

**DECISION 2014 – 12 - 05**  
**TRAVEL AGENCY COMMISSIONER – AREA 3**

Jo Foged  
685 Remuera Road  
Remuera, Auckland 1050  
New Zealand

---

**Applicant:**

OM - Orient Travels  
21 Ground Floor Mahalaxmi Heights  
Morwardi, Pimpri  
Pune, Maharashtra  
India - 411018  
Represented by Mr. Shivesh Anand, General Manager

**Respondent:**

Agency Administrator, Geneva  
International Air Transport Association, IATA  
Represented by Ms. Nadya Widjaja, Manager Agency Management Asia/Pacific,  
IATA, Singapore.

**The Case and Decision**

The Agent was issued with a Notice of Irregularity (NoI) by IATA on 3 November 2014 for failing to submit the full amount of settlement of INR 10,339.00 (USD167.00) on 30 October 2014. In seeking a review of IATA's action on 25 November 2014 the Agent explained that it had received advice from its Bank that its cheque had been returned as the amount in words differed from the one in numbers. On 1 November 2014 the Agent arranged for an electronic transfer of funds to IATA's account. On being questioned by the writer IATA confirmed that it received value in such time as the settlement with Airlines was not delayed.

In an attempt to have the NoI withdrawn the Agent submitted a letter from its Bank that confirmed that the Agent held funds in excess of that required for the settlement and "the cheque has been returned due to bank's technical error and not due to lack of funds." IATA rejected this letter as it was obvious that the error occurred at the time of cheque preparation by the Agency staff and could not be blamed on the Bank hence it did not meet the standard detailed in Resolution 818g Attch A section 1.7.4.

The Agent went on to describe the disruption caused to its business as a consequence of the NoI issuance being circulated to Airlines some of whom withdrew their "capping", an action considered to be drastic bearing in mind the technical nature of the breach.

The request for review has been made within the 30 day time frame detailed in sub paragraph 1.2.2.1 of Resolution 820e and as required by sub paragraph 2.3 of the same

Resolution both Parties were placed on notice by the writer that in his judgement an oral hearing was not necessary and that the decision would be based on the written information submitted.

In considering this matter it is clear that the Agent's staff's carelessness in completing the cheque for the BSP settlement was the cause of a lot of unnecessary work and disruption and the Agent needs to institute a process that will prevent a re-occurrence of this problem. It is also clear that on being informed of the situation the Agent took immediate steps to recover the situation and the resulting electronic transfer ensured that there was no delay in the settlement with Airlines.

That being the case and on the premise that the writer will not have to deal with a similar case from this Agent in future it is hereby decided as follows:-

- The 3 November 2014 Notice of Irregularity issued to the Agent is to be expunged.

Decided this 5<sup>th</sup> day of December 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 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.