



Charlie Airlines Limited

Agency Debit Memo (ADM) Policy

(Agent Handbook)

December 2025

1. Purpose

This ADM Policy explains when and why Agency Debit Memos (ADMs) are issued, how disputes are handled, and what penalties apply. It is based on IATA Resolutions 850m & 866.

2. Key Rules

- **ADM Issuance:** For breaches of fare rules, booking / ticketing errors, or misuse of Carrier instructions.
- **System Failures:** Even if caused by GDS, agents remain responsible.
- **Timeline:** ADM may be issued withing 9 months of travel or document expiry.
- **Disputes:**
 - Allowed once only, via BSP link
 - Must be submitted within 14 days (or BSP deadline, whichever is earlier).
 - Supporting documents must be attached; otherwise, dispute is rejected.
- **Resolution:** Carrier will approve / reject disputes within IATA timelines.
- **Automatic Billing:** If not disputed in time, ADM is added to BSP billing.
- **Corrections:** If ADM is unreasonable, Carrier may cancel or adjust via ACM (Agency Credit Memo).

3. Fees

- **ADM Fee:** €10 per ADM (MF code).
- **ACM Fee:** €5 per ACM (MF code).
 - Not applied if ADM was issued in error or supporting docs were later provided.
- **Refunds:** If ADM is cancelled after billing, refund = ADM minus €10 fee.
- **Currency Conversion:** Penalties converted using Carrier's system exchange rate at issuance.

4. ADM Categories

- **Booking Errors:** Churning, duplicates, fictitious names, inactive segments, married segment violations, passive misuse, space not cancelled.
- **Commission Issues:** Incorrect commission, non-commissionable, recall commission.
- **Ticketing Errors:** Wrong / missing data exchange reporting errors.
- **Miscellaneous:** Invalid credit card, group deposit issues, name corrections, duplicate processing.
- **Tax Errors:** Invalid tax calculation, missing YQ/YR, non-ticket taxes.
- **Refund Errors:** Refund of non-refundable fares, under-collected penalties, invalid tax refunds, ticket validity mistakes.

5. GDS Booking Policy

- Use GDS only for real passenger requests.
- **Prohibited Practices:**
 - Churning (repeated booking / cancelling).
 - Duplicate bookings.
 - Fictitious / test names.
 - Inactive segments not cancelled 24h before departure.
 - Married segment misuse.
 - Waitlist misuse.

6. ADM Issuance Reasons & Penalties

Common Violations & Practices

Category	Violation	Penalty
Miscellaneous	Unreported tickets	Full ticket value + 0.2% per day (if loss) OR €10 (if no loss)
	Late payment	0.2% per day on ticket value
	Missing involuntary refund docs	ADM applied
	Unauthorized credit card use	ADM applied
	Chargeback without refund	ADM applied
	Duplicated coupon use	Loss amount OR €5
Commission	Incorrect commission	Loss amount (Russia only)
	Missing tax invoice	€5 per invoice
Tax	Under-collected taxes	Loss amount
Ticketing / Fee	Incorrect fare or exchange rate	Loss amount
Booking	Fare rule violations	Loss amount
	Wrong booking class vs ticket	Loss amount
	“Seat freezing” (inactive segments)	Full fare (<24h before flight) OR €5 (1-7 days before)
	Rebooking without ticket update	Loss amount
	Ticket refunded but seat not cancelled	Loss amount

	Minimum connection time violation	Loss amount + passenger costs
	Interline agreement violation	Loss amount
	Incorrect GDS data entry	€5 per ticket
	Fictitious names / fake PNR	€10 per case
	Ticket issued without PNR	€10 per passenger
	Duplicate bookings	€5 (>48h before flight) OR €15 (<48h)
	Passive segment misuse	€10 per segment
	Churning (repeated cancels / rebooks	€10 per segment
	Late cancellation of inactive segments	€10 per segment
	Unauthorized sales office	€750 per case
	Wrong IATA code in ticket	€15 per ticket
Refunds	Invalid refund calculation	Loss amount OR €5 per transaction
	Refund of non-refundable fare	Loss amount
	Under-collected refund penalty	Loss amount
	Group fare refund violation	As per group rules

7. High-Risk Violations

- Unreported tickets → daily fines until ADM issued.
- Unauthorized sales offices → €750 per case.
- Incorrect agent information (legal status, bank details, etc.) → €75 per case.

8. Agent Best Practices

- Cancel inactive / duplicate segments promptly.
- Never use fictitious names or ticket numbers.
- Ensure ticket data (fare, taxes, passenger info) matches PNR.
- Respect refund rules – especially for non-refundable and group fares.
- Keep commission invoices and agent details updated.