AGENCY DEBIT MEMO POLICY

V 1.3

SAUDIA reserves the right to amend and/or to adapt and/or to delete rules and fees described in this document.
SAUDIA ADM POLICY:

SAUDIA policy on Agency Debit Memos (ADMs) will provide further clarification to the Travel Agents, the circumstances under which ADMs will be issued and the guidelines that SAUDIA applies.

SCOPE

SAUDIA ADM policy ensures that fare rules and other agreements between the Travel Agent and SAUDIA are respected and if not, settle the difference in an adequate and logical way.

TRAVEL AGENTS OBLIGATIONS:

These are described in IATA Resolution 824 in which is stated that the Agent should issue tickets in compliance with Carrier’s fares, fare rules, General conditions of carriage and written instructions of the carrier as provided to the Agent. Airlines have the right to audit and send ADMs for all transactions. These ADMs will be handled as per IATA resolution 850M.

I. In Particular Following Are Subject To Audit: (Not Limited To)
   • Issuances, Refunds, Reissue, Void and Revalidation transactions with automated or manual fare quotes.
   • All fare elements for published and negotiated programs (Including Private, Corporate, TO and Group fares and conditions) and YQ/YR, Commissions, Taxes and EMD.
   • Reservation violation checks.

II. ADM Issuance Process and Procedure:
   • An ADM will only be submitted for processing through the BSP to adjust sales if issued within nine months of final travel, or when the final travel date cannot be established, the expiry date of the document. In case of refunds, an ADM will only be issued within nine months of the Refund date. For any charge due beyond this period, SAUDIA will agree with the Agent bilaterally the best settlement method and only submit an ADM through the BSP process if agreed in writing by the Agent.

   • SAUDIA complies with local BSP procedures in providing agents with a minimum period of notice, in order to review any ADM and dispute it.

   • An ADM will not be issued for a value less than USD 5 (or equivalent in local sale currency). Exceptions for this clause are made in certain cases e.g. tax violations,
commission violation, OB fees. In cases of persistent errors this minimum ADM value shall not be applicable. Also, if there is a persistent practice of under-payment (multiple occurrences of under payments less than USD 5 (or equivalent in local sale currency) in a single period by the same Agent (IATA location), SAUDIA reserves the right to raise an ADM to recover the under-payments.

- SAUDIA will endeavor to provide as much information as possible on an ADM to ensure it is specific in its detail about the reason a charge is being made.

- SAUDIA will only include more than one transaction on any ADM if the reason for the charge is the same and will provide details with the ADM.

- If SAUDIA raises an ADM for non-compliance with fare rules, the general principle applied is to raise the fare to the next applicable fare. Any divergence from this principle (e.g. a fixed amount penalty charge) is communicated to the Agent in advance, e.g. through notes in the fare rules, by letter or any other communication such as SAUDIA’s travel agencies web page www.saudiairlines.com/travelagencies used in the market in question.

- SAUDIA reserves the right to issue any malpractice ADM against booking procedure. Please visit Booking procedure in www.saudiairlines.com/travelagencies for more information.

- SAUDIA reserves the right to make inspections concerning the use of Traffic Documents and to demand, if needed, the payment of the difference between the fare paid and the applicable one.

- SAUDIA will honor every flight coupon only when correctly used, following the right sequence and from the point of origin as per fare calculation shown on the ticket. Any irregular use of ticket or flight coupons sequence will invalidate the entire Traffic Document.

- Ticket must be re-issued if any change pertains irrespective of Additional Collection (ADC) or no ADC is required.

- SAUDIA instructions specify any fee (Reissue/Revalidation/No-show) must be collected via an EMD, and the EMD must be linked to the ticket concerned. Failure to follow this procedure may result in a charge to be collected by ADM for incorrect ticketing procedures.
• SAUDIA will only issue more than one ADM in relation to the same original ticket, if different, unrelated charges apply. **(This does not apply when an ADM is cancelled and raised again for the same reason but for a different value).**

• SAUDIA will levy for each ADM an administration fee on ADM issuance. This charge will be reversed only upon full acceptance of the dispute for wrong ADM issuance. SAUDIA reserves the right to revise administration fee with or without prior notification. This fee is to cover the cost of the audit process and will be issued as part of the ADM value.

• If any ADM waiver is given with full amount, then only administration fee will be applicable.

• Administration Fees:
  - USD 15 for Europe, USA and Canada **(or equivalent to sales currency)**
  - USD 10 for Middle East and Africa **(or equivalent to sales currency)**
  - USD 6 for Indian Subcontinent & Asia Pacific **(or equivalent to sales currency)**

• Except where otherwise agreed in a market, in consultation with Agents individually or collectively, SAUDIA will not use an ADM to collect third party costs not directly associated with the initial ticket issuance of a passenger journey.

III. **ADM Disputes:**

• In case of dispute, Agents MUST dispute an ADM via their BSPlink dispute facility within the ADM dispute period and all supporting documents should be attached. If SAUDIA rejects the dispute, an explanation for the rejection will be sent to the Agent.

• If SAUDIA reject a dispute and Agent wants SAUDIA to re-investigate, agent should contact SAUDIA through the email mentioned in the ADM within 21 days of the rejection date by providing additional information. Otherwise the re-dispute will not be considered.

• If an Agent disputes ADM after it has been included in the BSP settlement, SAUDIA will acknowledge receipt to the Agent, investigate and communicate its decision on the dispute within 30 days from the date of receipt of the dispute. In circumstances, where the Agent has furnished insufficient information to support the dispute or the airline decision is subject to further Commercial consideration, SAUDIA will communicate its decision no later than 2 months (60 days) from the date of receipt of the dispute.
IV.  **SAUDIA Expects Our Valued Partner To:**

- Train their staff in ADM procedures; their purpose and the dispute period that exists.
- Ensure that when an ADM is disputed, it should be made in English language, reason is specific in detail and the relevant supporting information is attached with the dispute.
- Not to dispute an ADM where the reason is valid and evidence to the contrary is not available.
- Raise all disputes within the BSP dispute period (according to Resolution 850m).
- Ensure that their contact details (phone numbers, fax numbers and email addresses) are up to date in BSPlink. To provide specific contact details when logging a dispute in BSPlink to enable SAUDIA to make contact concerning the dispute.
- Authorized agents should check passenger’s eligibility for special fares e.g. Student Discount, Seaman, Resident and Government 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. SAUDIA 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 special TO fares without being eligible to travel with such fares).

SAUDIA reserves the right to inhibit an Agency’s ability to view, book and ticket SAUDIA inventory and/or terminate the Agency Commission Agreement, due to frequent violations of the booking & ticketing policy and/or failure to pay any outstanding fee(s).

We thank you for taking the time to read this document and your continue support to SAUDIA.

**INFORMATION & CONTACT ADDRESS**

For any further information:

- Please Visit [http://www.saudiairlines.com/travelagencies](http://www.saudiairlines.com/travelagencies)
- E-mail Address [HQBSPDISPUTE@saudiairlines.com](mailto:HQBSPDISPUTE@saudiairlines.com)