In addition, the creation of bookings across one or more PNRs and/or GDSs, where it is logically impossible to travel, is not permitted.</p> <ul style="list-style-type: none"> • NAC will inform travel agencies if double bookings are detected and request immediate action. 	<p>Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.</p>
Time Limit for flights and/or special service requests	<ul style="list-style-type: none"> • NAC is using automated tools to monitor ticketing and special service request time limits. • Nepal Airlines will inform all travel agents to ensure that a booking and/or service is either ticketed or cancelled prior to the expiry of the ticketing or service time limit. • Travel agents should use auto cancellation commands and inform the passenger of the time limit, the period of auto cancellation must be in line with tariff restrictions or the TTL set by AB revenue integrity, whichever is earlier. • In case the agency does not enter these commands, the reservations must be cancelled manually. 	<ul style="list-style-type: none"> • The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Waitlist Segments	<ul style="list-style-type: none"> • Wait listing (WL) of flight segments is a common practice by travel agents that enables the customer to be listed on flights at the preferred fare. • Nepal Airlines has several tools to inhibit, reduce or cancel WL segments in place. • Travel agents are asked to limit the number of WL segments to the minimum level and Cancel, remove not needed WL segments at least outside 24hrs before flight departure and no Waitlist segment permitted at the time of check-in if any higher booking class within the same travel compartment is available. 	<ul style="list-style-type: none"> • The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Name Changes/Name Corrections	<ul style="list-style-type: none"> • The full name and title of each passenger must be entered at the time of booking. • Changes of family name or first name are not permitted within the same PNR. • If change is needed, the original PNR must be cancelled and a new PNR must be created, however the booking class must 	<ul style="list-style-type: none"> • Violation of the rule, ADM will be raised USD 10 per segment booking.

	<p>be available.</p> <ul style="list-style-type: none"> • The old ticket must be refunded according to fare rules and a new ticket must be issued as per the actual applicable fare. • Name corrections (up to 2 letters) are only permitted if the customer name has been misspelled or to reflect legal documents. • The name change restrictions do not apply for Group PNRs. 	
Inactive Segments (Status codes HX/NO/UC/UN/US)	<ul style="list-style-type: none"> • It is an industry standard for airlines to respond with status codes like HX, NO, UC and UN due to host processes or automated applications (like Dupe, Passive Segment Notification, No-show/WL Clearer as described above), for non-compliance with NAC booking policy, for unavailability to confirm sales on NAC flights or for schedule changes. • All inactive status codes like HX/NO/UC/UN/US must be removed latest 24 hours before flight departure by using the cancel entry. • Verification on agency bookings with segment status HX/UN/NO/UC/US etc. known as non-productive segments. 	<ul style="list-style-type: none"> • Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
No-shows	<ul style="list-style-type: none"> • When the Travel Agent fails to cancel a booking that is not required by the customer which leads to inventory spoilage. • If the reservation is not cancelled it may result in a No-show rebooking/refund restrictions may apply for no-show after ticketing. • Un-ticketed segments which result in No-Show shall be liable to penalty fees. 	<ul style="list-style-type: none"> • The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.
Passive Bookings	<ul style="list-style-type: none"> • Nepal Airlines does not allow creating passive bookings on its flights. • All passive bookings status codes will be rejected by NAC a message will be sent to the Agents, for taking immediate action: Passive segment should be cancelled before 48 hours prior to flight departure. 	<ul style="list-style-type: none"> • The Violation of rules, ADM will be raised USD 10 per segment to booking/ticketing Agents.

Note: The charges will be levied on monthly basis based on English Calendar.



Other Misuse in Booking and Ticketing

- The violation in reservation Booking Designator (RBD), Fare/Sales, for tickets issued with open/request status, Reissue & Exchange, Void and Refund.
- ADM will be raised to Booking/Ticketing agents for the difference of fare/tax/commission/other applicable charges as per NAC Traffic rules.

Interline Ticketing

- Travel Service provider must not validate any ticket on Nepal Airlines if the ticket contains a flight segment(s) on any other airlines unless the other airline is a Nepal Airlines interline partner and has a ticketing and baggage agreement with NAC.
- In addition, any ticket validated on RA must contain at least one RA flight segment. A listing of RA's interline partners is available via Travel Service Provider's GDS system.
- We permit stand alone tickets only for our Partner Airlines where they are not present in local BSP.

ADM Disputes & Administrative Collections

- Applicable Administration fee will be applied for all the ADM's to be raised, which will be included in the respective ADM itself.
- Agents shall dispute the ADMs in the respective BSP link within a maximum period of 14 days or as per the time limit assigned by the local BSP whichever is earlier.
- All correspondence in respect of disputes must be directly corresponded on the communication details mentioned on the ADM. If Disputes are accepted by Nepal Airlines all charges associated with such ADM's will be reversed with an ACM in the respective BSP links.
- Agents when disputing ADM's must provide supporting documentation. No dispute shall be entertained by NAC whose billed date is more than 180 days old.
- The contact details of persons with whom correspondence can be initiated will be available in the respective ADMs of the BSP links.
- Dispute period of all Manual ADM's should be within 14 Days from the date of submission. All disputes submitted by agents to Nepal Airlines must be supported with relevant supporting documents.

Implementation

- Nepal Airlines ADM Policy to be implemented effective from 15 October, 2017