

COMPUTER RESERVATION SYSTEMS ‘CRS’ BOOKING and TICKETING POLICY for TRAVEL AGENTS

This Booking and 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 —

1. Air Canada requires that only one reservation exists per passenger per itinerary.
2. If your agency uses more than one CRS, you must book and ticket within the same CRS.
3. 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 Contact Centres will not assist an agency attempting to claim a PNR owned by another CRS.
4. You may not create active or passive duplicate bookings, including any combination of bookings for a passenger(s) which logically cannot be flown.
5. 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.
6. Travel agents who issue tickets on behalf of sub-agents must use the original live CRS booking.
7. 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. Refer to the Name Correction Policy.
8. 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.
9. Whenever possible, limit the use of open segments.
10. Segment status changes due to flight disruptions, 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.
11. **Segment status changes due to a Schedule Change (SKCH) will be queued to your CRS and must be actioned within 14 days from the schedule change notification or 7 days prior to departure, whichever is earlier. This includes cancelling ticketed or un-ticketed segments with TK status code.**

¹ Equivalent local currencies for agencies outside Canada and the USA

12. All CRS bookings must be ticketed as per tariff rules or immediately cancelled in the CRS when not required, prior to departure.
13. Multiple bookings and cancellations for the purpose of extending the ticket time limit are not permitted.
14. 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.
15. Test or training PNRs must only be built in "Training mode" and must not affect Air Canada's seat inventory.
16. All confirmed and/or waitlisted space in your CRS must be cancelled prior to refunding or voiding a ticket.
17. 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.
18. 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.
19. **Section 3.4 of IATA Resolution 890:** Card Sales Rule for IATA agencies only [n/a in USA] – eff. March 1, 2018)
 - 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 form of payment to purchase clients' AC 014 tickets/other traffic documents.

— DEBIT MEMOS and INVOICE PENALTIES —

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

- \$50 CAD¹ + tax /USD administration fee per debit memo
- \$10 CAD¹/USD charge per passenger per TTL/DUP/PASS segment (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)
- \$15 CAD¹/USD charge per passenger per segment for Fictitious name bookings
- **\$50 CAD¹/USD charge per passenger for each TK segment (SKCH) not actioned within the time frame**

¹Equivalent local currencies for agencies outside Canada and the USA

NO-SHOWS

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

- A passenger no-shows a flight booked in your CRS without valid ticket number. Bookings must be cancelled a minimum of 60 minutes prior to departure, or passengers will be considered as No-Show.
- You VOID a client's ticket and do 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 CAD¹/USD for Economy Class for Canada and Transborder itineraries
 - \$150 CAD¹/USD for Executive Class for Canada and Transborder itineraries
 - \$150 CAD¹/USD for Economy and Executive Class for international itineraries

Note: all CRS bookings must be ticketed per tariff rules, or when not required, immediately cancelled in your CRS, prior to departure.

MARRIED SEGMENTS

If your agency attempts to circumvent married segment rules, this means that a connecting flight is booked on an "origin - destination" and then cancelled in order to gain access to international inventory, a debit memo or invoice will be issued in the amount of \$250 CAD¹/USD per passenger/per PNR for married segment identified and booked in order to gain access to international inventory.

DUPLICATE BOOKINGS

Air Canada reserves the right to issue debit memos or invoices when your agency does not cancel ticketed duplicate space, which is not refunded prior to departure. Violations may include multiple tickets that were issued for the same passenger booked in the CRS, booked in the CRS and online, or multiple online bookings and multiple tickets in the same PNR.

Prior to departure, cancel space:

- ① In an OSI, you must quote the dupe ticket that will be refunded and cross-reference the ticket that will be used.
- ② When you refund the duplicate ticket, an error fee debit memo for \$50 CAD¹/USD will be issued.

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.

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.

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.

¹ Equivalent local currencies for agencies outside Canada and the USA

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. Prohibited practices include, but are not limited to, hidden cities that do not reflect the intended O&D and the booking of segments out of order.

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 of **minimum of \$1,000.00** or the value of the lost revenue in addition to the ticketing error fee, and/or inhibit from booking Air Canada inventory.

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

A debit memo will be raised in the amount of \$150.00 CAD¹/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.

PLATING

If AC plate (014) is used to ticket OAL space without at least one AC segment in the ticket, a minimum of \$100.00 CAD¹/USD per ticket will be assessed.

— REMINDER from REFUND SERVICES —

- If you contact **Refund Services** to process a **refund that can be processed in your CRS**, Air Canada will charge:
A \$100 CAD¹/USD processing fee, in addition to a Debit Memo to collect error fees of \$100 CAD¹/USD for Canadian and Transborder itineraries, and \$150 CAD¹/USD for International itineraries
- If you contact **Refund Services** to process a **refund that can be processed in your CRS**, and there is **seat spoilage**, Air Canada will charge:
*A \$100 CAD¹/USD processing fee, the applicable change fee of the most restrictive fare associated with the NO SHOW ticket **plus** a Debit Memo to collect error fees of \$100 CAD¹/USD for Canadian and Transborder itineraries, and \$150 CAD¹/USD for International itineraries*
- If you contact **Refund Services** to process a **refund where there are 2 tickets associated** with 1 PNR and 1 booked seat (**no seat spoilage**), Air Canada will charge:
A \$100 CAD¹/USD processing fee, plus a \$50 CAD¹/USD error fee. This penalty may exceed the value of the duplicate ticket.
- If you don't cross-reference duplicate tickets, as outlined above, Air Canada will issue an undisputable Debit Memo for the full value of ticket. If you cross-reference the duplicate tickets and follow procedures, in addition to a \$100 CAD¹/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:
 - \$100 CA¹/USD for Canadian and Transborder itineraries
 - \$150 CA¹/US for International itineraries

Note - Above penalty may exceed value of the duplicate ticket.

¹Equivalent local currencies for agencies outside Canada and the USA

TO PREVENT DEBIT MEMOS

- Please action AC messages advising you to cancel duplicate space.
- 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.

— FREQUENTLY ASKED QUESTIONS —

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. Adherence to these policies and procedures will prevent agencies from incurring avoidable costs associated with booking & ticketing errors.

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 CAD¹ plus tax/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 segment?

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

Note for 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.

¹Equivalent local currencies for agencies outside Canada and the USA

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.

13. Are travel agents permitted to use robotic/automation tools to search for and book Air Canada inventory?

All segments booked using a robotic tool and/or other form of automation with the intent to circumvent inventory management controls by searching for and/or booking inventory that is not available, may result in action, such as but not limited to, cancellation of segment, issuance of debit memo, inhibiting of agency pseudo city code (PCC) from view/book capability and other possible restrictions.

¹ Equivalent local currencies for agencies outside Canada and the USA