



kulula.com Ticket Audit and Agent Debit Memo Policy

Policy Title	kulula.com Ticket Audit and Agent Debit Memo Policy
Policy Reference Number	5/01/2014
Version	8
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Original Create Date	8 January 2014
Approved	Patricia Swarts
Validity	Until further notice
Updated	01 November 2016

Version History

Version	Updated	Updated information
8	01 November 2016	Section 6 – Violations updated
7	1 December 2015	Section 5 – Disputes updated Section 7 – Fixed Fee Penalties updated
6	25 September 2015	Section 4 – Principles updated Section 7 – Fixed Fee Penalties updated Section 8 – kulula Contact Details updated
5	05 June 2015	Section 6 – Violations updated
4	17 February 2015	Section 7 - Fixed Fee Penalties updated
3	18 June 2014	Section 5 – ADM review period updated Section 7 – Fixed Fee Penalties updated
2	6 March 2014	Section 6 – Violations: new violation added for Incorrect form of payment Section 7 – Fixed Fee Penalties: new penalty added for Incorrect form of payment



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1. Policy Statement

kulula.com (MN) applies a Ticket Audit and Agency Debit Memo (ADM) policy in accordance with industry standards and will publish its policy to Travel Agents to clarify circumstances under which an ADM will be issued including any guidelines that apply.

This document is compliant with:

- IATA Resolutions 850m
- IATA Resolution 830a
- IATA Resolution 852

2. Purpose

This policy allows kulula to recoup amounts owing or make adjustments to agent transactions related to the issuance and use of MN traffic documents issued by the Agent, regardless of which airlines are included in the itinerary of the MN traffic document.

It further aims to discourage non-compliance with fare rules and stipulated procedures.

3. Scope

All MN traffic documents (161 ticket stock) and transactions facilitated by a BSP participating Travel Agency will be included in the ticket audit.

4. Principles

1. The processing of an ADM will be enacted via BSP within nine months of final travel. If the final date is unclear, the processing of any adjustments will be actioned within 9 months of 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, MN 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. kulula adheres to local BSP procedures which enable an agent to review and dispute the ADM within a minimum period of notice.
3. kulula 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.
4. An ADM will not be **issued for a value below the published minimum** (refer to Section 7 – Fixed Fee Penalties), however, if there is a persistent practice of under-payment (multiple occurrences of under payments less than the minimum value) by the same Agent (IATA location), kulula reserves the right to raise an ADM to recover the under-payments.
5. An **ADM administration fee** will apply per ADM issued (refer to section 7). This fee is to cover the cost of the audit process and will be issued as part of the memo.
6. kulula will **group up to five (5) transactions** on any ADM if the reason for the charge is the same and will provide details with the ADM; in these instances, **only one administration fee will apply**.
This does not apply when an ADM is cancelled and raised again for the same reason but for a different value.
7. kulula mandates the use of **electronic tickets only**.
8. For non-compliance with fare rules and booking conditions; the general principle applied is to raise the fare to the **next applicable fare** which would adhere to the required conditions.



Any divergence from this principle, for example when a fixed fee penalty applies, is communicated in the Pricing section of this policy or by means of a Travel Chat distributed to the market in question.

9. kulula aims to address causes that give rise to ADM issuance and for this reason, will contact an agency if the volume and types of errors of that agency's transactions are deemed to be above average or are recurrent, in these situations, kulula will attempt to address these issues bilaterally with the agent concerned.
10. kulula will not use an ADM to collect third party costs which are not directly associated with the initial ticket issuance of a passenger journey.

5. Disputes

kulula will endeavour to handle a rejected or disputed ADM in a timely manner.

Any disputes are to be raised by Agents within six (6) months of the ADM issuance date.

Prior to BSP submission:

- An agent may dispute an ADM issued by kulula via their BSPLink dispute facility, or when not available, through the contact email provided below within 15 days of receipt thereof.
- Where an agent has **disputed an ADM within the permitted period** provided this was correctly actioned, kulula will acknowledge receipt thereof, 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 kulula rejects the dispute, an explanation for the rejection will be sent to the Agent. If no response is received from the agent within 7 days of receipt of the rejection notice, the ADM transaction will progress into the billing files.

Post submission to the BSP

If an **agent disputes an ADM after it has been included in the BSP settlement** kulula will:

- Within 30 days of the receipt of the dispute acknowledge receipt to the Agent.
- Investigate and communicate the 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, kulula will communicate their decision no later than 2 months from the date of receipt of the dispute.
- In the event that an ACM (Agent Credit Memo) is raised, kulula will not apply an administration fee.

6. Violations

ADMs are used by kulula as a means to adjust the amount collected on agency transactions for kulula travel documents to the correct value where required.

ADM reasons include, **but are not limited to the following:**

Ticketing Violations

- Non-compliance with fare rules or divergence from any principles
- Incorrect RBD (booking class)
- Incorrect fare calculation
- Incorrect Fare Basis
- Incorrect issue of a Private fare ticket
- Incorrect or omitted Tour Code
- Incorrect commission (incorrect application or over-collection)



- Incorrect collection or omission of any applicable taxes, surcharges, rebooking penalties, cancellation penalties
- Incorrect form of payment accepted

Reservation Violations

- Ticket issuance in a PNR with an expired TTL
- Unticketed PNRs that result in a no-show
- GDS misuse
- Use of fake names/ticket numbers

Exchange Violations

Any **kulula Change Fees must be collected using the OD tax box**; failure to follow this procedure will result in a fixed fee ADM for incorrect reporting.

- Change Fee not collected
- Change Fee incorrectly calculated
- Incorrect or omitted Tour Code

Refund Violations

- Incorrect calculation of a refund amount i.e. fare, taxes or surcharges
- Incorrect calculation of a cancellation penalty
- Unauthorised refund (outside fare rules or policy)
- Refund to incorrect form of payment (other than original form of payment)

Waiver Violations

- Unauthorised fare waiver
- Incorrect waiver authorisation number present on the ticket

Please note:

Effective 2 November 2016, all fare rules will be updated to reflect that Private and Published fares may not be combinable when issued on the same ticket. Previously an agent would have received an ADM for this as it was considered a violation. This only applies to wholly MN flights issued on MN ticket stock (161). In addition to the change above, agents will now be allowed to exchange/reissue a Private fare with a Published fare and vice versa. This only applies to wholly MN flights issued on MN ticket stock (161).

7. Fixed Fee Penalties

In certain predefined instances, kulula will apply a fixed fee penalty for a deviation from correct booking and ticketing procedures as specified in the table below.

Reason	ZA Charge excludes VAT	ZW Charge VAT exempt
Missing or incorrect tour code	ZAR300	USD25.00
Missing or incorrect fare basis	ZAR300	USD25.00
Incorrect waiver authorisation number	ZAR300	USD25.00
Incorrect reporting of a Change Fee	ZAR300	USD25.00
Flight Application rule violation	ZAR300	USD25.00
Reason	Charge excludes VAT	
Incorrect reporting of the baggage allowance	ZAR300	USD25.00
Carrier Identification Plate (CIP) abuse	ZAR1000	USD75.00



Ticketing in an expired PNR	ZAR300	USD25.00
Unticketed PNR resulting in a No-Show	ZAR500	USD35.00
Administration fee per ADM		
	ZAR50 excluding VAT until 31 December 2015	USD7.00
	ZAR100 excluding VAT with effect from 01 January 2016	
Minimum ADM Value		
	ZAR30	USD4.00

8. kulula Contact Details

Any disputed kulula ADMs must be actioned via BSPLink, failing which agents may address their disputes to the following inbox **only when BSPLink is unavailable or when the ADM status on BSPLink is “billed”**:

kulula.disputes@accelya.com

9. kulula’s Requirements

kulula depends on you as a valued travel partner:

- To train agency staff in ADM procedures, their purpose and the dispute period that exists.
- To ensure that when an ADM is disputed, the information is specific in detail and the relevant supporting information is sent to kulula to the inbox indicated on the ADM.
- Not to dispute an ADM where the reason is valid and evidence to the contrary is not available.
- To raise all disputes within the ADM review period (according to Resolution 850m).
- To ensure that all agency contact details (phone numbers, fax numbers and email addresses) are up to date in BSPLink.
- To provide specific contact details when logging a dispute in BSPLink to enable kulula to make contact concerning the dispute.