

March 12, 2008



Dear Travel Professional,

It has always been a priority for LAN to establish and maintain a close and collaborative relationship with our travel agent contacts. In an effort to make processes as transparent and efficient for all, reduce distribution costs, and to be more consistent with industry practices, we would like to inform you about a new policy we will be enforcing as of June 1st, 2008.

We have detected that each month inactive segments which have been cancelled in our inventory, but are not cancelled in General Distribution Systems by the issuing agency. When these are not cancelled they generate a significant cost for the company and hinder the efficiency of our processes. Inactive segments that are not removed from PNRs increase our distribution costs. Therefore, agencies must cancel all inactive PNR segments 24 hours before a flight's departure.

As a result, beginning with bookings made on or after June 1st, 2008 LAN will audit all PNR transactions to identify non-compliant practices regarding inactive segments. LAN will issue a debit memo to recover the cost of unproductive bookings: USD \$3.00 per segment plus a USD \$50.00 administrative service fee that are inactive in LAN's flight inventory but active in General Distribution Systems.

On a monthly basis, LAN will alert those agencies with inactive reservations. Failure to comply with these policies may result in debit memo issuance to the agency for booking infractions in order to offset the costs incurred.

Beginning June 1st, 2008, LAN will begin charging agencies with inactive segments on GDS systems. Debit memos will be sent out on the last day of the subsequent months.

Notification of Inactive Segments sent	Inactive Segments for the month of	Agency Debit Memo (ADM)
May 31 st , 2008	April 2008	NO
June 30 th , 2008	May 2008	NO
July 1 st , 2008	June 2008	YES

Click here to view an example of inactive reservations and the accurate procedures to cancel to avoid charges.

We trust that you understand this is a measure we need to take in order to keep delivering exceptional service.

Regards,

LAN Airlines

EXAMPLE:

1. PNR CREATED IN SABRE

PNIZUU
1.1NUN/DEBORAH
1 LA 500Y 25MAY S SCLMIA HK1 855P 540A 26MAY M
/DCLA*3LPOT2 /E
TKT/TIME LIMIT
1.T-A
PHONES
1.SCL5658738
RECEIVED FROM - CV
G4B4.QLA*API 1226/20FEB08 PNIZUU

2. QUEUE INFORMING THE CANCELLATION OF THE BOOKING TO THE AIRLINE.

024 AIR SEGMENT CANCELLED
PNIZUU
1.1NUN/DEBORAH
1 LA 500Y 25MAY S SCLMIA HX1 855P 540A 26MAY M
/DCLA*3LPOT2 /E
TKT/TIME LIMIT
1.T-A
PHONES
1.SCL5658738
RECEIVED FROM - CV
G4B4.QLA*API 1226/20FEB08 PNIZUU H

3. THE AGENCY MUST CANCEL THE SEGMENT

.1XK	(input)
DONE CSS	(output)
6AGENTE	(After 6 the person responsible of cancellation)
E	(Closure of the PNR)

*PNIZUU (When the PNR is accessed, itinerary not present)

PNIZUU
1.1NUN/DEBORAH

NO ITIN

TKT/TIME LIMIT
1.T-A
PHONES
1.SCL5658738
RECEIVED FROM - CV
G4B4.QLA*API 1226/20FEB08 PNIZUU H