

COMPUTER RESERVATION SYSTEMS (CRS) Booking and Ticketing Policy

This Booking & Ticketing Policy sets forth procedures to be followed by all Travel Service Providers, (hereafter referred to as the Travel Agent) or anyone authorized to act on behalf of the Travel Agent, who book and/or ticket air transportation on Air Canada, and on Air Canada Codeshare flights.

It is the Travel Agent's responsibility to ensure that all its employees, in all its locations, comply with this policy. This applies to all future updates to the Air Canada CRS Booking & Ticketing Policy.

Booking and Ticketing Policy Terms

Air Canada requires that only one reservation exists per passenger(s) per itinerary

- 1.** If your agency uses more than one CRS, you must book and ticket within the same CRS.
- 2.** You may not duplicate segments by moving segments between CRS. Air Canada will not be liable for duplicate segment fees incurred by the movement of segments between CRS or associated with the PNRs involved in travel agency CRS conversions. Air Canada Call Centres will not assist an agency attempting to claim a PNR owned by another CRS.
- 3.** You may not create active or passive duplicate bookings, including any combination of bookings for a passenger(s) which logically cannot be flown.
- 4.** Passive segments are not permitted. On an exceptional basis, Air Canada will allow passive segments for group PNRs (10 or more passengers) booked by Air Canada that include interline space, or an authorization from Air Canada. Group PNRs must only be claimed once and immediately prior to ticketing.
- 5.** Travel agents who issue tickets on behalf of sub-agents must use the original live CRS booking.
- 6.** You may not hold inventory for potential future sales. The full name and title of each passenger must be entered at the time of booking. Name changes are not permitted. Name corrections are permitted only if they are misspelled, or to reflect legal documents.
- 7.** Fictitious or speculative bookings, including blocking or holding a reservation due to expected demand or the customer's indecision are not permitted under any circumstances
- 8.** Whenever possible, limit the use of open segments.
- 9.** Segment status changes due to schedule changes, irregular operations, flight firming, flight cancellations or other circumstances will be queued to your CRS and must be actioned at least 48 hours prior to flight departure. This includes cancelling ticketed or un-ticketed segments with a status code of UN, NO, HX, WK, WL, or WN. You must also action or cancel segments with status codes UC, US, or DS.
- 10.** All CRS bookings must be ticketed as per tariff rules or immediately cancelled in the CRS when not required, prior to departure.

- 11.** Multiple bookings and cancellations for the purpose of extending the ticket time limit are not permitted.
- 12.** You may not use the Air Canada airline designator with fictitious flight numbers to store flight information for a carrier not listed in the CRS.
- 13.** Test or training PNRs must only be built in "Training mode" and must not affect Air Canada's seat inventory.
- 14.** All confirmed and/or waitlisted space in your CRS must be cancelled prior to refunding or voiding a ticket.
- 15.** Air Canada prohibits Back-to-Back, Throwaway and Cross Border tickets. Such tickets undercut the applicable fare. This practice is contrary to the Industry Resolutions and Applicable Tariffs and Fares. It could result in a debit memo issued for the applicable fare difference and/or requiring the passenger to pay the difference at airport.

Back-to-Back Tickets: a combination of 2 or more round-trip fares for the purpose of circumventing applicable tariff rules, such as advance purchase and minimum stay requirements.

Throwaway/Cross Border Tickets: round-trip fares used for one-way travel, or the purchase of a ticket from a point other than the customer's actual originating city, or to a point beyond the customer's actual destination.

- 16.** Redistribution (effective May 1st, 2016):

With respect to Air Canada fares and seat availability (collectively "AC Content"), You shall not, without prior written consent of Air Canada, distribute AC Content to, display AC Content on, advertise AC Content with, or share AC Content in any other manner with, any (i) CRS, (ii) travel agency, whether on-line or "brick and mortar", or (iii) metasearch website or mobile application.

- 17.** IATA Resolution 890- CARD SALES RULES (IATA Agencies only (N/A in USA) -effective March 1, 2018)

Section 3.4 of IATA Resolution 890:

The Agent may not accept any other card or payment method that uses the Member/Airline' card acceptance merchant agreement, including any card issued in the name of the Agent or any Person permitted to act on behalf of the Agent, unless specifically authorised by such Member/Airline.

Cash, Consumer/Corporate credit card **or** Air Canada approved forms of payment (issued in the name of the agency) are the only acceptable forms of payment to purchase clients' Air Canada 014 tickets and other traffic documents.

Debit Memos and Invoice Penalties

1) FEES AND CHARGES FOR INFRACTION OF BOOKING AND TICKETING PROCEDURES POLICY TERMS

If Air Canada determines that a CRS subscriber has engaged in practices that conflict with these procedures, the travel agency will be subject to:

- A \$50 CAD¹/USD administration charge per debit memo for agencies in Canada and the USA
- A \$10 CAD¹/USD charge per passenger per TTL/DUP/PASS infraction (not including fees associated with no show passengers, married segment rules, Back to Back/Throwaway/Cross Border Tickets, Fictitious names, and IATA Resolution 890 Credit Card Rules. See full details below

Effective October 1st, 2018

- A \$15.00 CAD¹/USD charge per passenger per infraction for Fictitious name bookings

¹ Equivalent local currencies for agencies outside Canada and the USA

2) NO SHOWS

Air Canada reserves the right to issue debit memos or invoices (regardless of point of sale) when:

- Passenger(s) no show a flight booked in your CRS without valid ticket number(s)
- Your agency voids a client's ticket and does not cancel the associated flights. Debit Memo or Invoice Penalties will be assessed per passenger/per PNR for non-ticketed bookings that result in no show(s) in the amount of:
 - 100 CAD/USD in the Economy Class cabin for Canadian and Transborder itineraries
 - \$150 CAD/USD in the Executive Class cabin for Canadian and Transborder itineraries
 - \$150 CAD/USD in the Economy and Executive Class cabins for international itineraries

NOTE - All CRS bookings must be ticketed per tariff rules or immediately cancelled in the CRS when not required, prior to departure

3) MARRIED SEGMENTS

Your agency attempts to circumvent married segment rules. This means that connecting service is booked on an "origin - destination" and cancelled in order to gain access to international inventory.

- A debit memo or invoice will be raised in the amount of \$250 CAD/USD per passenger/per PNR for married segment identified and booked in order to gain access to international inventory.

4) DUPLICATE BOOKINGS

Air Canada reserves the right to issue debit memos or invoices when your agency fails to cancel duplicate space which is ticketed and not refunded prior to departure.

Violations may include multiple tickets that were issued for the same passenger and booked in the GDS; booked in the GDS and online; multiple online bookings and multiple tickets in the same PNR.

Prior to departure, cancel space:

Step 1: agency should quote the OSI line with dupe refund and cross refer the ticket that is going to be used.

Step 2: when the agency refunds the dupe, the agency will simply receive a debit memo for \$50 CAD/USD error fee because the agency followed these instructions and corrected their error.

Refund Services:

If the agency contacts Refund Services to process the same refund as described above Air Canada will charge:

- \$100 CAD/USD for Canadian and Transborder itineraries
- \$150 CAD/USD for International itineraries in error fees
- plus a \$100 CAD/USD processing fee

If the agency contacts Refund Services to process the same refund as described above and there is seat spoilage, Air Canada will charge (regardless of point of sale) a \$100 CAD/USD processing fee, the applicable change fee of the most restrictive fare rule associated with the NO SHOW ticket PLUS:

- \$100 CAD/USD for Canadian and Transborder itineraries
- \$150 CAD/USD for International itineraries

If the agency contacts Refund Services to process a refund where there are 2 tickets associated with 1 PNR and 1 booked seat (no seat spoilage);

- a \$100 CAD/USD processing fee
- plus a \$50 CAD/USD error fee will be charged

Note - Above penalty may exceed value of the duplicate ticket

If the agency processes the refund and there is seat spoilage Air Canada will charge (regardless of point of sale).

If you do not cross reference the dupe tickets (as outlined above), the agency will receive an undisputable debit for the full value of ticket. If you do cross reference the ticket and follow procedures, in addition to a \$100 CAD/USD processing fee and the change fee of the most restrictive fare rule associated with the NO SHOW ticket, Air Canada will charge a debit memo of:



AIR CANADA

- \$100 CAD/USD for Canadian and Transborder itineraries
- \$150 CAD/USD for International itineraries

Note - Above penalty may exceed value of the duplicate ticket

To prevent debit memos:

- a) Please action AC messages advising you to cancel duplicate space.
- b) Cancel one of the tickets prior to departure, cross reference the refunded PNR with the second ticket number and process the refund directly to the customer. Refund Audit will review and will only charge an error fee of \$50.00 + tax.

5) INVENTORY INHIBIT

Air Canada reserves the right to inhibit access to inventory and/or booking capability for any travel agency that has:

- Overdue (more than 30 days) debit memos or invoices for booking infractions;
- Engaged in fraudulent booking and ticketing activities;
- Ten or more no show passengers or a 25% no show factor in any given month.

6) E-TICKETS

Air Canada requires all e-ticket eligible itineraries be issued electronically. Paper override for customer preference is not permitted. Air Canada reserves the right to issue debit memos or invoices with a penalty of \$50 CAD/USD or equivalent local currency per infraction.

7) INVENTORY CIRCUMVENTION

Air Canada manages inventory on an origin and destination (O&D) basis. Inventory that is available on a particular segment for one O&D, may not be available for another O&D, even though both O&Ds include the same segment as part of the itinerary. Air Canada's booking policy prohibits booking practices that result in the circumvention of inventory management controls and/or to obtain inventory for ticket sales which Air Canada does not intend to offer for the passenger's actual O&D itinerary.

Air Canada reserves the right to take necessary measures in order to prohibit agents engaging in the circumvention of Air Canada's inventory controls. These measures include but are not limited to issuance of debit memos and/or inhibit from booking Air Canada inventory.

8) IATA RESOLUTION 890 (IATA Agencies- n/a in USA)

A debit memo will be raised in the amount of \$150.00 CAD/USD per ticket for non-compliance with IATA Resolution 890, whereby cash, consumer/ corporate credit cards or Air Canada approved forms of payment (issued in the name of the agency) are the only acceptable forms of payment when booking Air Canada 014 tickets and other traffic documents. Purchasing tickets using credit cards in the name of Agent or Travel Agencies is not permitted.

Frequently Asked Questions (FAQ)

1. What is the goal of the CRS Booking and Ticketing Procedures?

The goal is to eliminate non-value-added expenses resulting from travel agencies inappropriate booking practices. Some agencies are not aware that certain practices incur unnecessary costs to the airline, which are not related to the passenger's actual revenue. The CRS Audit program educates agencies about Air Canada's Booking and Ticketing Procedures.

2. What happens when a travel agency does not comply with the CRS Booking and Ticketing Procedures?

If Air Canada determines that a travel agency's booking and ticketing practices do not comply with our policy, debit memo(s) and an administration charge of \$50 CAD/USD per debit memo may be issued.

3. What is considered a duplicate booking?

Any space held for the same passenger that cannot all be flown, due to timeline and/or illogical itinerary.

This includes when you hold:

- More than one booking for the same passenger;
- in the same or different PNR;
- with the same or different Travel segments;
- in the same or different booking classes;
- in the same or different CRS system

4. Can a travel agent book passive segments?

No. Passive segments must not be used for any purposes other than for group PNRs with OAL segments. Please contact your CRS provider for further information on procedures to address your specific requirements such as invoicing and back-office needs.

Note - Group PNRs with OAL space booked by Air Canada: these PNRs may not be claimed using the group claim functionality. Air Canada requires an OSI message with ticket numbers and reference to the AC group PNR number.

5. With group bookings, how can a travel agent avoid multiple PNR claims?

The agency can only claim the Group PNR (s) once, just before ticketing.

6. For group bookings with deviations, will Air Canada authorize passive segments?

Air Canada will not authorize passive segments on group bookings with deviation under any circumstances. In the event of a change requiring a division from the original group PNR, you can reclaim the changed PNR and reissue the ticket (s) to reflect the change

7. How can a travel agent provide training using the AC designator?

All CRSs provide travel agencies with a 'test/training' mode for this purpose. Please contact your CRS provider for instructions.

8. When are multiple bookings/cancellations considered inappropriate?

Multiple bookings/cancellations of the same segment for the same passenger are inappropriate for the purpose of extending ticket time limit.

9. How can a travel agent quote an accurate fare with taxes and surcharges if I can't book a PNR?

A PNR does not need to be created to provide pricing or schedule information. You can build an itinerary for fare quote purposes without ending the file; i.e. ignore the PNR instead of using 'END' transaction.

10. How can a travel agent avoid duplicate segments when customers request them?

It is the agency's responsibility to ensure its travel agents adhere to Air Canada's booking and ticketing procedures. Duplicate segments incur non-value-added segment fees and decrement inventory that will not be used.

11. Can the travel agent make a name change?

No. Corrections are permitted when customers' names are misspelled or to reflect legal name on travel documents.

12. Are travel agencies monitored for not cancelling un-ticketed bookings and/or not actioning messages sent by Air Canada in agency queues?

Yes. Travel agencies are monitored for not cancelling un-ticketed bookings. Travel agencies are responsible to cancel any un-ticketed booking in their CRS prior to departure date and to action Air Canada messages received in agency queue