

DECISION 2018- 01 - 22
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant: *Karwan-e-Noor-e-Haram* (“the Agent”)

IATA Code 27-3 1824
Karachi, Pakistan

Respondent:

Agency Administrator, International Air Transport Association (“IATA”)
Singapore.

The Case and Decision:

On 5 January 2018 IATA sought a review of the Agent under the Prejudiced Collection of Funds provisions of section 1.3 of Resolution 820e.

IATA stated that the sole proprietor who owned the Agency had sold it to a new party on 2 November 2017. An incomplete change application was lodged on the IATA Customer Portal on 21 December 2017. Meantime as a result of the "new" owner acquiring an ID from Amadeus, tickets to the value of PKR 3,473,851 (USD 31,318.00) were issued by the "new" owner on the Agency's IATA numeric code. The Agency was placed in default on 3 January 2018 with ticketing authority being withdrawn.

The "old" owner stated that it had not given Amadeus authority to issue what it referred to as a "fake" ID to the "new" owner neither had it granted Hahn Air that authority due to the fact that the "new" owner had not settled the full price for the Agency's sale. The Agent had filed a civil law suit against both parties. It was "shocked" to have sighted the BSPlink billing for sales not made on its usual ID and had accosted Amadeus who admitted its action which the "old" owner categorised as "intentionally fraud". The "new" owner had not responded to any communication.

The "old" owner considered that Amadeus was responsible for the situation now created and did not consider itself liable for the tickets issued by the "new" owner.

IATA submitted that a draft change application had been lodged on its Customer Portal on 21 December 2017, but as it was incomplete no action could be taken. The system sent an "alert" to the Agent for the form to be completed within 2 weeks failing which it would auto close the case and the Agent would have to submit a new

Change Form. A financial security for PKR 7,000,000 was held against any BSP liability.

The "old" owner is to be commended for his action to date in attempting to mitigate the financial damage caused by the "new" owner. However, the Agency is contractually bound to settle the value of all tickets issued under its assigned IATA numeric code until such time as the change of ownership is approved by IATA as clearly described in Section 10 of Resolution 818g. That approval has not been granted. Depending on the terms and conditions of the contract that exists between the Agent and Amadeus and the Agent and Hahn Air, the Agent may have a case for recovery of the value of the tickets issued against the additional ID acquired by the "new" owner.

This is an unfortunate situation where it is apparent that the "old" owner has been duped by the "new" owner; however, there is no escaping the contractual obligations of the Agency as detailed above.

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

1. The Agent must settle the amount of PKR 3,473,851 in accordance with the payment options allowed by the Passenger Sales Agency Rules if it is to retain its accreditation.

Decided this 22nd day of January 2018 in Auckland.

This Decision is effective immediately.

Jorgen Foged
Travel Agency Commissioner Area 3

The following sub paragraph of Resolution 820e is brought to the attention of the Parties:

"2.10 - within 15 days after the receipt of the decision, a Party, with notice to the other Parties, may request that the Commissioner gives an interpretation of the decision or correct in the decision any error in computation, any clerical or typographical error, or any error or omission of a similar nature. If the Commissioner considers that the request is justified, he shall make the interpretation or correction within 15 days of receipt of the request. The interpretation or correction shall form part of the decision."

In this particular case the 15 day time frame expires on 6 February 2018.

If after having pursued this process a Party still considers itself aggrieved by this Decision the Party has the right to seek review by arbitration as detailed in Resolution 824, Section 14.

Finally I seek your authority for this Decision to be posted on the private pages of the Travel Agency Commissioner website which can only be accessed by the 3 TACs

and the 12 members of the Passenger Agency Programme Global Joint Council. In the absence of advice to the contrary by 7 February 2018 I will assume that there is no objection to that action being taken.