



Agency Debit Memos - British Airways Policy Effective February 2020

Background

British Airways has decided to publish its policy on Agency Debit Memos (ADM) to Travel Agents to make clear the circumstances under which an ADM will be issued and the guidelines that British Airways applies:

Key Points of British Airways Policy:

- An ADM will be issued through the BSP only within nine months of final travel.
- A floor limit of GBP4 applies to an ADM, but see 2.3 for exceptions for recurring Occurrences of underpayment.

See below for full details of British Airways ADM policy.

1. Scope

1.1. British Airways will issue an ADM to collect amounts or make adjustments to agent transactions related to the issuance and use of British Airways traffic documents, issued by, or at the request of the Agent, regardless of which airlines are included in the itinerary of the British Airways traffic document. An ADM may also be used to collect amounts where a traffic document has not been issued, if agreed with the Agent, for example, for deposits for group sales.

2. British Airways Practice

2.1. 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. To adjust refunds, an ADM will only be issued within nine months of the BSP remittance date on which the document was settled. For any charge due beyond this period, British Airways 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.

2.2. British Airways complies with local BSP procedures in providing Agents with a minimum period of notice, in order to review any ADM and dispute it.

2.3. An ADM will not be issued for a value less than GBP 4.00 or equivalent. However, if there is a persistent practice of under-payment (multiple occurrences of under



payments less than GBP 4.00 or equivalent) by the same Agent (IATA location), British Airways may raise an ADM to recover the under-payments.

2.4. British Airways will endeavour 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.

2.5. British Airways 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.

2.6. If British Airways 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 (e.g. Travel Trade) used in the market in question.

2.7. If the Agent does not comply with British Airways Travel Agency Addendum, British Airways will issue an ADM.

2.8. If the Agent does not remove passive, inactive or non-productive segments from a PNR at least 24 hours prior to departure, British Airways will issue an ADM of 10 GBP (or equivalent local currency).

This includes any segments with a status of: AK/AL/AN/BK/BL/BN/GK/GL /GN/MK/PK/PU/PL/YK/ZK. Segments created as part of a Group Booking are exempt.

Bookings made prior to 24 hours to departure should be ticketed in line with the fare rules where applicable or cancelled at least 24 hours prior to departure. If the Agent makes a booking within 24 hours to departure, it should be instantly ticketed.

2.9. British Airways instructions specify any change fees 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 an ADM for incorrect ticketing/reporting procedures – unless local agreement is reached that permits a different collection and reporting method.

2.10. British Airways 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).



2.11. British Airways will endeavour to handle a rejected or disputed ADM in a timely manner. Where an Agent has disputed an ADM within the dispute period, provided the dispute was sent to the email notified on the ADM in question, British Airways will acknowledge receipt of the Agent's dispute, either via a status change in BSPlink or through a separate communication and stop the submission of the ADM onto the Agent's billing analysis. If British Airways reject the dispute an explanation for the rejection will be sent to the Agent.

2.12. Agents with BSPlink access may dispute an ADM via their BSPlink dispute facility within the ADM dispute period. If British Airways do not agree with the dispute, an explanation will be communicated to the agent prior to rejection of the dispute on BSPlink. The communication will give the agent a time period within which to respond with additional information for British Airways to re-investigate the dispute. If no response is received by British Airways within the time period indicated in the communication, the ADM will be submitted for settlement to BSPlink.

2.13. If an Agent disputes an ADM after it has been included in the BSP settlement British Airways will:

2.13.1. Within 30 days of the receipt of the dispute acknowledge receipt to the Agent.

2.13.2. Investigate and communicate their 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, British Airways will communicate their decision no later than 2 months from the date of receipt of the dispute.

For any unresolved disputes British Airways reserves the right to deduct the disputed amount from any applicable incentives payable to the Agent.

2.14. British Airways may levy an ADM administration fee of GBP10 (or equivalent in local currency) identified by the MF fee on the ADM. This charge will be reversed only upon full acceptance of the dispute for invalid ADM issuance by British Airways



3. British Airways expect travel agents:

3.1. To train their staff in ADM procedures; their purpose and the dispute period that exists

3.2. To ensure that when an ADM is disputed, the response is specific in detail and the relevant supporting information is sent to British Airways to the Email address indicated on the ADM.

3.3. Not to dispute an ADM where the reason is valid and evidence to the contrary is not available.

3.4. To raise all disputes within the BSP dispute period (according to Resolution 850m).

3.5. To ensure that their contact details (Email addresses, phone numbers, and fax numbers are up to date in BSPlink.

3.6. To provide an email address when logging a dispute in BSPlink to enable British Airways to make contact concerning the dispute.