



Revenue Management Memo

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From : Pricing & Tariff – Revenue Management

To : Sales office /BD (offline, Channel)/Product Development/Alliances & Partnerships/ AP / MP /
Ecommerce / Call Center / OPS / ICC / CRD / Marketing / Corporate Communications / Duty Desk / IC
/ FIN / HU Int'l FIN/SDD/FFP

Copy : Commercial Director / Assistant Director, Commercial / RM

General Waiver Guideline for Flight Re-schedule and Cancellation – R5

With effective on 30Mar2020, general waiver criteria will be revised as following. The waiver policy will be catered for the flight reschedule and cancellation under certain circumstance. [Hong Kong Airlines will waive the rebooking, reissue, refund and reroute charges for all HX \(851\) tickets issued worldwide with confirmed booking.](#)

I. Applicable ticket type

- FIT, HX 851 ticket stock (except AD/ID)

II. Eligible situation

- HX operation flight reschedule beyond 3 hours before scheduled departure time (STD) and reschedule time not less than 60 minutes (reference to STD)
- Any HX Flight cancellation
- Any interline flight reschedule or cancellation with HX connection
- HX operation flight reschedule and result misconnection
- MCT revise and result misconnection

III. Waiver Criteria on Rebooking and Reissue Charges

- Such requests must be made within 10 days of the affected departure day.
- Revised (new) travel date must within next 14 days of the affected departure day or revised (new) flight must be the first available flight.
- Such waiver on all rebooking request can only be applied once.
- Subsequent changes and amendments to the flight itinerary will be subject to the terms and conditions of the original ticket.
- Inclusive of those valid on flight date shown tickets.
- Waiver is applicable on inbound segment if flight irregularity happened on outbound.
- If original travel date is not within embargo period, revised (new) travel date must not fall into embargo period (Embargo period > refer to e-Term GI:HXNOTE/501)
- Any cancellation must be completed 2 hours before flight sector departure, otherwise will be subjected to No Show surcharge.

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IV. Waiver on cancellation and refund charges

- Inclusive of non-refundable FIT tickets.
 1. For totally unused ticket
 - a. The amount of refund will be equal to the fare paid with tax and fuel surcharge inclusive if applicable.
 - b. Handling charge will be exclusive.
 2. For partially unused ticket
 - a. Refund portion (unused) will be the difference between the total ticket value and the value of used portion.
 - b. Unused portion defined as the sum of unused portion of
 - Directional sector value (actual sector value between ticket origin and destination).
 - plus partial sector value (portion of sector value between stopover point and destination) if applicable.
 - c. Actual sector value from ticket origin and destination defined as half of the round trip fare on respective ticketed subclass under respective ticketed compartment.
 - d. Partial sector value within actual sector value defined as value proportion calculation base on ticket point mileage (TPM) proportion.
 - e. Handling charge will be exclusive.

Example:

<u>Actual Sector Value</u>	<u>Partial Sector Value</u>
1. HKG-(M class)-BKK-(M class)-HKG ➢ Total Ticket Value = \$A (M class RT Fare) ➢ Actual Sector Value = \$A/2 2. HKG-(M class)-BKK-(S class)-HKG ➢ Total Ticket Value = \$A+\$B ➢ \$A (1/2 M class HKGBKK RT), \$B (1/2 S class HKGBKK RT)	1. BJS-(#1)-HKG-(#2)-BKK-(#3)-HKG-(#4)-BJS, BJSHKGBKK on M class, BKKHKGBJS on M class ➢ Total Ticket Value = \$P, BJSBKK M class RT fare \$P ➢ Ticket Value BJS-HKG-BKK = \$P/2 (BJSBKK RT Fare on particular subclass) ➢ Ticket Value BKK-HKG-BJS = \$P/2 (BJSBKK RT Fare on particular subclass) ➢ #1 value under BJS-HKG-BKK, calculate from TPM under total value of BJS-HKG-BKK ➢ #4 value under BKK-HKG-BJS, calculate from TPM under total value of BKK-HKG-BJS 2. BJS-(#5)-HKG-(#6)-BKK-(#7)-HKG-(#8)-BJS, BJSHKGBKK on M class, BKKHKGBJS on S class ➢ Fare always reference to Segment A RBD (Reference to Fare Rule Mapping Table in the fare sheets) ➢ Total Ticket Value = \$P/2+\$R/2, BJSHKGBKK M class RT fare \$P, BJSHKGBKK S class RT fare \$R ➢ #5 value under BJS-HKG-BKK, calculate from BJS-HKG TPM under total value of BJS-HKG-BKK (\$P/2) ➢ #8 value under BKK-HKG-BJS, calculate from HKG-BJS TPM under total value of BKK-HKG-BJS (\$R/2)

- Any cancellation must be completed 2 hours before flight sector departure, otherwise will be subjected to No Show surcharge.
- Refund application on refund charges and cancellation charges waiver must be submitted through original issuing office.
- Waiver of refund or cancellation penalty only applies to refund submit within 60days from the affected flight

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date. Otherwise, normal Terms & Conditions of original ticket will be applied.

- Ticket refund is not accepted at the airport.
- **Grace period: Waiver on cancellation and refund charges is still allowed to apply within 3 days after passenger applied waiver on rebooking and reissue charges.**

V. Rerouting

- Only applicable for the flights which will be departing within 2 days before departure
- **Any rerouting will be subjected to subclass availability**
- Rerouting only acceptable within same zone
- Reissuance charges will be waived due to expiry of the original ticket
- Such waiver on rerouting request can only be applied once
- **Rerouting ticket/sectors will be subjected to fare and tax difference from the original ticket/sector(s), but no refund for the fare different if the new ticket value is lower than the original ticket value.**
- Rerouting zone table listed as below :

Zone	Destinations
1	CHINA (ALL HX Operating Destinations)
2	JAPAN (ALL HX Operating Destinations)

VI. Connecting flights handling

- When flight irregularity happens and causes any flight misconnection, the conditions of III and IV can be applied.
- **Applicable flight**
 - 1) HX operated flight + HX operated flight
 - 2) HX operated flight + HX codeshare flight
 - 3) HX operated flight + Interline flights
- **Ticket and reservation requirement**
 - 1) All flight segments are shown on 1 set of ticket (1 ticket or more which are in conjunction) and reservations are confirmed under same PNR.
 - 2) The connection meet minimum connecting time (MCT) requirements.

****Refer to E-term system with command GI:HXNOTE/505 for the detail information of MCT**



VII. Authorization

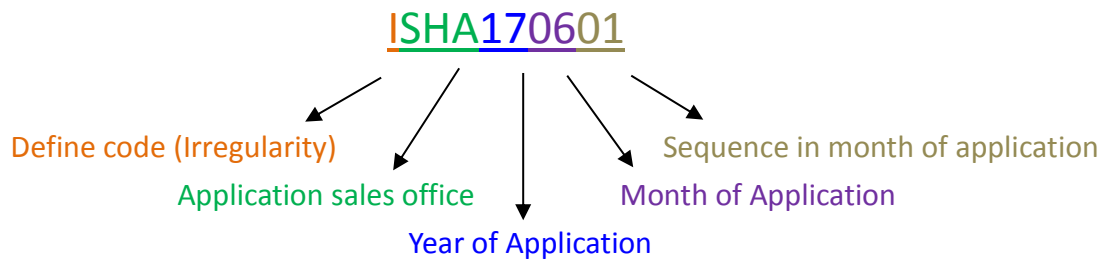
- **Scenarios**

Person in charge for Call Center, E-commerce, Local sales office, Offline sales and Airport are authorized to waive certain charges after their evaluation with below scenarios

- 1) Applications are exceed the scope of this guideline
- 2) The guideline not comply with the local law in specified sales area
- 3) Sales office only have authority to waive the ticket which issue in their responsible point of sales. For the ticket issue by B2C, it will be solely handle by Call Centre or E-commence

- **Authorization Code**

- 1) Authorization code must be assigned for each case
- 2) Format of authorization code



- **SO approval workflow**

- 1) Call Centre:
Call center in-charge > Call center person in charge (HQ) > Assistant Director/GM/DGM
- 2) E-Commerce:
E-commerce staff > E-commerce supervisor > E-commerce GM/DGM
- 3) Sales office:
Applicant > Person in charge of sales office > Regional General Manager (if any)
- 4) Offline sales:
BD offline team (HQ) > BD GM/DGM
- 5) Airport:
Airport supervisor > Airport duty manager > Airport GM/DGM

- **Summary report**

- 1) Monthly summary report is required to submit on/before 5th of each month.
- 2) Call Centre, E-commerce, Offline Sales and Airport are required to email summary report to Pricing Team (pt@hkairlines.com) and Finance (accrad@hkairlines.com) for record and review.
- 3) Sales Offices is required to email summary report to Pricing Team (pt@hkairlines.com) and copy to BD Channel (channel@hkairlines.com) and Finance (accrad@hkairlines.com) for record and review



VIII. Particular Incident

• **Definition**

- 1) Big nature disaster (flooding, volcanic eruptions, blizzard and etc.)
- 2) Political factors like rebellion.

• **Handling**

- 1) Special notification to specific situation will be released by Revenue Management.
- 2) It will base on special notice to handle while the special notice have been issued by Revenue Management.
- 3) This guideline will be applied if no special notification have been issued

IX. Note

- All interpretation of this notice is based on the English version.

X. Appendix

- Specimen of weekly summary as below.

Authrization Code	Ticket number	Original Flight / Date	New Flight / Date	Original STD	New STD	Waiver details	Action date	Authorized by	Case details	So number	Remark
ISHA170601	851-2106653800	HX126/HX229	15/Jan/16	0920	2130	travel period extend 2 more day	01/Jan/16	LI Feng	No offer and case escalate, psger ask for stay over 2 more day	87514	