

## **Shandong Airlines**

### **Agent Debit Memo(ADM) Policy**

According to IATA Resolution 850m, Shandong Airlines has the right to raise Agency Debit Memo (ADM) for any violations below.

#### **Categories**

- **Article 1 Fare Policy**

- ❖ Incorrect fare application and combination (e.g. routing or sales restrictions)
- ❖ Incorrect fare value
- ❖ Violation of minimum / maximum stay, advanced purchase rules
- ❖ Violation of applicable date or flights
- ❖ Use of invalid code-share flights
- ❖ Violation of stopovers, transfers and surcharges regulations
- ❖ Incorrect RBD (booking class), on SC and on other Airlines
- ❖ Incorrect Fare Basis or Tour code
- ❖ Tampering with the cancellation and change rules in endorsement column
- ❖ Incorrect use of promo fares

- **Article 2 Commission**

- ❖ Incorrect commission rate
- ❖ If the ticket was refunded, but not by the agent who issued the ticket, Airlines will reclaim the commission paid to the original issuing agent.

- **Article 3 Taxes/Fees/Charges**

- ✧ Incorrect amount of taxes/fees/charges
- ✧ Not collecting taxes/fees/charges

- **Article 4 Refund**

- ✧ Incorrect amount of refund of fares and taxes/fees/charges
- ✧ Incorrect refund fee
- ✧ Not collecting no-show fee
- ✧ Incorrect calculation of commission amount for refund
- ✧ Incorrect form of payment for refund (versus sale)
- ✧ Not in compliance with the airline refund policy, including but not limited to incomplete information for sickness refunds, duplicate refunds, refunds of used or expired tickets, refunds for non-refundable tickets
- ✧ Failure to input waiver code as required for involuntary refund

- **Article 5 Reissue/Exchange**

- ✧ Reissue without collecting change/no-show/upgrade fee, etc.
- ✧ Refunding fees which are non-refundable (e.g. change/no-show fee, etc.)
- ✧ The difference should not be refunded if the fare and taxes of the new tickets are lower than the original ones
- ✧ Failure to input “INVOL” as required for involuntary reissue/exchange

- **Article 6 Credit Card Violations**

According to IATA Resolution 890, SC will issue an ADM in the following situations:

- ✧ In the event of the Agent accepting a type of Customer Card which is not accepted by the SC whose Traffic Document is being issued, SC will charge the non-payment from the card company to the Agent..
- ✧ The Agent may not accept any non-customer card or payment method that uses the SC's card acceptance merchant agreement, including any card issued in the name of the Agent or any Person permitted to act on behalf of the Agent, unless

specifically authorized by SC.

A failure to comply with the rule above will be charged a 3% of the amount of the card payment.

- ❖ If SC receives a notice of a dispute relating to a transaction submitted to the card company, SC will notify the Agent within 7 days and request appropriate supporting documentation and information, and the Agent will promptly comply with any such request within 7 days.

In the event of a disputed transaction and its subsequent rejection by the card company, SC will pass the loss to the Agent.

## ● Article 7 Bookings Violations and Penalty Standard

Item	Description	Penalty
Multiple GDS	Booking and ticketing in different GDS	USD200/per passenger per ticket
Connecting times	Violate MCT regulations	
Fictitious Bookings	Booking with fake ticket names or other false information for specific purposes (including tests or training)	
Duplicate bookings	All multiple active bookings for a passenger with same or very similar origin & destination or segment date; same booking information in different GDSs; Duplicate segments for one passenger in one PNR, same or different RBD, same IATA BSP/ARC PCC code	USD10/per passenger per segment
Churning	Repeatedly cancel and rebook the same itinerary to circumvent the ticket time limit or for any other reason for more than 3 times.	USD10/per passenger per segment
Invalid Ticket Number	Booking with invalid, refunded, used or false ticket numbers	USD10/per passenger per segment
Passive booking	Booked in 1E system but ticketed in other GDSs.	USD10/per passenger per segment
Secure flight passenger data(SFPD)	Missing or delayed input of SFPD required by the government depending on the destination (e.g. US/CA)	USD50/per passenger

Inactive Segments cancellation	Failure to cancel inactive segments with status codes of HX/NO/UC/UN/US at least 24 hours prior to flight departure.	USD10/per segment
Queues	Failure to deal with queues (including but not limit to ticketing time, flight irregularities)	
Cancellation ratio	Cancellation ratio is higher than 85% and the number of canceled segments is more than 200	USD10/per segment
	Cancellation ratio is higher than 85% and the number of canceled segments is less than 200	USD5/per segment
Other violations	Violate the reservation and/or fare rules of the respective airlines when using 324 tickets to sell other carriers or code share (SC*) flights. E.g. Breaking of Married Segments or OD Bypass	Follow the standards of respective airlines
Attention	According to the regulations of Ministry of Transport of PRC, missing or incomplete DOCS may affect passengers' after-sales service and smooth travel.	
	Failure to provide valid passenger contact details may result in a disrupted itinerary due to flight cancellation/ schedule changes (including delay during departure). Please follow the requirements of IATA Resolution 830d.	

\*If any passenger complaints or claims for compensation due to the violation of the agent, the agent shall be responsible to comfort the passengers or bear the loss of the passengers.

## ● Other Sales Violations and Penalty Standard

Item	Description	Penalty
Frequent violations of Article 1 to 5	IF any violation of above Article 1 to 5 occurs 3 times in a row within a calendar year, an amount of USD10 will be charged for each ticket.	USD10/each ticket
Other violations	Unauthorized cancellation of one or more segments to issue tickets or modify one or more segments and classes to obtain lower fares.	USD500/per passenger
	Maliciously modify PNR	
	Modify or cancel PNR of other agents.	
	Any violations of the agents that result in passenger complaints.	
	Maliciously disrupts market by providing a lower price than airlines' net fare	

Agents apply for refund in the name of passengers without passengers' consent	USD200/per passenger
Sell the ticket with the booking unconfirmed	
Falsify airlines' refund rules	
Forcible sell ancillary products (e.g. insurance)	
Unauthorized release of passenger's information (e.g. name, itinerary, etc.)	
Failure to reissue or exchange tickets in accordance with airline regulations.(e.g. changing carrier, flights, etc.)	
Use the Waiver Code against the rules, or falsify the information for refund fee waiver or discount.	
Use the false certificate to claim ticket discount or reduce fee for refund and endorsement.	

\*If any passenger complaints or claims for compensation due to the violation of the agent, the agent shall be responsible to comfort the passengers or bear the loss of the passengers.

### ● **Dispute Procedure:**

- ❖ The agent can dispute an ADM issued by Shandong Airlines via BSP link within 15 days after issuance in accordance with IATA Resolution 850m.
- ❖ Shandong Airlines will handle disputed ADMs within 60 days of receipt.
- ❖ If Shandong Airlines rejects the dispute, an explanation for the rejection will be sent to the agent via BSP link .
- ❖ If it is established that an ADM is not valid, it will be canceled.
- ❖ An ADM will be settled through BSP automatically.
- ❖ Regarding any subsequent dispute of such ADM, the agent can submit PBD( Post Billing Dispute) through BSP Link, the follow-up process is implemented with reference to IATA Resolutions 812 and 818g.

### ● **Others:**

- ❖ Unless otherwise stated, the ADM policy only applies to regions other than mainland China.
- ❖ The provisions may be changed without prior notice.
- ❖ In the event that the provisions and the penalty standards hereunder are in

violation of the laws and regulations where the agent is located, the local laws and regulations shall prevail.

We appreciate your support and look forward to your cooperation.

Shandong Airlines