

Annual Report of the Travel Agency Commissioners

PART TWO

Sections A to C: Individual TACs' cases

Below will be found each Commissioner's activity, starting with a summary of the Commissioners' various types of interventions aimed at solving cases in an affective and expeditious manner, without having to necessarily render a formal decision. This section will then be followed by the reviews that were concluded with a formal decision.

Section A:

TRAVEL AGENCY COMMISSIONER AREA 1 REVIEWS AND DECISIONS: SEPTEMBER 2015 – JULY 2016

It must be noted from the outset an important decrease of cases reaching the TAC1 office; most of them were solved diligently by IATA-Miami hub directly or after a very little TAC intervention. A more customer friendly approach from IATA's side seems to have been bearing fruits.

Highlights:

- During 2015 I was, for a short period of time, Deputy of TAC2. In that period, 2 formal decisions were rendered and are summarised in the TAC2 section;
- During 2016 I did not serve as Deputy of any of my colleagues;
- Only in a couple of occasions where French speakers Agents needed some assistance (in Area 2), I have briefly intervened and once issues were somewhat addressed the cases were transferred back to TAC2 for the completion of the review when needed;
- No formal decisions were rendered during this time in Area 1. All the decisions were served to the Parties by way of emails addressing the punctual matter and solving it as expeditiously as possible: both Parties (Agents and IATA alike) were satisfied with this new way of dealing with pressing issues. These decisions are not **yet** published in the TAC website nor individually described in this Report;

- As stated in previous years, some issues were resolved with a few clarifying contacts, others took longer. Almost all of the reviews could be closed, with consent from both Parties, often after IATA's own initiative to revisit its initial actions after having had access to more facts and information disclosed during the TAC review. Cases were also closed when this Commissioner, after conducting a full review, found that IATA had followed proper procedures and Agents had recognised that a formal TAC decision would not have changed the outcome of the case.

The total number of cases dealt with during this period was: **68**

Detailed as follows:

(a) Formal Decisions = **2**

In Area 1: 0

In Area 2: 2

(b) Matters solved without requiring a formal decision = **60**

In Area 1: 47

In Area 2: 13

(c) On going matters in Area 1: **6**

Section B

TRAVEL AGENCY COMMISSIONER AREA 2

REVIEWS AND DECISIONS – SEPTEMBER 2015 TO JULY 2016

Included in this part of the Report are statistics for all cases reviewed.

- The majority of cases were requests for review where IATA, according to Resolutions, is required to “take action through default”. An overwhelming amount of the issues were not “payment related” but rather administrative issues where Agents simply have not been aware of their wrong doings. The consequences of these defaults, suspension and, maybe even more importantly, the immediate notification to Airlines, are by Agents constantly perceived with very strong “anti IATA” emotions. Claiming to be “unjust, unfair, etc., etc.”, and, not uncommonly, accusing IATA to “deliberately being oppressive”.
- This undeserved and very unfair sentiment towards IATA staff could be avoided should the Stakeholders agree to allow IATA a 24 to 48 hours’ moratorium to notify Member Airlines after suspension;

- As the TACs in more depth describe in Part 1 of this Report, **the suspension itself should be done immediately** when there is a payment related situation. It is the **notification** and the “need to contact each Airline” to get the ticketing authority back that largely triggers the sentiments described above.
- There was no need to travel for oral hearings in Area 2 during this period. I have presided an oral hearing in New Delhi as Deputy TAC 3.
- As in 2014-2015 the majority of reviews in Area 2 have been swiftly and cost effectively concluded without formal Decisions and are not published nor individually described in this Report.
- Some issues were resolved with a few clarifying contacts, others needed full review. Few Agents had multiple requests for reviews. Most of the reviews were closed, with both Parties’ consent.
- In a majority of cases this Commissioner had found that IATA had followed proper procedures and Agents “simply wanted to be heard”, and had recognised that a formal TAC Decision would not change the outcome of IATA’s actions.
- Following last year’s “positive trend” the amount of time spent to resolve each issue has decreased. Amount of reviews in Area 2 have been fairly constant compared to last reporting period.
- An average of 2-3 cases per month are related to “commercial issues” where Agents (mostly) and sometimes Member Airlines directly have approached this Office without the need to involve IATA.
- An increasing number of National Travel Agents’ Associations have either represented Agents directly or being copied in the review as per the Applicants’ requests.
- Fully understanding that cases that have been brought to my attention constitute a very small portion of the total amount handled by IATA, TAC 2 wants to acknowledge the efficiency and the good spirit of cooperation demonstrated by IATA staff in Madrid, Amman and Singapore. (I have not had until now any interaction with Miami).

In numbers, a total of 362 cases for these 11 months in AREA 2 can be summarised as follows:

- **295 cases closed without formal Decision** (13 handled by TAC 1);

- **39 cases with formal Decisions: 4** (2 handled by TAC1) published as previously done on the secured part of the TACs' website and **35 as "formal email decisions"** where the format how to publish is still under consideration;
- **28** on-going cases, amongst them 1 case initiated by IATA SIN concerning an Agent in Lebanon allegedly involved in having assisted an Australian Agent to commit fraud. Oral hearing was held in Amman.

Posted

Decision No.

Summary

Decision

<u>Decision No.</u>	<u>Summary</u>	<u>Decision</u>
A2/June 2015 Hungary	<p>IATA sought review after suspending Agent on the grounds of Prejudice Collection of Funds ("PCoF"). Reasons behind those actions were the fact the Agent's mother company had been declared bankrupt and the news were covered by major Hungarian newspapers.</p> <p>The majority of Member Airlines had withdrawn ticketing authorities even before Agent's suspension by IATA.</p> <p>Agent claims a "mix-up" with another legal entity and having fulfilled all their obligations, including remitting in full.</p>	<p>PCoF is a very serious action entailing a grave restriction to Agents' capability to conduct business. This "right" allowed to IATA, when PCoF is invoked, has to be used with great caution to minimize the often irreparable consequences should the alleged reasons behind the suspension do not stand.</p> <p>In this case IATA had good reasons to invoke PCoF.</p> <p>The review was mainly focused on the ownership ties with XYYY Group are putting XXYtour in jeopardy or not. Agent could not substantiate that there was a "water proof" barrier between the companies, hence, IATA's actions were confirmed and suspension remained.</p>
A2/Sept. 2015 Zambia	<p>Review of IATA's Notice of Default ("NoD"), served due to an accumulation of irregularities. Default actions were triggered by a second Notice of Irregularity ("NoI"), caused by an alleged short payment of US\$ 205, which the Agent claimed as being the result of a processed</p>	<p>Considering that the ADM, which had been raised (US\$ 204. 64), was not equivalent to the disputed US\$ 205 and not reflected in the BSP billing;</p> <p>Considering that IATA, acknowledging the banking system in Zambia, in previous occasions has accepted the process of settlement in US\$, this Commissioner has come to the conclusion that the "short payment"</p>

	<p>refund when US\$ were not available. Agent informed IATA about the situation.</p> <p>Agent sought interim relief ("IR") and it was granted.</p>	<p>cannot be attributed to the Applicant's "lack of diligence". It has to be accepted as an "extraneous factor" as stated in Resolution 818g "A" § 1.7(a).</p> <p><u>NOTE:</u> Even though the first NoI shall stay (unnoticed <i>bona fide</i> bank error), as per the current stage of Resolutions considering the passage of time, IATA has the right to <i>motu proprio</i> accept the bank letter and expunge the NoI.</p>
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<p>A2/Sept. 2015 Cameroon (TAC1)</p>	<p>Due to an email address's malfunction, Applicant did not receive on time the request to upload its financial statements ("FS"), hence, it failed to submit it with the given time frame.</p> <p>The Applicant claims having registered with the Respondent several email addresses that could have been used by IATA, as it has done in other occasions.</p> <p>IR was requested and granted by this Office.</p>	<p>Considering the evidence on file, the NoI was rightfully issued and in accordance with the applicable Resolutions. The fact that one of the email addresses provided was not working properly cannot be attributable to the Respondent. On the contrary, it is an Accredited Agent's responsibility to notify the Respondent of any change or alteration in the email options submitted.</p> <p>A note was sent to the Respondent encouraging it to use all the email addresses provided by Agents (particularly to the ones of the management level), in order to maximize the chances for them of getting the notices on time.</p>
<p>A2/Sept. 2015 South Africa (TAC1)</p>	<p>Review of a NoD, served due to an Accumulation of Irregularities during the last 12 consecutive months.</p> <p>The Applicant claims and proves having been unable to make the payment on time, due to a power outage. It also argues and proves that the previous NoI, was caused by a belated payment as a result</p>	<p>As per the first NoI: As per the current stage of Resolutions, past the time for review this Commissioner cannot order the Respondent to expunge the referred NoI in light of the internal error from the bank, nonetheless the Respondent could certainly do it <i>motu proprio</i> (as it actually did in this case).</p> <p>As per the NoD: based on the evidence on file, this Commissioner deems that</p>

	of a <i>bona fide</i> bank error, where payment instructions were done on time and sufficient funds were available, but due to technical error with the electronic banking system, the payment was delayed for one day.	the referred delay must be treated as <<an Excusable Delay>>, as stated in Resolution 818g, Section 13.9, since it was beyond the reasonable control of the Applicant and in no fashion attributable to its own negligence. NoD to be expunged from its records.
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Section C

**TRAVEL AGENCY COMMISSIONER AREA 3
REVIEW DECISIONS – AUGUST 2015 TO JULY 2016**

General

Due to the number of decisions rendered, 54, this report condenses these into categories as follows:

A. Additional time granted in order to submit financial statements = 12

These emanated from the following countries:

Australia	6
India	3
Malaysia	1
Pakistan	1
Vanuatu	1

B. Additional time granted in order to submit a financial security = 20

These emanated from the following countries:

Australia	13
India	2
Malaysia	1
Pakistan	1
Philippines	1
Singapore	1
Sri Lanka	1

C. This leaves 22 decisions to be summarised as follows:

Note that all reviews in Area 3 were conducted based on the documentary evidence alone.

Time & Place	Summary	Decision
<p>6 August 2015 New Delhi, India.</p>	<p>IATA sought a review of the Agent's accreditation on behalf of a Member as a result of the Agent's persistent failure to settle ADMs. The dispute involved the cancellation of a group due to travel in June 2010. The ADMs were for a 10% deposit and a 25% cancellation fee. The Agent had consistently used Billing Discrepancy Reports (BDR) to void the ADMs from its BSP billings. The Member had introduced a charge for improper use of BDRs and this had accumulated. The Member also sought 18% interest on the ADMed amounts for the period during which settlement was outstanding.</p>	<p>The Agent's arguments were unsustainable and it was required to settle all fees and charges within 14 business days with the exception of the 18% interest amount over which this office had no authority to apply. Failure to comply would see removal of its ticketing authority. A subsequent request by the Agent for an "interpretation" under sub paragraph 2.10 of Resolution 820e did not alter the outcome.</p>
<p>23 September 2015 Rawalpindi, Pakistan.</p>	<p>A decision on this case had been rendered on 9 December 2014 and involved the Agent settling all debts after being terminated without recourse to its financial security and as a consequence was granted re-instatement subject to paying the fees associated therewith. Considerable time went by and the fees remained unpaid due to a variety of reasons given by the Agent.</p>	<p>The Agent proffered credible reasons for the delays but continued to question the variety and amount of the fees involved. This office was satisfied that IATA had applied the correct number and level of fees and acquainted the Agent with that advice.</p>
<p>6 November 2015</p>	<p>IATA sought a review of the Agent's accreditation on behalf of a Member as a result of the Agent's persistent failure to settle ADMs. The Agent had issued 5 tickets on the Member's stock in</p>	<p>The Agent had not been granted written authority by the Member to ticket other carriers on its stock. It was clear from the evidence submitted that the Member's rule had been</p>

<p>Mumbai, India.</p>	<p>August 2008 on another Member's services thus breaching the complainant Member's rule of requiring at least 50% percent of the revenue and having the tickets issued in conjunction with the Member's stock. The Agent pleaded ignorance of that rule and questioned the manner of its distribution. It considered that the GDS should not have allowed the subject tickets to be issued. The Agent resorted to the use of BDRs to stave off settling the ADMs. The Member applied its improper use of BDRs fee in each instance. The Member also sought 18% interest on the ADMed amounts for the period during which settlement was outstanding.</p>	<p>circulated and ignorance thereof was not a defence. The Agent was required to settle the accumulated amount within 14 business days. This excluded the 18% interest amount over which this office had no authority to apply. Failure to comply would see removal of its ticketing authority.</p>
<p>2 October 2015 Jaipur, India.</p>	<p>IATA sought a review of the Agent's accreditation on behalf of a Member as a result of the Agent's persistent failure to settle ADMs. These involved tickets issued in September 2011 where special fare conditions had been breached. The Agent resorted to the use of BDRs to stave off settling the ADMs. The Member applied its improper use of BDRs fee in each instance. The Member also sought 18% interest on the ADMed amounts for the period during which settlement was outstanding. The Agent considered that it had been given insufficient information on the reason for the ADMs hence the use of BDRs.</p>	<p>The evidence provided by the Member confirmed that the Agent's assertions were not founded and the Agent was given 14 business days to settle the accumulated amount. This excluded the 18% interest amount over which this office had no authority to apply. Failure to comply would see removal of its ticketing authority.</p>

<p>30 November 2015 Mumbai, India.</p>	<p>The Agent approached this office with a request to be allowed a further week to pay 50% of outstandings due under a repayment plan agreement. Twenty eight percent had been settled. The Agent was expecting refunds from Airlines which would resolve the situation. It had been accredited since 1995 and this was its first default.</p>	<p>As the Agent did not represent further risk having had its ticketing authority removed and based on its record, the request was granted.</p>
<p>18 December 2015 Auckland, New Zealand.</p>	<p>IATA sought a review of the Agent's accreditation as a result of a Member's complaint that the Agent was using the owner's credit card for the payment of tickets issued by a Consolidator to the Agency's customers, a breach of sub paragraph 1.4 of Resolution 890. The Agent admitted the offence but pleaded ignorance of the clause. It undertook to cease the practice immediately.</p>	<p>Based on its admission of guilt and undertaking the Agent was issued with a Notice of Irregularity and charged a USD150.00 administrative recovery fee.</p>
<p>13 January 2016 Hong Kong, SAR.</p>	<p>As a consequence of the annual financial review the Agent was required to submit a substantial financial security by 12 January 2016. On being advised of that situation the Agent requested its Auditors to review the financial statements submitted and an error was discovered which initiated a revised set being submitted which negated the need for a security. IATA declined to accept this second set as the original set had been certified as being an accurate record of the Agency's affairs. It was determined that the Agent had several bilateral financial security</p>	<p>This office agreed with IATA in connection with the non-acceptance of the second set of financial statements. The level of financial security was to remain however further time to submit same was granted. IATA was requested to contact each Airline that had a bilateral bank guarantee with the Agent to ensure compliance with sub paragraphs 2.1.4.2 and 2.1.4.3 of Resolution 818g. Where there was a lack of conformity with those provisions IATA was to require the Airline to return the bilateral bank guarantee to the Agent immediately.</p>

	<p>arrangements with a number of Airlines which in total almost equated to the HKD amount sought by IATA. Hence the Agent was being asked to cover the same sale twice.</p>	
<p>19 February 2016 Islamabad, Pakistan.</p>	<p>IATA required the Agent to settle a substantial "spike" in its sales by 19 February 2016 as sales had exceeded the amount of financial security in place. The Agent sought deferment of that date to 23 February 2016 as the weekend was imminent and Banks would be closed. The sales increase was due to a large one-off group and it had not defaulted in the 50 years of its accreditation. The Agent proposed that it be allowed to immediately pay the difference between the full amount required and the level of financial security held by IATA. This offer was declined by IATA.</p>	<p>In evaluating the Agent's proposal IATA referred to the Agent's earlier request for deferment of payment of the full amount due until 23 February 2016 and advised that it would allow such additional time should the Commissioner so decide. Based on IATA's knowledge of the Agent and its risk assessment expertise this office granted interlocutory relief to the date requested by the Agent.</p>
<p>7 January 2016 Chennai, India.</p>	<p>The Agent was terminated for failing to honour a repayment plan agreement and for not submitting a financial security by the Notice of Termination date. The Agent explained that its offices had been flooded and could not function for 4 weeks. It had made full settlement on the termination date but due to connectivity issues had missed being able to confirm same to IATA by 20 minutes. The Agent sought a reduction in the amount of the additional financial security required in light of the poor trading conditions caused by the flooding. This request was</p>	<p>The Agent's situation was covered by the "Force Majeure" provision in paragraph 13.9 of Resolution 818g and its accreditation was to be re-instated and in light of the unusual circumstances involved the additional financial security was to be in place within 75 business days of the date of the decision. The financial security was put in place and the Agent was re-instated on 3 February 2016.</p>

	declined by IATA as the Rules were clear that the security must be based on the average amount at risk during the previous 12 months.	
15 January 2016 Taht Bhai, Pakistan.	The Agent was terminated for failing to renew its financial security. The Agent stated that it had lost its password and was not receiving e-mails hence the lack of response. The region was prone to terrorist activity and flooding leading to a difficult business environment. On reflection, IATA recognised the difficulties experienced by the Agent and proposed that it could be re-instated subject to paying all fees and charges including that for a new application.	The decision formalised the proposal made by IATA.
15 February 2016 Hyderabad, India.	The Agent was terminated for failing to settle an ADM for INR10407 (USD152.00) by 31 December 2015. The payment was made on 6 January 2016. The Agent advised that it handed a cheque for the amount to a local IATA staff member on 31 December 2015 and received a receipt for same. It could not be held responsible for the fact that payment had not been realised until 6 January 2016. It was remorseful and assured IATA that no repetition would occur.	IATA acted in compliance with the Rules. However the low value of the debt that caused the termination influenced the decision for the Agent to be re-instated subject to paying all fees and charges related thereto. A repetition of such an incident would not receive the same benign treatment. PS - the Agent failed to pay any fees and the case was closed.
29 February 2016 New Delhi,	The Agent was issued with a Notice of Irregularity (NOI) for failing to include an Auditor's Report in its financial statements by the due date. The missing report was submitted after the due date however the NOI had	The MEP fee was paid and the decision made for IATA to expunge the NOI using the "Force Majeure" provision under section 13.9 of Resolution 818g "an Excusable Delay".

India.	been issued. The Agency Manager sought removal of the NOI as he had been caring for his ill Father at the time the Minor Error Policy (MEP) fee of USD150.00 notice was issued. IATA had empathy with the Agent's situation and would not take exception to the NOI being expunged should that be decided.	
1 March 2016 Karachi, Pakistan.	The Agent received an NOI for failing to pay its Annual Fee. The Agent stated that it had paid by credit card and had received an "auto confirmation". IATA could not locate the payment for a variety of system reasons and proposed that the Agent should cancel the payment and make it again. The Agent's ticketing authority was removed on the day of the NOI issuance. IATA advised that this should not have occurred and the problem may have been a wrong login or password "or other technical issue". The Agent was caused considerable inconvenience in acquiring ticketing authority from Airlines as this took between " 2 weeks and 3 months" and it required IATA to "make amends".	The Agent's ticketing authority was removed unnecessarily but this office had no authority to require IATA to "make amends". IATA could have been clearer in its instructions to the Agent. The NOI was to be expunged with immediate effect and all parties alerted to its issuance should be made aware of that action.
11 December 2015 Kolhapur City, India.	The Agent was placed in default on 15 October 2015 and 5 days later asked to submit an additional financial security due to increased sales. The Agent sought inclusion in a repayment plan and was asked to settle 50% of the debt by 30 November 2015. That did not occur and the Agent was terminated on 7	As the Agent did not represent a credit risk it was decided to re-instate the Agent subject to it submitting the additional financial security by 27 December 2015 and settling all dues by 25 January 2016. PS- the Agent continued to argue about a variety of issues and

	<p>December 2015. The Agent sought a review stating that it had had a faultless record for 20 years and promising to settle all dues by 25 January 2016.</p>	<p>ultimately did not comply with the decision conditions.</p>
<p>29 September 2015 Hyderabad, India.</p>	<p>IATA sought a review of the Agent's accreditation on behalf of a Member as a result of the Agent's persistent failure to settle ADMs. The ADMs concerned tickets issued at lower fares than those generated by a GDS and not charging applicable taxes. These tickets were issued variously between 2005 and 2010. The Agent had used Billing Discrepancy Reports (BDR) to remove these from the BSP billing thus incurring improper BDR usage charges from the Airline. The Airline also wanted to charge 18% interest during the time the ADMs remained unpaid. The Agent claimed that it had not been provided with detailed reasons for the ADM issuance and the improper BDR usage charge the latter being a significant accumulated amount. Evidence produced showed that sufficient information had been disseminated by the Airline on both matters.</p>	<p>The Agent was given 14 business days to settle the accumulated amount. This excluded the 18% interest amount over which this office had no authority to apply. Failure to comply would see removal of its ticketing authority. The Agent continued to argue its case and introduced an international travel trade organisation to act as a "party" in the context of paragraph 2.10 of Resolution 820e. That organisation cited "fundamental and principal areas where established rules and practices have not been followed and adhered to". When asked to identify those shortcomings a response was not received and the Agent settled the debt on 23 March 2016.</p>
<p>24 March 2016 Lahore, Pakistan.</p>	<p>The Agent was terminated on 21 March 2016 for failing to submit a signed repayment plan agreement by the due date. The Agent had settled 50% of the debt on 29 February 2016. The Agency's owner was overseas at the crucial time but signed and sent back the agreement</p>	<p>The timing of the Owner's absence was unfortunate and therefore it was decided that the Agency should be allowed to participate in the repayment plan and once all debts, fees and charges had been settled it was to be re-instated.</p>

	immediately on his return.	
<p>22 April 2016 Queensland, Australia.</p>	<p>IATA sought a review of the Agent's accreditation under the "Prejudiced Collection of Funds" provisions recorded in section 1.8 of Atatch A to Resolution 818g. Their grounds were that the Agent had been removed from Australian Federation of Travel Agents (AFTA) membership and was no longer ATAS accredited. Attached was a newspaper article stating that the AFTA action was taken as a result of its concern that the Agency's owner was influenced by her husband who had been the head of an airline that had failed financially. The Agent's Solicitors refuted this argument citing that AFTA membership was not a criteria for IATA accreditation and the lack of specific concerns in connection with the husband's role in the running of the Agency. The husband was shown as a "Fares and Ticketing Consultant" at the Agency. IATA contended that AFTA's actions were of sufficient concern to initiate a TAC review. The Agent's Solicitors provided lengthy argument that the provisions of section 1.8 had not been engaged.</p>	<p>TACs are bound to rule in compliance with the Resolutions " and may only make findings of fact and conclusions in accordance with those Resolutions." There is no provision in the Resolutions that disqualifies an Agent for employing a person who was managerially involved in a failed business other than if that business was an IATA Accredited Passenger Sales Agent that had been removed from the Agency List. IATA had the option of examining the Agent's financial standing "for cause" at any time and seeking a financial security if so called for. Furthermore Airlines could remove their appointment of the Agent if they had concerns. The Agent continued to qualify for accreditation under section 2 of Resolution 818g.</p>
<p>27 April 2016 Karachi, Pakistan.</p>	<p>The Applicant was disapproved for accreditation as it fell short of paying the minimum paid up capital by 0.05%. The Applicant offered to remedy the situation but this was declined by IATA and the suggestion was made to refer the matter to this office.</p>	<p>IATA had no discretion in the matter but common sense should be applied and the Applicant was allowed to inject the additional amount into its paid up capital and IATA was requested to progress the application.</p>

<p>27 April 2016 Rawalpindi, Pakistan.</p>	<p>The Agent was terminated for failing to honour a repayment plan agreement. The Agent advised that it had been unable to make the 3rd instalment payment due to civil unrest in its vicinity which had closed businesses for nearly 2 weeks. The Agent had asked for a further week to arrange payment but this was declined by IATA and therefore it sought relief from this office as the situation was outside its control.</p>	<p>The circumstances fell under the provisions of section 13.9 of Resolution 818g "Force Majeure" and the Agent was to be re-instated subject to the terms and conditions required by IATA.</p>
<p>10 June 2016 Hyderabad, Pakistan.</p>	<p>The Agent was declared in default as a consequence of receiving a 2nd NOI within a 12 month period. They related to 2 settlement dates in May. In the first instance the Agent advised that their Bank did not transfer the funds to IATA's Bank until the day after the due date. A verbal admission from the former's local Manager indicated that the Bank's systems were down causing a delay but this situation would not be acknowledged formally by the Bank. The Agent provided evidence that there was in excess of the BSP billing amount in its account on settlement day. The second incident involved the Agent 's remittance missing the funds transfer deadline on the settlement date and IATA did not receive value until the day after. IATA highlighted the fact that had the Agent used the proscribed process for making settlements the delays would not have occurred and the NOIs avoided.</p>	<p>The first NOI was to be expunged as it was common policy for Banks not to issue letters in conformity with paragraph 1.7.4 of Atch A to Resolution 818g. Funds sufficient to cover the debit were in place at the correct time. The second incident could have been avoided by the Agent using the correct process and it was encouraged to do so. Having removed one NOI the way was clear for the Agent's ticketing authority to be re-instated.</p>

<p>20 June 2016 Coimbatore, India</p>	<p>The Agent's accreditation was terminated as a result of initially not submitting its financial statements by the due date. After submission the Agent was asked to complete an Agency Status Form which revealed that a change of ownership had taken place the previous year. A reinstatement recovery charge invoice was also issued. The Agent was asked to complete a Change of Ownership Form and to pay the fee. After a period, with neither being sighted by IATA the Agent remained terminated. The Agent explained that its Accountant had been absent overseas since March 2016 and had just returned. He was the only individual with knowledge of the confidential ownership change hence the delay. The C of O form was uploaded and the invoice settled. IATA advised that termination could have taken much earlier in light of the unauthorised ownership change.</p>	<p>As the change of ownership involved one of the 3 shareholders withdrawing and leaving the Agency in the hands of the remaining 2 shareholders there was ownership continuity and no new influences which might have caused concern. With the Agent's fervent declaration of observance of all IATA requirements it was decided to re-instate the Agent subject to it settling all fees and charges.</p>
<p>12 July 2016 Sydney, Australia.</p>	<p>The Applicant was disapproved for accreditation by IATA due to a breach of sub paragraph 2.1.8 of Resolution 818g "Trading History". IATA considered that a loan to the Applicant from a company headed by an individual who was in a position of management with an Agent that had been removed from the Agency List was cause for rejection. Additionally an individual who was a shareholder in the Applicant was the owner of an investment company that had</p>	<p>There is no definition of "financial interest" in any Resolution. The investment company owner was not a shareholder or on the board of the failed Agency and had no influence over its demise. The transfer of the first loan to the investment company removed the first connection. A breach of sub paragraph 2.1.8 had not occurred and the application was to be moved forward.</p>

	<p>granted a loan to the failed Agent which constituted a "financial interest". The Applicant contended that the latter loan did not give any rights to the lender in the running of the defunct Agency and the lender was an unsecured creditor in the same class as many Airlines. The first loan described above would be replaced by one from the Applicant's shareholder's investment company.</p>	
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**TRAVEL AGENCY COMMISSIONER AREA 3
MATTERS THAT DID NOT GIVE RISE TO REVIEW
AUGUST 2015 TO JULY 2016**

General

Due to the number of cases handled, 54, this report condenses these into categories as follows:

- A. IATA decisions upheld = 27
- B. Intervention of TAC produced satisfactory outcome without need for a decision = 21
- C. Dismissed as application for review made outside 30 day time limit = 4
- D. ADM issues where Airline did not agree to TAC involvement = 2