

Decision 29/2018
Travel Agency Commissioner - Area 2

Andreas Körösi
P.O. Box 5245
S-102 45 Stockholm, Sweden

Applicant:
GHASR-E-SHIRIN Travel Agency
IATA Code # 33-2 1471 6
Iran

Respondent:
Iran Air

Third Party:
International Air Transport Association (IATA)
Torre Europa
Paseo de la Castellana, número 95
28046 Madrid, Spain

NOTE:

This summarized decision is being posted as the Parties have received it. Occasional requests for clarification are not posted. However, should any Stakeholder requests it, a copy of such clarification will be sent to her/him.

Background

The dispute is about unpaid seats on *Iran Air*, contracted on "scheduled flights" under a bilateral *Charter Agreement*.

I have no knowledge about the specifics in that contract, such as if "all seats for sale" were fully committed to a fixed pre-agreed price or if the agreement was about commitment for part of the allocated seats on each flight. Detailed knowledge like that would maybe lead me to consider that the "debt is established and conclusive".

Best of my understanding, in that agreement the Parties have a provision (4-19) about "dispute resolution".

As the situation stands, according to the Passenger Sales Agency Agreement ("PSAA") Resolutions, I consider this being a bilateral contractual agreement NOT governed by the Passenger Agency Conference ("PACONF")'s Resolutions.

The issue in this review is about IATA having defaulted, suspended and terminated *GHASR-E-SHIRIN Travel Agency* "due to alleged non-payment on Remittance Date".

Considerations and Decision

Iran Air has provided evidence that the "pre dated" cheques, covering all or part of the sales on *Iran Air*, have been dishonoured by the bank when they were sent for encashment.

Even though I have no conclusive evidence about what portion of those cheques represent "IATA's sales", it is beyond doubt that at least 90+% of them are about the *Charter Agreement*.

Having said the above, I find no excuse for *GHASR-E-SHIRIN* not to pay the amount **which is not disputed**, and keep the rest in a "trust account" until the dispute is resolved.

GHASR-E-SHIRIN Travel Agency has a "considerable" amount of ticket sales on a number of IATA Member Airlines and IATA has provided testimony that no other "irregularities" have been recorded to *GHASR-E-SHIRIN Travel Agency*.

Considering that there is no BSP settlement in place in Iran, and based on the statements and evidence provided, it is hereby decided as follows:

- The termination of the PSAA of *GHASR-E-SHIRIN* has to be lifted
- *GHASR-E-SHIRIN* has to be reinstated into the BSP system, **provided**:
 - *GHASR-E-SHIRIN* pays the "undisputed" amount to *Iran Air* (this includes sold undisputed charter seats)
- *Iran Air* has the right to withdraw its ticketing authority from *GHASR-E-SHIRIN*
- *GHASR-E-SHIRIN* is free to enter "bilateral agreements" with all other IATA Member Airlines

Nota bene: should the Parties have utilized the contractual dispute resolution mechanism in Iran, mentioned in their *Charter Agreement*, without having found an amicable solution, and to avoid a costly court case, this Office can consider an Oral Hearing in Teheran.

This Decision is effective as of today.

Decided in Stockholm, on June 19th, 2018

Andreas Körösi
Travel Agency Commissioner
IATA-Area 2

In accordance with Resolution 820e § 2.10 any Party may ask for an interpretation or correction of any error in computation, any clerical or typographical error, or any error or omission of a similar nature which the Party may find relevant to this decision. The time frame for these types of requests will be maximum 15 calendar days after receipt of this decision. Meaning as soon as possible and **not later than July 5th, 2018.**

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, provided no requests for clarification, interpretation or corrections have been granted by this Commissioner, in which case the final decision will be posted right after that.

Please note that if after having asked for and obtained clarification or correction any Party still considers aggrieved by this decision, as per Resolution 820e §4, the Party has the right to seek review by Arbitration in accordance with the provisions of Resolution 824 §14.

Please let me know if any of the Parties requires a signed hard copy of this decision and I will send one once the time for "interpretation or correction" has elapsed.