

OPERATIONAL FRAMEWORK FOR THE ISSUANCE AND MANAGEMENT OF ADMs

1. Purpose of the document

This document aims to ensure efficient and transparent management of Air Europa's seat inventory, preventing practices that compromise the integrity of availability and reducing distribution costs associated with unproductive or inefficient activities.

It also promotes appropriate cooperation between Air Europa and travel agencies, ensuring a properly sized seat offering for sale and reducing non-productive space within inventory.

This guide is designed to support agencies in preventing errors that may result in fines, ADMs (Agent Debit Memos), invoices or other corrective measures, as well as to serve as a reference framework for the analysis, communication and resolution of disputes with travel agencies.

2. Applicable regulatory framework

Air Europa always operates in accordance with:

- The IATA Passenger Sales Agency Agreement (Resolution 824).
- IATA Resolution 850m regulating the use of ADMs as an accounting tool.
- IATA Resolution 830a regarding consequences for malpractice in booking and ticketing.
- Air Europa's Booking Policy and Ticketing Policy, duly published and communicated to the agency channel.

The acceptance and use of Air Europa inventory by agencies implies knowledge and mandatory compliance with these rules.

3. Nature of the ADM at Air Europa

Air Europa reminds:

- The ADM does not constitute a disciplinary sanction but an accounting regularization tool.
- Its purpose is to recover actual costs or economic differences arising from misuse of inventory, non-compliance with pricing or ticketing rules, or unproductive activities generating additional distribution costs.
- ADM issuance is not intended for revenue purposes but to protect inventory, ensure operational efficiency and guarantee fairness among agencies.

4. Responsibility of the issuing agency

In accordance with IATA regulations and Air Europa policies:

- The issuing agency is fully responsible for actions performed on a reservation or ticketing document.
- This responsibility remains regardless of the channel used (GDS, NDC or others).
- Operational delegation, subagents, consolidators or technological tools do not exempt the issuing agency from its contractual responsibility towards the airline.

5. Practices subject to ADM

Practices included in the Booking Policy and Ticketing Policy (including, among others, churning, inactive segments, fictitious bookings, duplicates, improper passive segments, incorrect ticketing or fare violations):

- Are objectively defined.
- Have been previously communicated to the agency channel.
- Generate measurable economic impacts such as GDS costs, loss of effective inventory availability and operational inefficiencies.

Therefore, issuance of the corresponding ADM is considered justified, proportionate and compliant with regulations.

6. Proportionality and ADM amounts

Amounts associated with each practice:

- Are established based on proportionality and consistency criteria.
- Are aligned with European airline industry practices.
- Do not exceed the average real costs generated by the action detected.

Where applicable, administrative fees are also applied to cover case analysis and management costs.

7. ADM disputes

Each dispute submitted by agencies is analyzed individually, considering:

- PNR or document traceability.
- Technical evidence and system records.
- The policy in force at the time of the action.

Lack of intent does not exempt responsibility when objective economic impact exists.

Air Europa reserves the right to maintain, adjust or cancel an ADM only when an objective error or incorrect policy application is demonstrated.

8. Principle of fairness among agencies

Policies are applied:

- In a non-discriminatory manner
- Homogeneously across all agencies
- With the aim of preserving equal commercial opportunities

Failure to act on certain practices would harm compliant agencies and negatively affect channel sustainability.

9. Conclusion

Air Europa reaffirms that:

- ADM issuance complies with IATA regulations and published policies.
- Practices subject to regularization generate real economic impacts.
- The applied policy is necessary, proportionate and fully defensible.

GDS USE - BOOKING POLICY – AIR EUROPA

1. Definition

Air Europa's Booking Policy establishes rules, recommendations, prohibitions and best practices aimed at:

- Protecting inventory integrity and preventing circumvention of controls.
- Avoiding distribution costs derived from inefficient activities.
- Ensuring balanced cooperation with travel agencies.

This policy applies exclusively to UX (plate 996) documents.

2. Scope and responsibility

Applies to all agencies making reservations or issuing tickets on Air Europa inventory.

The issuing agency is responsible for any malpractice detected.

3. Practices to avoid

3.1 Churning

Repeated cancellation and rebooking of the same itinerary are not permitted, whether in the same or a different booking class, across one or multiple PNRs and/or channels, when the purpose is to extend ticketing time limits, hold inventory, improve access to availability, or meet GDS/EDIFACT and/or NDC aggregator productivity targets. Likewise, repeatedly issuing and then voiding tickets for these purposes is not allowed.

PNR updates and ticket issuance must always reflect a genuine customer travel request. When repeated actions are identified as being performed only to achieve the purposes described above, such activity will be treated as churning.

To support correct booking practices, agencies should avoid booking and cancelling the same segment more than three (3) times, in one or more PNRs, regardless of the channel used (GDS or NDC), or whether the same or different booking classes are involved, when the purpose is to:

- Bypass or extend ticketing time limits
- Hold or maintain inventory
- Search for specific fares
- Meet GDS productivity targets

Penalty: ADM of **EUR 5 per segment and passenger** + administrative fees.

3.2 Inactive segments

Inactive segments are segments cancelled by the airline with the following status codes: UC, UN, NO, HX and XS. Agencies are informed through GDS queues or OCN (Order Change Notification) messages for NDC users.

Once notified, the agency must remove these segments from the booking at least 24 hours before flight departure.

Status code description:

- UC: unable to confirm / flight closed
- UN: unable to confirm / flight cancelled
- NO: action pending
- HX / XS: segment cancelled

Operational recommendation: Check GDS queues and OCN messages daily.

Penalty: ADM of EUR 10 per segment and passenger.

3.3 Duplicate bookings / segments

A duplicate booking is any situation where the same passenger holds duplicate bookings or repeated segments, within one or more PNRs and/or channels, created by the same travel agency (same PCC/Office ID), and these remain active in the reservation system at the same time, even when it is clear that not all booked journeys can be flown without causing a no-show on one of them.

This includes bookings for the same trip on consecutive dates or any other combination where, logically, the passenger cannot travel on all confirmed segments.

The following practices are therefore prohibited:

- Creating duplicate bookings for the same passenger across one or more flights, booking classes or channels
- Duplicating segments within the same PNR
- Creating impossible itineraries, such as overlapping segments or bookings that do not meet minimum connection times

Penalty: ADM of EUR 5 per segment and passenger.

3.4 Passive segments

Passive segments are only permitted for ticketing purposes and may be used only when there is an active booking in Air Europa's system.

The booking details must match the active Air Europa reservation in all of the following points:

- Passenger name
- Itinerary
- Booking class
- Number of passengers

Operational guidelines:

- Use PNR Claim whenever available
- Passive segments are not allowed against active bookings in the same or another channel
- Agencies using multiple channels must book and issue each itinerary in a single channel

The use of passive segments to meet GDS productivity targets, bypass fare rules, or perform administrative functions such as invoicing, pricing or itinerary issuance is prohibited. Likewise, creating passive segments in GDS/EDIFACT related to segments already existing under NDC technology is not allowed.

Penalty: ADM of EUR 10 per segment and passenger.

3.5 Fictitious or speculative bookings

Bookings must not be created with fictitious names or with names that are not directly linked to a genuine passenger intent to purchase a ticket.

Fictitious names include names entered incorrectly or with a high probability of not corresponding to a real passenger. PNRs must also not be created for testing, training or practice purposes.

The following practices are therefore prohibited:

- Creating bookings without a genuine customer demand
- Using fictitious or invalid names
- Entering void, refunded, non-existent or restricted ticket numbers

These practices increase distribution costs and reduce the real availability of inventory.

Penalty: ADM of EUR 20 per segment and passenger.

3.6 Inventory control evasion (Married segments / O&D break)

Air Europa manages its inventory using an origin and destination (O&D) logic and point of commencement (PoC) controls.

Seat availability may therefore vary depending on the full itinerary and the customer's point of commencement, even when the same flight segments are involved. All bookings and changes must be made only on the basis of the availability shown for the full O&D and in the chronological order of the itinerary.

Agencies must always search and book the full O&D availability, both for flights operated exclusively by the airline and for itineraries that include codeshare services or other carriers.

It is not permitted to split itineraries into separate local segments, change the point of commencement, break married segments, or take any other action intended to bypass inventory controls or access lower booking classes. Likewise, booking inventory for itineraries that do not match the passenger's actual journey is not allowed, even if the sales channel system technically permits it.

The segments of an O&D must be kept as originally designed. Deliberately breaking the O&D for ticketing purposes or inventory manipulation will result in an ADM and possible cancellation if the booking has not yet been ticketed.

Penalty: ADM of EUR 500 per segment and passenger.

3.7 Sequence bookings

The following practices are prohibited:

- Changing the true starting point of the itinerary (for example, booking the return flight first)
- Booking flights that the passenger does not intend to use
- Creating new PNRs to transfer tickets that have already been issued

All changes must always be made in the original PNR.

Penalty: ADM of EUR 500 per segment and passenger.

3.8 Waitlist bookings

The following rules apply to waitlist bookings:

- Keep waitlist segments to the minimum necessary
- Cancel waitlists that are no longer needed at least 48 hours before departure
- Do not keep waitlisted segments at check-in if a higher booking class is available

Agencies should monitor waitlists actively and remove any segments that no longer reflect a genuine customer need.

Penalty: ADM of EUR 20 per segment and passenger.

3.9 RP Change

After ticket issuance or reissuance, the booking must remain under the ownership of the original issuing agency.

Any intentional change of RP to another country for commercial reasons is prohibited and will be subject to penalty.

Penalty: ADM of EUR 20 per PNR.

3.10 Passenger contact information

To help keep passengers informed in the event of flight operational disruptions, the travel agency must enter the passenger's contact details in the PNR/Order.

If the passenger decides not to provide their contact details, the agency must record this refusal in the PNR/Order using SSR CTCR (Refused), so that the passenger's decision is documented and possible legal or regulatory liability for the airline is limited.

The following information must be entered:

- Passenger mobile phone number (GDS or NDC)
- Email address (OSI / SR CTCE)
- SSR DOCS / DOCA / DOCO when required

Adding this information does not remove the agency's responsibility to communicate any changes to the customer.

Penalty: ADM of EUR 20 per PNR.

3.11 Excessive Polling

Agency shall not engage in excessive polling of Air Europa inventory. If the agency exceeds the ratio of 2,400 availability requests per net passenger segment in any given month, and the agency's GDS charges Air Europa for excessive polling for that month, Air Europa may charge the agency a fee of EUR 0.00012 per excessive availability request and collect any amount owed via an ADM monthly in arrears. Air Europa reserves the right to disable real time availability for any Agency that disputes or otherwise fails to pay ADMs related to excessive polling.

3.12 Administrative fees

Air Europa will apply an administrative fee of 17% of the total ADM amount.

3.13 ADM process in BSP

ADM's may be issued up to 9 months after the final travel date. If this date cannot be determined, the document expiry date will be used as the reference date.

3.14 Currency

Amounts indicated in EUR/USD will be converted into the corresponding local currency according to the applicable exchange rate.

TICKETING POLICY – AIR EUROPA

1. Definition

Air Europa's Ticketing Policy establishes the set of rules, guidelines, prohibitions and best practices applicable to the issuance, reissuance, refund and management of traffic documents, with the following objectives:

- To ensure the correct application of fares and rules published by Air Europa.
- To protect inventory integrity and prevent the circumvention of its controls.
- To prevent costs derived from the misuse of distribution systems (GDS/NDC).
- To maintain a balanced, transparent and efficient relationship between travel agencies and the airline.

The purpose of this policy is not to generate additional revenue, but to prevent regulatory non-compliance and discourage practices that negatively impact Air Europa's operations, inventory or financial results.

This policy applies exclusively to UX documents (plate 996) and flights operated by Air Europa.

2. Scope and Responsibility

The Ticketing Policy is mandatory for:

- All travel agencies.
- All issuing agents operating on Air Europa inventory.

The issuing agency shall be responsible for any non-compliance detected in the issuance, reissuance or subsequent management of the document, regardless of the channel used (GDS, NDC or others).

Air Europa may issue an ADM to the agent or issuing agency in the cases described below.

3. General Ticketing Principles

- All ticketing must strictly comply with the fare rules published and in force at the time of issuance.
- The correct application of fares, taxes, surcharges and conditions is the sole responsibility of the issuing agent.
- The inability to quantify an error does not exempt responsibility and will result in the application of standard penalty amounts duly published.

4. Practices Subject to ADM

4.1 Ticket Sale and Issuance

Issuances must fully comply with Air Europa's published fare rules.

If the issuance does not comply with one or more fare conditions, an ADM will be issued for the fare difference not collected, plus administrative costs.

When the error cannot be quantified (including but not limited to endorsements, fare calculation, fare basis, discounts, taxes, class, commission, routing, validity, baggage or other incorrect fields):

- ADM of EUR 50 per incorrect field, plus administrative costs.
- Incorrect YQ:
- ADM for the difference in the YQ surcharge
- Additional penalty of EUR 50
- Plus administrative costs

4.2 Guaranteed Issuance

All issuances must always be performed as guaranteed (automatic) ticketing, regardless of the channel used.

If not issued as guaranteed, the agent must reprice the fare on the same date of issuance.

Non-compliance:

- ADM of EUR 20 per segment and passenger

4.3 Non-guaranteed Pricing

The following is prohibited:

- Creating bookings using manipulated masks or manual fare constructions
- Pricing with a date different from the PNR creation date
- Adding segments not created by the issuing agency or not provided via NDC API

Non-compliance:

- ADM for the fare difference, plus administrative costs

If not quantifiable:

- ADM of EUR 500 per segment and passenger, plus administrative costs

4.4 Premium Economy Fares

Premium Economy fares must be issued under guaranteed ticketing.

Non-compliance:

- ADM for the difference between the issued fare and the higher Y-class fare, plus administrative costs

4.5 Issuance without UX Flights

Issuance of plate 996 tickets is not allowed without at least one segment operated by Air Europa.

Non-compliance:

- ADM for the difference between the issued fare and the Y full fare or IATA fare, plus administrative costs

4.6 Ticket Reissuance

Voluntary changes must be reissued in accordance with published fare rules.

Non-compliance:

- ADM for the unpaid fare difference
- Applicable fare penalties, if any
- Plus administrative costs

Name changes:

- Not permitted
- ADM up to Y or J class fare difference (depending on cabin), plus administrative costs

Non-quantifiable errors in reissuance:

- ADM of EUR 50 per incorrect field, plus administrative costs

Incorrect YQ in reissuance:

- Difference + EUR 50 penalty, plus administrative costs

4.7 EMD Issuance and Reissuance

EMD issuance must strictly comply with Air Europa's published rules.

- Issuance through hybrid GDS–NDC environments is not allowed

Quantifiable errors:

- ADM for the difference, plus administrative costs

Non-quantifiable errors:

- ADM of EUR 50 per incorrect field, plus administrative costs

4.8 Refunds

Refunds must:

- Always be processed using the original form of payment
- Comply with applicable fare and tax rules

Non-compliance:

- ADM of EUR 50, plus administrative costs
- ADM for the difference between refunded and correct amounts

In markets with Refund Fee:

- ADM of EUR 50, plus administrative costs if not applied correctly

4.9 Schedule Change

Changes made by the airline more than 24 hours in advance and exceeding 30 minutes (no minimum for missed connections).

Mandatory conditions:

- Reissue >24h before departure
- Same routing and class
- Reissue of all remaining coupons
- Changes allowed ± 7 days if the passenger does not accept the alternative offered by Air Europa

Mandatory fields:

- Original FOP
- Fare Calculation starting with "S-"
- Endorsements: "SKCHG"

Non-compliance:

- ADM of EUR 50 per incorrect element

4.10 Involuntary Changes

Changes made by the airline within 24 hours prior to departure:

- Must only be handled by Air Europa

If the agency reissues:

- ADM of EUR 50, plus any additional costs generated

4.11 Chargebacks

- USA: ADM for the ticket value + USD 20
- Other markets: ADM for the ticket value + administrative costs

Repeated cases:

- ADM of EUR/USD 500, plus administrative costs

4.12 Manual Authorizations

Card payment authorization must always be automatic.

Abuse of manual authorizations:

- ADM of EUR 1,000, plus administrative costs

4.13 OB Fee

From 01MAR24, OB Fee applies according to current regulations.

Non-compliance:

- ADM of 2% of the total amount, plus administrative costs

4.14 Administrative Fees

A 17% surcharge will be applied to the ADM value, with a minimum of EUR 5.

4.15 ADM Process in BSP

ADMs may be issued up to 9 months after the final travel date.

If this date cannot be determined, the document expiry date will be used as reference.

4.16 Currency

Amounts in EUR/USD will be converted to the applicable local currency according to the exchange rate in force.