

STAR ALLIANCE MEMBERS

# Lufthansa / Austrian Booking Policy

Version of JAN 2016

Preamble: Hereby the current LH Booking Policy of November 2015 will be fully integrated without any changes in the common LH OS Booking Policy.

# 1. General Scope of LH/OS Booking Policy

The Lufthansa/Austrian Revenue Management Systems are programmed to calculate the best availability for each single passenger. As all booking activities for flights of Lufthansa German Airlines/Austrian (LH/OS) take effect on these via LH's/OS's inventory, booking activities are monitored by auditing programs. This is to ensure the integrity of Lufthansa's/Austrian's inventory for the sake of passengers, travel agents and Lufthansa/Austrian alike.

Booking activities incur from travel agents via Computer Reservation Systems (CRS)<sup>1</sup>, regardless of IATA accreditation. Hence this Booking Policy and the consequences of violation apply for every entity accessing LH/OS Inventory and Reservation System, be it IATA accredited travel agent, NON-IATA travel agent, via Internet or any other electronic means.

This document explains the rules that LH/OS applies to ensure proper booking activities. Violations of these rules may lead to Agent Debit Memos (ADM)<sup>2</sup> or invoices, adjustment of Ticket Time Limits or ultimately disconnection from access to LH/OS Inventory and Reservation System.

Thank you in advance for your support and cooperation. For questions regarding these Booking Policies please contact your local Lufthansa Sales & Service Team / Austrian Sales Team.

# 2. Booking Procedures

For correct booking procedure, please refer to your CRS Subscriber Services Agreement as well as to the applicable IATA Resolutions, especially IATA Resolution 830a, and the Fare Notes.

Please make sure that all agents involved with reservations read this Policy, undergo training offered by CRS Providers, (online) training course providers, or others, and that CRS users follow the guidelines carefully.

Every entity engaging in booking activities must refrain from (but not limited to) the below booking (mal)practices:

# Passive Segments

The use of passive segments is not allowed on Lufthansa/Austrian flights, regardless of which ticket stock respectively CRS used.

Exception: the use of non-billable Ghost Segments (i.e. in CRS Amadeus status GK) is still allowed for Lufthansa, Germanwings/Eurowings, Austrian Airlines, Swiss and Brussels Airlines flights.

For further exceptions from the restriction of passive segments on Lufthansa/Austrian services please send an email request to Revenue Integrity specifying the reason.

<sup>&</sup>lt;sup>1</sup> Computer Reservation Systems (CRS) link airlines and travel agents together. These computer systems are used in the booking process, and provide up to date availability for airline seat purchases.

<sup>&</sup>lt;sup>2</sup> ADMs will be handled as per IATA Resolution 850m. For questions please contact the local LH/OS offices, local BSP or ARC branches and their publications, i.e. LH Worldwide ADM Policy / OS Worldwide Sales Guidelines within BSP.

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For the use of passive segments on services of other airlines please refer to the policy of the respective airline.

### **Duplicate Bookings**

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Never make duplicate or multiple reservations for the same passenger on the same flight/s and same date on same O&D (except waitlist bookings). Flight segments overlapping in time, booked for the same passenger, are also considered as duplicates.

#### Uncommitted Bookings

Uncommitted Bookings are bookings not finalized with EOT (End of Transaction). If they are held longer than the usual time necessary to close the sale, seats are blocked in LH's/OS's inventory and LH/OS risks being priced out and not able to sell such seats. Hence we regularly monitor the number and time of seats being held. We assume 30 minutes would be the average time for closing a sale. Uncommitted bookings held longer than average are interpreted as non-active bookings blocking seats in LH's/OS's inventory.

Bookings are to be cancelled immediately when the customer stops the sales process. Double or multiple bookings for one and the same passenger are not allowed. In future Lufthansa/Austrian will retain the right to close sessions of uncommitted bookings a) held longer than the time needed for sale where LH/OS assumes risk of not being able to (re)sell them, and b) close booking sessions where the agent holds uncommitted seats in different booking classes (RBDs) on one flight.

#### **Breaking Married Segments**

It is not allowed to break married segment(s) out of a travel itinerary containing at least one origin/destination connection intended to be sold as a single segment.

Every new or changed PNR including a LH/OS segment/s is checked by an automated program.

<u>For Lufthansa only:</u> in case of broken marriage/s a SSR message is inserted in the PNR. SSR messages indicating manipulated marriage(s) are sent to the agents queue within minutes after End of Transaction. Hence the booking agent has the chance to rebook correctly, void the ticket and reverse the revenue downsell. In this case no penalty will result.

Austrian will not insert any SSR message in the PNRs yet.

Repeated marriage breaks may lead to disconnection from LH/OS Inventory and Reservation System.

#### Out of Sequence

It is not allowed to make reservations different from the passenger's real itinerary including fictitious segments with the aim to undercut the applicable fare. This includes booking and issuing round-trips for the purpose of one-way use or partial travel only as well as amending itineraries without passenger request. Should the customer change their travel plans for return flight(s) at their destination, and the original ticket does not allow rebooking/rerouting, a new LH/OS Group ticket should be bought.

IATA Resolution 830 as well as Selling Agreements between CRS users and CRS providers do not allow any reservation without a specific customer request. Thus speculative / fictitious bookings (entire fictitious bookings or single fictitious segments) violate contractual agreements as well as LH/OS Fare Rules, paragraph SR (Sales Restriction).

Thus reservations shall be made in good faith and shall not contain speculative, fictitious or duplicate segments.

# Fake / Test bookings

Do not create a booking to obtain a price, to print an itinerary or for testing. Do not create a booking without real demand. Do not try to block a class or compartment. Double or multiple bookings for one and the same passenger are not allowed. Always insert the full name and surname. Bookings for





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testing, agency training, printing itineraries or invoices are only to be made in the training mode of the CRS, except when authorized in advance and in writing by LH/OS.

# Non-observance of Ticket Time Limit (TTL)

Deadline demanding ticket issuance as defined in the applicable Fare Note, AP (Advanced Purchase). LH's/OS's Flight Firming Tool (FFT) is synchronized with these rules. LH/OS reserves the right to set a more restrictive TTL. The more restrictive ticketing deadline applies. Pay attention to the SSR messages in the PNR.

When the time limit is reached, your options are: issue the ticket and insert ticket number, or if customer does not want to buy yet, cancel the booking. When the ticket has not been issued within the TTL the FFT tool will cancel unticketed LH/OS segment(s).

#### Fake Ticket Number

A valid ticket number related to the PNRs customer and itinerary has to be issued and reported. A fake ticket number is considered as intention to bypass the **Ticket Time Limit (TTL)**. Voided tickets or refunded tickets with active flight reservations to bypass TTL will be interpreted as fake ticket number.

# Churning

Reservations being created and cancelled continuously to bypass the Ticket Time Limit are not allowed. No churning means: In case an agent creates a first PNR, and the ticket cannot be issued before the TTL, the correct procedure is to cancel the PNR. The agent should then make a new PNR for the same customer with a new price (or same price if still available and applicable) and then issue the ticket. This is the correct procedure and agent will not risk compensation fee.

#### **Inactive Segments**

Segments containing one of the following status codes, still held on the PNR face<sup>3</sup> within 24 hours of departure, increase cost of Lufthansa/Austrian unnecessarily:

HX (holding cancelled) UC (unable/flight closed) UN (unable/flight cancelled) NO (no action taken)

Please remove such status codes!

Avoid waitlist with status codes HL (have listed) on fully booked flights. Do not book unnecessary open segments with LH/OS designator.

#### "Hidden" Groups

Booking 10 or more passengers on at least one common flight segment within their itinerary shall be requested as a group booking. Booking them in two or more individual PNRs is considered as "hidden" group, which is not allowed.

Please note, that group bookings offer advantages to the agent and its customers.

#### No-show

Fictitious bookings leading to No-show will be penalized as these distort LH's/OS's inventory and lead to non-saleable seats and avoidable CRS and operating costs for LH.

# Rebookings

Due to given reason we point out that the rebooking fee applies for <u>every</u> single closed rebooking transaction in case the ticketed fare is subject to a rebooking fee.

# Partial Refund (of Taxes)

The refund rules for partial refund have changed. Please observe that partial tax refund shall be related to recalculation of the applicable fare according to actual itinerary flown.

<sup>&</sup>lt;sup>3</sup> PNR Face: the active part of the PNR

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# 3. Fees and Penalties for Non-Compliance

Lufthansa/Austrian prohibits, and will hold CRS user responsible for any losses due to actions in violation of this Policy.

#### Fees

In addition to other legal remedies available to Lufthansa/Austrian for violation of this Policy, LH/OS reserves the right to charge CRS user a penalty fee per passenger, per PNR and / or per flight segment for each Policy violation.

ADMs will be handled as per IATA Resolution 850m.

Please contact the local LH/OS offices with any questions on this policy or fees or see the publications, i.e. LH Worldwide ADM Policy/ OS Worldwide Sales Guidelines within BSP or visit lufthansaexperts.com/ austrianexperts.com.

# Disconnection of Access (Delink) / Termination of Appointments

Repeated violations of this Policy and / or failure to pay any outstanding fee(s) may result in the loss of access to view, book and ticket Lufthansa/Austrian inventory. Lufthansa/Austrian reserves the right to terminate any and all applicable agency appointment(s) of any Travel Service Provider that does not comply with this Policy.

#### Damages

In addition to other remedies Lufthansa/Austrian may charge the CRS user for any losses incurred by LH/OS arising out of or in connection with any violation of this Policy. These damages could include, but are not limited to,

- 1. loss of revenue resulting from fare differences between the fare paid and the applicable fare;
- 2. incorrect usage of tickets;
- 3. cost of CRS transaction fees by blocking seats.

Fares related to incorrect usage are handled according to IATA rules by calculating the difference between fare paid and applicable fare according to actual itinerary flown.

# 4. Miscellaneous

We kindly request all agents involved with reservations to read this Policy and follow the guidelines carefully. We would like to thank all travel agents who have been and will be adhering to the booking procedures and look forward to maintaining our partnership.

Yours sincerely

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