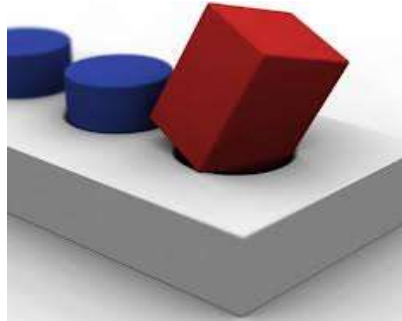




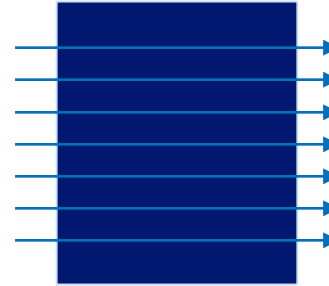
Denver, April 2018



- ❖ Structural Unlimited Agency Default Risk



- ❖ Rules are outdated Made for Brick and Mortar distribution.
- ❖ Travel Agency and Airline Business Models evolved



credit cards

- ❖ Agents are using new virtual cards without Airlines' consent
- ❖ Credit cards as black box



- ❖ Merchant fees are increasing, adding potentially in 2022 \$1bn per year to Airlines' fees

Delivering a more relevant, secure and customer-centric BSP

- ❖ **Agency Accreditation Models:** three accreditation models which reflect a wider array of Travel Agents
- ❖ **Enhanced Risk Management:** notably the introduction of a Remittance Holding Capacity (RHC)
- ❖ **IATA EasyPay:** new voluntary & secure payment method, based on pay-as-you go e-wallet
- ❖ **Global Default Insurance:** a new financial security alternative for Travel Agents



Moving from One to Three Accreditation Models

- ❖ Opportunity for Airlines to work with new Agents under a safer payment environment
- ❖ Airline can integrate more Agents into to the BSP for streamlined distribution and collection processes
- ❖ Better visibility on the total structure of multi-country groups under GoGlobal Accreditation
- ❖ Agents choose the Accreditation Model most relevant to their business



Moving from unlimited to mitigated risk



- ❖ Reduction and capping of default losses resulting from limiting overall cash risk exposure (RHC)



- ❖ Going from 24h sales blind-spot to real time around the clock sale monitoring

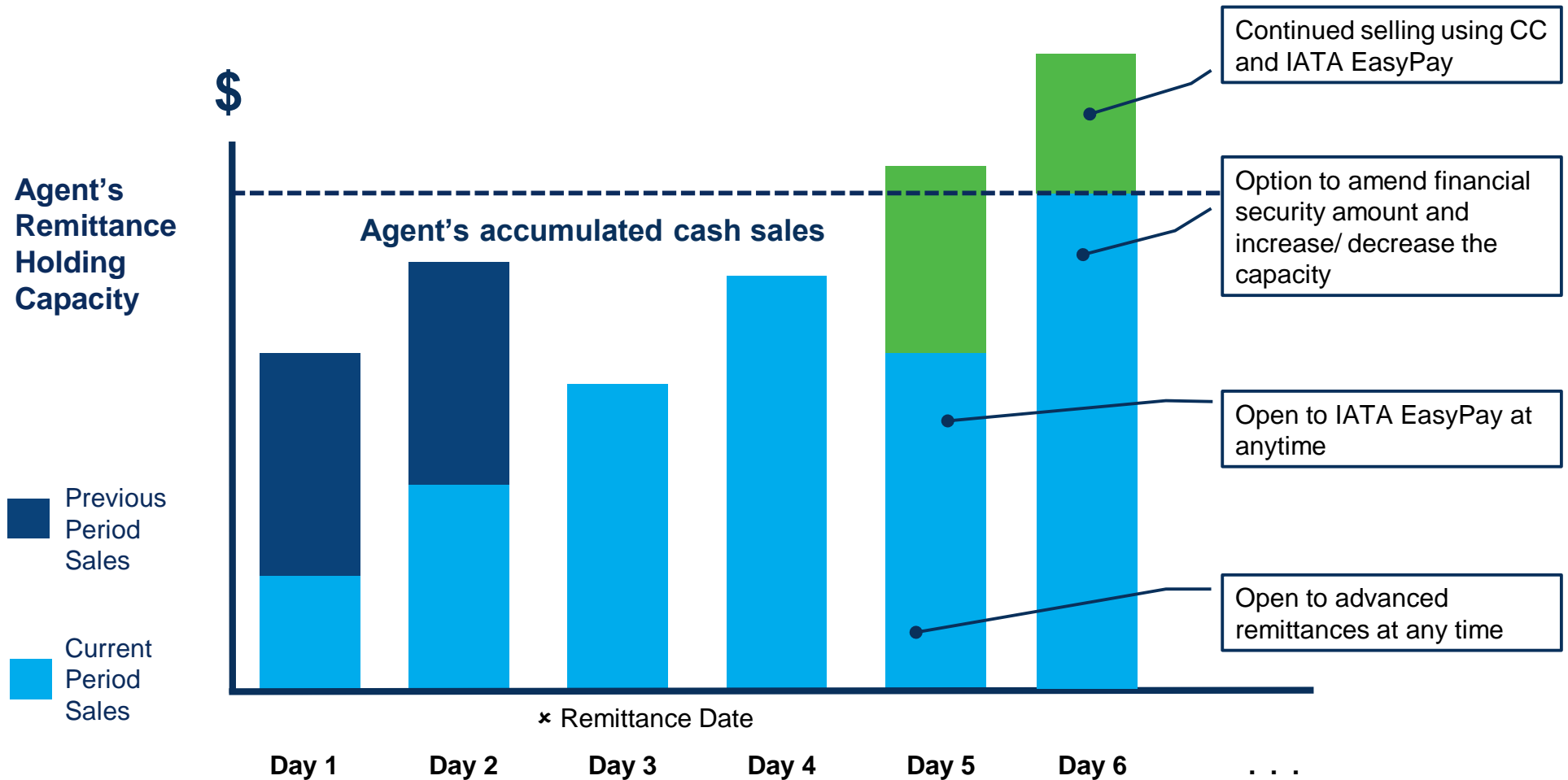


- ❖ Safer selling with RHC
- ❖ Sales continuity through new payment methods

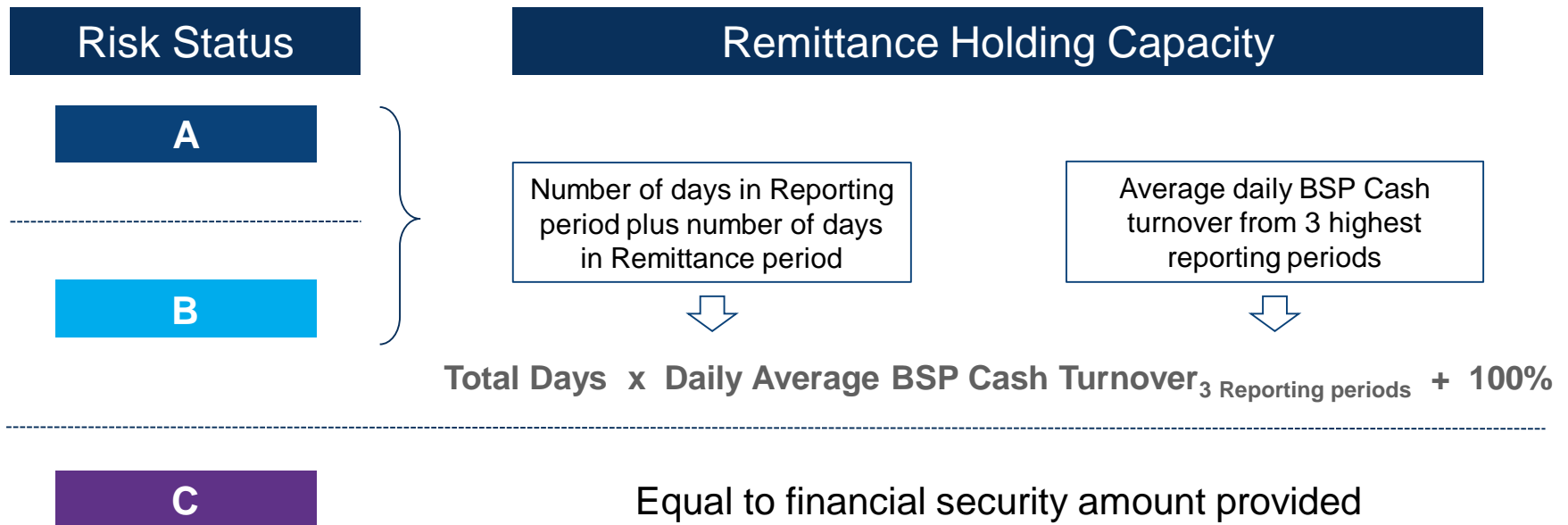
Risk Management is defined by an Agent's Accreditation Model and the level of associated risk



All Agents with Access to Cash will be assigned Remittance Holding Capacity



All Agents with Access to Cash will be assigned Remittance Holding Capacity



IATA EasyPay, a new payment alternative in the BSP



- ❖ Voluntary, pay-as-you-go e-wallet
- ❖ Private financial instrument

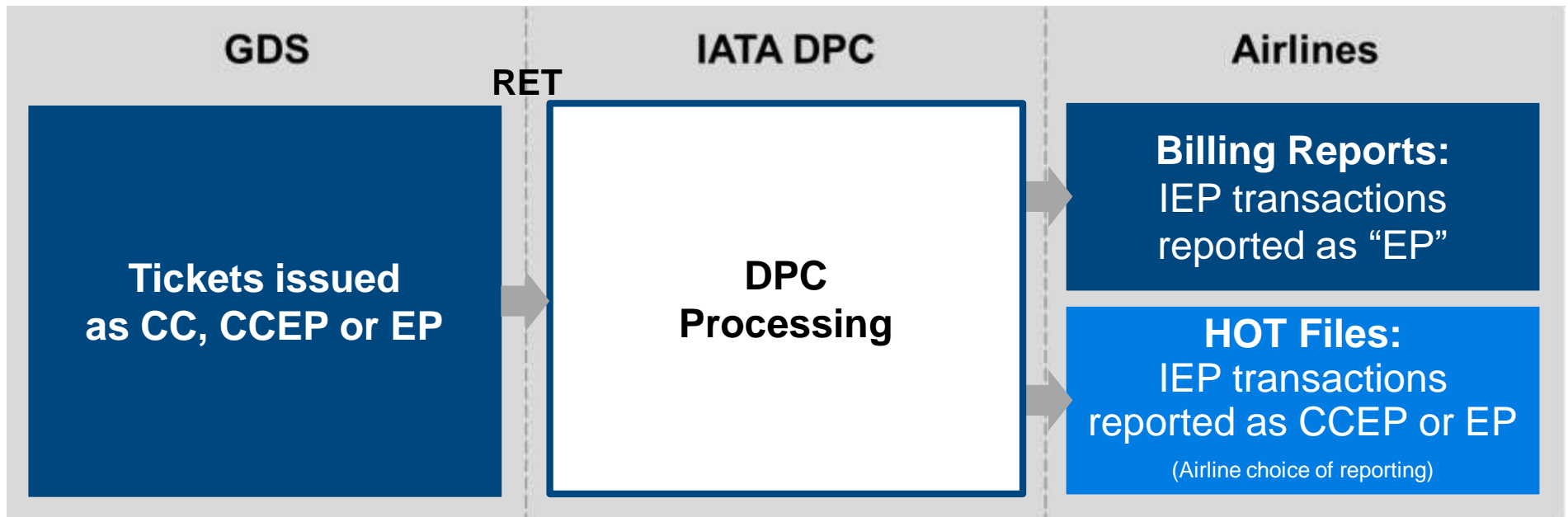


- ❖ Secure with no chargebacks
- ❖ Enabler of Safer Selling



- ❖ Accelerated Cash Flow
- ❖ Cost Effective alternative

IATA EasyPay, a new payment alternative in the BSP



Items to Note

- IATA EasyPay transactions identifiable by the BIN range
- IATA's DPC excludes IEP from and Credit Card (CSI) billing files



Global Default Insurance, greater flexibility while better protecting airlines



- ❖ No Collateral Required

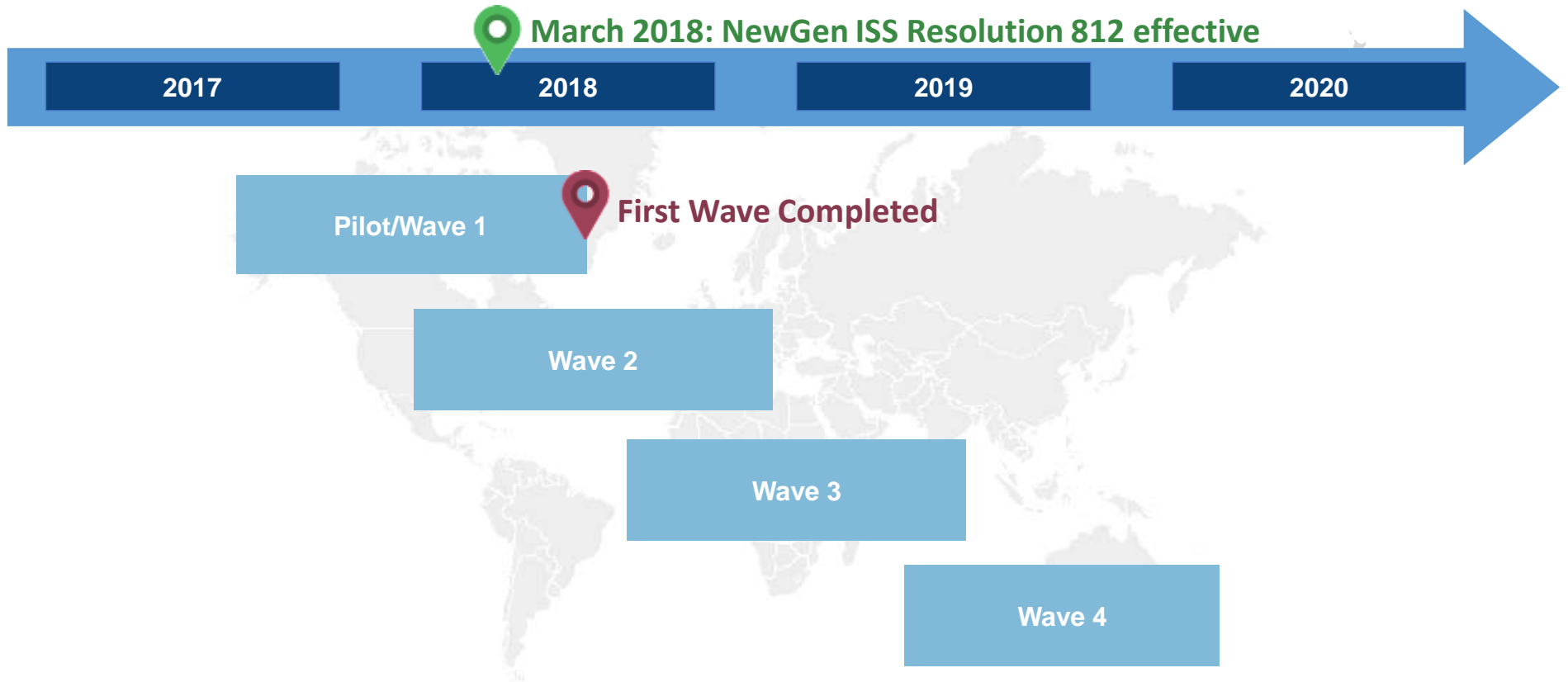


- ❖ Easier to adjust in RHC environment facilitating sales continuity



- ❖ Certainty of claims, due to top-rated insurance provider

All BSPs are progressively being migrated to NewGen ISS, Resolution 812





NewGen ISS has been implemented in the Nordics, Canada and Singapore

Market	NewGen Go-Live
Norway	Mar. 8 th ✓ Live
Finland	Mar. 16 th ✓ Live
Sweden	Mar. 19 th ✓ Live
Iceland	Apr. 16 th ✓ Live
Denmark	Apr. 1 st ✓ Live
Canada	Mar. 26 th ✓ Live
Bermuda	TBD*
Singapore	Apr. 16 th ✓ Live

*BSP Bermuda Go-Live to Be defined based on Airline readiness.

Criteria assessed as part of Go-Live

Criteria for Go-Live

Airline Readiness

- Airline acceptance of IATA EasyPay
- Airlines have defined their overall payment and distribution policies.

Agent Readiness

- Communication to Markets 90 days in advance
- Notification to Agents' of their RHC and Risk Status
- Agent Webinars held and training available.

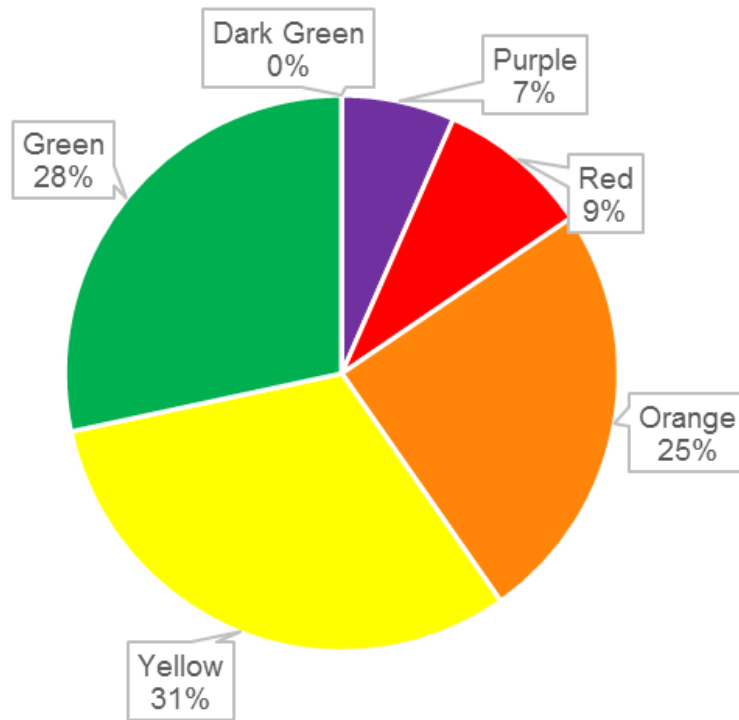
IEP Market Readiness

- Launch and availability of IEP in the market prior to implementation of NewGen ISS

IATA GDC Operational Readiness

- Operational Readiness of IATA's Global Delivery Centre

Airline Readiness for BSP Airlines being tracked globally



Purple	Airline Opt-Out	6.58%
Red	IEP Unaware	8.93%
Orange	IEP Aware	25.10%
Yellow	IEP Engaged	31.32%
Green	IEP Technical Readiness	27.72%
Dark Green	IEP Strategic Readiness	0.00%

Net Cash Sales Global Readiness



TIP

Transparency
in Payments



Background



Increase VANs usage

New payment solutions have emerged in the market



Clause 1.4

Changes to Resolution 890



Objectives of TIP industry initiative

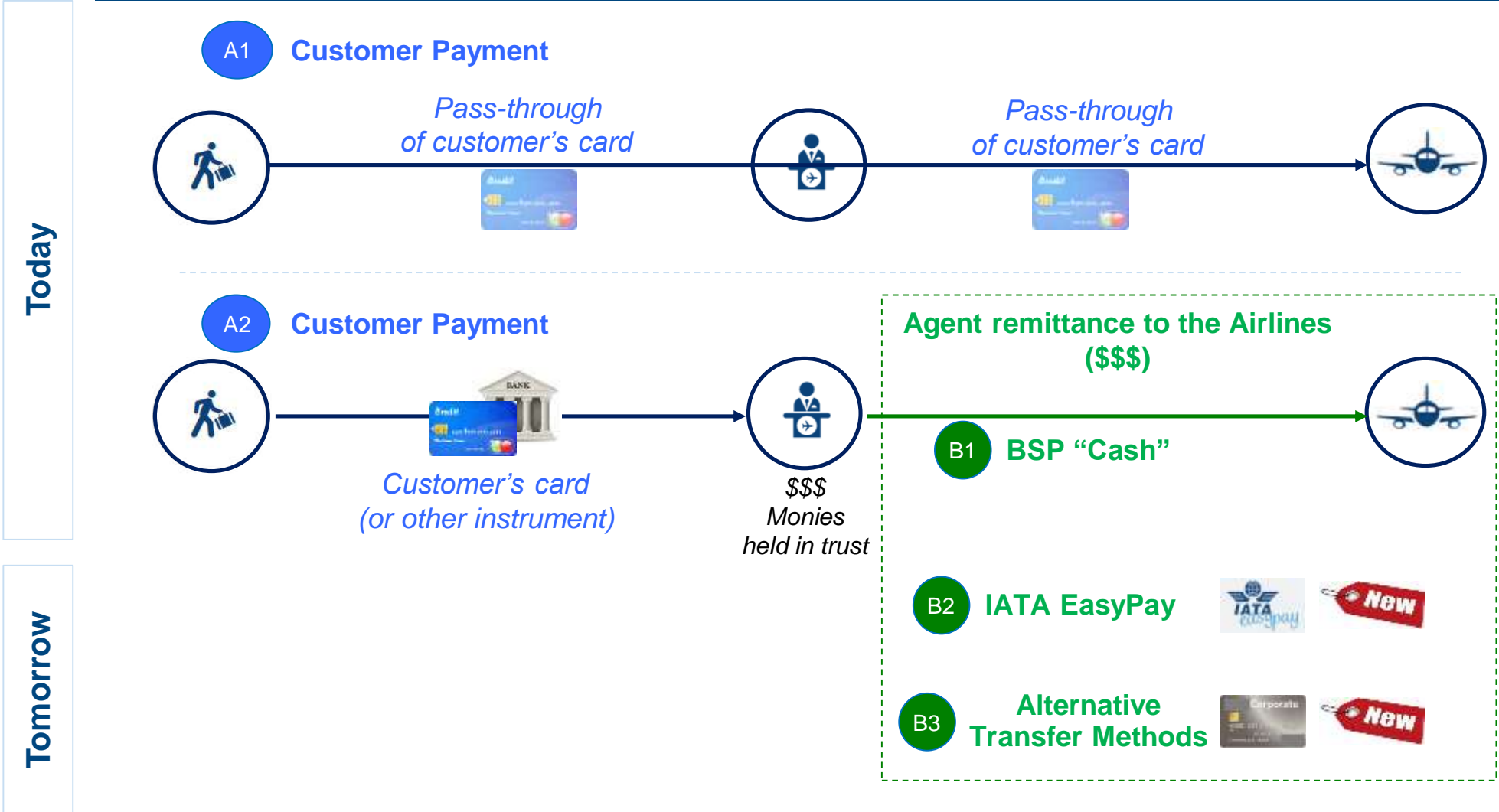


Increased transparency and control

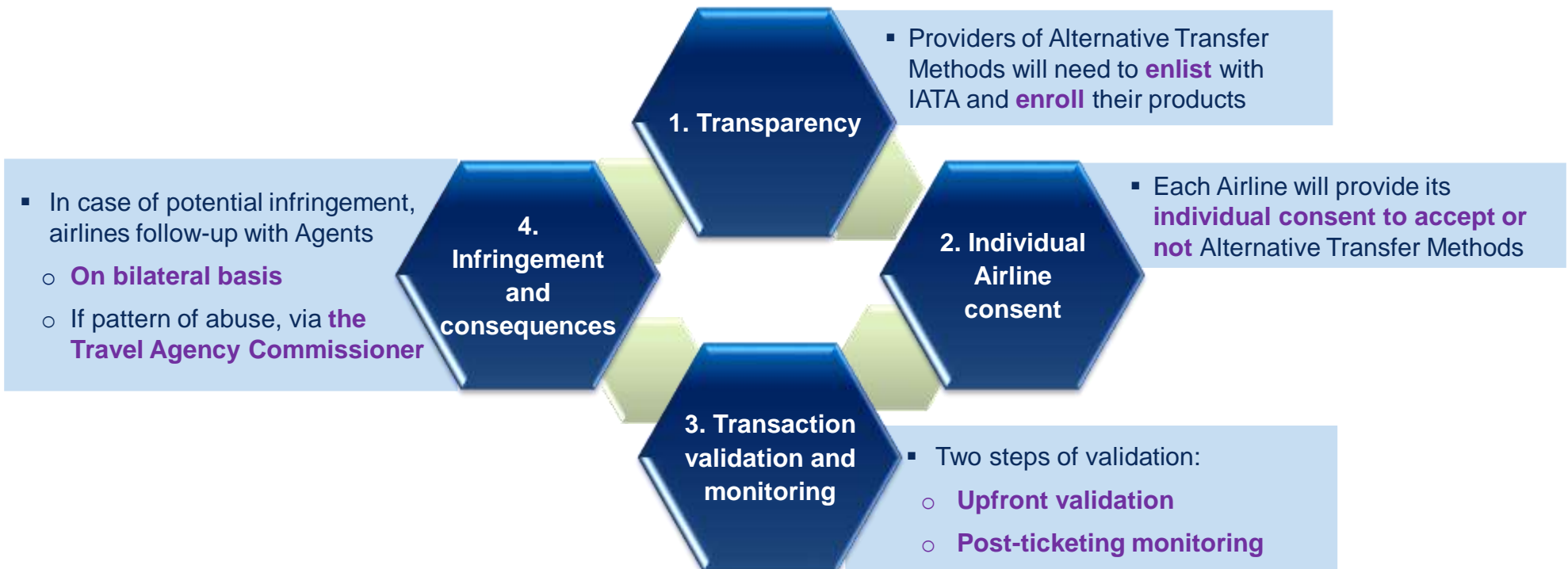
Provide each individual Airline with increased transparency and control:

- To better define how Agents remit funds collected from customers using their Airline Merchant Agreement
- To understand respective product features and costs being charged

Transparency In Payments – TIP solution



TIP framework is based on four principles





- ❖ Get Transparency on other payment methods such as Virtual Cards



- ❖ Define your individual acceptance and commercial policy



- ❖ Obtain monitoring info to ensure your policy is being applied



TIP is now implemented in Norway, Finland and Sweden

Market	NewGen Go-Live
Norway	Apr 10 th ✓ Live
Finland	Apr. 16 th ✓ Live
Sweden	Apr 16 th ✓ Live
Iceland	May 9 th
Denmark	May 9 th
Canada	May 16 th
Bermuda	TBD*
Singapore	May 23 rd

❖ From June, TIP will be rolled out with NewGen ISS



THANK YOU