

DECISION 2014 – 05 – 15
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

APT Group
Level 1, 250 Bay Street
Brighton VIC
Australia.
Represented by Mr. Ross Kemp, Group Finance Director

Respondent:

Agency Administrator, Geneva
International Air Transport Association, IATA
Represented by Mr. Nawaz Shaikh, Manager Agency Risk Management,
IATA, Singapore.

The Case and Decision:

As a result of its assessment during the course of the Annual Financial Review the Agent was required to submit a bank guarantee (BG) for AUD 5.593m, the submission date for which was 14 May 2014. The Agent contacted the writer on 9 May 2014 and on 13 May 2014 advised that based on the finance facilities of its parent, Australian Pacific Holdings Ltd, there were ample funds to cover the working capital deficiency identified in the IATA assessment and hence the level of BG sought should be re-assessed. In order to do so the Agent sought a period of interlocutory relief.

In requesting IATA's position on granting such a period IATA advised that for the Agent to meet Test 2 of the Criteria evidence of the operation of a Client Travel Account was required and additional documentation was needed to meet the Test 1 and Test 3 requirements. While the Agent may have felt that its operational model differed from that of a traditional travel agent its financial state had to be tested under the agreed Financial Criteria for Australia. If the Agent rectified the shortcomings identified in the original assessment and was willing to pay a re-assessment fee of AUD 300 plus GST then that process could be undertaken.

As required by sub paragraph 2.3 of Resolution 820e both Parties have agreed to waive their rights to an oral hearing and have allowed the writer to reach a decision based on the written information submitted.

Having examined the factors involved in this case it is considered reasonable to grant further time for the Agent to comply with the Criteria and hence it is hereby decided as follows:-

1. The Agent is granted interlocutory relief (retention of ticketing authority) until 14 June 2014.

Decided this 15th day of May 2014 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.