

APPROVED BY

First Deputy Director General
LLC «Nord Wind»

February “21 “, 2019

ADM Policy of LLC “Nord Wind” for BSP Agents of All Countries (excluding Russia).

Air Operator: LLC “Nord Wind” (the “Airline”)

Airline’s code: N4/216

Effective date: February “21 “, 2019

This ADM Policy regulates the Agent’s Debit Memos (the “ADM”).

1. Terms and Definitions

For purposes of this ADM Policy, terms and definitions used herein are approved in the IATA Manual for Agents and IATA Resolution No. 866.

2. General

2.1. This Policy is established in accordance with:

- The Airline’s rules, procedures and regulations;
- Applicable IATA Resolutions;
- IATA Manual for Agents, including Chapter 14 (Local Procedure), as applicable to a certain country; and
- ISS Service Provision Manual.

2.2. When the Agents books seats and issues tickets under the Airline code, the Agent shall comply with all terms and conditions of published fares, fees, ancillary services and other regulations of the Airline, otherwise the Airline shall have the right to issue an AMD to the Agent.

- 2.3. The Airline shall have the right to issue an ADM to receive additional charges or adjust any transactions of the Agent in relation to booking and/or issuing of traffic documents, regardless of the airline specified in the itinerary.
- 2.4. If the Agent's error was caused by a CRS/GDS failure, the Agent shall pay the issued ADM in accordance with the procedure specified therein and directly contact the CRS/GDS to recover the losses, without involving the Airline, except when any additional information is needed.
- 2.5. ADMs are created in BSPlink within nine (9) months after the flight completion, as specified in the issued ticket or booking (Resolution 850m).
- 2.6. To adjust incorrect refunds ADMs are created in BSPlink within nine (9) months after the related transaction date (Resolution 850m).
- 2.7. All ADMs are created in BSPlink.
- 2.8. All disputes and any other acts in relation to an ADM issued shall be managed in BSPlink only.
- 2.9. The Agent shall have the right to object an ADM, by using the ADM/ACM Dispute in BSPlink.
- 2.10. The Agent shall have the right to dispute an ADM only once in every thirty (30) days after the issue date (Resolution 850m).
- 2.11. The ADM issue date shall be deemed the date of its creation and uploading into BSPlink.
- 2.12. For issued ADMs, the term to review a claim is sixty (60) days after the Agent disputed the related ADM in BSPlink (Resolution 850m).
- 2.13. An ADM disputed by the Agent shall not be accepted by the Airline for review, unless all the accompanying documents are provided by the Agent via BSPlink.
- 2.14. For purposes of reviewing an ADM, the Airline shall have the right to request additional information from the Agent.
- 2.15. In the case when the Agent failed to dispute an ADM within the term specified in Article 2.10, such ADM will automatically be included into the Airline's report and the sum charged in the ADM will be paid to the Airline within the calculation period specified therein.
- 2.16. If an ADM is proven to be incorrect, the Airline will agree with the Agent's dispute and void the ADM, if not paid out, or issue the Agent's Credit Memo (the "ACM"), if the ADM was paid out, such ACM being issued in the sum paid under the ADM. Such ACM will be paid to the Airline within the calculation period specified therein.
- 2.17. The Airline establishes the administrative surcharge/penalty for the transaction adjustment in column taxes as YY in the amount of EUR 10 to cover the Airline's administrative costs to issue an ADM/ACM in the following cases:

- An ADM is issued in the sum of the losses incurred and not including the Penalty for non-compliance with the regulations on booking, traffic document issuing and reporting;
- An ACM is issued to correct the Agent's error(s).

2.18. In the case when the IATA cancels the accreditation of one or more offices of the Agent, the Airline will issue the ADM to the main office of the Agent or other office of Agent, as approved by the IATA.

Note.

The Agent shall not issue the ADM Requests/ACM Requests in BSPlink.

When the Agent finds an intrinsic error, the Agent shall:

- Deliver the Intrinsic Error Register in the form established by the Airline to ofv@nordwindairlines.ru, together with the cover letter and under the outgoing number assigned. The email subject should be as follows:

“BSPDE_XXXXXXXX_ADMREQUEST/ACMREQUEST, “

Where for example:

BSPDE means the two-letter code of a BSP country (DE-Germany)

XXXXXXXX means the eight-digit number (as determined by IATA) of the sales office that requested the calculation amendments.

ADMREQUEST denotes the ADM request.

ACMREQUEST denotes the ACM request;

- The cover letter shall explain the calculation amendments. The Airline will not accept any Intrinsic Error Registers without the cover letter;
- The Airline shall review the Intrinsic Error Register and, if undisputed, issue the ACM/ADM in BSPlink.

3. Accompanying Documents

3.1. If the Agent believes the Airline's ADM unreasonable, the Agent shall substantiate its reasoning with proper confirmations, including, without limitation

3.1.1. If the ADM arises out of an incorrect ticket price in the CRS/GDS,

The booking data and ticket price, with the fare established as of the issue date.

3.1.2. If the ADM arises out of the absence of documents to confirm the passenger's eligibility to a special price and/or involuntary refund/exchange

Accompanying documents as specified in the ADM.

Note.

To prevent issuing of ADMs due to non-confirmed involuntary returns, the Agent needs to manage refund transactions through the Refund Application master in BSPlink, with scanned copies of the accompanying documents attached.

To prevent issuing of ADMs due to non-confirmed involuntary exchanges, the Agent needs to send all scanned copies of traffic documents and accompanying documents to:

ofv@nordwindairlines.ru within one business day after the involuntary exchange. The email subject should be as follows:

“BSPDE_XXXXXXXX_DDMMYY_INVEX_TCTNBR, “

where:

BSPDE means the two-letter code of a BSP country (DE-Germany)

XXXXXXXX means the eight-digit number (as determined by IATA) of the sales office that handles the involuntary exchange

DDMMYY means the reporting period

INVEX denotes the involuntary exchange

TCTNBR means the number of the air ticket exchanged involuntarily.

4. Contacts

Contacts are specified in BSPlink, Section ADDRESS MAINTENANCE/Query Address.

5. Language Used

For BSP of All Countries (excluding Russia), ADMs are executed in the English language.

6. Non-Compliances and Sanctions.

- 6.1. The Airline shall have the right to recover from the Agent the Penaltys listed below, by notifying the Agent thereof:

No.	Non-Compliance	Penalty
1	A ticket is issued in the CRS/GDS (ET, EMD) and not included into the relevant period report (including exchanged tickets)	Fare9s) and fee(s) for the traffic, plus the Penalty of EUR 50 (Fifty) per air ticket or EUR 25 (twenty five) per EMD.
2	A transaction not registered (such as sale, exchange, return, etc.)	Compensation of losses plus the Penalty of EUR 50 (Fifty) per traffic document.

No.	Non-Compliance	Penalty
3	A transaction is registered in contradiction with the Airline's regulations and/or IATA BSP Manual	Compensation of losses plus the Penalty of or EUR 25 (twenty five) per document.
4	Incorrect undercharge or incorrect application of fare, incorrect terms or conditions of a fare/discount.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket or or EUR 25 (twenty five) per EMD.
5	Incorrect undercharge or incorrect application of fees/taxes.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per traffic document.
6	Incorrect undercharge or incorrect application of the fee for ancillary services, as established by the Airline.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per traffic document.
7	Issuing of ET or EMD with the manual calculation in contradiction with the fare regulation or ancillary services, and Airline's rules and procedures for agents.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per traffic document.
8	Incorrect or not charged fee for termination/amendment of the air traffic contract	Compensation of losses plus the Penalty of EUR 25 (twenty five) per air ticket.
9	Incorrect calculation of the agent fee	Compensation of losses plus the Penalty of EUR 25 (twenty five) per report (international or domestic flights).
10	Changing of a passenger's surname and/or name to another in the personal PNR.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per PNR.
11	Using incorrect/unapproved by the Airline payment method /Using a payment card not authorized by the Airline	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket or EUR 25 (twenty five) per EMD.
12	Creating fictitious or test booking or recording in the PNR of a fictitious passenger surname, unauthorized changing of a passenger surname in the booking.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per PNR
13	Creating duplicate booking or multi booking for a single flight and a single passenger.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per duplicate /alternate booking (PNR) or duplicate/alternative segment in a single PNR

No.	Non-Compliance	Penalty
14	Multiple (more than thrice in a row within 2 hours) booking to a single flight without the subsequent ticket issue, in less than 3 days to departure.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per PNR
15	Duplicate ticket for a single booking and a single passenger.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
16	Recording in the PNR of a fictitious ticket number	Compensation of losses plus the Penalty of EUR 50 (Fifty) per PNR
17	Issuing a ticket without the confirmed seat in the PNR or issuing a ticket with the SA/RQ status, except when approved by the Airline	Compensation of losses plus the Penalty of EUR 50 (Fifty) per traffic document
18	The booking classes in the PNR and air ticket differ.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per traffic document.
19	A ticket (including separate bookings) is issued in contradiction with the minimum connection time, as determined in the booking system.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
20	A PNR and/or air ticket does not contain passenger's passport data or fictitious passport data are knowingly entered.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
21	Incorrect exchange rate used for a traffic document.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per traffic document.
22	A seat (flight segment) is not voided when the passenger refused from the flight or its conditions changed (ticket returned or reissued).	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
23	A ticket is revalidated without the Airline's written consent /A flight segment in the booking is changed without the ticket reissue.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
24	The itinerary receipt of a passenger e-ticket is not submitted in Russian (when issuing tickets in the Russian Federation).	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.

No.	Non-Compliance	Penalty
25	Failure to submit, upon the Airline's request, the confirmation of refunds to entitled persons under traffic documents returned.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket or EUR 25 (twenty five) per EMD.
26	Incorrect informing of a passenger on a fare, its regulation, baggage limits, the terms and conditions of passenger carriage, and the Airline's services (if such incorrect informing caused a claim(s)).	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket or EUR 25 (twenty five) per EMD.
27	Failure to comply with the booking and ticket issuing procedure, specifying a fictitious departure/destination point in order to decrease the fare applied.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per traffic document.
28	The Agent determined the Time Limit in the PNR in contradiction with the booking procedure and not returned a seat, as required by the Airline (seat freeze).	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
29	A traffic document is voided outside of the current day, if the traffic document was issued in two or more days prior to departure.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
30	Voiding of a traffic document outside of one hour after the issue on the departure date or for a flight with the departure on the next day.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
31	Failure to void a booking within one hour after the ticket voiding without reissue of the correct ticket.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket.
32	Failure to comply with the Airline's ticket issuance rules established for certain passenger categories (CHLD, INFT, military or subsidized traffic), group carriage or special service carriage (AVIH, EXST, CBBG, UMR, etc.).	Compensation of losses plus the Penalty of EUR 50 (Fifty) per air ticket or EUR 25 (twenty five) per EMD.
33	Ticket is issued without the Airline's confirmed request for certain services.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per case.
34	Incorrect RFISC code when the EMD is issued. Incorrect data in the EMD mask.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per EMD.

No.	Non-Compliance	Penalty
	An EMD is issued for a service not confirmed by the Airline.	
35	Entering into the PNR a fictitious ticket number	Compensation of losses plus the Penalty of EUR 50 (Fifty) per PNR.
36	Failure to timely void an unused flight segment with the status HX/UC/UN/HL/NO, etc.	Compensation of losses.
37	Using passive segments unsuitable for ticket issue/reissue.	Compensation of losses
38	The Airline incurred losses due to incorrect calculation of a fare or fee or incorrect issuing of traffic document due to the GDS failure.	Compensation of losses
39	Incorrectly charged sum when a ticket is returned/exchanged	Compensation of losses plus the Penalty of EUR 25 (twenty five) per case
40	Non-compliance with the issuing procedure when a ticket is paid for with the payment card, which caused CHARGEBACK to the Airline /Failure to remit monies when a ticket is paid for with the payment card.	Compensation of losses plus the Penalty of EUR 25 (twenty five) per case.
41	Issuing of a traffic document without the booking or confirmed booking.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case (per each passenger in the PNR).
42	Incorrect entry of a passenger's passport data into the booking. Incorrect entry or failure to enter a passenger's visa data and address.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case (per each passenger in the PNR).
43	Untimely voiding of a seat in a confirmed personal or group booking, which resulted in the seat not sold;	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
44	Booking (PNR) is transferred for the Agent issuing of ticket at another sales office.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
45	Preliminary booking is closed in 2 hours more after the PNR creation.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.

No.	Non-Compliance	Penalty
46	Sale is closed in 2 hours more after the PNR creation or re-opening.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
47	A ticket is issued and the sale not closed.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
48	Booking within 24 hours prior to departure, with the ticket not issued and the seat not returned into the system within 1 hour after such booking.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
49	Failure to timely submit the tax invoice in relation to the agent commission, and the performed work formal note	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
50	Failure to timely submit change information, such as the Agent's address, bank details, and taxation system.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per case.
51	Selling traffic documents at offices not registered with the Airline.	Compensation of losses plus the Penalty of EUR 50 (Fifty U.S. Dollars) per case.
52	Information is absent or entered incorrectly and without the automatic calculation, which did not cause any losses of the Airline, such as incorrectly specified fare/ fare currency, an item in the fare calculation is omitted or incorrect, incorrect data on a flight coupon with the exchange/return status, etc.	Penalty of EUR 25 (twenty five) per case.
53	Refund Application issued with error or in contradiction with the Involuntary Returns through Refund Application in BSPLink	Penalty of EUR 25 (twenty five) per case.
54	The Agent uses 'dispute post billing' for a correct ADM.	Compensation of losses plus the Penalty of EUR 50 (Fifty) per each passenger in the PNR).
55	Ticket is issued with bookings made by offices (OID/PC) registered outside the country of original creation, except reissuing ticket which were issued before.	Penalty of EUR 50 (Fifty) per each ticket according to the carrier's decision.
56	Booking (PNR) for the N4 flights is transferred to outside the country of original creation.	Penalty of EUR 25 (twenty five) per each flight segment multiple on segments in PNR.

No.	Non-Compliance	Penalty
57	Booking (PNR) and issued ticket with the settlement code of the Carrier not participating in the transportation, or Booking (PNR) and issued ticket with the interline partner without N4 flight segment if it without special permission of N4.	Penalty of EUR 50 (Fifty) per each ticket

NOTES

1. If the currency of the penalty does not coincide with the reporting currency of the Agent, the equivalent amount must be calculated using the exchange rate published in the booking system as of the date of issuance of the ADM.