



# Partnership Travel Consulting

Strategic Global Travel Programs



## Delayed Flight Compensation Audit (to/from EU) January 2025





➤ <b>Executive Summary</b>	<b>3</b>
➤ <b>European Union Regulation</b>	<b>4-8</b>
➤ <b>Cost of Delay for Corporations</b>	<b>9</b>
➤ <b>Advantages for Corporations</b>	<b>10</b>
➤ <b>Audit Process</b>	<b>11-12</b>
➤ <b>Exhibits</b>	<b>13-19</b>

# Executive Summary



Compensation for delayed flights in Europe began on February 17, 2005 with the implementation of EU Regulation 261/2004, which outlines passenger rights and compensation for flight disruptions like delays and cancellations.

Very few companies in the US are aware of the regulation, and even fewer have applied for the compensation on behalf of their employees.

Partnership Travel Consulting (PTC) is the exclusive North America partner for PaxFour, who has been in business since 2012, and is a recognized expert in securing compensation from the airlines for delayed flights that fall within Regulation 261/2004

The model is similar to VAT reclaim, in that there is no up-front money from the client corporation. They simply have to give PaxFour Power of Attorney to file on behalf of all of the client company's travelers (who were delayed by 3 hours or more) and in turn PaxFour returns 2/3 of the funds collected by the airlines.

The audit can be retroactive for up to 3 years.

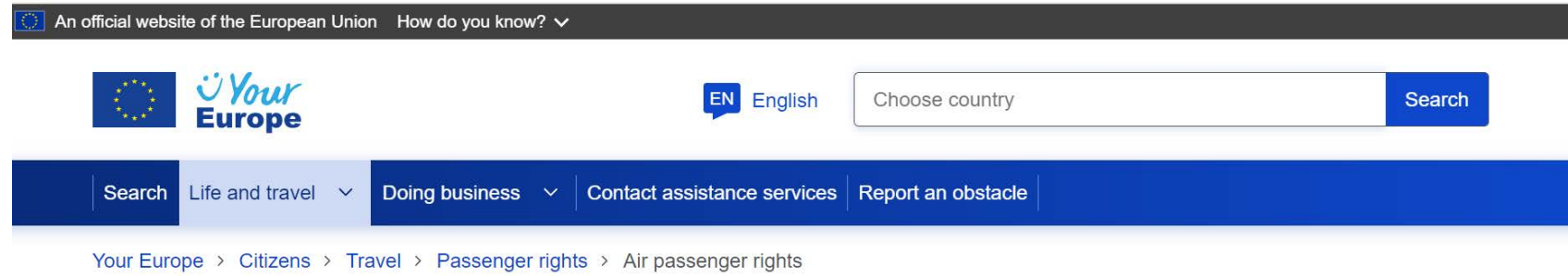
# Mandated Compensation for Both





# There is an EU law requiring airlines to compensate passengers for delayed flights

Very few companies have audited the number of delayed flights their employees have experienced and are leaving money on the table (unless the employee makes the claim personally)



When PTC's partner PaxFour started auditing delayed flights in/out of the European Union in 2018, there were 16 million minutes of air traffic management related delays

The summer of 2024 brought unpleasant surprises for many travelers in Europe: Over 38 percent of passengers had to deal with delays or cancellations of their flights. A total of 112,4 million passengers were affected by the problems

PaxFour has over 100 million flights analyzed and over 500 thousand travelers assisted

Working in conjunction with Partnership Travel Consulting in the US, the revenue share with our corporate client is 2/3 of the compensation is paid to the client company and PaxFour/PTC retains 1/3 of the compensation paid by each airline. We are able to audit flights retroactively going back 3 years

**PAXFOUR**

# EU Compensation Regulations\*

More details available from PTC

\*Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, and repealing Regulation (EEC) No 295/91

## Compensation Metrics

- (a) EUR 250 for all flights of 1500 kilometres or less;
- (b) EUR 400 for all intra-Community flights of more than 1500 kilometres, and for all other flights between 1500 and 3500 kilometres;
- (c) EUR 600 for all flights not falling under (a) or (b).

## Upgrading and downgrading

1. If an operating air carrier places a passenger in a class higher than that for which the ticket was purchased, it may not request any supplementary payment.
2. If an operating air carrier places a passenger in a class lower than that for which the ticket was purchased, it shall within seven days, by the means provided for in Article 7(3), reimburse
  - (a) 30 % of the price of the ticket for all flights of 1500 kilometres or less, or
  - (b) 50 % of the price of the ticket for all intra-Community flights of more than 1500 kilometres, except flights between the European territory of the Member States and the French overseas departments, and for all other flights between 1500 and 3500 kilometres, or
  - (c) 75 % of the price of the ticket for all flights not falling under (a) or (b), including flights between the European territory of the Member States and the French overseas departments.

# Compensation rules EU 261/04 – applies to all of EU + UK, Norway, Iceland, Switzerland, all Balkan (in EURO)

Type	Time delay for passenger	Under 1.500 km	1.501-3.500 km	>3.500km inside EU	>3.500km to/from EU
Cancelled/ Delayed	0-2 hours :	-	-	-	-
	2-3 hours :	250	200	200	300
	3-4 hours :	250	400	400	300
	> 4 hours :	250	400	400	600

**Notification**  
Airlines shall pay compensation when:

- a) Your flight is cancelled or rescheduled **less than 14 days** before departure
- b) You are denied boarding, due to overbooking or another reason out of your control.
- c) Your flight is delayed more than 3 hours
- d) Your flight is either not delayed due to an “extraordinary circumstance”, or your new flight is not the first available flight.

**Airlines, affected by the rules**



# Compensation Amounts Are Standardized



## COMPENSATION

### Standard Rates (Simplified)

- ✓ Delay >2-3 hrs / <1500 km: €250
- ✓ Delay >2-3 hrs / >1500 km: €400
- ✓ Delay >4 hrs / >3500 km: €600
- **Average Compensation: €330**

Additionally, claims can be made for schedule changes involving early departures, diversions, overbookings, denied boarding, and missed connections.

## APPLICABILITY

Standardized compensation rules are applicable for:

**All flights** departing from airports within the EU, UK, Norway, Switzerland, Iceland, and the Balkans.

All flights arriving at airports within the EU, UK, Norway, Switzerland, Iceland, and the Balkans, operated by a European carrier (a carrier with its headquarters in Europe, such as Lufthansa, KLM, Air France, etc.).

## EXEMPTIONS

**Airlines are not required to provide compensation when disruptions arise from:**

Extraordinary circumstances, also known as force majeure events (such as adverse weather conditions)

Situations beyond the airline's control (like strikes by Air Traffic Controllers, airport overcrowding, or pandemics)

There are a limited number of extraordinary technical issues



# Every Delay Is A Cost

Every year, businesses lose millions of work hours due to travelers waiting for delayed flights.  
Consider the immediate expenses and the subsequent losses that arise from these delays!

Direct	Indirect	Intangible
<ul style="list-style-type: none"><li>• Food &amp; Beverage</li><li>• Overnight Hotel</li><li>• Transportation</li><li>• Hourly Salary</li></ul>	<ul style="list-style-type: none"><li>• Missed/Cancelled Meeting</li><li>• Hotel no-show fee</li><li>• Employee Productivity</li></ul>	<ul style="list-style-type: none"><li>• Client Impact</li><li>• Goodwill</li><li>• Lost Benefits of Cancelled Meeting</li></ul>

# ADVANTAGES FOR THE COMPANY

## ● Automated process

By analyzing your flight data we will automatically detect all delays, cancellations and missed connections that could entitle compensation! No active action needed from you when irregularities occur!

## ● Expertise

Expertise and experience is key to success in our business – and we have plenty of both. We know every little detail of the law – and the legal practices – which increases the chances of success!

## ● No risk and no investment

We work entirely on success fee - no financial risk for you – we will always have YOUR interests at heart!

## ● Fully GDPR compliant

We send and receive data using encrypted solutions. Data only stored inside EU.

## What our Clients think

*"The entitled compensations, has been in place for some years. But for companies such as ours, and actually also for private persons, the challenge has been, that the process is complicated, and claims are often rejected by the airlines, and we don't have the resources to claim the compensations ourselves, explains Karin Birkemose, Global Travel Manager at **Dong Energy**. She adds that she only had positive experiences with PaxFour - All is well organized, all is thoroughly checked. All rules and regulations are in place. And they have an automated procedure, which means, that we actually don't have much extra work with it."*

# Summary Workflow



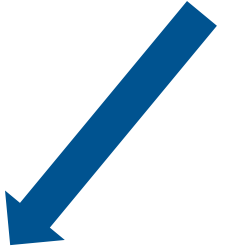
**PAX**FOUR



Client's TMC transmits Excel file to PTC or PaxFour

PaxFour matches against proprietary database of delayed flights

PaxFour files claim with each airline on behalf of client

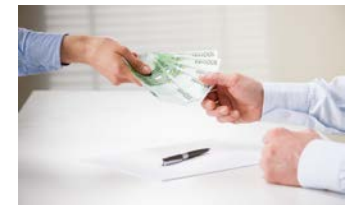


Airline pays PaxFour claim on behalf of client



**PAX**FOUR

PaxFour pays 2/3 of total to client



# We have access to historical flight delays by airport, flight # and date and can also run the audits real-time with live PNRs



(CDG) Paris Charles de Gaulle Airport - (JFK) New York John F. Kennedy International Airport				
14-Jul-2023				
Flight	Departure Time	Arrival Time	Status	
<b>AF 22</b> <small>Air France</small>	<b>8:30am</b>	10:40am	On Time	▶
<b>DL 8747</b> <small>Delta Air Lines / Operated by Air France 22</small>	<b>8:30am</b>	10:40am	On Time	▶
<b>KL 2212</b> <small>KLM / Operated by Air France 22</small>	<b>8:30am</b>	10:40am	On Time	▶
<b>VS 6761</b> <small>Virgin Atlantic / Operated by Air France 22</small>	<b>8:30am</b>	10:40am	On Time	▶
<b>B6 1408</b> <small>JetBlue</small>	<b>8:55am</b>	11:21am	On Time	▶
<b>DL 9889</b> <small>Delta Air Lines</small>	<b>9:15am</b>	11:45am	Cancelled	▶
<b>AF 14</b> <small>Air France</small>	<b>10:30am</b>	12:40pm	Delayed	▶
<b>DL 8743</b> <small>Delta Air Lines / Operated by Air France 14</small>	<b>10:30am</b>	12:40pm	Delayed	▶

We can file claims on behalf of the corporation **going back 3 years**

# PAXFOUR



# Fare Audit

Audits for delayed flights, airfare, and hotel expenses are part of global travel consulting. This includes audits for Travel Management Companies (TMC) and Online Booking Tools (OBT).

# P A X F O U R



# WHO IS PAXFOUR

## ● BEST-IN-CLASS CLAIM COMPANY

Flyforsinkelse.dk based in Copenhagen was the first company to specialize in flight compensations, focused on servicing private passengers. In 2018 Flyforsinkelse launched a service for corporate customers, branded under the name PAXFOUR.

## ● MARKET LEADER

Flyforsinkelse offers its service to all of Europe, with local language support in 11 markets mostly in Northern Europe. Flyforsinkelse is market leader in all Nordic markets.

## ● UNIQUE PRODUCTS

We are the only claim company – **in the world** – to offer automated solutions that benefits the company.

Two solutions: 'Reactive' and 'Proactive'

<https://paxfour.com/>

PAXFOUR



● 75+ corp. clients

*Danfoss*

Electrolux

Orsted



Vestas

WIDEX®

● 50+ travel agencies

GlobalStar  
Travel Management

RadiusTravel

KOCH  
LJUNGBERG  
TOURS AND TRAVEL

FDM  
travel

TravelPool  
Europe

CAPITA  
Travel and Events

BIG  
TRAVEL



# PTC Overview



**Founded in 2000**, in **New York City**, with consultants based in the U.S.LATAM, UK, EMEA and Asia Pacific



## Local market expertise

Regional and Country-specific nuances



Subject matter experts in **business travel program optimization**



Business model focused exclusively on **corporate travel. We do not accept projects from suppliers**



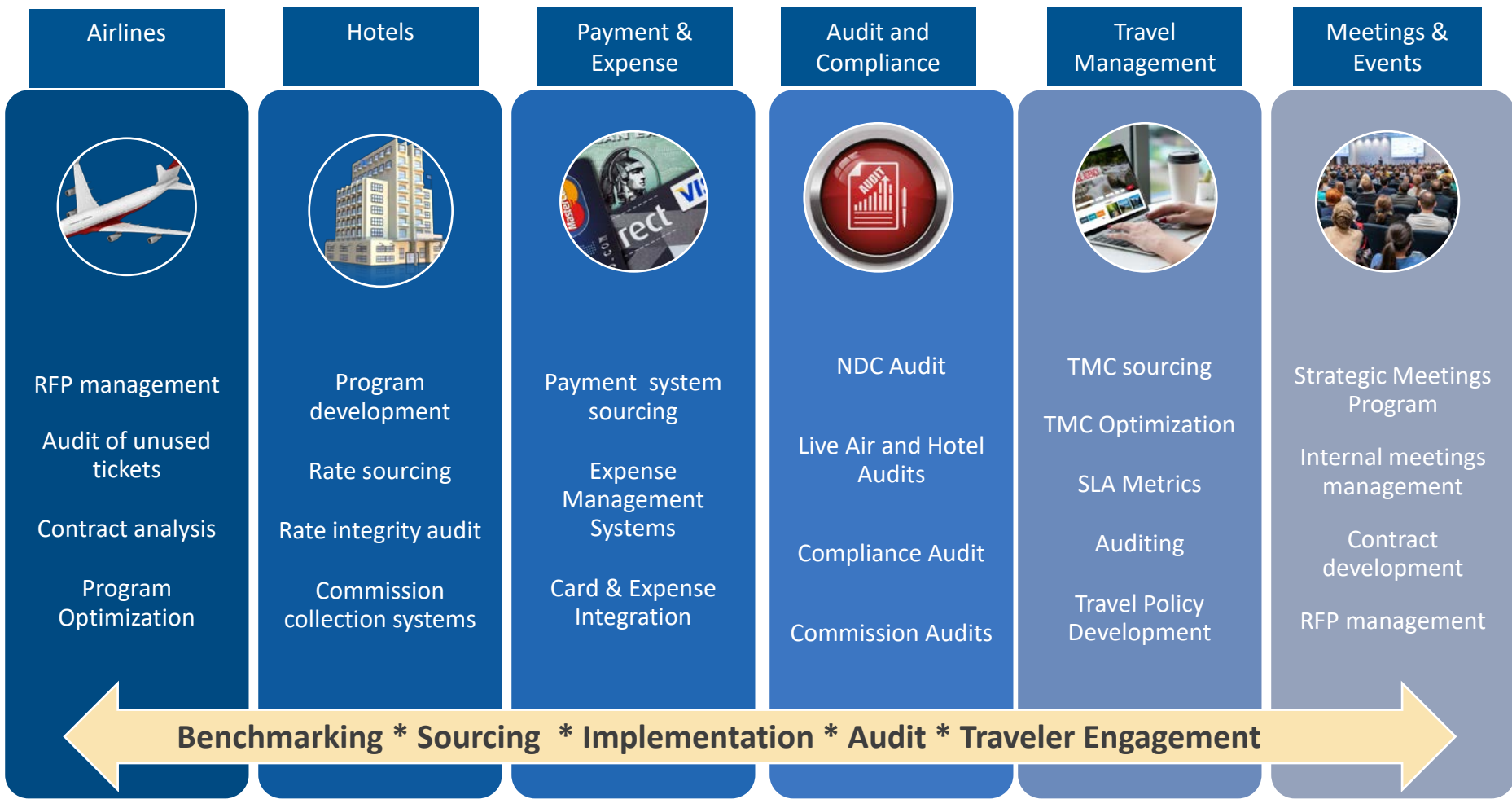
A global consulting team who individually have **decades of consulting experience**



Have provided services to more than 30 of the **Business Travel News Corporate Travel 100\***

*\*Annual BTN ranking of corporations with the largest T&E spend*

# CATEGORY EXPERTISE



# Global Network



## APAC

Virginia Fitzpatrick  
Australia



Simon Hague  
Hong Kong

Suresh Makhija  
India



Alexandra Fitzpatrick  
Australia

Robert Norman  
New Zealand



Andrew Menkes  
CEO



Maureen Brady  
Virginia



Bob Brindley  
California

Howard Brooks  
Georgia



Sophie Mokhtari  
California

Betty Balli  
Florida

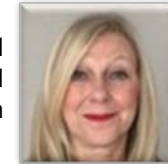


Sam Andraos  
Canada



Fernão Loureiro  
Brazil

Carol Randall  
United Kingdom



Brigitte Jakubowski  
France

Riana Fouche'  
South Africa



Winfried Barczaitis  
Germany





[www.fareaudit.com](http://www.fareaudit.com)

# Taking Corporate Travel Management to New Heights

Fare Audit, Inc. was established by Martin Morrison in 1987 as an independent, quality control system for corporate travel clients. We are the leading independent corporate travel audit firm and are now a subsidiary company to Partnership Travel Consulting (PTC) as of January 1, 2025. Andrew Menkes will take over as President of Fare Audit Inc. in addition to his role as Founder & CEO of PTC. Martin Morrison assumes the role as our first Executive Board Advisor.





# CONTACT US

Email to: [andy@partnershiptc.com](mailto:andy@partnershiptc.com)

Phone; +1 239.541.8251

Website: [www.partnershiptc.com](http://www.partnershiptc.com)