

DECISION 2013 – 04 – 29 Addendum 1
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road,
Remuera, Auckland 1050,
New Zealand

Applicant:

AIMIA Proprietary Loyalty Pty Ltd,
Level 2, 33 Saunders St,
Pyrmont NSW 2009,
Australia.
Represented by Mr Vince Leung, Assistant Accountant - Finance.

Respondent:

Agency Administrator, Geneva
International Air Transport Association, IATA,
Represented by Mr Matteo Zanarini, Passenger Services Manager Australia and SWPI,
Sydney, Australia.

The Case and Decision:

The Agent was granted interlocutory relief until 31 May 2013 due to the inability of its Auditors, and the subsequent executive sign-off required, to have the global entity's financial statements ready for delivery to IATA SYD by 30 April 2013 for the Annual Financial Review.

Today the Agent has advised that its financial statements are still in the approval process with its Auditors prior to its release and has sought a further period of interlocutory relief until 21 June 2013.

IATA SYD has objected to that request highlighting the extensions already granted from the original submission date of 31 March 2013 and the fact that the Agent has no financial security in place currently.

The Agent has responded by stating that its financial statements require review by its Regional and Corporate offices and it has stressed the need for urgency with its Auditors. In its opinion it represents no financial risk as it remits by direct debit and has offered to provide IATA with its existing bank balance to demonstrate its financial position. If a 21 day extension is considered excessive the Agent requests 14 days with the offer of giving IATA weekly updates of the financial statement completion status.

In its response to the Agent's comments IATA states that the operation of a direct debit account does not remove the credit risk on the 21 days of ticket sales that are in the pipeline before being settled with the BSP. As a consequence IATA considers that a 7

day extension of interlocutory relief is reasonable with any extension to 21 days requiring the Agent to provide a financial guarantee of AUD 35,000 representing the funds at risk.

Based on the information exchange and examining the circumstances involved it is hereby decided as follows:-

1. The Agent is granted interlocutory relief until Friday 7 June 2013.
2. A further extension of interlocutory relief to Friday 21 June 2013 is granted subject to the Agent providing a financial guarantee of AUD 35,000 to IATA SYD on or before Friday 7 June 2013.

Decided this 31st day of May 2013 in Auckland

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. As per Resolution 820e, Section 4, any Party has the right, if it considers itself aggrieved by this Decision, to seek review by Arbitration in accordance with the provisions of Resolution 824, Section 14.
2. The Parties are advised that effective from 1 June 2012, according to Subparagraph 2.10 of Resolution 820e, any of them may request 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. Such request must be made within 15 days of receipt of the electronic version of this Decision.