



# Payment Policy



## Finnair Payment Policy

version 3.0

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<b>Version</b>	<b>Changes</b>	<b>Author</b>	<b>Approved by</b>	<b>Date of approval</b>	<b>Notes</b>
2.0	Moderate updates	Finnair Payment Business	Head of Payments	10.5.2021	Clarification on allowed payment methods
3.0	Moderate updates Change to penalty fee	Finnair Payment Business	Head of Payments	9.11.2022	Clarification on agent card policy Clarification on chargebacks Increase to penalty fee





## **1. Finnair Payment Policy**

The Finnair Payment Policy applies to IATA and non-IATA travel agents, across all channels. The sales of applicable agents can be reported via indirect BSP or ARC, or via Amadeus HOT file for Finnair direct sales.

## **2. General**

Finnair reserves the right to accept or deny any payment method. Agents must follow Finnair Payment Policy and use only Finnair accepted payment methods for Passenger Air Transportation and Ancillary Services. Agents are responsible to follow all payment related applicable laws and regulations, for example Payment Card Industry Data Security Standard (PCI) and EU Payment Services Directive (PSD2) regulation.

On issuance of airline documents agents must use the dedicated form of payment code of applicable payment method, according to instructions of IATA.

## **3. Cash**

Finnair accepts cash as a preferred payment method from travel agents who report their sales via BSP or ARC. Money settlements from travel agents to airline are processed via BSP or ARC, according to each country's reporting periods.

## **4. EasyPay**

Finnair accepts EasyPay as a payment method for payments reported via BSP.

IATA EasyPay is an e-wallet solution for issuance of airline documents. Agents set up and load funds into their dedicated IATA EasyPay e-wallets. EasyPay allows agents a means to lower their financial security amounts held with IATA, as the financial guarantees required from agents using EasyPay are lower than for agents not using EasyPay.

Transactions paid with EasyPay are not included in the agent's BSP cash remittance capacity.

## **5. Credit cards**

### **5.1 Customer's credit card**

A customer's credit card can be used as a form of payment. Agents are responsible for checking the validity of the credit card and that purchase is authorized by the card holder, as well as ensuring that the credit card type is accepted for payment by Finnair.





## 5.2 Agent's own credit card

Use of the agent's own debit or credit card is not allowed.

IATA Resolution 890 paragraph 3.4 defines that use of other than customer's credit card is prohibited unless specifically authorized by airline. According to Finnair Booking and Ticketing policy Finnair accepts only Customer Card when using the card acceptance merchant agreement of the Member/Airline to collect payment for the sale of Passenger Air Transportation and Ancillary Services. The use of a credit card, consumer, corporate or wholesale card, which is issued in the name of the Agent or in the name of any of the Agent's personnel, or in the name of any third party, other than the customer or his or her employer, to issue tickets using an Airline's Merchant Agreement is not allowed without obtaining the Airline's explicit consent prior to using such Card.

IATA Transparency In Payments (TIP) enables both airlines and agents to take advantage of transparency and control in payment methods and to enable new forms of payments for remittance. These payment methods are called Alternative Transfer Methods (ATM) and they are credit cards in name of travel agent. Payment method providers can enroll their payment products with IATA and then enrolled products are published in BSP link. Also travel agents can register their own credit cards into BSP link to apply for consent from airline. All enrolled payment products and travel agent cards are by default with no consent.

Finnair reserves the right to give or not to give consent to any ATM/agent's own debit or credit card in BSP link. Before using them, the agent must check if Finnair has given a consent in BSP link. All debit and credit cards, including ATMs, are subject to Finnair's standard credit card surcharging policy.

## 5.3 Penalties and fees

When usage of prohibited debit or credit card in name of the agent and in conjunction with an air transportation sale is detected, Finnair reserves the right to issue an ADM. Unauthorized use of agent's card/ATM is subject to a fee of 5% of total value of documents and an administration fee of EUR 50 or equivalent local currency per ADM, as per Finnair Booking and Ticketing Policy.

If consent is given to use ATM/agent's own card requested by agent, Finnair provides a written confirmation on use and the period of consent. Finnair reserves the right to charge a fee from the agent for using ATMs/agent's own cards. The fee is charged based on ticket value and sales issued with a consented card. The fee to be applied is communicated to agent in BSP link under TIP and/or via email, in accordance with the consent granted to the applicable payment method. In such case, the agent accepts to remit the charge which is collected by ADM or by invoice.

Fees will not be paid back in case ticket is refunded for any reason.

## 6. Credit card fees

Finnair collects credit card surcharge fees in various markets. Applicable credit card fees are published in the Credit Card Fees table in Finnair Easy. (<https://easy.finnair.com/en/reservation---ticketing/payment-policy/payment-method-processing-fees>)

The amount of the credit card fee is added to the total amount of the flight ticket (including YR fees and taxes) and is based on the point of commencement of the journey.





Credit card fee information is filed to GDSs as an OB fee for automated collection. OB fees are not shown on the ticket with standard taxes and charges but are added to the Electronic Ticket/Itinerary Receipt and automatically reported to BSP. Agent must provide customer a receipt including total amount including OB fees charged from customer's credit card.

## **7. Credit card chargebacks**

Chargeback is a dispute received by merchant. There can be several reasons why chargeback is raised. Agents are responsible for their credit card sales as per IATA Resolution 890. The responsibility applies in case of agent's negligence, e.g., fraud purchase without applicable authentication method of card holder or incorrect/incomplete information given to customer etc.

### **7.1 Chargeback prevention**

Agents are responsible for taking all necessary actions to prevent chargebacks.

In online sales credit card payments are to be processed through 3DS authentication, based on requirements published by applicable regulations. 3DS authentication protects customers' credit card accounts and prevents fraudulent credit card payments. When a travel agent accepts a customer credit card online and reports the issued documents with credit card form of payment to Finnair, agents' 3DS service provider must be connected to GDS, and transfer the authentication data into authorization message which GDS is sending to card scheme.

Agents must provide correct information about service to customers and provide terms and conditions which customer confirms to accept when making the payment.

### **7.2 Chargeback process**

If Finnair receives an inquiry or a notification of chargeback related to a credit card transaction issued by an agent, Finnair will notify the agent and request supporting documentation. The agent is responsible for providing a complete response to be provided to the credit card acquirer by the deadline date informed by Finnair.

After Finnair has provided a response to the credit card acquirer, in some cases there is an option to a so-called arbitration process where a claim can be re-evaluated by an arbitration committee. If a chargeback case ends up in an arbitration process and the agent would have strong evidence against such chargeback and still wants to defend against it, the agent will be responsible for arbitration costs if case is lost. Finnair will withhold from the agent a deposit amount beforehand, to cover possible arbitration costs until the case is prosecuted. Finnair reserves the right to decline the proceeding to arbitration process if provided evidence is found inadequate.

In case a disputed transaction is rejected by the card company, Finnair will pass the loss to the agent by issuing ADM. Possible administrative fees collected by card acquirers and an administrative fee of 50 EUR equivalent is collected on each chargeback ADM.

