

Annual Report of the Travel Agency Commissioners
Submitted by the Travel Agency Commissioners

Part II

Sections A-C: Individual TACs' cases

Below will be found each Commissioner's activity, starting with the reviews that were concluded with a formal decision, followed by those matters that did not give rise to a review or that were concluded without the need of a formal decision upon the Parties' agreement, ending with a brief summary of the ongoing matters.

The most common abbreviations used in this Report are:

AA = Agency Administrator (or his Deputy)
ADM = Agency Debit Memo (or in plural, by adding an "s")
Attch. = Attachment
BG = Bank Guarantee
DIP = Default Insurance Programme and/or Protection
FS = Financial Statements
ICC = International Chamber of Commerce (host of the International Court of Arbitration)
IR = Interlocutory Relief
IRR = Instances of Irregularities (or in plural with an "s")
LFC = Local Financial Criteria
NoI = Notice of Irregularity (or in plural, by adding an "s")
NoD = Notice of Default
NoT = Notice of Termination
Par. = Paragraph
PCoF = Prejudiced Collection of Funds
PSAA = Passenger Sales Agency Agreement
Res. = Resolution
Sec. = Section
STD = Standard Traffic Document (or in plural, by adding an "s")
Sub-Par. = Sub-Paragraph

Section A:

TRAVEL AGENCY COMMISSIONER AREA 1

TAC1 has acted as Deputy TAC2 and Deputy TAC3 on various occasions during this reporting period. The summary of her cases as Deputy are to be found in each one of the applicable Areas.

The cases in Area 1 were handled in Spanish and the decisions translated into English and published in both languages, except a case in Brazil where the Agent chose to correspond in English and communicate verbally in Portuguese with this Office. The cases in Area 2 were handled either in French or English depending on the Agents' needs. The cases in Area 3 were handled in English.

Most of the cases were solved based on the written evidence submitted by both Parties. In some cases, promoted either by this Commissioner's initiative or following one of the Party's suggestions, conference calls between the Parties were held. Only one oral hearing took place in Area 1, upon both Parties' request. The rest of the cases were reviewed and decided without oral hearing, always respecting the Parties' freely expressed will.

TAC1 has translated several documents for various cases in Area 2 (from French to English and vice-versa, and from Spanish to English and vice-versa). Translations have also been done in Area 1, in order to publish the decisions rendered in the Area in both languages in the TAC website.

TRAVEL AGENCY COMMISSIONER AREA 1

PUBLISHED DECISIONS – SEPTEMBER 2012 TO AUGUST 2013

Time & Place

Summary

Decision

8 October 2012 Buenos Aires, ARGENTINA & Cochabamba, BOLIVIA A1/2012 - 02	IATA sought a TAC review, alleging PCoF (Res. 818g, Attach. "A", Section 1.8), based on written information received from a Member Airline about ticketing malpractice done by the Agent, practice that was the cause of 67 ADMs issued against the Agent. -The first group of 33 ADMs were timely disputed by Agent; -The dispute was rejected by the	A complex case that entailed various disputed topics to be decided. The decisions taken, based on the facts of the case and the applicable Resolutions, were the following: (i) IATA did not follow correct procedure, as mandated in Sec. 1.10.5 of Res. 818g, Attch. A", which application was chosen by it, in particular it did not comply w/ Par. 1.10.5(c) and 1.10.5(d); therefore, it was requested to return the Agent
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<p>(Conference calls and an Oral Hearing in Buenos Aires)</p>	<p>Airline;</p> <ul style="list-style-type: none"> -IATA included the ADMs in the BSP Report and encouraged the Agent to pay them, proposing to retain the funds <<without paying the Airline>> for 60 days while an agreement could be reached (IATA’s legal grounds invoked: Res. 818g, Attch. “A” 1.10.5 (c)); -Agent accepted the proposal for those 60 days and paid IATA the ADMs amount; - At the expiration of the said period without any agreement between the Parties been reached, IATA unilaterally decided to liberate those funds and credited them to the Airline (based on Res. 818g, Attch. “A” 1.7.9.5); - Agent adamantly rejected the action as it being contrary to the applicable Res. and a violation of its rights; -As a result of the Airline’s private investigation of the Agent’s ticketing practices, another 34 ADMs were issued against the Agent; -Agent timely disputed this new set of ADMs; Airline rejected the dispute; and, IATA included again the disputed amount in the BSP Report; -Agent proposed to pay the BSP 	<p>the disputed funds of the first 33 ADMs received in custody from him;</p> <ul style="list-style-type: none"> (ii) Considering the lack of compliance with the procedure established in Par. 1.7.9.6 and 1.7.9.7 of Res. 818g, Attch. “A”, IATA was ordered to withdraw from the BSP system the 67 timely disputed ADMs erroneously included on it, having the dispute to be thereafter <<for bilateral resolution between the Airline and the Agent outside the BSP>>, as expressly mandated by the referred rules; (iii) IATA’s decision of suspending the Agent from the BSP system was in accordance with the applicable procedure (PCoF rules), therefore, it was upheld; (iv) The Agent’s request in regards to the application of Par. 1.1.1 of Res. 824r by IATA was dismissed on the grounds of its inadmissibility. <p>Clarification of the decision was requested by both Parties and provided by this Commissioner (posted as A1/2012-02A). No changes were made to the decision.</p>
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	<p>Report discounting the ADMs' amount;</p> <p>-IATA did not accept this and after conducting its own investigation on the Agent's practices decided to suspend it from the BSP system in both locations (Argentina & Bolivia);</p> <p>-Agent sought a TAC review of IATA's actions.</p>	
<p>13 February 2013</p> <p>Cochabamba, BOLIVIA & Buenos Aires, ARGENTINA</p> <p>A1/2013 – 01</p>	<p>Same Agent as in the previous case requested a review of IATA's termination of its PSAA, due to a lack of payment of the Agency Annual Fees. Agent alleged that the compliance with its IATA's obligations is somehow suspended until its temporarily suspension from the BSP system comes to a final decision. Agent did not see the rationale in paying "for something that we are not using".</p>	<p>-Considering that The Agent voluntarily decided not to pay the annual fee, resulting in the termination of its PSAA (Res. 818g, Par.14.3.1);</p> <p>-Considering that the suspended stage of an Accredited Agent, in light of the applicable Res., in no manner exempts that Agent from its obligation of paying the annual fee;</p> <p>The request had no grounds and therefore was dismissed.</p>

<p>17 April 2013</p> <p>Sao Paulo, BRAZIL</p> <p>A1/2013 - 02</p>	<p>Agent's FS were found unsatisfactory (not meeting the LFC). A BG was requested.</p> <p>Agent wanted IATA to evaluate its FS for the year 2012 and get an evaluation based on that year's documents instead of the one done for the previous year which it failed, in order to be allowed to operate without having to provide a BG.</p>	<p>IATA followed correct procedure by requesting a BG.</p> <p>There is no possibility in the applicable Resolutions for IATA to allow a second evaluation of a different period of an Agent's finances, when results have shown them as unsatisfactory, in order to avoid requesting a BG, hence, the Agent's request was dismissed.</p> <p>In order to be re-instated, Agent was allowed to provide a non-notarized letter from its bank stating that the BG was approved, pending the notarized version of it, before been served with a Nol and the withdrawal of its ticketing capacity.</p>
<p>25 April 2013</p> <p>Cochabamba, BOLIVIA & Buenos Aires, ARGENTINA</p> <p>A1/2013 - 03</p>	<p>After been terminated due to a lack of payment of the Agency annual fees, the Agent paid the fees before March 31 and invoked "events beyond the Agent's control" (Res. 818g, Par. 14.3.2) in order to be reinstated as an Accredited Agent.</p> <p>IATA denied this request arguing that the alleged events do not qualify as being "beyond the Agent's control", since the Agent expressly admitted that it did not pay them because its suspension from the BSP system had not been solved yet, in addition of not wanting to pay for "something that we are not using".</p>	<p>-Based on the evidence on file, considering the absence of "events out of the Agent's control", IATA's decision stands;</p> <p>-The Agent should apply for the refund of its 2013 annual Agency fee.</p>

TRAVEL AGENCY COMMISSIONER AREA 1
MATTERS THAT DID NOT GIVE RISE TO A REVIEW OR TO A FORMAL DECISION
SEPT. 2012 TO AUG. 2013

<u>Time & Place</u>	<u>Summary</u>	<u>Outcome</u>
September 2012 MÉXICO	Agent sought TAC advice concerning IATA's geographical areas of operation.	TAC addressed the issue, prior consultation with the AA.
September 2012 VENEZUELA	Former Accredited Agent sought TAC's intervention, as a mediator, in a pending dispute with a Member Airline, pertaining the reimbursement of tickets issued while the Agent was still operating.	Considering the Member's negative to solve the dispute at the TAC office, the Agent's request was dismissed.
October 2012 CANADA	Agent requested information regarding moving the Agent's location.	Agent was provided with IATA-Montréal contact information for the issued to be addressed directly by IATA.
May 2013 DOMINICAN REPUBLIC	Agent rejected having to submit a BG because in its view the request is based on a wrong analysis of its FS. A Nol was served to the Agent, but it claimed never having received it; a NoD with the consequent suspension of the BSP was served and did reach the Agent, however due to internal miscommunication factors did not reach management on time to seek a TAC review.	TAC reviewed the situation in order to determine whether a credible case had been made or not (Res. 820e, Par. 1.2.3). The Agent decided to relinquish its accreditation, claiming that considering the type of business that they mostly do, they do not need an IATA Code, especially if in order to have it they are requested to submit a hefty BG that, in their views, is based on a wrong lecture of their FS. The case was closed.
April 2013 CHILE	Agent sought the liberation of the BG in IATA's possession considering the amelioration of its financial standing and	TAC facilitated the communication between the Parties through various conference calls and by emails exchange. As a result, the matter was

	the conclusion of the Agent's change of ownership (due to the founder's death) procedures.	clarified to both Parties' satisfaction without the need of a formal decision.
June 2013 MÉXICO	Agent requested the review of IATA's Notice of Suspension from the BSP system <<for failure to comply with the BG by a given deadline>>, considering that it had indeed submitted the requested BG in due time.	Thanks to the TAC's intervention and the AA1 prompt action, the matter was clarified and the mistake amended. The Agent was swiftly reinstated. The case was concluded without the need of a formal decision and in accordance with both Parties' will.
June 2013 CHILE (Conference call between the Parties)	Agent challenged IATA's request to increase the BG already in place. Agent argued been in compliance with LFC and thus not requiring the said increase. It also claimed not having been informed about the reasons behind the qualification of "unsatisfactory" of its FS. IR was requested by Agent and granted by the Office, once the requirements were achieved. It was swiftly executed by IATA.	With the TAC intervention and thanks to the AA's prompt involvement in this case, the situation was explained to the Agent. Agent accepted the explained factors and complied with the requested increase of the BG. No formal decision was needed and the closure of the case was accepted by both Parties.
July 2013 GUATEMALA	Agent sought a TAC review of IATA's Nol and request of a BG on the grounds of late submission of the BSP Report. The delay (of a few days, having the funds always been available in the Agent's account) was caused by a mistake in IATA's new Clearing Bank account.	Once the matter was reviewed by IATA, after the TAC intervention, the request for the BG was removed based on the <<One Minor Error rule>>, as stated in the LFC, the Agent was swiftly reinstated but the Nol was upheld by IATA. Agent desisted of its right to have the Nol reviewed and accepted it, <<being afraid of upsetting IATA>>.

<p>July 2013 GUATEMALA</p>	<p>Due to IATA's change of Clearing Bank and, thus, of bank account number; due also to the Agent's particular circumstances, a Nol was served against it for late payment of the BSP Report, as well as a NoD and a request to provide a BG. Once the new Clearing Bank had received the payment of the BSP Report, Agent sought a TAC review of IATA's decisions. Funds were at all-time available in the Agent's account.</p>	<p>With the TAC intervention, the case was brought to the attention of the AA1. As a result, the request for the BG was removed based on the <<One Minor Error rule>>, as stated in the LFC, the Agent was swiftly reinstated but the Nol was upheld by IATA. Agent desisted of its right to have the Nol reviewed and accepted it. The case was closed without the need of a formal decision, with both Parties' consent.</p>
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TRAVEL AGENCY COMMISSIONER AREA 1
ON-GOING MATTERS 2013

Time & Place Summary Outcome

<p>July 2013 ECUADOR</p>	<p>Agent was served a Nol and Notice of Suspension from the BSP, allegedly due to a <<failure to comply with the BG by a given deadline>>. Agent had a valid BG in place for an even higher amount than the one requested.</p> <p>IR was requested by Agent; it was granted by this Office, and, once the requirements were met, Agent was reinstated.</p> <p>Agent requested an oral hearing and it was granted by this Office.</p>	<p>Ongoing procedure</p>
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<p>July 2013 MÉXICO</p>	<p>After being operating for more than 29 years as an Accredited Agent, Agent was suddenly suspended from the BSP as a result of IATA's internal investigation where it appeared that Agent is listed on the US Department of the Treasury's Office of Foreign Affairs Assets Control as a Specially Designated National for violations of Cuba-related economic sanctions.</p>	<p>A conference call was sustained between the Parties and another one it is scheduled for the coming weeks.</p> <p>Ongoing procedure</p>
<p>August 2013 MÉXICO</p>	<p>Agent was declared in technical default and, thus, suspended from the BSP system, allegedly due to <<failure to provide the bank guarantee on time>>.</p>	<p>Ongoing procedure</p>
<p>August 2013 BRAZIL</p>	<p>Issue related to a request to provide a BG and its allegedly timely submission by AGIL.</p>	<p>Ongoing procedure</p>

Section B

**TRAVEL AGENCY COMMISSIONER AREA 2
PUBLISHED DECISIONS – SEPTEMBER 2012 TO AUGUST 2013**

Reviews are based upon documentary evidence only, **no oral hearings were held in Area 2 during this period.**

The majority of reviews in Area 2 have been concluded **without formal Decisions** and are **not published nor individually described in this Report.** Almost all of these reviews could be closed, with all Parties' consent, when this Commissioner, after proper analysis, found that IATA had followed proper

procedures and the Agent recognised that a formal Decision would not change the outcome of IATA's actions.

<u>Decision No.</u>	<u>Summary</u>	<u>Decision</u>
<p>A2/2012-05 SPAIN</p>	<p>The issue at hand was if IATA, according to the Spanish LFC, or according to any other contractual text, had the right to link the level of BG to the sales volume of a “new Agent”, despite the fact that the Agent meets the financial criteria as outlined in the LFC and no indication about Member Airlines’ funds were at risk.</p> <p>IATA argued that it is in line with Res. 800f §3.01 to review the “adequacy of the New Agent’s BG” and adjust it disregarding whatever is stipulated in the Spanish LFC.</p>	<p>Res. 800f is the “base” for establishment of LFC. This Res. clarifies in § 2: “... this resolution shall apply until such time as local financial criteria have been developed..”</p> <p>I considered this wording conclusive. This empowers the LFC to be “customized” and catered to local needs. As a consequence, it leaves no room for applying the LFC at one hand, and Res. 800f when it better “suits the occasion”.</p> <p>Decision: The “excess” BG had to be released.</p> <p>Upon IATA’s request to clarify, it was demonstrated that most European LFC’s have a proper wording to adjust the level of BG to the sales’ volume for new Agents and IATA Spain was recommended to do likewise.</p>
<p>A2/2012-06 UGANDA</p>	<p>Agent claimed that they had been terminated without knowingly having accumulated Nols, and also that they had been “locally” granted an extra grace period to provide a BG which was needed to fulfil the requirements for reinstatement.</p>	<p>IATA substantiated sending the Nols and even though no formal acceptance from IATA about an extended grace period to submit the BG was given, the Agent could demonstrate several email contacts with local IATA’s staff about the request without IATA having clearly denied granting that extension.</p> <p>IATA had followed proper procedures</p>

		when initiating and proceeding with Default actions. Agent was reinstated after they had met all the requirements for reinstatement.
A2/2012-07 SPAIN	<p>IATA had removed the Agent's ticketing rights claiming that the Agent has conducted business with another Agent ("Agent 2") that could be linked to possible fraudulent behaviour by allegedly assisting "a third" Agent ("Agent 3") which was under police investigation for serious and extensive fraud.</p> <p>The main objective of this review was to find if the Agent knowingly had participated or had assisted the fraudulent acts of Agent 2.</p>	<p>There was no evidence provided to substantiate the Agent's participation or awareness of the alleged fraud committed by Agent 2 nor had this Agent any links to the Agent 3 which was under investigation.</p> <p>IATA was ordered to reinstate during the time it took the Police and Courts to come to a decisive conclusion about this Agent's "alleged involvement".</p>
A2/2012-08 SPAIN	<p>IATA had removed the STDs on suspicion <i>"that the Agent and also the Agent's owner are involved in a previous fraud case"</i>. (Agent referred to is "Agent 2" in case A2/2012-07).</p> <p>IATA substantiated by providing several documents, among them a Police report stating that Agent 2 has conducted business directly with Agent 3 and also that there was an ownership link between the 2 companies.</p>	<p>The size and method of the fraud committed by Agent 3 indicates that this could not have happened without cooperation with other Travel Agents.</p> <p>The Court report does conclusively establish a link between Agent 2 and Agent 3 by establishing that "Mr. X" had ownership in both companies and extensive money transfers were detected between the two companies.</p> <p>IATA's decision was confirmed to stand.</p>
A2/2012-09 NIGERIA	<p>In January 2012 IATA Country Manager - suspended the Agent: <i>"due to failure to comply with LFC"</i>.</p> <p>Also in January, IATA Regional withdrew the Agent's STDs.</p>	<p>The Agent was reinstated in May. The Termination in November was applied due to not providing the (in May) requested financial security.</p> <p>Whatever the actual reason for not being able to provide the required</p>

	<p>Reason given: <i>“Change of Ownership - documentation is missing.”</i></p> <p>The Agent substantiated that none of the above reasons were valid and after extensive email exchange between this Office and the Parties the issue was “resolved without formal Decision”.</p> <p>The reinstatement could not be executed because the insurance provider (the only one according to LFC) was not willing to revalidate the DIP for the Agent. The Agent claimed IATA’s actions being the sole reason why his valid DIP was terminated.</p> <p>Due to this “Catch 22” situation This Office suggested IATA to accept a valid BG prior to the expected change in LFC, effective 01 December 2012.</p> <p>In November the Agent was again terminated. Same reason given as in January about “not advising of change of ownership” plus <i>“no DIP in place”</i>.</p> <p>The change of ownership was duly communicated and the Agent had already made preparations for a BG when the termination letter came weeks before this change in the LFC was in effect.</p> <p>The Agent was asked to “reapply as new Agent” and also pay USD 1,200 for a new application.</p>	<p>DIP (LFC requirement at that time) IATA had demonstrated its willingness “to wait” until just weeks before the change in the LFC was in effect.</p> <p>Taking into consideration the reason why the Agent was “stripped” from the valid DIP and that the Agent, as per 01 December, had provided a BG, the termination was ordered to be withdrawn.</p> <p>It was communicated to the Agent that it is not within the purview of This Office to decide on claims for compensation.</p>
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	<p>The Agent asked to reverse that decision and was also seeking \$ 1 Million USD as compensation for loss of business and “damage to reputation”.</p>	
<p>A2/2012-10 KUWAIT</p>	<p>Agent was defaulted due to “Accumulation of Irregularities.”</p> <p>Agent could demonstrate that the first NoI was due to a disputed “short-payment” as a result of a Member Airline being suspended from BSP, and also claimed that the second NoI was not served “in a correct and timely way” and due to “religious holiday”, in addition to an electric power failure, the Agent could not comply with IATA’s requests on time.</p> <p>IATA Legal requested and received a clarification.</p>	<p>The Nols served by IATA were acknowledged to be according to the Resolutions and thus decided to be kept in the Agent’s records.</p> <p>On the other hand, the “aggregated” events, well substantiated by the Agent, which lead to the NoD, did mount to the requirements of “extraneous factor” and thus the NoD was ordered to be withdrawn.</p>
<p>A2/2012-11 SPAIN</p>	<p>This Agent, being a “New Agent”, had to provide a BG, according to the Spanish LFC, when it was accredited.</p> <p>Despite of the existing LFC and disregarding Decision A2/2012-05 he was ordered by IATA to increase its BG according to the Agency’s “sales’ increase”.</p> <p>IATA Legal requested clarification claiming:</p> <p><i>“IATA Decision is in accordance with the new amended Res. 818g Section 2 § 2.2 effective as of 01 November 2012.</i></p> <p><i>The view of IATA Spain is that</i></p>	<p>Res. 800f is the “base” for establishment of Local Financial Criteria. The Res. clearly states in § 2: “... this resolution shall apply until such time as local financial criteria have been developed...”</p> <p>I considered this wording conclusive. This empowers the LFC to be “customized” and catered to local needs. As a consequence it leaves no room for applying the LFC at one hand, and Res 800f when it better “suits the occasion”.</p> <p>Decision: The “excess” BG had to be released.</p> <p>Upon IATA’s request to clarify, it was, once again, demonstrated that most European LFCs have a proper wording to adjust the level of BG to the sales’</p>

	<i>this Resolution prevails over the LFC</i> .	volume for new Agents and IATA Spain was, once again, advised to negotiate likewise.
A2/2013-01 UNITED KINGDOM	<p>Agent had been defaulted, allegedly due to “ticketing malpractice”.</p> <p>6 months later, IATA agreed to reinstate it conditioned to settlement of all debts to all Member Airlines.</p> <p>AA was in favour to reinstate but one Airline “refused to settle” because of a disputed “calculation issue” (ADM).</p> <p>This case gave reason for an “interesting observation”:</p> <p>Q: Should one Member Airline be allowed to block reinstatement even if the “new application” is “approved and satisfactory” from the AA’s point of view?</p>	<p>After “TAC mediation”, also the “last Airline” reached an agreement with the Agent and accepted the settlement of the outstanding debt. Agent was reinstated after meeting all requirements set out by the AA.</p>
A2/2013-02 UNITED KINGDOM (Decided by TAC1 acting as Deputy TAC2)	<p>IATA contacted this Office after having removed the Agent’s STDs, invoking PCoF’ rules (Res. 818g, Attch. “A”, Sec. 1.8). The Agent, despite several attempts from this Office to contact him, never participated in this review process.</p>	<p>After reviewing the evidence provided by IATA, demonstrating the grounds for having applied the PCoF’ rules, namely: (i) a sudden sales’ jump; and, (ii) written information received from a Member Airline stating that the Agent had left its premises without any further notice; this Office confirmed IATA’s decision.</p>
A2/2013-03 GREECE (decided by TAC1 acting as Deputy TAC2)	<p>IATA contacted this Office after having removed the Agent’s STDs, invoking PCoF’ rules (Res. 818g, Attch. “A”, Sec. 1.8). The Agent’s Managing Director had contacted IATA requesting the restriction of its ticketing authority <<for the agency due to its concession to>> a third Party and <<the risk to collect the sales of tickets>> from the new</p>	<p>-Considering that the written information that IATA had at hand when evaluating the Agent’s situation constituted sufficient evidence as to justify its ulterior actions of removing the STDs from the Agent’s possession;</p> <p>-Considering that the ulterior facts that unfolded during the Agent’s suspension, namely the non-payment</p>

	Managing Director.	of BSP Billing Reports, justified also IATA's decision of terminating the Agent's contract; -IATA's decision was upheld.
A2/2012-04 KOSOVO	<p>New application refused after Applicant had been in technical default twice for late remittance and was not willing to change ownership.</p> <p>Agent has provided travel services since 1992 <i>"to most national and international organisations, local governments and foreign embassies"</i>.</p> <p>Kosovo had been engaged in the regional war and neither the banking system nor the financial infrastructure was in line with other European countries.</p> <p>The Applicant had been the victim of political activity, leading to non-foreseeable travel activity, by the local governmental institutions (i.e. their clients). ALL necessary steps had been taken to avoid situations like this and the Manager of the Company was willing to resign if the company was reinstated.</p> <p>The Applicant requested an oral hearing and revoked that request when learning that IATA had no intention to participate in a hearing.</p>	<p>The AA did not see any extenuating circumstances for approving this Application. As long as "it is lead or owned by persons who have had interests in the company, (according to Res. 818g Sec 2, § 2.1.8,) it does not qualify for new accreditation".</p> <p>Even though this Commissioner thinks that the late remittances are "understandable" and can be attributed to "force majeure", this Commissioner could not find any support or guidance in the Res. if this "ban" had a time limit or if it is for "life".</p> <p>IATA invoked the right NOT to come to an oral hearing by stating: <i>"IATA has already pointed out its arguments and therefore there is nothing else to be added"</i>.</p> <p>IATA's decision as such was upheld.</p>
A2/2013-05	Agent was suspended due to PCoF.	IATA had the right to keep the BG as collateral for claims brought forward

<p>HOLLAND</p>	<p>The review was about "the excess withheld bank guarantee". Meaning € 160.000 after all outstanding funds were settled.</p> <p>Agent had not traded for months and had all his "assets" blocked by IATA's actions.</p>	<p>within the stipulated time frame given to Member Airlines.</p> <p>IATA had followed proper procedures and IATA's decision was upheld.</p>
<p>A2/2013 -06</p> <p>SPAIN</p>	<p>ADM – issue. This review was allowed pursuant Res. 820e § 1.1.10 since the Applicant considered that proper procedures have not been followed.</p> <p>Both Parties and also the Member Airline had substantiated that the ADM was in fact disputed on time. No agreement had been reached between the Agent and the Member Airline concerning the purpose of the ADM, whether it was correct or acceptable after adjustment or not.</p> <p>Despite of the above the ADM was processed through the BSP.</p>	<p>The Agent had followed proper procedures, and thus this ADM should not have been processed.</p> <p>IATA/BSP had to reimburse the Agent and the dispute between the Agent and the Member Airline should be resolved according with the guidance given in Res. 818g – Attch. "A" § 1.7.9.7.</p>
<p>A2/2013-07</p> <p>MOROCCO</p>	<p>Agent was requested a BG which according to them was based on a review reflecting "old standings".</p> <p>The Agent asked for the possibility of waiting a few more weeks and thus provide the "up to date" standings. The owners are in the process of "a major capital increase" and thus the requirements in the LFC can be met.</p>	<p>IATA had followed proper procedure and consequently the decision was upheld.</p>
<p>A2/2013-08</p>	<p>Agent was requested to enlarge its existing BG and not given realistic</p>	<p>IATA Financial Assessment was done in September. The request to increase</p>

<p>SPAIN</p>	<p>time to comply. Also he needed a “few weeks” to present the latest FS as a requirement for the Bank to supply a new BG.</p>	<p>the BG was dated 27th of December and only reached the Agent on 07 January. Given the financial situation in Spain (and in most of Europe), it is common knowledge that Banks have tightened requirements before providing BG. Decision: Time frame to provide BG was extended as to be counted as of 07 January.</p>
<p>A2/2013-09 SPAIN</p>	<p>A case where PCoF was “prematurely” invoked by IATA. Reason given: “<i>A former shareholder had sued the company due to an alleged irregularity (2 years earlier) in legal financial documents</i>”. Without any notice or opportunity to “explain” his position, IATA had withdrawn all STDs, had notified Member Airlines and by that “<i>caused irreversible damage</i>”, according to the Agent. IATA could not substantiate that Member Airlines’ funds were ACTUALLY at risk, nor if the Agent’s ability or intent to pay its debts were in doubt.</p>	<p>IATA has the right to act when there are grounds to suspect that Member Airlines’ monies are at risk in situations: “where the ability or intent of an Agent to pay them are in doubt”. In this case, IATA had reacted on a submission of a criminal complaint to a local Court by a former business-partner due to an alleged irregularity occurred 2 years earlier. This does not prove any criminal offence and since there were no indications that The Agents’ ability or intent to pay its debts were in doubt, the Agent was reinstated. Even though reinstatement was done swiftly, it is this Commissioners belief that IATA should reconsider its policies in regards of “notification” to Member Airlines. No notification should be done before at least allowing the other Party to state its case, unless there is solid evidence of the lack of “ability or intent” to pay by an Agent.</p>
<p>A2/2013-10 SPAIN</p>	<p>Class Action – 23 Agents The Agents have failed to meet one or more of the requirements outlined in the LFC for the year 2011. After proof of Recapitalisation (May-June 2012) which at that time was an option in the LFC, all Agents were approved to continue business as usual. Res. 818g was amended and</p>	<p>The amendment to the LFC proposed in APJC meeting on 20 Sep. and 17 Dec. 2012 had NOT been adopted by Conference, nor in a proper way notified to all concerned Agents. It emerged that the change in the LFC came into effect on January 01, 2013. The Decision granted the Agents 30 days to either submit audited books for 2012 or within 45 days provide a valid BG to meet the requirements in</p>

	<p>Recapitalisation was “explicitly rejected as unsatisfactory “.</p> <p>IATA declared that decisions adopted by the PAConf always take precedence over subordinated legislation, meaning “the LFC and the possibility for Agents to recapitalize instead of providing additional BGs”.</p> <p>Agents were given 30 – 45 days, starting mid-December to get the required BG in place.</p> <p>Due to Christmas and banks not working before mid-January the Agents asked for an extension of the deadline and by that also a chance to provide their audited books for 2012 to the Banks.</p> <p>This was firmly denied by IATA.</p>	<p>the “newly adopted” LFC.</p> <p>Request to clarify/correct was answered and did not materially change the TAC Decision.</p>
<p>A2/2013-11</p> <p>FRANCE</p> <p>(Conference call between the Parties)</p> <p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>Applicant requested a review of IATA’s rejection of his Accreditation, allegedly due to the trading history – defaulted Agent- (Res. 818g, Par. 2.1.8) of the Applicant.</p>	<p>-IATA did follow correct procedure when initially decided to reject the Applicant’s request;</p> <p>-However, once the situation was clarified during the course of this process, considering the new evidence submitted by the Applicant, which was satisfactorily examined by IATA, provided the rest of the accreditation requirements are met by the Applicant, its IATA Accreditation should be granted as soon as possible.</p>
<p>A2/2013-12</p> <p>TUNISIA</p> <p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>The Agent sought this Office in order to claim damages’ compensation due to the prejudice suffered in its reputation as a consequence of IATA's wrongfully default action, preceded by an unpaid Nol.</p> <p>This situation was caused by the lack of prompt action from a Member Airline in converting erroneously issued ADMs in to ACMs, as well as</p>	<p>-Despite its belated action, IATA had amended the mistake and had voided the Nol and NoD, so no bad records will be kept on the Agent's file;</p> <p>-The request for damages’ compensation is not within the purview of this Office and thus had to be dismissed;</p> <p>- Notwithstanding the above mentioned decision, this</p>

	<p>from IATA's side for having mistakenly added those timely disputed ADMs into the Agent's BSP Report.</p> <p>Agent also wanted a <u>formal letter of apology from IATA</u>, for him to demonstrate to the Member Airlines' community that the incident was not attributable to any shortcoming from his side, but rather from third Parties' wrongdoings and therefore "clean" his untarnished reputation after more than 22 years trading.</p>	<p>Commissioner takes this opportunity to respectfully encourage IATA to take pro-active and timely steps to either avoid these type of circumstances by promptly and efficiently removing from the BSP disputed ADMs; or, by recognising its mistakes and apologising for them as any business partner will do in any commercial relationship.</p> <p>Note: After the TAC decision, the Agent received a formal communication from IATA (Regional level), not only apologizing for the mistake committed, but also indicating actual steps that IATA will implement aimed to avoid that this type of unfortunate situations happen again in the future.</p>
<p>A2/2013-13</p> <p>LITHUANIA</p> <p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>As a result of a lack of timely settlement occurred in one of the Agent's Locations (Germany), Default action was taken against all of the Agent's Approved Locations (Lithuania, Finland & Germany).</p> <p>Agent claimed that 1 week to submit a BG for the Finnish Location was unreasonable, especially considering that: (i) the Location itself had nothing to do with the late payment committed by the German Location only; and (ii) the bank had indicated that the process would take at least between 3 to 4 weeks.</p> <p>Agent also claimed damages' compensation due to "the improper procedure followed by the Respondent".</p>	<p>-The decision taken by IATA of applying Default action with respect to all of the Agent's Approved Locations was in accordance with Res. 818g, Attch. "A", Par. 1.7.2.1(b), since even though they operate in different markets, they are all owned by the same legal entity. Therefore the decision is upheld;</p> <p>-In future occasions, IATA should take in consideration the current financial and banking market conditions in order to ensure that the time frame given to Agents to provide financial securities is reasonable and thus attainable by them;</p> <p>-In regards to the request for damages' compensation derived from the Respondent's actions, the Agent would have to address this complaint to local Courts since this type of</p>

		matters is out of the TAC purview.
<p>A2/2013-14 MORROCCO (decided by TAC1 acting as Deputy TAC2)</p>	<p>Two Agency Associations requested a review of, what they considered to be, a Member Airline’s abuse of its dominant position vis à vis the Agents operating in that market.</p>	<p>The request was dismissed based on the following grounds: - Agency Associations are not eligible to address requests for review at the TAC Office; and, - The matter itself is out of the scope of the TAC’s jurisdiction.</p>
<p>A2/2013-15 A2/2013-16 A2/2013-17 A2/2013-18 UNITED KINGDOM</p>	<p>Class Action – 4 Agents At least 4 UK Agents, all of them in business for more than 3 years and some for decades, are according to the IATA evaluation process allegedly not meeting the UK-LFC requirements because the <i>“parent company has traded less than 3 years in the travel industry”</i>. These Agents have received a request to provide additional financial security (BG). In the UK-LFC it is stated: <i>“For new Applicants bond will be required if you or your Parent Company (ies) accounts show that (b) Your company has traded for less than 3 years in the travel industry.”</i> IATA reasoned: <i>“As it is not clearly stated in the LFC, it had been interpreted by IATA that for existing Agents the above mentioned requirement continues to be valid too”</i>.</p>	<p>None of the Agents are “new Agent”. There is a clear request in the UK-LFC to submit a copy of the annual accounts of a “controlling” parent company but no wording substantiating that a parent company should be trading in the Travel Industry. In the LFC under § <i>Bonding</i> it is stated: <i>“a bond will be required if Agent’s or Agent’s Parent company Accounts show that they do not meet requirements of Profitability and Liquidity”</i>. All of the “Parent Companies” had very solid financial standings. And met the requirements outlined in the LFC. IATA’s decision was revoked.</p>
<p>A2/2013-19 CÔTE D’IVOIRE (decided by TAC1 acting as Deputy TAC2)</p>	<p>2 Agents – Accumulated Cases Agents received a Nol, drafted in French, derived from the Agents’ misunderstanding of IATA’s instructions in regards to a Member Airline’s suspension. The instructions were stated in a circular drafted in English only and posted on the BSP/<i>link</i>. Once the Agents were informed in</p>	<p>Considering that the instructions that are given to Agents when a Member Airline is suspended from the BSP are completely out of the ordinary and rather unusual, since not only does it require for Agents the need to unilaterally modify the payable sum that appears in their BSP Report (in other words, to alter the invoice received from a supplier), but it also</p>

	<p>French about the short payment, both immediately settled the outstanding amounts.</p>	<p>affects the way refunds should be dealt with, it affects passengers' issues, future remittances, etc. All these facts make the communication issue of an essential nature in the contractual relationship that exists between IATA and the Agents. Therefore it was decided as follows:</p> <p>-The communication posted on BSPlink was not in accordance with Sec. 16 of Res. 824, since it was not sufficient nor adequate to constitute <<proof of dispatch>> nor <<receipt addressed, as appropriate to>> the Agents, because:</p> <p>(i) It was not individually addressed to each one of the Agents for them to have taken immediate action, by an email addressed to the Agents' management, as they did when they received from IATA the Nol, communicated in compliance with the above mentioned rule and pursuant Clause No. 12.4 of the BSP Manual for Agents;</p> <p>(ii) Nor was it drafted in French <u>and</u> in English, as it is IATA's reiterated and long-lasting communication/notification practice in the Region.</p> <p>Consequently, the Agents' misunderstanding of the situation and thus their late compliance with the instructions set out in that circular, is excused;</p> <p>-Hence, the Nol issued against them must be expunged and removed from the Agents' records.</p>
<p>A2/2013-20 Kingdom of SAUDI ARABIA</p>	<p>Agent paid not only the due amount but even more than that for the billing period of Jan. 16-23, 2013. Due to a lack of identification of that remittance, IATA was not able to initially and timely allocate that payment in to the Agent's account</p>	<p>As a result of the impossibility of locating the Agent's remittance, due to a lack of information that should have been provided by the Agent, IATA had no alternative other than following the procedure set out in Res.</p>

<p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>and, therefore, in the BSP system appeared as if it had been unpaid, triggering the Nol and the rest of the default procedure actions.</p> <p>Agent claimed damages' compensation.</p>	<p>818g, Attch. "A", Sec. 1.7.2;</p> <p>-Nevertheless, considering that the actual remittance for the period Jan. 16-23 was timely made by the Agent and timely received by the Clearing Bank, the Nol originally served against it must be expunged from the Agent's records;</p> <p>-For future occasions, the Agent is encouraged to ensure proper identification of the Agency details (name and IATA numeric code) when remitting to the BSP; and IATA is encouraged to take pro-active steps by swiftly verifying proof of payment sent by Agents <u>before</u> taking default actions in order to avoid the damaging consequences that such actions have on Agents;</p> <p>-In regards to the Agent's request for damages' compensation, considering that the matter is out of the scope of the TAC purview, the request was dismissed.</p>
<p>A2/2013-21 GREECE</p>	<p>IATA Member Airline XX was suspended and Agent was instructed, through BSPlink, to settle all outstanding amounts directly with XX. Agent over-paid and "compensated" on the next remittance date. Nol was served due to "short-payment".</p> <p>According to IATA, an overpayment does not give the right to compensate on the next billing period.</p>	<p>The Greek Civil Code (enrichment without cause) allows compensation.</p> <p>According to IATA/BSP routine, IATA should have «<i>notified the Agent to issue a CDM –SPCR to be settled at the next available billing cycle</i>».</p> <p>The Nol was decided to be expunged because:</p> <p>a) Civil Greek law allows "compensation" and, also, because b) Effective communication, to inform the Agent of its obligations</p>

	<p>Agent claimed that the information was received after they had given payment order to the bank, IATA had not informed them about the “overpayment “ of € 8,000, and no information about restrictions to compensate was given by IATA.</p> <p>Also this Agent complained vigorously about the NoI not stating the reason for its issuance and claimed that their reputation in the market, after 35 years of impeccable record, had been severely tarnished.</p>	<p>and rights, as requested by Resolution text, was not carried out by IATA.</p> <p>Clarification and correction was requested by IATA, but it did not give cause to materially change the Decision.</p>
<p>A2/2013-22 ALGERIA</p> <p>(Decided by TAC1 acting as Deputy TAC2)</p>	<p>Agent was served with a NoT, due to a lack of payment of the 2013 Agency annual fee.</p> <p>Agent argued that it <<did not receive any communication in that regard, neither by email nor by mail>>.</p>	<p>Based on the evidence on file, IATA did follow correct procedure, considering that even though it could not demonstrate the actual remittance of the annual fee invoice (as mandated in Res. 818g, Par. 14.2) by regular mail to the Agent’s address, and consequently guarantee its reception, it did proof having sent a reminder of the said outstanding fee (in accordance with Res. 818g, Par. 14.3.1) by email and to the email address that the Agent has been using in this review process. It is noted that should the email account had been looked at on-time by the Agent its termination could have been avoided.</p>
<p>A2/2013-23 TUNISIA</p>	<p>The Agent requested a review of IATA's NoT, due to a late payment of the 2013 Agency annual fee. Due to an internal internet/computer malfunction the Agent changed its email address, but failed to notify</p>	<p>- Based on the evidence on file, IATA did follow correct procedure;</p> <p>- However, considering that the Agent settled the annual fee within the 30 days following its termination and no</p>

<p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>IATA of it on time as to receive the notices before the sanction was applied.</p> <p>Notwithstanding that, the annual fee was paid by the Agent and IATA had not reported any other outstanding amounts.</p> <p>Agent considered the termination action as being <<excessive and disproportionate compared to the fault committed, which we actually regret>>.</p>	<p>other amounts were owed, its accreditation was reinstated.</p>
<p>A2/2013-24 OMAN</p>	<p>Agent did not honour remittance in full, claiming <i>bona fide</i> Bank error.</p> <p>NoI was served on day X, giving 24hrs to comply. The same day X NoD was sent to the Agent.</p>	<p>Agent could not substantiate, in the way it was requested by this Office, that a <i>de facto bona fide</i> Bank error was the cause of the late remittance, and, thus IATA's Decision was upheld.</p>
<p>A2/2013-25 FRANCE</p>	<p>PCoF was initiated by IATA, reason: "<i>information published on the website regarding the financial standing of the company</i>".</p>	<p>Agent chose not to respond to TAC's request and thus IATA's actions were upheld.</p>
<p>A2/2013-26 ETHIOPIA</p> <p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>Agent was served with a NoT, due to a late payment of the 2013 Agency annual fee.</p> <p>Agent claimed having never received any notification or invoice concerning the fee.</p> <p>IATA was unable to proof having sent those communications (Par. 14.2 of Res. 818g); however, it did proof having sent "a reminder" by email before undertaking any</p>	<p>-IATA had partially followed correct procedure in this case;</p> <p>- Considering that the Agent settled the annual fee within the 30 days following its termination and no other amounts were owed, its accreditation was reinstated.</p>

	<p>termination action. Agent never received it due to a change of its email address that it failed to timely communicate to IATA.</p>	
<p>A2/2013-27 FRANCE</p>	<p>Agent was denied accreditation because of the company's alleged status as General Sales Agent.</p> <p>The concerned "airline" proved to be a local company owing one (1) "aircraft" with 6 passengers seat capacity.</p>	<p>The Agent was not delegated general authority, nor a defined geographical area to represent the "airline".</p> <p>The Agent's arguments were substantiated by their auditing firm and a representative of the concerned "airline". Res. 876 supported the Agents' arguments as well and, thus, IATA was asked to reconsider the application.</p>
<p>A2/2013-28 DUBAI</p>	<p>IATA Member Airline was suspended. Agent "was notified to <i>refrain from deducting or carrying out any refund from that Member Airline.</i>"</p> <p>Agent had already made the remittance ahead of time and thus "a valid" refund was deducted. According to IATA, this mounted to a "short payment" of € 200 and a Noi was served.</p>	<p>Agent claimed that the "short payment" was executed as instructed by IATA before closing hours of business day X. IATA had, according to the records on file, not challenged this statement.</p> <p>Consequently the Noi had to be expunged.</p>
<p>A2/2013-29 Plus cases: A2/2013-32 A2/2013-42 A2/2013-43 SPAIN</p>	<p>Remittance date in Spain had been changed from the 15th to the 10th in each month as of May 1st.</p> <p>This was communicated through BSPlink and also in the new BSP Reporting Calendar published in March.</p> <p>Agent claimed they had followed</p>	<p>The Agent had not been observant enough and should have followed the BSP Reporting Calendar. This goes also for IATA who should have changed the relevant Billing Statement. Both actions can be attributed to "human error" and, as such "excusable".</p> <p>Since the Billing Statement, dated in</p>

	instructions on the relevant Billing Statement (issued in May) and also that they were under the impression that this “change” was still subject to negotiations with CEAV (Spanish Agents’ Association).	May, was addressed directly to the staff dealing with BSP payments and the most “recent” information should prevail, the Decision was to expunge the Nol from the Agents’ records.
A2/2013-30 BULGARIA	<p>Agent was declared in default and terminated due to overdue remittance. The dispute was about Agent’s right to “negotiate an alternative repayment schedule” (as outlined in Res. 818g Attch. “A”, §2.2.2)</p> <p>Agent applied for IR .The request was denied since they could not meet the requirements for it.</p> <p>Despite several reminders from the Agent it took IATA 3 weeks to present the “repayment schedule” first instalment within 4 working days, made it <i>“impossible to comply”</i> .</p>	<p>IATA did not respond expeditiously to the Agent’s legitimate request for a “repayment agreement”. The timeframe of 4 Business days to comply is not enough and hence a short extension should have been granted.</p> <p>The Agent could not prove its ability to fully honour a repayment agreement and IATA’s decision to terminate it was upheld.</p>
A2/2013-31 ETHIOPIA (decided by TAC1 acting as Deputy TAC2)	<p>The Agent was served a NoT due to a late payment of the 2013 Agency annual fees. The Agent paid the fees before the termination date, however it was not credited to that year’s account, but instead IATA requested him to provide proof of payment of former years (2010, 2011 and 2012).</p> <p>Agent had, in fact, paid the fees for 2010 and 2011 back in due time, but since it could not find the proof for 2012, in order to get a temporarily re-instatement, considering that IR</p>	<p>-Concerning the collection of Agency annual fees for 2013 IATA had followed correct procedure;</p> <p>-Concerning the collection of 2010, 2011 and 2012 Agency annual fees, proper and timely communication had to be undertaken by IATA before imposing any sanction to the Agent: Sec. 14.2 & 14.3 of Res. 818g state the due process to be followed when collecting the annual fees from Accredited Agents during one (1) particular year. Those rules are silent – as well as the rest of the applicable</p>

	<p>was granted by this Office, it paid the amount for 2012.</p> <p>Agent claimed damages' compensation arguing having <<lost almost all its permanent clients and passengers, and the Commission income it used to get from the sales and many other rights as well>>; <<without getting any income>> the Agent <<is still paying employees' salaries, office rents, telephone, water, electric charges...>>.</p>	<p>Resolutions- in regards to situations where former years' fees have not been settled by Agents. Therefore, pursuant the Law principle according to which analogy cannot be applied when imposing sanctions, the termination that is stated in the above mentioned rules cannot be applied when former years' annual fees have not been paid by Agents nor have them been duly and timely notified to them;</p> <p>-Considering that no outstanding fees were owed by the Agent, its temporarily reinstatement became permanent;</p> <p>-In regards to the request for damages' compensation derived from IATA's actions, the Agent would have to address its complaint to local Courts since this type of matters is out of the TAC's purview, or submit a request for Arbitration in accordance with the ICC Rules.</p>
<p>A2/2013-32 SPAIN</p>	<p>Remittance date in Spain had been changed from the 15th to the 10th in each month as of May 1st.</p> <p>This was communicated through BSP link and also in the new BSP Reporting Calendar published in March.</p> <p>Agent claimed they had followed instructions on the relevant Billing Statement (issued in May) and also that they were under the impression that this "change" was still subject to</p>	<p>The Agent had not been observant enough and should have followed the BSP Reporting Calendar. This goes also for IATA who should have changed the relevant Billing Statement. Both actions can be contributed to "human error and as such excusable".</p> <p>Since the Billing Statement, dated in May, was addressed directly to staff dealing with BSP payments and the most "recent" information the Decision was to expunge the Nol.</p>

	negotiations with CEAV) Spanish Agent's Association.	
A2/2013-33 ETHIOPIA (decided by TAC1 acting as Deputy TAC2)	<p>The Agent was served with a NoT due to a late payment of the 2013 Agency annual fees.</p> <p>As in the previous case, the Agent had actually settled on time the 2013 fees, but IATA allocated them to the year 2012, without not only not notifying the Agent about this "procedure"; but also without having ever expressly requested payment for the year 2012.</p> <p>IR was requested by Agent and, once the requirements were met, it was granted by this Office and executed by IATA.</p>	<p>The collection of the Agency annual fees for 2013 was properly done by IATA, and the Agent had complied with its obligation by timely settling those fees;</p> <p>-Concerning the collection of the 2012, proper and timely communication had to be undertaken by IATA to the Agent before imposing any sanction to it, as indicated in the previous TAC decision;</p> <p>-It is an unquestionable obligation of all Accredited Agents to honour the annual fee and the Agent has fulfilled this obligation, once the case was brought to this Office's attention and the situation was clarified to the Agent;</p> <p>-Considering that the Agent had settled all outstanding annual fees its temporarily reinstatement became permanent.</p>
A2/2013-34 TUNISIA (decided by TAC1 acting as Deputy TAC2)	<p>The Agent was served with a NoT due to a late payment of the 2013 Agency annual fees.</p> <p>As in previous cases, the Agent had actually settled on time the 2013 fees, but IATA allocated it to previous years.</p> <p>Agent claimed never having received any communication from IATA in this regards, except a reminder email in February 2013.</p> <p>Once terminated Agent was requested to provide proof of payment of the 2010, 2011 and 2012 fees. With great effort, Agent was</p>	<p>-IATA did not substantiate (the burden of proof lied on IATA) that it had actually followed the procedure mandated in Res. 818g, Sec. 14.1, nor Par. 14.3.1 when collecting the 2013 fees. It did proof though having sent a reminder email in February about the 2013 fees, which was immediately honoured by the Agent;</p> <p>- As per the collection of former years' fees (2010, 2011 and 2012) the same jurisprudence as the one stated in the previous cases (A2/2013-31 and A2/2013-33) was ratified in this decision;</p> <p>- Considering that the Agent had</p>

	<p>able to find the proof of payment for the years 2010 and 2011, but not for 2012, which in order to be reinstated and avoid the damaging consequences of the situation, it immediately paid.</p> <p>IR was requested by Agent and, once the requirements were met, it was granted by this Office and executed by IATA.</p>	<p>settled all outstanding annual fees its temporarily reinstatement became permanent.</p>
<p>A2/2013-35 ETHIOPIA</p> <p>(decided by TAC1 acting as Deputy TAC2)</p>	<p>The Agent was served with a NoT due to a late payment of the 2013 Agency annual fees.</p> <p>The Agent claims never having received any notice/ communication from IATA in connection with any Agency annual fees.</p> <p>Agent received a phone call from a local IATA Office asking for the payment and right after an email was sent to his attention indicating the exact amount of the fee to settle. Agent acted swiftly and, once the foreign currency was obtained, Agent made a cash deposit of the required amount in to IATA's account.</p> <p>IATA allocated it to previous years' fees, without notifying the Agent about this "payment allocation system".</p> <p>While being terminated, clarifying correspondence took place between the Parties, and the Agent settled the years 2010, 2011 and 2012 immediately. In fact, Agent found</p>	<p>-IATA did not follow the procedure enshrined in Sec. 14.2 & 14.3 of Res. 818g when collecting the 2013 annual fees;</p> <p>-Concerning the collection of 2010, 2011 and 2012 Agency annual fees, proper and timely communication had to be undertaken by the Respondent before imposing any sanction to the Agent (once again previous decisions rendered by this Office –A2/2013-31, 33 & 34- were confirmed);</p> <p>-Considering that the Agent has paid all the outstanding annual fees, its temporarily reinstatement became permanent.</p>

	<p>that it had paid for the year 2010 in due time, so it had made a double payment.</p> <p>IR was requested by Agent and, once the requirements were met, it was granted by this Office and executed by IATA.</p>	
<p>A2/2013-36</p> <p>UNITED KINGDOM</p>	<p>Agent failed to submit FS on time and received a Nol. Due to accumulation of Nols, Agent was served a NoD.</p> <p>Agent claimed to have missed the deadline by one day due to delay by their accountant. This was substantiated by their accountant.</p> <p>Agent also claimed never to have received the “first Nol”.</p>	<p>Blaming the accountant was not accepted as “force majeure” or excusable by this Office.</p> <p>Resolution text is clear about notification of Nol.</p> <p>IATA confirmed that “the first” Nol was not sufficiently communicated to Agent and thus the Nol had to be expunged.</p>
<p>A2/2013-37</p> <p>MALI</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as “complete”. Due to accumulation of Nols, Agent was served a NoD.</p> <p>Also the first Nol was now contested by the Agent claiming that the “short payment of approx. USD 200 was <i>due to an accepted refund and as demonstrated, clearly done before information about the suspension of XXX-Air had reached the Applicant</i>”.</p> <p>Request to review “the first Nol” was not granted since it had not been requested within the stipulated time frame to ask for a review.</p>	<p>The ultimate purpose of the LFC is to secure Member Airlines’ Funds. Should an Agent fail the Criteria they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, This Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of STDs or a Nol or a NoD for non-compliance is rendered.</p>

<p>A2/2013-38 GHANA</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as “complete”. Due to accumulation of Nols, Agent was served a NoD.</p> <p>Agent admits to have uploaded an “incomplete statement” BUT IATA’s upload system does not allow the Agent to view, amend or make additional uploads after initial “upload” is made. Several calls were made regarding completion – before deadline- at no avail.</p>	<p>The ultimate purpose of the LFC is to secure Member Airlines’ Funds. Should an Agent fail the Criteria, they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, This Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of STDs or a Nol or a NoD for non-compliance is rendered.</p>
<p>A2/2013-39 LEBANON</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as “complete”. Due to accumulation of Nols, Agent was served a NoD.</p> <p>Reason for “sanity check failure” was a notice from IATA Global Assessors indicating that the Agent’s Auditing firm mistakenly used the words “Trial Balance” in their final audited report. This was corrected “within minutes” after Notification.</p> <p>Also the first Nol was now contested by the Agent claiming that the “BSP payment mismatch” (over payment) was due to a defaulted IATA Member Airline and the bankruptcy memo of this airline was issued after they had remitted.</p>	<p>The ultimate purpose of the LFC is to secure Member Airlines’ Funds. Should an Agent fail the Criteria they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, This Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of STDs or a Nol or a NoD for non-compliance is rendered.</p>

	<p>The Nol served in January has not been contested by The Agent within the 30 days limit given in Resolution text and was consequently not reviewed in this case.</p>	
<p>A2/2013-40 NIGERIA</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as “complete”. Due to accumulation of Nols, Agent was served a NoD. Reason for “sanity check failure”: <i>“Balance sheet not in proper format”</i>. This was taken care of “within days”. Agent statement: <i>“We have been grossly unfairly treated and I am completely appalled and shocked by this unjustified and completely unfair action by IATA, not to mention the financial loss incurred.”</i></p>	<p>The ultimate purpose of the LFC is to secure Member Airlines’ Funds. Should an Agent fail the Criteria they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, This Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of STDs or a Nol or a NoD for non-compliance is rendered.</p>
<p>A2/2013-41 DUBAI</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as “complete” and the Agent was served a Nol. Reason for “sanity check failure” was: <i>“Current Asset note is missing”</i>. This was corrected by the Agent “within minutes” after Notification received from IATA.</p>	<p>The ultimate purpose of the LFC is to secure Member Airlines’ Funds. Should an Agent fail the Criteria they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, this Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of</p>

		STDs or a Nol or a NoD for non-compliance is rendered.
A2/2013-42 SPAIN	<p>Remittance date in Spain had been changed from the 15th to the 10th in each month as of May 1st.</p> <p>This was communicated through <i>BSPlink</i> and also in the new BSP Reporting Calendar published in March.</p> <p>Agent claimed they had followed instructions on the relevant Billing Statement (issued in May) and also that they were under the impression that this “change” was still subject to negotiations with CEAV (Spanish Agents’ Association).</p> <p>Agent had previous Nols and got suspended but got reinstated after meeting IATA requirements, amongst others “additional BG”.</p>	<p>The Agent had not been observant enough and should have followed the BSP Reporting Calendar. This goes also for IATA who should have changed the relevant Billing Statement. Both actions can be attributed to “human error” and as such “excusable”.</p> <p>Since the Billing Statement, dated in May, was addressed directly to the staff dealing with BSP payments and the most “recent” information should prevail, the Decision was to expunge the Nol and return the “excess” BG to the Agent.</p>
A2/2013-43 SPAIN	<p>Remittance date in Spain had been changed from the 15th to the 10th in each month as of May 1st.</p> <p>This was communicated through <i>BSPlink</i> and also in the new BSP Reporting Calendar published in March.</p> <p>Agent claimed they had followed instructions on the relevant Billing Statement (issued in May) and also that they were under the impression that this “change” was still subject to negotiations with CEAV (Spanish Agents’ Association).</p>	<p>The Agent had not been observant enough and should have followed the BSP Reporting Calendar. This goes also for IATA who should have changed the relevant Billing Statement. Both actions can be attributed to “human error” and as such “excusable”.</p> <p>Since the Billing Statement, dated in May, was addressed directly to the staff dealing with BSP payments and the most “recent” information should prevail, the Decision was to expunge the Nol.</p>

<p>A2/2013-44 FRANCE</p>	<p>Agent had mistakenly received Accreditation as Branch Office in 2008 and was suspended.</p> <p>Also the Mother Company was suspended but shortly after reinstated.</p> <p>After a new Financial review the "Branch Office" was requested a BG of € 648.000 to provide it within 30 calendar days.</p> <p>The requirements were impossible to meet in size and time, and the Agent asked for voluntary relinquishment.</p> <p>IATA denied it by stating: <i>"according to IATA's procedures it is not possible to voluntary relinquish a code that is suspended until the financial situation (meaning the BG) is in place"</i>.</p> <p>Agent also claimed: <i>"the disconnection of the Mother Company (after a 10 minutes notice on a friday evening!) had greatly damaged the business and reputation of the company". And: "Airlines are refusing to re-issue ticketing authorization. The reason given to us is that there is an implied financial risk"</i>.</p>	<p>IATA 's request to provide financial security is a pre-condition to reinstate the Agent. The time frame to do so had not yet expired when The Agent requested a voluntary relinquishment.</p> <p>A BG serves the purpose to take precautionary measures so NO Member Airlines' monies would be at risk. Since The Agent is not willing to be an Accredited Agent and wants to relinquish its Passanger Sales Agency Agreement there is no need for a BG.</p> <p>The request for voluntary relinquishment was granted.</p>
<p>A2/2013-45 NIGERIA</p>	<p>Upload of Annual FS was done on time but not accepted by IATA as "complete". Due to accumulation of Nols, Agent was served a NoD. Reason for "IATA sanity check failure": Accounts were not duly</p>	<p>Agent substantiated that the Annual FS was duly signed and stamped before submitting them.</p> <p>The ultimate purpose of the LFC is</p>

	<p>signed. The Agent claims that she is not aware of any previous Nols. NoD was served to The Agent due to: “failure to honour outstanding debts” on Remittance Date. This was for the same “debt” The Agent “already prepaid”, 10 days earlier as reinstatement requirement.</p>	<p>to secure Member Airlines’ Funds. Should an Agent fail the Criteria they are allowed a period of 30 - 60 days to submit a BG without having their STDs withdrawn and thus still be operational during the time frame given to comply.</p> <p>In light of the above, and since there were no amendments that materially changed the FS, This Commissioner considers this case being an “administrative or fiscal clarification issue” and decided that the Agent should be given “reasonable time” to comply or clarify before withdrawal of STDs or a Nol or a NoD for non-compliance is rendered.</p>
<p>A2/2013-46 GABON (decided by TAC1 acting as Deputy TAC2)</p>	<p>A Nol was served due to an incomplete submission of the Agent’s FS. Reason given: they were not audited nor certified as required by the LFC. 30 days were given to the Agent to comply, however due to an accumulation of Nols, a NoD was served to the Agent.</p> <p>IR was requested and granted by this Office, once all the requirements were met, after a lengthy period due to IATA’s miscommunication, the Agent was finally reinstatement.</p>	<p>IATA’s decision was upheld since it was in accordance with the applicable Resolutions.</p> <p>Observations: (i) communication between the Parties is of essential nature, and as such should be <u>accurate and complete</u>, so Agents have clear instructions to comply with; (ii) Considering the severe problems that Agents often face to get their ticketing capacities back after reinstatement from individual Member Airlines, it is this Commissioner’s view, as the Agent suggested, that IATA should <u>always clearly state the reason(s)</u> behind a Nol, so Airlines will have the real facts at hand to ponder the Agent’s situation.</p>

TRAVEL AGENCY COMMISSIONER AREA 2
MATTERS FULLY REVIEWED THAT DID NOT GIVE RISE TO A FORMAL DECISION
SEPTEMBER 2012 TO AUGUST 2013

Total of 96 reviews specified per month

Phone calls and e-mail responses to “short questions” are not part of this list.

Sept. – Dec. 2012	Jan.-Aug. 2013
September 2012 = 3 October 2012 = 4 November 2012 = 5 December 2012 = 4	January 2013 = 7 February 2013 = 4 March 2013 = 11 April 2013 = 8 May 2013 = 5 June 2013 = 15 July 2013 = 18 August 2013 = 12

Matters dealt by TAC1 acting as Deputy TAC2

Time & Place Summary Outcome

February 2013 UNITED KINGDOM	Agent contacted the TAC Office in connection with a ticket refund issue generated by a suspended Member Airline, based on an alleged agreement between the Airline and IATA to refund those tickets.	After having demanded further information to evaluate whether a credible case had been presented (Res. 820e, Par. 1.2.3) or not, the Agent never responded, despite several attempts from this Office to reach him (by email and by telephone). The case was declared abandoned and closed as such.
March 2013 TUNISIA	Agent sought TAC advice regarding a potential law suit against IATA for damage compensation.	It was explained to the Agent that those matters are out of the TAC’s purview, and, thus legal assistance was recommended to the Agent in order to obtain a broader assessment of the matter as well as of its rights, according to local Law.
April 2013	Agent sought a TAC review of	Upon the TAC’s initiative a conference

<p>FRANCE</p> <p>(Conference call was held between the Parties)</p>	<p>IATA's decision of suspending it from the BSP, based on PCoF' rules. Miscommunication problems in addition to a non-notified change of ownership were at the origin of IATA's actions.</p>	<p>call between the Parties was scheduled and the issues were clarified, Agent provided the requested information, IATA re-evaluated the situation and Agent was re-instated under its proper name.</p> <p>The case was closed without the need of a formal decision, with both Parties consent.</p>
<p>May 2013</p> <p>POLAND</p>	<p>Agent wanted the TAC to review a ticket refund matter with a Member Airline.</p>	<p>The request was dismissed since the subject matter is out of the TAC purview.</p>
<p>July 2013</p> <p>CÔTE D'IVOIRE</p>	<p>Agent sought a TAC review of IATA's request to increase its BG.</p>	<p>With the TAC intervention, after several emails exchange between the Parties, the issue was clarified to the Agent's satisfaction, understanding the reasons behind IATA's request. Agent increased the BG as demanded. Not having any further matters to review, the closure of the case was declared with the Parties' consent.</p>
<p>July 2013</p> <p>BURKINA FASO</p>	<p>A Nol was served due to an incomplete submission of the Agent's FS. Agent mistakenly had forgotten to send the auditor's letter, which it sent right after and within the given time frame. Due to an accumulation of Nols, a NoD was served to the Agent.</p> <p>Agent contested also the first Nol, arguing that IATA had not taken in consideration, at the time, the letter that it had indeed provided from its Bank, stating the <i>bona fide</i> bank error.</p> <p>IR was requested and granted by this Office, once the requirements were met, IATA</p>	<p>Promoted by the TAC intervention, once clarification of the Agent's current and past situation with the Nols was undertaken by IATA and it surfaced that in both situations the Agent had complied with the applicable Resolutions and no monies were due, IATA withdrew the Nols from the Agent's records.</p> <p>The case was closed, with both Parties' consent, without the need of any formal decision.</p>

	reinstated the Agent.	
August 2013 TURKEY	Member Airline contacted the TAC Office regarding the list of Accredited Agents in Area 1.	TAC transferred the matter to the AA1, who provided the proper indications to the Member Airline.

**TRAVEL AGENCY COMMISSIONER AREA 2
ON GOING MATTERS – SEPTEMBER 2012 TO AUGUST 2013**

1) Suspended Agent – BG issue
2) Suspended-Reinstated –Agent claims lack of notification
3) Suspended Agent - Change of ownership (11 years ago issue)
4) Nol to Agent - due to overpayment issue
5) Suspension- PCoF case
6) Nol-NoD – Annual fee- late payment - 5 agents claim not to have received proper notification
7) Suspension – 1 day late with BG
8) Suspended-Reinstatement issue (BG)
9) ADM issue - mediation request by both Airline and Agent

Affairs deal with TAC1 acting as Deputy TAC2

<u>Time & Place</u>	<u>Summary</u>	<u>Status</u>
August 2013 SÉNÉGAL	Agent requested a review of IATA's decision stating that Agent did not comply with the given time frame to upload its FS.	Ongoing procedure

Section C

**TRAVEL AGENCY COMMISSIONER AREA 3
REVIEW DECISIONS – AUGUST 2012 – AUGUST 2013**

All the reviews in Area 3 were conducted based on documentary evidence alone.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
27 August 2012 Jakarta Timur, Indonesia	<p>IATA sought a review of the Agent as 2 of its Directors had been shareholders in an Agency that had been terminated for failing to submit its audited FS for past default review.</p> <p>Addendum 1 – IATA advised that the change of ownership process could not be completed by the expiry date and sought a further 30 days.</p> <p>Addendum 2 – IATA discovered that 2 vital documents were still in the previous owner’s name and sought a further 60 days suspension.</p>	<p>The Agent was suspended for 60 days to allow the 2 offending shareholders to be removed. Should a change of ownership be approved within 60 days then BSP re-instatement could occur.</p> <p>The 30 day extension request was granted.</p> <p>To not see the effort and time put into this matter wasted the 60 day suspension extension was granted.</p>
11 September 2012 Dhaka, Bangladesh	<p>The Agent was defaulted having accumulated 4 IRR within 12 months. Fifty per cent of the debt was paid and an agreement to settle the balance over 6 monthly instalments was concluded. The Agent failed to meet the agreed date for the 5th instalment payment and was terminated. That instalment was paid 3 days later and the remaining outstanding amount was settled 16 days after that and IATA held action on accessing the Agent’s BG.</p> <p>The Agent gave 3 compelling reasons why funds were not available for the 5th instalment payment. Its settlement of the total debt post termination and its openness encouraged a second chance.</p>	<p>The Agent was to be re-instated subject to a financial check and the provision of an updated BG.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
12 September 2012 Lahore, Pakistan	The Applicant was disapproved on the grounds of not having its qualified staff present at inspection time. The inspection, by an airline representative, was unannounced however the critical questions in the inspection report were answered in the affirmative. Applicants must <u>employ</u> competent and qualified staff; they need not be present at all times.	Another pre-arranged inspection was conducted promptly with the Applicant covering any additional fees that might be incurred.
27 September 2012 Brisbane, Australia	The state government owned Agent was unable to meet IATA's annual review financial statement submission deadline due to a third party disclosure restrictions and sought an IR period. IATA was satisfied with the amount of financial guarantee in place.	The period of IR requested was granted.
29 September 2012 Sydney, Australia	The Agent sought a 4 week extension to the IATA annual review FS submission deadline. Under the circumstances involved this was considered excessive. IATA was satisfied with the financial guarantee in place.	IR for 19 days was granted.
8 October 2012 Loganholme, Australia	The Agent had incurred 4 IRRs within 12 months, thus going into default. 2 IRRs resulted from the Agent failing to meet the IATA financial statement submission deadline. The Agent presumed that the submission time frame for the Travel Compensation Fund and IATA was the same. The Agent was admonished on its ineptitude with regard to its IATA obligations. The financial guarantee in place was acceptable to IATA.	IR was granted for 12 days with the rider that requests for further time extensions would not be entertained.
10 October 2012 Sydney, Australia	The circumstances for this Agent are similar to those described above. The Agent had ample notice of the Annual Review timeline. IATA was prepared to accept a short period of IR.	The Agent was granted a 7 day extension with the rider that further time extensions would not be authorised.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
20 October 2012 Kathmandu, Nepal	BSP Nepal operates with NPR and USD. The Agent failed to meet the full USD settlement and the total NPR amount for a BSP billing. IATA accessed the Agent's NPR guarantee but was unable to acquire USD due to government exchange control regulations. The Agent then settled the full USD debt. In light of its settlement of all airline moneys and its long tenure as an IATA Agent it was worthy of re-instatement.	The Agent was to be re-instated subject to having an up to date set of FS found satisfactory and providing a suitable financial guarantee.
25 October 2012 Melbourne, Australia	The Agent had already received an extension to its IATA Annual Review financial statement submission date. However difficulties were being experienced with reconciling the General Ledger with its recently upgraded mid-office accounting system. A short period of IR was sought for which IATA was agreeable.	A 7 day IR period was granted with the rider that no further extension would be authorised.
5 November 2012 Sydney, Australia	The Agent was a business unit of the State Railway and due to third party disclosure restrictions could not submit its Annual Review FS by the deadline and sought an 8 week period of IR. This period was acceptable to IATA.	The requested period of relief was granted in light of the nature of the Agency's ownership.
27 November 2012 Melbourne, Australia	Following the Annual Review the Agent was required to submit a substantial financial guarantee within 30 days. The Agent disagreed with the manner in which the Global Assessor had applied the Financial Criteria to require that guarantee. Over the following 3 weeks the Agent attempted to resolve this issue but as the deadline approached with no resolution the Agent sought a 3 week extension. IATA was satisfied with current financial guarantee arrangements. Addendum 1 – the debate between the Agent and Assessor were	The 21 day period of IR was granted. A further 21 days were granted.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	<p>prolonged and a further extension was sought.</p> <p>Addendum 2 – IATA advised that the assessment would not be completed until after the expiration of the second extension and hence a further period was sought.</p>	<p>A further and final 21 days were granted.</p>
<p>7 December 2012 Otaki, New Zealand</p>	<p>Following a sudden surge in the Agent's sales a member requested IATA to initiate a TAC review to determine whether the level of financial guarantee was adequate. Furthermore, the member alleged that the Agent was ticketing business generated by a director whose Agency had defaulted with substantial losses to carriers post financial guarantee disbursements. The Agent was suspended and 2 IRRs issued pending the outcome of the review. The Agent submitted a number of credible reasons for its increased sales and confirmed its parting with the discredited Director mentioned above. On applying the financial guarantee formula to the extrapolated amount it was determined that the Agent's existing level of financial guarantee covered that amount. The Agent's relationship with the discredited Director was a matter of ethical judgement and was not prohibited by Resolution.</p>	<p>The Agent's ticketing authority was to be reinstated and the 2 IRRs removed.</p>
<p>8 December 2012 Selangor, Malaysia</p>	<p>The Agent was the victim of ticket fraud by a staff member. On being unable to settle a BSP billing including fraudulently issued tickets the Agent was suspended and IATA sought a review of its accreditation. Despite being a victim of crime and acting responsibly by advising IATA and carriers of the fraud, the Agent's</p>	<p>The Agent was to have its ticketing authority reinstated subject to passing financial checks and IATA was to guide the Agent on how to acquire credits from the carriers involved with the fraudulent issues.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	interests are secondary to the principle of the protection of airline moneys.	
12 December 2012 Loganholme, Australia (Decided by TAC1, acting as Deputy TAC3)	Agent sought a TAC IR in order to obtain an extension of the time frame originally given by IATA to provide the financial security, in accordance with the LFC. Agent also sought the approval of the proposed BG.	The time extension was granted and the proposed format of BG, after an agreement was reached with IATA, it was approved by this Office.
20 December 2012 Broadmeadows, Australia	The Agent was terminated for failure to submit its FS for the Annual Financial Review by the deadline. The Agent had relied on its 3 rd party Accountant to complete that task and had assumed that it had done so. On becoming aware of the situation, the Agent dispatched hard copy documents to IATA who advised that it would require some 21 days to assess them. IATA was satisfied with the Agent's financial guarantee amount.	The Agent was to be reinstated and provided with 22 days of IR.
21 December 2012 Kalgoorlie, Australia	The Agent's DIP expired on 21 December. It did not lodge its application for renewal until 19 December due to the Manager being absent. As the Insurance Provider required 5 to 7 working days to process the renewal a period of IR was sought. IATA could accept a short period.	The Agent was granted 13 days of IR.
24 December 2012 Karachi, Pakistan	The Agent was terminated for failing to provide a financial guarantee by the deadline. The issuance of 2 earlier IRRs for failure to provide FS led to this termination. The Agent's proprietor had been hospitalised at the critical time and was thus unaware of the issue as his staff did not want to cause further stress. On becoming aware of the situation the proprietor arranged a	The Agent was to undergo a Financial Review and the level of financial guarantee confirmed. On successfully meeting those requirements the Agent was to be reinstated.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	renewal of its DIP. The Agent, on balance, put forward a credible case for reinstatement.	
10 January 2013 Nedlands, WA Australia	The Agent was advised that it was required to have a declaration completed by a Director and its External Auditor in order to meet the Financial Criteria. It was given until 11 January to do so by IATA but discovered that its Auditors were closed until 14 January. Consequently it sought IR to that date to which IATA had no objection.	The Agent was granted 4 days of IR as requested.
11 January 2013 Lakemba, NSW, Australia	The Agent failed Test 1 of the Financial Criteria and was required to substantially increase its level of financial guarantee. On querying the matter with IATA the Agent was told that it had failed Test 2 not Test 1, and that the requirement and 11 January 2013 deadline remained. From 3 January the Agent had been pursuing the arranging of an increased BG however the properties being used as collateral had to be valued by an independent valuer and hence IR until 25 January 2013 was sought. IATA was not satisfied with the level of financial guarantee in place, however the application of Sub- Par. 1.2.2.4 of Res. 820e, based on the Agent's faultless BSP remitting record and substantial assets as evidenced by Certificates of Title, allowed for the use of the TAC's judgement.	The Agent was granted IR until 25 January 2013.
11 January 2013 Epping, NSW, Australia	The Agent failed to provide IATA with a Client Travel Account Declaration by 11 January while it had been lodged by express post it failed to arrive. A new declaration cannot be completed until the Agent's auditor's office opened on 14 January hence IR until 25 January	The Agent was granted IR until 25 January 2013.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	was sought to which IATA did not object.	
14 January 2013 Floreat, WA, Australia	The Agent failed to meet the Profitability Test under the Financial Criteria and was required to submit a financial guarantee by 11 January 2013. The Agent stated that it was unaware of that requirement until a phone call at 1100 on 11 January from IATA alerted them to that need. The IATA letter calling for same was sent on 5 December 2012 but was not received. The Agent felt that such communication should be sent by traceable registered post and hence the 2 IRRs issued should be rescinded due to non-receipt of the crucial letter. As third parties would be involved in arranging the guarantee the Agent sought IR until 25 January 2013, IATA advised that it does not use email as a back-up as addresses are not kept up to date.	The Agent was granted IR until 23 January 2013. Due to the non-delivery of IATA's letter the 2 IRRs were to be withdrawn.
14 January 2013 Surrey Hills, NSW, Australia	The Agent claimed non-receipt of the need for the renewal of its DIP until the deadline date. As it would take 5 working days to complete the process the Agent sought IR to which IATA did not object.	The Agent was granted the required period of IR.
17 January 2013 Surrey Hills, NSW, Australia	The Agent sought IR due to its decision to change its bank in order to acquire a lower cost for the level of financial guarantee required by IATA following the Annual Financial Review. IATA had no objection to the period requested.	The Agent was granted IR until 25 January 2013.
18 January 2013 Broadmeadows, VIC, Australia	The Agent sought a period of IR as its Director was overseas and could not complete the forms for DIP by the deadline. Relief until 14 February 2013 was sought to which IATA did not object.	The Agent was granted IR until 14 February 2013. Mindful of IATA's reticence, IR was granted to 20 February 2013 only.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	<p>Addendum 1 – the Agent’s Auditor had discovered that its Client Travel Account was not being operated in accordance with the regulations. The Agent believed that once in conformity the requirement for a financial guarantee would be removed. IATA was concerned at the duration of the further period sought.</p> <p>Addendum 2 – having honoured the DIP requirement the Agent was defaulted for short paying a small amount to the BSI due to a late ADM billing by an airline. The Agent opined that it was not its fault that the airline had been tardy in capturing the ADM.</p>	<p>Based on the Agent’s solid record of honouring BSP billings, the small amount involved and common sense, subject to BSP confirming full payment, the Agent was to be reinstated.</p>
<p>18 January 2013 Punchbowl, NSW, Australia</p>	<p>The Agent was required to verify the operation of a Client Travel Account and submitted the same documentation as provided to the Travel Compensation Fund. This was not acceptable to IATA and the correct verification format was to be submitted by 20 January 2013. As the Agent’s Auditor was absent the submission could not be made until 25 January 2013 and the Agent sought IR until that date. IATA had no objection to that proposition.</p>	<p>The Agent was granted IR until 25 January 2013.</p>
<p>18 January 2013 Melbourne, Australia</p>	<p>The Agent’s owner was overseas on the day that an increased financial guarantee was to be lodged. The documentation was complete apart from the owner’s signature. This omission could be rectified on 25 January 2013 and IR was sought to that date to which IATA had no objection.</p>	<p>The Agent was granted IR until 25 January 2013.</p>
<p>21 January 2013 Loganholme,</p>	<p>The Agent was required to submit an increased financial guarantee on 18 January 2013. This was not possible as</p>	<p>Based on the Agent’s BSP settlement history and by applying Sub-Par. 1.2.2.4 of Res. 820e the Agent was</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
QLD, Australia	one Director, whose signature was required, saw no value in IATA accreditation and had declined to sign, the other Director was seeking a Court jurisdiction to remedy that situation and sought IR until 1 February 2013, IATA were not agreeable to the extension.	granted IR until 1 February 2013.
23 January 2013 Papua New Guinea	The Agent was required to provide a financial guarantee by 23 January 2013. It was in the process of switching banks and this activity was taking longer than originally anticipated. Five working days was required for completion and hence IR was sought for that period to which IATA had no objection.	The Agent was granted IR until 1 February 2013.
1 February 2013 Brisbane, Australia	The Agent received a request to provide a minimal financial guarantee while its office was closed for the Festive Season. On re-opening the Agent queried the need for the guarantee as IATA had misinterpreted its accounts during an earlier financial review. After an exchange with IATA the Agent accepted the requirement for a guarantee but its bank needed 7 days to process and hence IR was sought for that period to which IATA had no objection.	The Agent was granted IR until 7 February 2013.
18 February 2013 Dhaka, Bangladesh	The Applicant was disapproved for IATA accreditation for failing to submit a BG despite being given 2 time extensions by IATA. The Applicant stated that he had to travel to Canada at short notice to be with his terminally ill sister and hence business matters were left undone. The BG had now been submitted.	With the submission of the guarantee the application was to be processed to a conclusion by IATA.
22 February 2013	As a consequence of faults in the communication network from Goroka	Based on its settlement history the writer applied Sub-Par. 1.2.2.4(c) of

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
Goroka, Papua New Guinea	the Agent could not fax its FS to the DIP in time and hence sought IR until 26 February 2013. IATA was not satisfied with the Agent's current financial guarantee status.	Res. 820e as it was judged that the Agent was not a material risk to airlines and IR was granted to 26 February 2013.
4 March 2013 Alice Springs, Australia	<p>The State Government owned Agent submitted its FS on time but to an incorrect email address, thus delaying the review process. The Agent opined that it did not fit easily into the Financial Criteria and sought IR until 30 April 2013 so that the requirement for a financial guarantee could be reviewed by the IATA Global Assessor.</p> <p>IATA felt that the relief period sought was too long and that 15 to 30 days should be enough. IATA had no objection to IR otherwise.</p> <p>Addendum 1 – on 26 March 2013 IATA advised that more time was required and recommended a 15 day extension.</p> <p>Addendum 2 – Confirmation of a financial guarantee being required was received to which the Agent advised that budget cuts might make the funding of same difficult. IATA suggested that the Agent should review the commercial benefits of accreditation in light of the nature and volume of business being transacted. The Agent thereby sought a 6 week extension.</p>	<p>Cognisant of IATA's opinion IR was granted to 31 March 2013.</p> <p>IR was granted to 15 April 2013.</p> <p>The period sought was considered excessive and the options could be evaluated in a shorter time and hence relief to 16 May 2013 was granted.</p>
5 March 2013 Nambucca Heads, NSW, Australia	The Agent failed to submit an increased financial guarantee by the deadline. The Agent pleaded pre-occupation with leading tour groups and sought IR to 18 March 2013 to which IATA did not object.	Despite the casual attitude to this matter demonstrated by the Agent relief was granted to 18 March 2013.
5 March 2013	The Agent was required to provide a	The Agent was granted IR to 15 March

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
Melbourne, Australia	financial guarantee by 4 March 2013. Leading up to that date the Agent had offered an alternative solution to IATA which was ultimately declined. On 1 March 2013 the Agent initiated the arrangement of a guarantee with its bank and was advised that 10 working days were required for completion. The Agent consequently sought IR for that period to which IATA did not object.	2013.
6 March 2013 Melbourne, Australia	The newly accredited Agent was confused as to whether the DIP acquired for the Travel Compensation Fund also covered IATA and thus was not able to submit by the deadline. The Agent sought 3 to 5 working days to rectify that situation. IATA held a security but not to the new level required.	The Agent was granted IR to 13 March 2013.
7 March 2013 Auckland, New Zealand	IATA sought a review of the Agent's accreditation under the 'PCoF' clause of Res. 832 as it was no longer covered by the TAANZ / IATA Agreement Scheme. Suspension from the BSP plus 2 Instances of Irregularity were imposed. This event followed an earlier issuance of 2 Instances of Irregularity and hence the Agent was in default. Termination of the Agent's accreditation would occur on 31 March 2013 but would not take effect if prior to that a satisfactory financial security was established and all outstanding amounts settled. TAANZ had given the Agent until 15 April 2013 to have increased equity in place. The Agent advised that it was pursuing same with a new bank with urgency but a delay had occurred over a dispute related to the property being used as security but this should be resolved within a couple of weeks.	<p>The Agent was suspended until 15 April 2013 subject to settling all billings by 31 March. Once an acceptable financial security was submitted by that date ticketing authority would be restored.</p> <p>The Agent was suspended to 31 May 2013.</p> <p>A further period of suspension to 30 June 2013 was granted.</p> <p>A final period of suspension to 31 July 2013 was granted.</p> <p>PS – the Agent failed to meet that deadline and was terminated on 16 August 2013.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	<p>Addendum 1 – on 22 April 2013 IATA alerted the writer to advice that no action had occurred. The Agent owner contacted on the same day stated that her full time was being devoted to her critically ill husband and as soon as his condition allowed full effort would go into complying. IATA agreed that a further period of suspension should be allowed.</p> <p>Addendum 2 – with the Proprietor now being able to devote full time to the business the Agent sought an extension to 30 June 2013. This would allow TAANZ to complete its documentation review.</p> <p>Addendum 3 – Post 30 June 2013 IATA advised that remedial action was still awaited and that a final resolution was needed. The Agent advised that the further equity had been invested and its accountants were preparing final accounts to 31 March 2013. An extension for the completion of the total process to 31 July 2013 was sought.</p>	
<p>7 March 2013 Brisbane, Australia</p>	<p>The Agent was required to substantially increase its financial guarantee. A lengthy period was consumed while the Agent sought clarification on how the increase was arrived at.</p> <p>Once confirmed the Agent contacted its bank to arrange the increased guarantee and was told that it would not be ready by the deadline date. The Agent consequently sought IR until 15 March 2013 to which IATA did not object.</p> <p>Addendum 1 – on 14 March 2013 the</p>	<p>The Agent was granted IR until 15 March 2013.</p> <p>The Agent was granted further relief until 22 March 2013.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	Agent advised that its bank needed more time and requested a further extension to 22 March 2013 to which there was no reaction from IATA.	
<p>7 March 2013 Milton, QLD, Australia</p>	<p>Following the Annual Financial Review the Agent placed a detailed argument with IATA demonstrating that it fully complied with the criteria. IATA advised that it required time beyond the deadline to provide a formal response so the Agent sought IR for 30 days to which IATA did not object.</p> <p>Addendum 1 – On the deadline date IATA advised that a further 15 days was needed.</p> <p>Addendum 2 – IATA advised that the examination was complete; however 2 more weeks were needed to determine whether or not a financial security would be required.</p> <p>Addendum 3 – with the assessment completed 2 Directors of the company were required to sign a declaration. Both were overseas so an extension to 15 May 2013 was sought.</p> <p>Addendum 4 – An Auditor’s certification on parts of the accounts was now required and this process would take 2 weeks so a further extension was sought.</p>	<p>The Agent was granted IR until 5 April 2013.</p> <p>IR to 20 April 2013 was granted.</p> <p>IR to 3 May 2013 was granted.</p> <p>IR to 15 May 2013 was granted.</p> <p>IR to 31 May 2013 was granted.</p>
<p>7 March 2013 Warkworth, New Zealand</p>	<p>IATA sought a review of the Agent’s accreditation under the ‘Prejudiced Collection of Funds’ clause of Res. 832 as it was no longer covered by the TAANZ / IATA Agreement Scheme. Suspension from the BSP followed and 2 Instances of Irregularity issued. TAANZ required increased equity in the</p>	<p>The Agent was suspended until 15 April 2013.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	company and the Agent sought until 15 April 2013 to complete the process.	
8 March 2013 Peshawar, Pakistan	The Agent was terminated for not paying the Annual Agency Fee. In its request for Review the Agent stated that the brother of the Agent principal had been captured and held hostage for 67 days in a tribal area. While a ransom was being arranged attention had strayed from the business but the fee would be paid within 7 days if the Agent was given the opportunity.	Under these unusual circumstances, subject to settlement of the fee by 15 March 2013, the Agent was to be reinstated.
22 March 2013 Newcastle, NSW, Australia	The Agent was required to provide a financial guarantee and chose to acquire DIP. The Provider required that the Deed of Guarantee be signed by two Directors. Both were absent hence IR until 27 March 2013, when they would return was sought.	The Agent was granted IR until 27 March 2013.
27 March 2013 Dhaka, Bangladesh	The Applicant was required to submit a BG in order to gain accreditation. The Applicant's Principal sought a further 30 days as the hospitalisation of his son would prevent funds being available in time.	The Applicant, subject to paying any fees, was granted until 26 April 2013 to provide the BG.
4 April 2013 West End, QLD, Australia	Following the Annual Financial Review the Agent took issue with the manner in which IATA classified certain aspects of its FS and put forward a detailed explanation of the interrelationship between two entities. IATA advised that it would examine the explanation and suggested to the Agent that it seek IR for a period beyond the deadline for the provision of a financial guarantee. This suggestion was acted upon by the Agent. Addendum 1 – The assessment was yet to be sighted so the Agent sought a further extension to allow for the	The Agent was granted IR until 30 April 2013. The Agent was granted further IR until 14 May 2013.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	security to be processed and in place.	
9 April 2013 Melbourne, Australia	<p>Following the Annual Financial Review the Agent was required to provide a financial guarantee. The Agent's Auditor argued that by injecting the required amount into the company as share capital in late 2012 the requirement had been met. As the issue was unresolved by the deadline the Agent sought IR.</p> <p>Addendum 1 – The process of arranging the guarantee was taking longer than anticipated and a further extension was requested and was not objected to by IATA.</p>	<p>The Financial Criteria for Australia includes a clause which dictates that IATA's interpretation of FS shall prevail hence the Agent was to provide the subject financial guarantee and was granted IR until 19 April 2013 in order to do so.</p> <p>The Agent was granted further IR until 3 May 2013.</p>
10 April 2013 Karachi, Pakistan	The Agency Proprietor had been accidentally killed in January 2013. On being terminated the Proprietor's widow contacted the writer advising that under her faith a widow must wait for 4 months and 10 days before attending to business or public matters. Following advice of the death IATA had initiated a change of ownership process which failed when certain documentation was not supplied by agency staff. The widow advised that she would be involved in the Agency from 24 May 2013 and sought until 30 June 2013 for the change of ownership documents to be submitted.	The Agent was to be reinstated on the Agency List with suspension until 30 June 2013 and was to regain its ticketing authority once IATA approved the change of ownership.
16 April 2013 Sydney, Australia	The Agent, which is part of a global entity, sought IR on 15 April 2013 as it would not be able to submit its FS by 30 April 2013 and sought an extension to 31 May 2013. IATA considered that period excessive.	Bearing in mind the nature of the Agent's organisation and the logistics involved IR was granted until 24 May 2014.
16 April 2013 Perth, Australia	The Agent was required to supply a financial guarantee by 15 April 2013. It	The Agent was granted IR until 30 April 2013.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	had raised questions about aspects of the assessment and was awaiting answers from IATA. In the interim they assumed that the deadline was on hold. On discovering to the contrary the Agent established that it would take 2 weeks for the guarantee to be in place and IR was sought for that period.	
26 April 2013 Surrey Hills, NSW, Australia	The Agent was required to submit a substantial financial guarantee by 26 April 2013. Time was consumed with querying the level of guarantee with IATA. On initiating enquiries on acquiring a guarantee its bank advised that for the amount required 3 to 4 weeks was needed. Hence the Agent sought IR until 24 May 2013. IATA considered that to be excessive.	The Agent was granted IR until 17 May 2013.
29 April 2013 Pyrmont, NSW, Australia	<p>The Agent, which is part of a global loyalty marketing entity, was to have its FS with IATA by 30 April 2013. At IATA's suggestion, as the statements were nearing completion but would require sign-off by two layers of management, IR was sought by the Agent until 31 May 2013.</p> <p>Addendum 1 – the Agent advised that its FS were still in the approval process and requested a further extension to 21 June 2013. Bearing in mind the extensions already granted IATA believed that a further 7 days was reasonable with any more time up to 21 days requiring an AUD35k financial guarantee.</p>	<p>In light of the Agent's organisational makeup IR was granted to 31 May 2013.</p> <p>The Agent was granted further IR until 7 June 2013 with a further period to 21 June 2013 being available subject to an AUD35k financial guarantee being in place on or before 7 June 2013.</p> <p>PS – the Agent subsequently relinquished its accreditation.</p>
30 April 2013 Sydney, Australia	Two Agency entities were due to submit their FS on 30 April. Due to the 'winding down' of one of them the Auditors were not able to meet the deadline as taxation impact of the	The Agent was granted IR until 10 May 2013.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	write down required more time to be identified and an extension to 10 May 2013 was sought to which IATA did not object.	
3 May 2013 Kuala Lumpur, Malaysia	<p>The Agent failed to submit a financial guarantee by the deadline date and was ultimately terminated. In its request for review the Agent explained that it had sought a special national status which would have reduced the amount of financial guarantee required. However, as a member of a foreign owned franchise group, it did not qualify. The application process took 5 months. Now that they knew where they stood they needed 2 to 3 weeks for their bank to arrange the guarantee.</p> <p>Addendum 1 – the bank was taking longer than expected to arrange the guarantee and the Agent sought a further extension to 14 June 2013.</p>	<p>The agent should have kept IATA informed of its actions. The length of time needed for the application process was underestimated. Subject to submitting the required guarantee by 31 May 2013 the Agent was to be reinstated.</p> <p>The Agent was granted until 14 June 2013 to submit its financial guarantee following which it could be reinstated.</p>
14 May 2013 Mangalore, India	The Agent sought removal of 2 Instances of Irregularity (IRR) as on its BSP settlement cheque the amount in words differed from the amount in numerals, thus invalidating the cheque. The Agent made good the payment and pleading human error sought removal of the IRRs as it had an unblemished settlement record.	The Resolutions provide for 2 situations involving 3 rd party error. One is a 'bona fide bank error' as defined and the other is 'non receipt of payment caused by extraneous factors'. The error occurred within the Agent's office hence was not covered and therefore the issuance of the IRRs was valid.
15 May 2013 Colombo, Sri Lanka	The Agent was terminated for not submitting a BG by the deadline date. The cause of that failure was the murder of the Managing Director (MD) which created a void. The MD's widow had taken over the running of the business. She was the main beneficiary however the process was very complex and could take several years to complete. The amount of BG	The TAC cannot vary the terms and conditions enshrined in the Resolutions hence could not grant a lower level of financial guarantee. The Agent was to be reinstated subject to submitting the amount specified by IATA by 14 June 2013. IATA was to provide guidance on effecting the change of ownership process.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	<p>was challenged and IATA was asked to consider applying the minimum amount specified in the Sri Lankan Financial Criteria under the tragic circumstance involved. This proposal was declined by IATA hence the request for review by the TAC.</p>	
<p>12 June 2013 Dhaka, Bangladesh</p>	<p>The Applicant was disapproved on the grounds that its accounts showed that current liabilities exceeded current assets. The Applicant explained that a Director's loan had been shown as a current liability in error whereas it was second tier capital. A Director's resolution detailed the classification of the loan which confirmed its status. Based on that the Applicant sought another opportunity to present its case for accreditation.</p>	<p>As a layman the writer accepted the revised documentation as reflecting the Applicant's financial condition. Hence IATA was to evaluate the new documentation at no additional charge.</p>
<p>12 July 2013 Swabi, Pakistan</p>	<p>The Agent was terminated after not submitting a firm repayment schedule having settled 50 per cent of the amount due. The Agent expected some form of assurance from IATA that it would be reinstated following full settlement. Having received 3 requests from IATA the Agent abandoned that attitude and sent an email detailing the amounts and dates upon which the debt would be paid in instalments. Simultaneously the Agent had couriered 6 post-dated cheques to the local IATA office. These were subsequently returned as they were made out to an incorrect beneficiary. IATA stated that the critical email was not received hence the termination action.</p> <p>The Agent produced an authentic message addressed to specific IATA staff member to which there was no "return". The Agent was located in a</p>	<p>Subject to full settlement of all outstandings and the Agent meeting the condition in section 2.3 of Atch "A" to Res. 818g it was to be reinstated.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	volatile area where erratic power supply was normal. The Agent was given the benefit of the doubt and had IATA received the critical email then termination may not have occurred.	
25 July 2013 Islamabad, Pakistan	The Applicant had been disapproved through its FS failing the criteria set for Pakistan. The Applicant explained that its Auditors had made an error in their presentation and sought an opportunity to re-apply with a corrected set. A request to supply a signed admission of the error took considerable time before an acceptable document was received.	The Applicant's corrected set of FS were to be evaluated by IATA against the accreditation criteria for Pakistan.
17 July 2013 Mumbai, India	The Agent (who is also an IATA Cargo Agent) was required to renew its BG and failed to do by the deadline date. The Agent concluded that the NoT had been misplaced due to an office relocation at the time. As the Agent's main business was selling hotel space, the loss of ticketing authority had not been noticed. IATA assured the writer that the Agent met the required ticket issuing standard to retain accreditation. The Agent claimed that it needed IATA accreditation to be able to deal with hotels. The required BG had been lodged with IATA.	Subject to IATA finding the BG satisfactory the Agent was to be reinstated.
31 July 2013 Peshawar, Pakistan	The Agent was terminated for failing to settle the 6 th instalment of the repayment schedule agreement. Up to that time it had settled 50 per cent of outstandings and had settled the 5 previous instalments by between 8 and 12 days after the scheduled date. These late payments were accepted by the local IATA office. It was only when the IATA Regional Hub in SIN took over that strict compliance with Res. 818g occurred. The Agent stated that it had	Subject to the Agent fulfilling the provisions of Res. 818g, Attch "A" Par. 2.3 it was to be reinstated without delay.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	<p>received verbal agreement from IATA KHI to pay the January 2013 instalment after the agreed date and no sanctions were applied until the final payment was overdue. The Agent advised that it had sold assets to raise funds to settle its debt and the sporadic payments from the buyers caused the delays. Despite being terminated on 25 June 2013 the Agent paid the last instalment on 2 July 2013. The parties had clearly verbally agreed to modify the written conditions originally established. The Agent had a reasonable and understandable expectation that the last instalment payment would see the return of its ticketing authority. IATA is a single legal entity and a distinction cannot be made between its local and regional office. While IATA ultimately acted in compliance with the Resolutions this should have occurred when the first instalment payment was overdue.</p>	
<p>8 August 2013 Johor Bahru, Malaysia</p>	<p>The Agent was issued with a Nol for a late BSP payment. That event combined with failure to submit its FS by 31 July 2013 which generated a further NOI, caused termination due to 4 Instances of Irregularity being issued within 12 months. The cause of the BSP late payment was the omission of a "0" in the Remittance Application Form. Letters detailing events were acquired from both banks. Logic dictated that, had the Agent been alerted to the error prior to the cut off time, the payment would have been made. Hence the information in the recipient bank's letter was considered more reliable. It was Agent error that caused the problem however prompt action by the Agent's bank to inform the Agent of the issue would have</p>	<p>The Nol in connection with the late BSP payment was to be withdrawn and the Agent's ticketing authority reactivated.</p>

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	averted IATA's action.	
26 August 2013 Chittagong, Bangladesh	The Applicant for accreditation was disapproved due to its liabilities exceeding its assets. On review it was discovered that its Auditor had made an error. The Applicant was requested to submit a signed declaration from the Auditor admitting the error and identifying same and this was provided together with a corrected set of FS.	IATA was to re-activate the Applicant's application with the corrected set of FS being assessed at a charge commensurate with the work specifically involved.
26 August 2013 Jammu, India	The Agent was terminated for failing to submit its FS by the deadline date. The Agent's principal had been ill for a lengthy period and was unable to attend to the business which was operational during his absence. While information gathering IATA SIN disclosed the fact that it had not sent the Agent the NoT. This omission invalidated the termination process. Had the Agent received the NoT there would have been ample time to comply.	The Agent was to be reinstated with immediate effect and IATA was to issue a NoT giving the Agent until the end of September 2013 to submit its FS.

**TRAVEL AGENCY COMMISSIONER AREA 3
MATTERS THAT DID NOT GIVE RISE TO A REVIEW
SEPTEMBER 2012 – AUGUST 2013**

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
September 2012 Bangladesh	The Applicant for accreditation was disapproved on the grounds that a director had been part of an Agency that defaulted.	IATA acted correctly using Sub-Par. 2.1.8 of Res. 818g as its grounds for disapproval. The request for review was dismissed.
October 2012 Australia	The Agent lost its ticketing authority for failing to submit its FS on time. IR for 30 days was sought which was considered excessive as work on the	Having been requested to seek a shorter completion period, the Agent decided not to pursue the request for IR.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	accounts would have started.	
October 2012 Pakistan	The Agent was defaulted and subsequently terminated. The Agent sought more time to assemble 50 per cent of the debt and re-instatement. The Agent pleaded difficult business conditions and was hoping to sell property to acquire funds to pay its debt.	The Agent had not communicated with IATA and had extended ill-considered credit to clients. Its plans for re-payment were too long-term and the request for review was dismissed.
October 2012 Pakistan	This case is virtually identical to the previous one except the Agent requested 8 weeks to raise 50 per cent of the debt.	The request for review was dismissed.
November 2012 Pakistan	The Applicant for accreditation was disapproved after failing to settle the application fee despite 10 reminders by IATA. The Applicant stated that a staff member had paid using his own credit card.	The credit card payment was not traceable and the request for review was dismissed.
November 2012 India	The Agent queried the increased amount of BG required by IATA.	The matter was reviewed by IATA, a misunderstanding discovered, and a revised BG level requested.
November 2012 Pakistan	The Applicant for accreditation was disapproved for lack of qualified and competent staff and sought a review.	The IATA inspector who had flown in from KHI found one unqualified person present the rest of the staff being at a wedding. He was asked to wait but no others turned up. The inspection fee had not been paid. The case was dismissed.
December 2012 Pakistan	The Agent was terminated for failing to submit a financial guarantee by the deadline date. The Agent stated that due to civil unrest in the areas movement in the town was impossible.	The Agent had 3 months to organise the guarantees. In this electronic age that should have been possible hence the case was dismissed.
January 2013 Malaysia	The Agent was terminated for failing to submit its FS by the deadline date. The Agent pleaded that the change from a manual to a computerised accounting system had caused the delay.	IATA gave the Agent 6 months to comply. This period was long enough to have the work completed and the case was dismissed. A second appeal by the Agent offering no new

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
		information was also dismissed.
January 2013 Bangladesh	The Agent was terminated for defaulting on a BSP billing. The request for review was made outside the 30 day time frame to which the Agent stated that 'financial crisis' had caused delay.	The Agent had ignored the offer of settling 50 per cent of the debt and paying the remainder in 6 monthly instalments. The request was made outside the 30 day time frame. A credible case was not established and it was dismissed.
January 2013 Pakistan	The Agent was terminated for a combination of defaulting and failing to submit a financial guarantee by the deadline date. The request for review as made outside the 30 day time frame for which the Agent used flooding in its farmlands as the cause.	After a prolonged silence the Agent decided not to contest IATAs action which brought the matter to a conclusion.
January 2013 Pakistan	The Agent was terminated for failing to submit a financial guarantee by the deadline date. The Agent explained that he had suffered a serious back injury which would require 200 days of bed rest and a deferral of compliance by that time frame was sought. Additionally he was the only person capable of issuing international journey tickets.	The Agent should have been alert enough to be aware of his obligations when the NOI and NOT IATA letters were received. IATA acted in compliance with the Rules and the case was dismissed.
February 2013 Bangladesh	The Applicant for accreditation was disapproved as a result of failing to provide a BG by the deadline date. The Agent appealed for a time extension now that its Managing Director could devote more time to the business.	The Applicant had taken 3 months to pay the application fee. It was apparent that the Applicant did not have the financial strength for accreditation and its application for same was premature. The case was dismissed.
March 2013 Bangladesh	The Applicant had been an accredited Agent that had defaulted and been terminated. Three of the five directors of the terminated Agent had applied for accreditation under the same agency name. IATA had disapproved the application under Sub-Par. 2.1.8 of Res. 818g. The three directors sought accreditation under a new code.	IATA had acted in compliance with the Rules and the case was dismissed.

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
March 2013 Papua New Guinea	The Agent was required to increase its BG due to an increase in cash sales. The Agent sought a 3 month extension to the deadline date of 5 April 2013. Protracted message exchanges regarding the Agent's ability to raise the additional funds were inconclusive and the Agent finally accepted the inevitability of termination.	The case was dismissed with the suggestion that the Agent could re-apply for accreditation at some future time.
March 2013 Australia	The Agent sought a review of the IATA Global Assessors decision resulting from the annual review of its FS. The Agent had a different interpretation of its accounts, however it had provided the level of financial guarantee sought as an act of good faith. Discussions had taken place with IATA.	Clause 3 of the Financial Criteria for Australia rules that IATA's interpretation of accounts shall prevail. The issue had been aired with IATA who had not been persuaded. The case was dismissed.
April 2013 Australia	The Agent claimed not to have received IATA's letter requiring it to submit an AUD1000 financial security and was alerted to the requirement on the deadline date. Its bank required 2 to 3 weeks to process the guarantee which seemed excessive for such a nominal amount.	There were other options available for acquiring the financial guarantee in a much shorter time. The Agent fell silent to further questions and the case was dismissed.
April 2013 Pakistan	The Agent was terminated for not submitting a financial guarantee by the deadline date. The Agent pleaded 'personal reasons' for non-compliance citing civil unrest as blocking his ability to receive payments from clients.	The Agent had been given ample time to comply and its reason for seeking an extension was not credible hence the case was dismissed.
July 2013 Pakistan	The Applicant was disapproved on the grounds that the company's current liabilities exceeded its current assets. The Applicant sought reversal of that decision opining that certain liabilities would be paid within 12 months "subject to having sufficient cash flow".	The Applicant's beliefs for the future did not guarantee such a situation occurring in reality hence the case was dismissed.
July 2013 Pakistan	The Applicant failed one of the financial tests for accreditation. It	The application was considered premature. Projections were not

<u>Time & Place</u>	<u>Summary</u>	<u>Decision</u>
	hoped that anticipated growth would see the test passed and sought a review.	reality and the case was dismissed.
August 2013	The Agent failed to pay an instalment in its repayment agreement with IATA and was terminated. The Agent proposed that the amount be deducted from its BG and it be reinstated.	The Agent was briefed on the Rules and the case was dismissed.
August 2013 Bangladesh	The Agent failed to pay the third instalment of its repayment agreement with IATA and was terminated. It proposed that the debt be deducted from its current BG and a new guarantee from another bank submitted.	IATA had complied with the Rules but in the particular circumstances the 'General Principles of Review' in Res. 818g could be a platform for discussion with IATA.
August 2013 Pakistan	The Applicant was disapproved on financial grounds and sought a different decision from the writer.	The Applicant was unable to provide any new information. The TAC is not a risk assessor and the case was dismissed.

SUNDRY

1. There were 9 events where the TAC acted as a conduit between the Agent and IATA and did not intervene.
2. There were 2 cases where Agents sought TAC assistance with ADM issues and where agreement from the Airlines involved is awaited.
3. Case (Mediation) referred below.

RESOLUTION 820e PARAGRAPH 3.4 ICC ADR RULES MEDIATION – CONDUCTED BY EMAIL

This case involved a long standing issue between an India based Agent and a Member where ADMs had been raised due to the Agent having ticketed clients on an Airline with which the Member did not have an interline agreement.

The Agent argued that it had verbal agreement from the Member's local office to do so but phone records from the Member showed no calls from the Agent at the critical time.

The Member had sought TAC intervention before placing the matter before a Court.

After a lengthy airing of the issues stretching from October 2012 to January 2013 a proposition was put to the parties by the TAC.

This proposal outlined the Agent's clear breach of Resolution 852 and the Member's minimum participation criteria. The next step of legal proceedings and the cost associated with that, should this mediation fail, was also an important consideration for the Agent.

The Member reduced the total ADM amount. However it would increase in stages if payment was not made by the first specified date.

The Agent accepted the offer and settled prior to the first specified date.