

***LOT Policy – "Best Booking Practices" - Policy
explanation and noncompliance fines.
Market: All markets (excluding Long Haul's
and Poland)***

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1. Introduction

Effective 1st March 2016, LOT Polish Airlines amends its "Best Booking Practices" Policy. Travel agents that fail to comply with the new rules will be charged with a noncompliance penalty, which is outlined below.

The update of policy has been studied and reviewed carefully. It will permit LOT to optimize utilization of the inventory and to ensure availability for genuine passengers as well as improve seat availability on LOT flights worldwide.

The legal basis for calculating the fees for noncompliance with the "Best Booking Practices" conforms to the provisions of IATA Resolution 830a as well as the IATA Travel Agent's Handbook (Code of Reservation Ethics).

LOT Polish Airlines would like to ensure the trade that update of the policy is in line with Industry standards.

2. Terms and conditions

Travel service providers should take note that LOT Polish Airlines pay a fee for each booking created, cancelled or changed. These fees are even charged when the passenger would actually never travel.

As a result:

- a. LOT are paying distribution cost for revenue which does not get realized.
- b. Genuine bookings fail to get realized thus leading to revenue loss & losing a firm passenger to the completion of the aircraft load.

A limited volume of such bookings is acceptable and forms a natural business pattern. However, it is when such bookings become abnormal that a corrective action needs to be taken and fraudulent practices need to be penalized.

By means of this policy LOT Polish Airlines wishes to lay guidelines for applying best practices for GDS usage and the action that will be taken by LOT Polish Airlines for each abuse.

LOT Polish Airlines reserves the right to raise ADMs for fraudulent practices from time to time and not necessarily limited to the above violations.

LOT Polish Airlines also reserves the right to revise the debit memo charges from time to time with no prior intimation to the travel service provider.

3. Fraudulent booking practices

3.1 Duplicate Bookings/Segments

- Travel service providers should not create duplicate bookings for a passenger in different PNRs.
- Travel service providers should not create duplicate segments for a passenger within same PNR.
- Travel service provider should not create multiple itineraries thus blocking several flights when such itinerary is impossible to fly.
- Since there is no business requirement in having a Duplicate booking, even a single duplicate booking will result in a debit memo of **25USD / 25EUR** (per segment per passenger).

3.2 Churning

- Travel service providers should refrain from repeatedly cancelling and re-booking.
- LOT understands that a small amount of these practices are a part of the ticketing process; however, any cancellations & re-bookings done in excess of 3 for the same booking will be considered as an attempt to circumvent ticketing time limits or meeting GDS productivity and thus an ADM will be issued.
- Churning is strictly prohibited and will result in a debit memo of **25USD / 25EUR** (per segment per passenger).

3.3 Un-ticketed/Voided/Refunded No Show Booking

- Travel service providers should refrain from causing inventory spoilage by keeping active reservations with un-ticketed segments, voided or refunded tickets till the very last moment.
- Un-ticketed bookings should be cancelled at least 4 hours before departure to release the inventory thus avoiding No-shows. Un-ticketed bookings not cancelled 4 hours before departure would result in an ADM.
- Excessive volume of un-ticketed bookings might lead to ADM, even if such bookings are cancelled 4 hours before departure.
- No-shows for un-ticketed reservations with confirmed segments will result in a debit memo of **100USD / 100EUR** (per segment per passenger).

3.4 Breaking of Married Segments

- Travel Service Provider that break married segments for the purpose of gaining access to otherwise unavailable classes are manipulating airline system logic and will be charged with ADM.
- Married segments may be offered at a different level of availability than if the segments were sold separately therefore married segment may not be separated, thus, connecting flights sold as "Married Segments" must be priced, ticketed, cancelled or changed "together".
- Manipulating individual flights of a "Married Segment" is considered malpractice and subject to a fine of **600USD/ 600EUR** (per PNR per passenger) in addition to any applicable fare differential.

3.5 Fictitious Name and Other Speculative Bookings

- Travel service providers are requested to refrain from making bookings with fictitious names and thus blocking inventory.
- Travel Service Provider staff's trainings should only be conducted on test environment or the training mode of a GDS/CRS provider.
- Creating live PNRs for training or test purposes is strictly prohibited.
- Such bookings include the use of a valid surname followed by initials (e.g., Smith/A/B/C, Lee/A/S/D/F, Johnson/X/Y/Z), double surnames (e.g., Smith/Smith) and fictitious or celebrity names.
- Examples of fictitious names are follows:
 - Mouse/Mickey
 - Obama/Barack
 - Test/Charlie
 - GTRP/XXXX
- Names of famous personalities could be absolutely genuine and therefore Airline will take a call based on the evaluation & pattern of the booking.
- Since there is no business need for a fictitious booking, an ADM will be issued and agent will be charged **50USD / 50EUR** (per segment per passenger).

3.6 Invalid Ticket numbers

- Travel service providers should refrain from retaining bookings with invalid ticket numbers (e.g.: voided, refunded, used, fictitious, etc.).
- Usage of invalid ticket number to create dummy bookings or to circumvent ticketing time limits will result in a debit memo of **50USD / 50EUR** (per segment per passenger).

3.7 Inactive Segments

- It is travel service provider's responsibility to monitor the queues and release inactive segments with HX, UN, UC, NO, SC, TK, TL, TN, UU, US, PN, WL, WN, DL, DS, IX, MM, RM, GL or WK status codes from the booking within maximum 72h.
- Failure to remove these segments 24 hours before departure will result in a debit memo of **10USD / 10EUR** (per segment per passenger).

3.8 Passive Segments

- Travel Service Provider can only book passive segments in its CRS/GDS system for the purpose of ticketing an already existing reservation LOT Polish Airline's internal reservation system.
Booking passive segments in order to satisfy CRS/GDS productivity requirements, to circumvent fare rules or to fulfill administrative functions is strictly not allowed.

- Passive segments shall be created for the purpose of ticketing only and must be cancelled immediately after issuing the ticket.
- Passive segments must be removed at least 24 hours prior to flight departure.
- If passive segments are not removed, it will result in a debit memo of **50USD / 50EUR** (per segment per passenger).

3.9 Lack of contact number in PNR

- Failure to notify passengers of a schedule change or flight cancellation may result in the reimbursement by the Agency of all additional costs incurred by LOT Polish Airlines for passenger re-protection accommodation and compensation paid by LOT Polish Airlines (according to IATA Resolution 830d §4)
- Passenger contact number must be written into PNR. Lack of contact number will result in a debit memo of **65USD / 65EUR** (per PNR).

3.10 Name Changes

- Travel Service Provider is not allowed to change name without carrier approval on reservations unless entered for the purpose of correcting a miss spelling of the passenger's name according to LOT policy.
- Any PNR Name change in contradiction to airline policy and regulations or unauthorized by LOT Polish Airlines will result in a debit memo of **100USD / 100EUR** (per passenger).

3.11 Group seat request

- Agent can request group seating while there are no names in group PNR (group seating procedure is described on information pages). At the time names are added to the PNR, agent has to assign specified seat number within previously blocked group space.
- Seat number must be assigned on ticketing date at the latest. Leaving the STNG element may cause irregularity during check-in procedure and will result in a debit memo of **250USD / 250EUR** (per PNR).

4. Debit Memo Policy

- Debit Memo structure:

Parameter	Debit memo
Duplicate Bookings	25USD / 25EUR (per segment per passenger)
Churning in excess of 3 per booking	25USD / 25EUR (per segment per passenger)
Un-ticketed/Voided/Refunded No Show Booking	100USD / 100EUR (per segment per passenger)
Breaking of Married Segment	600USD / 600EUR (per PNR per passenger)
Fictitious Name and Other Speculative Bookings	50USD / 50EUR (per segment per passenger)
Invalid ticket numbers	50USD / 50EUR (per segment per passenger)
Inactive Segments	10USD / 10EUR (per segment per passenger)
Passive Bookings	50USD / 50EUR (per segment per passenger)
Lack of contact number in PNR	65USD / 65EUR (per PNR)
Name Changes	100USD / 100EUR (per passenger)
Leaving STNG element in Group PNR	250USD / 250EUR (per PNR)

- The respective noncompliance penalty or fine will be collected through the BSP/ARC airline reporting channels via ADM or an invoice in the case of non-IATA agents. We kindly remind you that in the event of an ADM or invoice for any violation of the LOT "Best Booking Practices", an additional service fee of **15USD / 15EUR** will be imposed on top of the violation fine.
- LOT Polish Airlines will not send any supporting documents along with the debit memo and the travel service provider is expected to approach their GDS' for the complete PNR history.
- Any disputes will have to be done through the channel of receipt within the latency period and through email after the ADM has been billed. No disputes will be taken through telephone.