



TICKET CHANGES

Collecting penalties using the code OD

We would like to inform our Travel Agents that from **June 1st, 2018** all applicable penalties for ticket changes must be **collected within the ticket using the code OD**.

This new procedure comes in response to the industry's need to comply with the new format used to recognize revenue at the time of flight, as provided by accounting standard IFRS-15.

Given the above, as of the date just mentioned, the EMD-S will no longer be used to collect the penalty for changes.

The **use of the OD code will apply to all markets that issue on LATAM ticket stock**, independent of the operators involved in the itinerary.

This form of collection OD will be standardised in the automatic reissue tools in those GDSs where they are still active. Otherwise, agents must record the penalty collection in the ticket tax breakdown. In countries where the penalty is taxable, the amount for that tax must be reflected separately in the respective tax field.

Travel Agencies that do not use the OD code to collect the penalty will be penalized with USD 5.00 + the Administrative Fee associated with the ADM. For the countries that are collecting the penalties through another method (ex: EMD-S, YR, etc.) and that during the month of June do not carry out the collection with the OD code, they will be notified of the irregularity without applying charges but **from July 1st**, the charge will apply without exception.



POINTS TO CONSIDER:

- ⇒ The change in the reservation and the ticket reissue must be processed during the same day.
- ⇒ The penalty collection must be associated to a single ticket for each passenger.
- ⇒ Penalties collected with the code OD in a reissue are not considered in the tax balance. Each time a reissue is made, 100% of the penalty will be charged.
- ⇒ The code OD is not commissionable and does not allow refunds.
- ⇒ In those countries where penalties are subject to a sales tax, the applicable tax must be included in the corresponding field.
- ⇒ Fare differences must still be reflected in the new ticket as ADC.
- ⇒ This change does not alter LATAM's current reissue policies.

Please remember that all changes of LATAM tickets will be audited. Any irregularities will result in a debit note (ADM) to collect the amounts owed.

This information will be updated in the **Ticket Changes** chapter on www.latamtrade.com

Kind regards,
LATAM Airlines Group