

DECISION 2018 - 05 - 31
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Karwan-E-Sabri International (“the Agent”)
IATA Code 27-3 0527
Karachi, Pakistan

Respondent:

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

The Case and Decision:

The Agent was placed in default and wished to enter into a repayment plan with IATA to clear all outstandings. The arrangement was that the Agent would pay a deposit of 20 percent of the debt and the remainder in 5 monthly installments of PKR 1,398,303 each.

The Agent paid 20 percent of the debt and the first installment was due on 1 May 2018. Payment was not made that day and IATA terminated the Agent's accreditation. The installment was paid on 5 May 2018 with the Agent pleading that payment on 1 May 2018 was not possible due to the Labour Day holiday. IATA observed that other banking options such as E-Banking or ATMs were available that day.

The second installment was settled on 27 May 2018, which left outstandings of PKR 4,194,908 (USD 36,139) to be paid over the remaining payment dates of 27 June 2018, 27 July 2018 and 27 August 2018.

On being questioned by the writer as to where funding for the remaining installment payments would come from, the Agent advised that the sale of property and other financial arrangements would be the source.

In considering this matter the writer has been influenced by the Agent's payments post termination and its sale of assets, which demonstrates a determination to fulfill its financial obligations to IATA.

However, it must be stated that should the next installment payment not be made on the due date then the Agent's termination status will remain.

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

1. The Agent's accreditation is to be reinstated once the total debt together with any fees and charges have been settled.

This Decision is effective as of today.

Decided this 31st day of May 2018 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

NOTES:

1. Parties are advised that according to Subparagraph 2.10 of Resolution 820e, any of them may request an interpretation of this Decision, or for a correction of any error in computation, any clerical or typographical error, or any omission in this Decision. Such request must be made within 15 days of receipt of the electronic version of this Decision.
2. Please also be advised that, unless I receive written notice from either one of you before the above mentioned date, this decision will be published in the Travel Agency Commissioner's secure web site (June 15th, 2018), provided no requests for clarification/interpretation would have been granted by this Commissioner, in which case the final decision will be posted right after that.
3. If after having asked for and obtained clarification or correction, any Party still considers aggrieved by this decision, the Party has the right to seek review by arbitration, in accordance with the provisions of Resolution 820e Section 4 and Resolution 824 Section 14.