

VERÓNICA PACHECO-SANFUENTES

TRAVEL AGENCY COMMISSIONER, AREA ONE – DEPUTY TAC 3
(The Americas and the Caribbean)
110 – 3083 West 4th Avenue,
Vancouver, British Columbia V6K 1R5
CANADA

DECISION 2012 - # 5

In the matter of:

International Air Transport Association (“IATA”)

111 Somerset Road, #14-05

TripleOne Somerset

Singapore 238164

Represented by its Manager, Agency Management Asia Pacific, Ms.
Ooi Hwa Tham

The Applicant

vs.

Sea Stone Travels Pvt. Ltd.

66, R.N. Tagore Marg,

Civil lines, near Axis Bank,

Nagpur, INDIA

Represented its Director, Mr. Jitin Agrawal

The Respondent

I. The Case

The Applicant (also called herein after as “IATA”), sought a Travel Agency Commissioner’s (referred to as “TAC”) review after placing the IATA Accredited Agent, Sea Stone Travels Pvt. Ltd, (referred to indistinctively as “the Agent” or “the Respondent”), under review pursuant the Prejudiced Collection of Funds’ rules stated in Resolution 818g, Attachment “A”, Section 1.8, based on information according to which the Agent’s office would close down due to disagreements between the shareholders. The Review notice to the Agent was dated June 19, 2012, as well as the request for review sent to this Office.

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II. Chronology of events – Evidence on file

As indicated above, on June 19, 2012 this Office received the Applicant's formal request for review of the actions taken against the Agent, as well as its supporting documents. According to the documents that have been submitted by both Parties to this Office, the chronology of events happened as follows:

- After receiving information from a Member Airline and from one of the Respondent's Directors about not only the Agent's apparent willingness to close the office but about an Agent's internal shareholders' conflict, IATA took immediate action and decided to place the Agent under review, pursuant Resolution 818g, Attachment "A", Section 1.8;
- On that same date, June 19, in accordance with Resolution 818g, Attachment "A", Paragraph 1.8.3 and Resolution 820e, Paragraph 1.3.12, the undersigned allow the review and gave the Agent a time frame to respond to the allegations submitted against it;
- On June 20, the Agent provided written information updating the internal shareholders' situation, indicating that the dispute between them had been resolved, at the time that it notified IATA about a change of ownership within the organization;
- In light of this new information provided by the same shareholder that alerted IATA of the conflictive situation that unfolded the review process against it, the undersigned deemed convenient to revert to the Applicant and proposed a new and fresh look at the situation;
- On June 25, in order to <<speed up the process of getting ... reinstated>> the Agent provided evidence of having paid all the outstanding amounts due to the BSP. That same date the Applicant acknowledged receipt of the settlement;
- The Applicant looked at the evidence and reverted to this Office, submitting a reasonable proposal of terminating the review process originally initiated by it, providing the Agent's compliance with certain conditions required by the applicable Resolutions as well as by India's local financial criteria.

III. Authority for Review

Resolution 820e determines the scope of the TAC's review proceedings, and as so provides for Accredited Agents, for the Agency Administrator, for a group of Member Airlines and for the Agency Services Manager to seek review by the Commissioner in circumstances described therein. In this case, the most pertinent Paragraph as seen from the Agency Administrator's perspective is 1.3.12.

Having received the Request for Review within the time frame limit, as indicated above, pursuant Paragraphs 1.3.1 and 1.2.3 of Resolution 820e, and Resolution 818g, Attachment "A", Paragraph 1.8.3, the undersigned decided to allow the proceeding.

IV. Considerations leading to conclusion

Having looked at the applicable Resolutions, particularly to Resolution 818g, Section 10.3 [specifically 10.3.1(a) (ii)] and the local financial criteria for India;

Considering the evidence submitted by the Agent, as well as IATA's arguments, pursuant Resolution 820e, Paragraph 1.5 and Section 3, I herewith declare this Travel Agency Commissioner's review process terminated, as well as the Applicant's review process to the Agent, provided the Agent fulfils the requirements indicated by IATA, as follows:

- 1.- The Agent submits to the IATA local Office in India a Notice of Change signed by both current directors for the Change of Ownership, according to Resolution 818g Section 10, Paragraph 10.1;
- 2.- The Agent executes a new Passenger Sales Agency Agreement replacing the existing one which is signed by the outgoing director, in accordance with Resolution 818g, Paragraph 10.3.3 (a)(ii); and,
- 3.- The Agent successfully undergoes a financial review and deposits a Guarantee or an Insurance Cover as needed under the local financial criteria, which states: <<Bank Guarantee or Insurance Cover shall cover the Agent's average 35 days cash sales (productivity) during the 12 months immediately preceding the date when such computation/determination is made>>.

V. Decision

Having carefully reviewed all the evidence and arguments submitted by the Parties in connection with this case;

Having looked at the applicable Resolutions;

This Commissioner decides:

- To declare terminated the review process initiated by the Applicant to the Agent, provided the Agent's compliance with the conditions mentioned above, in accordance with applicable Resolutions and with the local financial criteria for India

The Parties are advised that, effective June 1, 2012, according to Paragraph 2.10 of Resolution 820e, any of them may request for an interpretation of this decision; or for a correction of any error in computation, any clerical or typographical error, or any omission in this decision. Please be advised that the time frame for these types of requests will be the following 15 days after receipt of the electronic version of this decision.

As per Resolution 820e, Section 4 any Party has the right, if it considers aggrieved by this decision, to seek review by Arbitration, in accordance with the provisions of Resolution 824, Section 14.

Decided in Vancouver, BC, Canada, the 27th day of June, 2012

Verónica Pacheco-Sanfuentes
Travel Agency Commissioner Area 1
acting as Deputy TAC3

Note: The original signed version of this decision will be sent to the parties by regular mail. In the meantime, in order to ensure timely receipt by the parties, an electronic version of it was sent on this date (June 27, 2012). Please note that the time frame for interpretation and errors' correction will commence upon receipt of the electronic version of this decision.