



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 within 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
<b>Miscellaneous</b>	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
<b>Commission</b>	Incorrect commission	Loss amount (Russia only)
	Missing tax invoice	€5 per invoice
<b>Tax</b>	Under-collected taxes	Loss amount
<b>Ticketing / Fee</b>	Incorrect fare or exchange rate	Loss amount
<b>Booking</b>	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
<b>Refunds</b>	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.