

DECISION 2014 – 07 - 02
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

World Discovery Travel (M) Sdn Bhd
Ground Floor, Wisma T K Tang,
No 4, Jalan Yap Ah Loy,
50050 Kuala Lumpur
Malaysia.
Represented by Ms. Helina Solomon, Director

Respondent:

Agency Administrator, Geneva
International Air Transport Association, IATA
Represented by Mr. Rodney D’Cruz, Manager Agency Management Asia/Pacific,
IATA, Singapore.

The Case and Decision:

In brief, the Agent was required to submit an increased bank guarantee of MYR 266,000 (USD 82,752) by 30 June 2014. The Agent contacted this Office on that day to explain that while it had had 30 days to arrange that facility a number of issues enumerated below had caused a delay.

They are:-

1. Some banks would not issue the letter as per IATA format without consultation by their legal department and this meant they needed anything from 5 – 8 weeks to do so.
2. Over the counter bank guarantees had limits of between MYR 100,000 – MYR 200,000 which would not satisfy the request from IATA
3. The bank currently offering the Agent's bank guarantee facility was under the impression that a letter of support similar to that given at the December review would suffice for a two-week extension and did not stipulate that they required the 2 weeks in the letter of support.

The Agent has now made arrangements whereby it is confident that it can submit the required bank guarantee within 14 days. IATA has not objected to that additional time being granted.

The Agent has sought a review within the 30 day time frame provided for in sub paragraph 1.2.2.1 of Resolution 820e and both Parties have been placed on notice that the writer intended to render a decision based on the written information submitted as required by the amended sub paragraph 2.3 of the same Resolution.

In considering this matter it is clear that the Agent is determined to provide IATA with the amount of financial security required but has been delayed in doing so by the events described above.

Therefore, based on the foregoing it is hereby decided as follows:-

1. The Agent is granted interlocutory relief until Monday 14 July 2014 in order to submit the required financial security to IATA.

Decided this 2nd day of July 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.