

**RESOLUTION 850m**  
**ISSUE AND PROCESSING OF AGENCY DEBIT MEMOS (ADMs)**

PAC1(41)850m (except USA)  
PAC2(41)850m  
PAC3(41)850m

Expiry: Indefinite

Type: B

WHEREAS the Passenger Agency Conference (“the Conference”) wishes to promote a consistent and standard set of rules for BSP practices,  
It is RESOLVED that the following principles will be followed,

### **INTRODUCTION**

**1.1** The ADM serves to notify an Agent that unless there is some justification to the contrary, the Agent owes the issuing BSP Airline the amount shown on the ADM for the reasons indicated.

**1.2** ADMs are a legitimate accounting tool for use by all BSP Airlines to collect amounts or make adjustments to agent transactions in respect of the issuance and use of Traffic Documents issued by or at the request of the Agent.

### **2 AIRLINE POLICY**

**2.1** Airlines are required to publish and communicate in writing their ADM policies to Agents in advance of implementation.

**2.2** Where possible the model shown in the Attachment to this Resolution should be applied.

### **3. BSP PROCESSING OF ADMS**

**3.1** ADMs shall only be processed through the BSP if issued within nine months of the final travel date. Any debit action initiated beyond this period shall be handled directly between the BSP Airline and Agent.

### **4. ISSUANCE PRINCIPLES**

**4.1** Airlines should consider establishing policies for a minimum value for the issuance of a single ADM. Where such minimum is established it may be published to Agents.

**4.2** In principle ADMs should not be raised for the collection of administration fees.

**4.3** If there is an administrative cost associated with the raising of an ADM it should be incorporated in the same ADM document raised for the adjustment. The inclusion of the administration fee must be communicated to the agent,

**4.4** Airlines shall provide Agents with the contact details of a person or department that has knowledge of the concerned ADM.

**4.5** Where possible electronic BSP functionality will be used by the issuing airline

**4.6** An Agent shall have a minimum of 14 days in which to review an ADM prior to its submission to BSP for processing.

**4.7** Any disputes are to be raised by Agents within 30 days of receipt of an ADM, and

**4.7.1** all disputes are to be settled by the Airline within 60 days of receipt.

**4.8** If it is established that an ADM is not valid it must be cancelled.

**4.9** Where ADMs are withdrawn by BSP Airlines, any administration fee that may have been levied will be withdrawn, or refunded to the Agent

## **MODEL ADM INDUSTRY PROCEDURES**

### **1. DESCRIPTION**

- 1.1** ADMs are a legitimate accounting tool for use by all BSP Airlines and should only be used to collect amounts or make adjustments to agent transactions in respect of the issuance and use of Traffic Documents issued by or at the request of the Agent.
- 1.2** Alternative uses of ADMs may exist provided that consultation has taken place either individually with the Agent or through the applicable local joint consultative forum.
- 1.3** ADMs are to be specific in their detail as to why a charge is being made;
- 1.4** Any ADM relates to a specific transaction only, and may not be used to group unrelated transactions together, however, more than one charge can be included on one ADM if the reason for the charge is the same, and a detailed supporting list is provided with the ADM;
- 1.5** In the event an airline decides to apply a charge for under-collection or incorrect ticketing on a sale or for the adjustment of a refund issued incorrectly or incorrectly calculated, such charges must be clearly explained in the carriers published ADM policy or must be agreed with Agents bilaterally in writing.
- 1.6** No more than one ADM should be raised in relation to the same original ticket issuance. When more than one ADM is raised in relation to the same ticket it shall be specified for a different adjustment to previous issues.
- 1.7** All rejected or disputed ADMs must be handled by BSP Airlines in a timely manner;
- 1.8** Except where otherwise agreed in a market ADMs should not be used to collect third party costs not directly associated with the initial ticket issuance of a passenger journey.
- 1.9** When ADMs are raised for administration fees the level of such fees should be commensurate with the cost of the work incurred.