

# DECISION 2009-06-17

## Travel Agency Commissioner Area 2

Helene Cedertorn  
Karlavägen 30  
172 76 Sundbyberg  
Sweden

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### **The Matter:**

Request for Review by the Agency Administrator

### **Review initiated by:**

The Agency Administrator, United Kingdom  
International Air Transportation Association, IATA  
Represented by Mr. Noel Gilmartin, Country Manager UK & Ireland

### **Agent:**

Travel Link 2000 Limited  
306 Neasden Shopping Parade  
London NW10 0AD

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### **Formalities etc:**

By e-mail the 24th of April 2009 the Agency Administrator (hereafter referred to as IATA) requested review by the Travel Agency Commissioner (TAC) under the provisions of IATA Resolution 818 Attachment A, Section 1.8.2. (Prejudiced Collection of Funds). IATA attached to its request a letter sent to the Agent the same date. In this letter the Agent was informed of that IATA immediately had taken action in accordance with Resolution 818 Attachment A, Section 1.8, due to information provided by the Agent indicating that the Agent would not be able to account for monies due 17<sup>th</sup> of May. In the letter IATA also mentioned that it considered the Agent to be in breach also of IATA Resolution 818 Attachment A, 1.7.11 headed "Accounting Irregularity Safeguards", although IATA at this point took action in accordance with 1.8 of the same resolution.

By e-mail the 27nd of April 2009 the undersigned asked Travel Link 2000 Limited to respond to IATA's letter, and include in its response if it admitted or denied the alleged ticketing/accounting practices and if it agreed or disagreed to IATA:s description of the financial situation of the agency. The Agent was asked to provide its response no later than the 30<sup>th</sup> of April

The 27nd of April the Agent confirmed recipient of the e-mail from the undersigned.

The 1<sup>st</sup> of May 2009 IATA provided to the TAC a copy of an additional letter to the Agent concerning accounting irregularities and also supporting specimen evidence, as examples of

cases notified to IATA by carriers. The letter to the Agent dated 28<sup>th</sup> of April was a formal notice under the IATA Resolution 818 Attachment A section 1.7.11.3., and the letter contained allegations of certain irregularities.

As the Agent had provided no response to the undersigned, as requested in the e-mail the 27<sup>nd</sup> of April, the Agent was once again asked in an e-mail the 5<sup>th</sup> of May to respond, and also to state its position with regards to IATA's e-mail the 1<sup>st</sup> of May 2009. The Agent was given additional time until the 12<sup>th</sup> of May to provide a response, and it was clearly stated that if no response was provided a decision by the TAC would be based on the submissions by IATA.

In an e-mail the 4<sup>th</sup> of June the Agent responded to the initial e-mail from the TAC dated the 27<sup>nd</sup> of April. The Agent stated that it denied the alleged ticketing/accountancy practices and disagreed to IATA's description of the financial situation of the agency. The Agent asked the TAC to restore the access to BSP Link. This would enable the Agency to investigate and respond.

In response to the e-mail from the Agent the TAC sent an e-mail the 4<sup>th</sup> of June and referred also to the e-mail the 5<sup>th</sup> of May (the e-mail was resent to the Agent with documentation from IATA attached). The Agent was asked to consider that the TAC only have access to information provided by the parties, and if it wished to dispute the allegations and description of the financial situation, it should bring forward arguments and possible evidence in support of its position. The Agent was informed of that the TAC was not in this situation able to restore the BSP Link. The Agent was given additional time until the 16<sup>th</sup> of June to review the material sent by the TAC, and to provide a response with possible documentation in support of its position. It was stated that after this date the TAC would decide on how to proceed in this matter, or potentially make a final decision.

The Agent responded the 4<sup>th</sup> of June that if the BSP link was not restored it could not provide any justification to the allegations, and with regards to the financial situation that it had never defaulted and it questioned how IATA could assume it would default.

There has been no further response from the Agent.

### **The review**

The Agent has not provided any arguments, or comments, to the material provided by IATA and it has been duly informed of that a decision by the TAC may be based on the material provided by IATA, if nothing further is argued or submitted by the Agent. I therefore find that I am able to base a decision on the material submitted by IATA.

According to the letter from IATA to the Agent dated the 24<sup>th</sup> of April there were sums outstanding for current sales in the region of 160,000.00 GBP with ADMs accounting for a sum in the region of 50,000.00 GBP. The letter further discloses that the Agent had explained, at a meeting with IATA, that the company bank account was overdrawn in the region of 10,000.00 GBP, and that there were debtors to come in respect of IATA ticket sales in the region of 70,000.00 GBP. – Based on this information I find that the Agency Administrator had good cause to react in accordance with Resolution 818 Attachment A, Section 1.8 Prejudiced Collection of Funds, and its section 1.8.1.

Furthermore IATA has provided samples of refunds and an e-mail from a carrier describing several instances of irregular refunds, sometimes several refunds on the same ticket and above the amount of the ticket, and on used tickets. – Based on this information I find that the Agency Administrator had good cause to react in accordance with resolution 818 Attachment A, section 1.7.11 Accounting Irregularity Safeguards, and its section 1.7.11.3.

### **Decision**

The actions by the Agency Administrator under Resolution 818 Attachment A, Section 1.8 and Section 1.7.11 are upheld. In the circumstances no additional penalties will be imposed on the Agent by the Travel Agency Commissioner. The Travel Agency Commissioner will take no further action.

Decided in Sundbyberg 2009-06-17

Helene Cedertorn

Signed original copies of this decision will be sent by postal mail to the parties.  
Sent this date by e-mail to: Mr. Noel Gilmartin and Mrs Shahid

### **Note:**

**The parties may, if considered aggrieved by this decision, seek review by arbitration in accordance with the provisions of Resolution 818, section 12.**