

**DECISION 2016-12-02**  
**TRAVEL AGENCY COMMISSIONER – AREA 3**

Jo Foged  
685 Remuera Road  
Remuera, Auckland 1050  
New Zealand

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**Applicant:**

Stone Travels (Pvt) Ltd.  
New Delhi, India.  
Represented by Mr Deepak Mangal, Group Chief Financial Officer.

**Respondent:**

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

**The Case and Decision.**

The Agent was terminated as a result of failing to submit a financial security (FS) of INR 650,000 (USD 9,483) valid until 30 June 2017 having continued to submit a security valid only until 31 December 2016. On 21 November 2016 the Agent contacted this Office seeking a review of IATA's action based on the grounds that their staff member handling this matter did not understand or had misinterpreted IATA's requirement. There appeared to be confusion around the 3-month period for claims to be made beyond the FS expiry date.

The Agent undertook to rectify the situation "within 7 working days from the date we receive the confirmation of the revocation of the (termination) letter."

In examining this case it is clear that IATA granted the Agent ample time to comply with its requirement. It is also difficult to understand how a clear instruction regarding the expiry date can be "misinterpreted". However, the Agent has been accredited since 1990 and while it does not have an unblemished record of full compliance with the Passenger Sales Agency Rules the writer is prepared to give the Agent one final opportunity to demonstrate complete adherence to same. A repeat of this kind of behaviour will not receive the same benign treatment from this Office.

The Agent has met the terms of sub paragraph 1.2.2.1 of Resolution 820e by seeking a review within the 30 days allowed therein and, as required by sub paragraph 2.3 of the same Resolution, both parties were placed on notice by the writer that the decision would be based on the written information submitted.

While the Agent seeks withdrawal or "revocation" of the letter of termination, that is not an option available under the Rules. Having been terminated the process used to return an Agent to an accredited status is to reinstate such an Agent.

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

1. The Agent is granted until Friday 16 December 2016 to submit a financial security valid at least until 30 June 2017

2. Once IATA is satisfied that the financial security meets its requirements it is to reinstate the Agent with the Agent paying all fees and costs associated therewith.

Decided this 2<sup>nd</sup> day of December 2016 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.