

DECISION 2017-05-12
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

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

Respondent:

Ecortih Travel and Tours Sdn Bhd.
Selangor, Malaysia.
Represented by Mr. Mazrina Abdul Khalid, Chief Executive Officer.

The Case and Decision

IATA sought a review of the Agent under section 1.8 of Attachment A to Resolution 818g "Prejudiced Collection of Funds." IATA had been alerted to a sudden spike in the Agent's sales which had on enquiry, been caused by a new staff member who had sold some 200 tickets and then absconded. As required by the Rules the Agent's ticketing authority was suspended.

The Agent took prompt and determined steps to minimise its exposure by approaching Airlines on whom travel had been sold by the fraudster and had mixed degrees of success in achieving that objective.

In considering this case it is clear under the Passenger Sales Agency Rules that the Agent is liable for the tickets issued under its numeric code. Section 5 of Resolution 818g, while outdated with regard to the ticketing process, enunciates that principle.

At this point IATA states that the Agent's current level of identified sales vs. financial security is 533% over the level of financial security held by the Agent. That being the case it is not possible for the Agent's ticketing authority to be reinstated.

Based on the foregoing therefore, it is hereby decided as follows:

1. The Agent's ticketing authority is to remain suspended until such time as settlement of all outstandings, as determined by IATA, has been made and a financial security to an amount determined by IATA has been submitted;

2. IATA is to assist the Agent as far as is practicable in minimising the level of the Agent's exposure.

Decided this 12th day of May 2017 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. 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.
2. If after having asked for and obtained clarification or correction, any Party still considers aggrieved by this decision, the Party has the right to seek review by arbitration, in accordance with the provisions of Resolution 820e Section 4 and Resolution 824 Section 14.