

#### What are the changes?

The targeted solution will see Lite join Choice and Flex using Matrix pricing, enabling Virgin Australia to offer all 3 economy Fare brands mapped across the Economy RBDs. The RBD and Fare Brand code will determine price. This means 'M' class will no longer be used to book a Lite fare.

#### Why is Virgin Australia making this change?

All Economy fares will now be defined by Brand Code, aligning the way you book and sell Virgin Australia economy fares. This supports the recent introduction of Lite fares to the Indirect channel, providing our customers with a greater choice in fares, at a competitive price point.

#### What will the new Virgin Australia Fare Ladder look like?

See the below infographic to understand the change. Key future state area of change highlighted in yellow.

RBD	Lite	Choice	Flex		
Y		Y	Y		
В	M-B	В	В		
W	M-W	W	W		
Н	M-H	Н	Н		
К	M-K	К	K		
L	M-L	L	L		
R	M-R	R	R		
E	M-E	E	E		
0	M-O	0	0		
N	M-N	N	N		
V	M-V	V	V		
Р	M-P	Р	Р		
Q	M-Q	Q	Q		
Т	M-T	Т	Т		
I	M-I	I	I		
S	M-S	S	S		
F	M-F	F			
U	M-U	U			

#### CURRENT STRUCTURE

RBD		Lite		Choice	Flex
Y				Y	Y
В		В		В	В
W		W		W	W
Н		Н		Н	Н
К		K		K	K
L		L		L	L
R		R		R	R
E		E		E	E
0		0		0	0
Ν		Ν		N	N
V		V		V	V
Р		Р		Р	Р
Q		Q		Q	Q
Т		Т		Т	Т
I		1		I	l
S		S		S	S
F		F		F	
U		U		U	

#### **NEW STRUCTURE**

### How do the Fares work?

The principle is (using notional numbers) if an "O" RBD Choice fare was available at \$200, a linked "O" RBD Lite fare would also be available at \$180, as well as an "O" RBD Flex fare at \$300. This principle then follows the same logic as you move through the RBD fare ladder.

Example: Fare Basis	RBD	Fare*	Fare Brand
OZLT0	0	180	Lite
ОΖСНО	0	200	Choice
OZFLO	0	300	Flex

\*As an example for illustrative purposes only

### Fare Families and ATPCO filings

Virgin Australia will distribute via ATPCo as published fares with Branded Fare information [S8 Branded fares] using brand fare family codes "LT", "CH", "FL" (Note these brand codes may vary per GDS in use).

Fare Brand	Lite	Choice	Flex	Business
Fare Brand Modifier - Sabre & Amadeus	LT	СН	FL	BU
Fare Brand Modifier - Travelport/ Galileo	01	02	03	04

### What do I do if I have existing bookings on M class?

Bookings currently held in M RBD will travel as planned on their Lite fare.

### What if I need to do an exchange for a Lite fare booked on M class?

If a ticket exchange is required the Agent will need to rebook the customer's changed flights into their preferred Fare Brand, keeping in mind that the available booking class can be booked as any of the three offered Virgin Australia Economy Fare Brands. Virgin Australia is unable to provide specific advice due to the number of different systems in the industry but Virgin Australia recommends that exchanges from the M Dual RBD fares should be performed using manual intervention and in accordance with Virgin Australia's ticketing policy.

# What are the benefits of Virgin Australia's recent Fare brand changes to our customer segments?

- Leisure travellers: There are no changes to the Fare brand inclusions i.e. the existing inclusions of Lite, Choice, Flex and Business fares will remain the same. However, customers may notice that there are more fare brands available during their booking process.
- Corporate travellers: There are no changes to the Fare brand inclusions. Business travellers may notice that there are more fare options available within a shorter booking window (previusly they were likely to only see Flex Fares). Customers with a Corporate travel agreement with Virgin Australia benefit from an expanded number of fares for which their contracted corporate discount can be applied on Choice and Flex fares and will continue to enjoy discounts on Business Class fares. However, Lite fares will not attract a corporate discount. Furthermore, Virgin Australia have extended the Free of Charge name change fare rule across all Flex and Choice fares including F & U.
- Virgin Australia Business Flyer travellers: There are no changes to the Fare brand inclusions. Virgin Australia Business Flyer Members may notice that there are more Fare brands available in the Business Flyer booking portal when they book. Virgin Australia Business Flyer Members will continue to receive up to 4% off Flex Fares and up to 6% off Business Fares when booking in the Business Flyer Booking Portal, or via their dedicated Travel Management company.

### What will the new Fare brands look like in the GDS?

Different GDS selling platforms will sell fares differently, as they do today.

- For Agents using a graphic GDS display: Different GDS selling platforms will display fares differently, as they do today. For example, Agents using a GDS where fare families are displayed will continue to see Lite, Choice, and Flex fares clearly displayed.
- For agents using a cryptic display: Agents will be required to sell the fare brands via the appropriate booking class, using guaranteed sell entries to obtain a price quote and need to be familiar with the rules, to ensure tickets are issued according to Virgin Australia ticketing policy.

### What are the benefits of the Lite Fare for our customers?

The Lite fare is the most price competitive option at Virgin Australia. Lite fares provide great value for customers who don't require a checked bag, seat selection or full flexibility.

#### Who is this fare designed for?

The Lite fare may be appropriate for business travellers who do not require a checked bag or seat selection, for example, if they're on day trip, or a cost-conscious leisure traveller going away for the weekend and travelling light.

Please check the key attributes and bookings conditions of the Lite fare below, and share this information with your customers.

For further details on Lite Fares inclusions and exclusions please see <u>Fare types | Virgin Australia</u>.

#### What are the key attributes of Lite fares?

- No checked baggage allowance included in the fare;
- Standard 7kg carry-on baggage limit applies across 2 pieces of hand luggage;
- Seat selection is not included, but is available for purchase.
  Standard seat selection for an Economy Lite fare can be purchased three or more hours prior to the flight's scheduled departure. Standard seat selection is complimentary within three hours of the flight's scheduled departure.
- Change date and/or time is available up to midnight the day before departure, a change fee of \$99 plus the fare difference applies.;
- Name changes are not permitted;
- Lite fares are non-refundable in the case of a no-show;
- Lite fares cannot be held in credit. If a customer cancels travel, it will be considered a forfeit of fare.
- Complimentary water, tea and coffee are provided (where available). For Virgin Australia operated flights, food and drinks are available for purchase.
- Velocity members will still earn Velocity Points and Status Credits on Lite Fares excluding Tier Bonus Points; however, these will not count toward Velocity eligible sectors. Velocity Points earn and Status Credits are subject to the <u>Velocity Frequent Flyer Terms and Conditions</u>.

### Can a Lite fare be changed to a Choice fare at a later stage?

A Lite fare can be changed to either a flex or choice fare if the change occurs before the day of departure. Fare difference and reissue fees apply. If the traveller is considering taking a bag or requires additional flexibility, please recommend the Choice fare at the booking stage.

## Can guests upgrade a Lite fare before travel?

Yes, Lite fares can be upgraded to EconomyX or by UpgradeMe Premium bid up until midnight the day before travel. Points upgrades or Complimentary UpgradeMe Platinum Credits cannot be used on Lite fares.

## What if the guest wants to add a bag or reserve a seat prior to travel?

A checked bag or purchased seating can be added to the Lite fare up to 24 hours prior to travel via the dedicated TMC or the Manage My Booking tab on virginaustralia.com for an additional fee, or via Velocity Points redemption.

If an agent wishes to add bags or seats, they can select these from ancillary products contained within the GDS.

A checked bag can also be paid for at the airport. However, to avoid travellers incurring additional baggage charges at the airport, Virgin Australia would recommend you consider the Choice fare brand at the time of booking.

The additional product attributes of a Choice fare, including checked baggage and pre-seating inclusions combined with less restrictive fare conditions often make the Choice fare the best overall value.

# What happens if a guest combines a Lite fare on the outbound journey with a Flex or Choice fare on the return?

If the guest has not yet flown, the Lite fare ticket conditions apply to all sectors contained on that ticket.

If the guest wants to cancel their entire ticket, the Lite fare ticket conditions apply to all sectors within that ticket, i.e. most restrictive fare conditions apply.

Once the Lite sector has been flown:

- For Domestic Travel the guest will enjoy the conditions of the Flex/ Choice fare for the return should they need to amend their itinerary
- For International Short Haul Travel the most restrictive fare rule applies to all segments on the ticket.

### Where do I go for support?

If you need assistance in using fare brand shopping and pricing commands, please contact your GDS Help Desk or refer to the Virgin Australia Trade Hub for clue cards.

For more information on the change, please visit the <u>Virgin Australia Agency</u> <u>Hub</u>.