

SIBERIA AIRINES AGENCY DEBIT MEMO (ADM) POLICY

For all BSP Accredited Agents

AIRLINE NAME: Siberia Airlines, D.B.A. S7 Airlines (hereinafter – the Carrier)
AIRLINE ALPHA/NUMERIC CODE: S7/421
EFFECTIVE DATE: July 1st, 2014

With this document the Carrier publishes the updated policy on Agency Debit Memo (ADM Policy) that replaces any previous one with effect from July 1st, 2014.

1. TERMS AND DEFINITIONS

Terms and definitions used in this ADM Policy are defined in IATA Resolution 866.

2. KEY POINTS OF THE CARRIER'S ADM POLICY:

- 2.1. This ADM Policy has been developed in accordance with:
 - Rules, manuals and instructions of the Carrier;
 - IATA Resolution 850m ISSUE AND PROCESSING OF AGENCY DEBIT MEMOS (ADMs).
- 2.2. The Carrier will issue an ADM for any breach of the Carrier's fare rules and other instructions on booking and issuing Carrier's air transportations which are published on the Carrier's website for the Agents <https://partner.s7.ru/bsp>, official website www.s7.ru, BSPlink, and/or were distributed to the Agents via email.
- 2.3. If Agent's violation is arising from failure of Global Distribution System (GDS), Agent should pay the related ADM in full.
- 2.4. An ADM will be issued by Carrier within the terms set forth in IATA Resolution 850m.
- 2.5. An ADM can be disputed by an Agent one time only via ADM Dispute functionality in BSPlink, within period of time set forth in IATA Resolution 850m.
- 2.6. The Carrier will consider and settle (approve or reject) all ADMs' disputes within period of time set forth in IATA Resolution 850m provided that all relevant supporting documentation and/or information have been submitted through BSPlink at the time of disputing. In other case Agent's dispute will be rejected and ADM will be payable in due order only. The Carrier reserves the right to request an Agent to submit hard copies of the supporting documents to consider the Agent's dispute.
- 2.7. If not disputed within the period set forth in IATA Resolution 850m herein, the ADM will be automatically included in the Carrier's billing report and in the amount due to be paid to the Carrier for the concerned billing period.
- 2.8. If it was established that issued ADM is not reasonable, the Carrier will approve Agent's dispute or will issue an ACM for the proper amount if the originally issued ADM has been billed and paid in due order. Such ACMs will be billed and settled in the next billing period.
- 2.9. The Carrier applies following administrative (service) fees:
 - 2.9.1. ADM issuance fee (ADM fee): EUR 10.00 for each issued ADM irrespective of involved tickets quantity. This ADM fee will be applied in cases stipulated in Section 3 herein;
 - 2.9.2. ACM issuance fee (ACM fee): EUR 5.00 for each issued ACM (irrespective of involved tickets quantity). This ACM fee will be applied for issuing an ACM upon Agent's request for recovery of damages caused by the Agent's errors (discovered by the Agent).
- 2.10. If, on an Agent's request, the Carrier decides to make an exception and cancel reasonable issued ADM after it was included into the BSP billing; amount of the ADM less the ADM fee (paid together with the original ADM) will be refunded to the Agent via ACM.
- 2.11. ACM fee described in paragraph 2.9.2. will not be applied in the following cases:
 - 2.11.1. If it was established that original ADM was issued in error;
 - 2.11.2. If an Agent has submitted necessary supporting documents after original ADM was billed and paid.
- 2.12. Administrative fee for ADM issuance stipulated in paragraph 2.9.1 will be shown and explained in the same ADM document as a tax with YY code.
- 2.13. Administrative fee for ACM issuance stipulated in paragraph 2.9.2 will be shown and explained in the same ADM document as a tax with YY code and will be deducted from the total amount due to the Agent.
- 2.14. If currency of the penalties set forth in this ADM Policy is not corresponding with reporting currency implemented for the specific BSP country, calculation of the equivalent amount will be made using exchange rate published in the Carrier's inventory system (Gabriel) on the day of the ADM issuance. This exchange rate will be announced to the Agent in the same ADM/ACM.
- 2.15. If IATA cancels its accreditation of one or several Agent's location(s), the Carrier will issue ADMs for the violations made by the involved Agent's location(s) to the Agent's Head office.
- 2.16. The Carrier reserves the right to change any of these terms and requirements. All parties involved will be notified of any changes.
- 2.17. This ADM Policy will be published in BSPlink as determined in IATA Resolution 850m.

3. ADM ISSUANCE REASONS AND PENALTIES APPLIED

#	Violations	Penalties	Application of ADM fee (§2.9.1)
1.	Violations which entail the Carrier's losses		
1.1.	Unreported tickets (for all types of transactions)	1) If there is the Carrier's loss - total ticket's amount plus penalty at the rate of 0,2% from the ticket's total amount for each calendar day of delay starting from the ticket issue date to the date of ADM issue, inclusive; 2) If there is no the Carrier's loss – EUR 10 for each case	Applied
1.2.	Late payment for the Carrier's tickets which has resulted in delay of the money remittance from IATA	Fine at a rate of 0.2% from the involved tickets' value for each calendar day: 1) From IATA Settlement Date set in BSP Reporting Calendar (for the proper reporting period) until the full settlement performed by IATA to the Carrier	

#	Violations	Penalties	Application of ADM fee (\$2.9.1)
		(actual IATA Settlement Date set in BSP Reporting Calendar), or 2) From the day of ACMD issued by IATA to the Carrier for unpaid amount until the day of ADMD's issuance to reimburse the Carrier of the withheld amount	
1.3.	Incorrect agency commission amount reported	Amount of loss	
1.4.	Taxes and charges under collecting		
1.5.	Fare under collecting		
1.6.	Violation of the Carrier's applicable fare rules including Group fare application rules		
1.7.	Non-submission of documents confirming passengers' rights for a flight on favourable terms		
1.8.	Discrepancy between booking classes in PNR and a ticket		
1.9.	Incorrect amount reported when refunding/exchanging a ticket		
1.10.	Exchange/Refund of a ticket prohibited to be exchanged/refunded		
1.11.	Non-submission of documents confirming involuntary exchange/refund		
1.12.	Incorrect currency exchange rate applied when issuing a ticket		
1.13.	Charge for exchange/refund not collected or incorrect amount collected		
1.14.	Incorrect/Not-authorized Form of Payment applied/ Using of Payment Cards not authorized by the Carrier		
1.15.	Chargeback to payment card without refund transaction		
1.16.	Not remittance of the receivables when selling tickets using payment cards		
1.17.	Seats' keeping in GDS for one (1) hour and more without PNR issuance less than 24 hours before the flight's departure ("seats freezing")	1) <u>24 hrs and less before the flight</u> : fare amount in accordance with booking class in which the seat has been keeping, for each case (for each seat) 2) <u>Less than 7 days but more than 24 hrs before for the flight</u> : EUR 5.00	Applied for 24 hrs and less before the flight "seats freezing"
1.18.	Rebooking of flight segments in PNR with no/incorrect changes entering in the ticket	Amount of loss	Applied
1.19.	Ticket's status hasn't been changed in case of PNR cancellation, exchange or refund of the ticket	1) If the ticket has been used for the flight – amount of loss 2) If the ticket wasn't used for the flight - EUR 5.00	Applied when the ticket has been used for the flight
1.20.	Ticket refunded without a seat withdrawal from GDS prior to the departure of the Carrier's flight	Amount of loss	Applied
1.21.	Ticket issued with violation of the minimum connection time	Amount of loss including the Carrier's costs for passenger's accommodation and transportation	Applied
1.22.	Double usage of the coupon (exchange/refund)	1) If the coupon has been used – Amount of loss 2) If the coupon has not been used – EUR 5.00	Applied when the coupon has been used
1.23.	Ticket issued with violation of the Carrier's interline agreements	Amount of loss	Applied
1.24.	Other violations which entail the Carrier's losses	Amount of loss	Applied
2.	Administrative violations		
2.1.	Not submission or late submission of tax invoice for agency commission if provided for by law of the concerned BSP country	EUR 5.00 for each case (for each tax invoice)	Not applied
2.2.	Incorrect breakdown of the amount to be refunded or collected to/from passenger (by total value's items – fare, taxes, penalties, etc.) while refunding or exchanging of the ticket	EUR 5.00 for each transaction	Not applied
2.3.	Not entering/Incorrect entering of data without using automatic calculation in GDS that has not entailed the Carrier's losses, including incorrect specification of fare's currency, not filling/incorrect filling of fare construction field, incorrect information about exchanged or refunded coupons, etc.	EUR 5.00 for each case (for each ticket)	Not applied
2.4.	Time Limit establish in PNR with violation of reservation rules, change of time limit specified in PNR by the Carrier	EUR 5.00 for each case (for each passenger in PNR)	Not applied
2.5.	Creation of fictitious bookings, fictitious passenger's name entering in PNR, unauthorized change of passenger's name in PNR	EUR 10.00 for each case (for each passenger in PNR)	Not applied

#	Violations	Penalties	Application of ADM fee (§2.9.1)
2.6.	Ticket issued without PNR creation/Ticket issued without confirmed booking status in PNR	EUR 10.00 for each case (for each passenger in PNR)	Not applied
2.7.	Creation of PNR without ticket issuance less than 24 hrs before the flight	EUR 15.00 for each case (for each passenger in PNR)	Not applied
2.8.	Creation of duplicated or multiple bookings for one passenger	1) More than 48 hours before the flight - EUR 5.00 for each case (for each PNR); 2) Less than 48 hours before the flight - EUR 15.00 for each case (for each PNR)	Not applied
2.9.	Conjunction – tickets issued with violation of coupons usage sequence	EUR 5.00 for each case (for all tickets)	Not applied
2.10.	Ticket numbers not entering in PNR, fictitious ticket numbers entering in PNR (fictitious number specified in PNR is a ticket which number differs to one or more digit(s) from number of issued ticket for the transportation	EUR 10.00 for each case (for each ticket)	Not applied
2.11.	Discrepancy between quantity of issued tickets and quantity of passengers specified in PNR	EUR 5.00 for each case (for each ticket)	Not applied
2.12.	Not entering/Incorrect entering (with violation of the Carrier's rules and instructions) passenger's passport/ID data in PNR and a ticket	EUR 10.00 for each case (for each ticket)	Not applied
2.13.	Not entering/Incorrect entering (with violation of the Carrier's rules and instructions) contact data for urgent communication with a passenger (both of phone and email)	EUR 10.00 for each case (for each PNR)	Not applied
2.14.	Not entering/Incorrect entering (with violation of the Carrier's rules and instructions) passenger's passport/ID data and information about children (CHD and INF)	EUR 10.00 for each case (for each ticket)	Not applied
2.15.	Late cancellation of inactive segments with status HX/UC/UN	EUR 10.00 for each segment	Not applied
2.16.	Usage of passive segments not for issue/reissue tickets	EUR 10.00 for each segment	Not applied
2.17.	Repeated reinstatement of bookings after the Carrier's rejection	EUR 10.00 for each segment	Not applied
2.18.	Repeated (more than two (2) times) booking cancellation	EUR 10.00 for each segment	Not applied
2.19.	Refund of the tickets issued under group fares; violation of the group reservation terms and conditions confirmed by the Agent on https://partner.s7.ru/agRequests/	In accordance with "Requirements for Transferring, Withholding, and/or refunding the Security Payment for Neutral Environment Agents" published on https://partner.s7.ru/agRequests/S7Documents.aspx	Not applied
2.20.	Violation of the Carrier's rules, manuals and instructions	EUR 10 for each case	Not applied
2.21.	Not-submission/Late submission of the important information about Agent: legal status, address, company's name, heads of the company, bank details, taxation system, etc. **	EUR 75.00 for each case	Not applied
2.22.	Air transportation selling in sales offices not registered by the Carrier's website for BSP Agents on https://partner.s7.ru/bsp **	EUR 750.00 for each case (as result of test purchases)	Not applied
2.23.	Agent's IATA code in the ticket doesn't match with IATA code of an Agent originally created PNR	EUR 15.00 for each ticket	Not applied
2.24.	Tickets issuance under the IATA codes which were prohibited (technically or in writing) to issue the Carrier's tickets	EUR 15.00 for each case (for each ticket)	Not applied

* Article 2.1 the table is to be applied to the Agents of BSP Russia only

** Items 2.21 and 2.22 of the table are to be applied to the Agents of BSP Russia and BSP Ukraine only