

## Decision 48/2016 Travel Agency Commissioner - Area 2

Andreas Körösi  
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**Applicant: *Flower of Egypt Travel***  
IATA Code # 90-2 1180 0  
Egypt

**Respondent: International Air Transport Association (IATA)**  
King Abdullah II Street, Al Shaab Roundabout  
Business Park, Building GH8  
P.O. Box 940587  
Amman 11194 Jordan

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### **NOTE:**

This summarized decision is being posted as the Parties have received it. Occasional requests for clarification are not posted. However, should any Stakeholder requests it, a copy of such clarification will be sent to her/him.

### **Decision:**

#### Background

In October 2016 the Applicant was requested to increase its Financial Security ("FS") with an additional EGP 571,000.00 to a total of EGP 961,000.00. This request took place after the Applicant had successfully increased its FS from EGP 200,000.00 to EGP 390,000.00 a few months earlier.

The Applicant, through the *Egyptian National Bank ("MISR")* **provided the requested increase on time**, but since it was drawn on IATA-Egypt (procedure accepted earlier, best of this Office's understandings), and not as per instructed in IATA's template, drawn on IATA-Jordan, it was not accepted by IATA ("The Respondent"), since it was not considered to be <<*as per template*>>.

The Respondent allowed the Applicant: <<... over a month to provide the required Financial Security amendment which went well past the communicated termination date on our default notice of 31 October 2016...>>. Consequently, the Applicant was terminated due to "*Financial Criteria not met*" on 28 November 2016.

Having read all the statements submitted by the Applicant, not contested by The Respondent, it has come to light that the reason for the delay was out of the

Applicant's control. Both *MISR* bank and also another Egyptian Bank (*Suez Canal Bank*) were not allowed to draw the FS in favour of an entity outside of Egypt (meaning IATA-Amman) due to national restrictions. Finally, the Applicant managed to approach *CIB Bank* and on the 6<sup>th</sup> of December 2016 obtained a soft copy of the FS requested and sent it to The Respondent, who accepted it.

Conclusions:

- The Respondent has acted within Resolutions' requirements;
- The delay to provide additional FS (as IATA's template) was out of the control of the Applicant;
- At no time were Member Airlines' funds at risk;
- An extended deadline to provide the FS should have been allowed by the Respondent;
- The valid FS is still in the possession of IATA- AMMAN

Provided also all other reinstatement requirements are met, the termination notice has to be revoked and ***Flower of Egypt Travel*** reinstated in full.

**This Decision is effective as of today.**

Decided in Stockholm, on December 11<sup>th</sup>, 2016

Andreas Körösi  
Travel Agency Commissioner  
IATA-Area 2

In accordance with Res 820e § 2.10 any Party may ask for an interpretation or correction of any error in computation, any clerical or typographical error, or any error or omission of a similar nature which the Party may find relevant to this decision. The time frame for these types of requests will be maximum 15 calendar days after receipt of this decision. Meaning as soon as possible and **not later than December 26<sup>th</sup>, 2016.**

Please also be advised that, unless I receive written notice from either one of you **before** the above mentioned date this decision will be published in the Travel Agency Commissioner's secure web site, provided no requests for clarification, interpretation or corrections have been granted by this Commissioner, in which case the final decision will be posted right after that.

Please note that if after having asked for and obtained clarification or correction any Party still considers aggrieved by this decision, as per Resolution 820e §4, the Party has the right to seek review by Arbitration in accordance with the provisions of Resolution 824 §14.

Please let me know if any of the Parties requires a signed hard copy of this decision and I will send one once the time for "interpretation or correction" has elapsed.