

DECISION 2018 - 06 - 23
TRAVEL AGENCY COMMISSIONER - AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Rizwan Travels (Pvt) Ltd. ("the Agent")
IATA Code 27-3 1514
Multan, Pakistan

Respondent:

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

The Case and Decision:

The Agent's accreditation was terminated for having failed to meet the terms of a 4-month repayment plan. Up to that action the Agent had settled the first installment of PKR 2,450,000 in full on 27 March 2018. The second installment due on 27 April 2018 was paid in 3 deposits over the period 27 April to 1 May and the 3rd installment due on 27 May 2018 was paid in 3 deposits on 28 May, 29 May and 2 June; however, IATA issued its termination advice on 1 June.

The Agent had assumed that as IATA appeared to have condoned the payment of the 2nd installment over a 5 day period a similar treatment would be allowed for the 3rd installment and was therefore surprised to receive the termination advice. The Agent made an assurance in its request for this review that it would make the final installment payment in full on the due date of 27 June 2018.

In its summary of events IATA stated that it had sent a reminder to the Agent of the 3rd installment settlement on 25 May, had received a partial payment of PKR 830,000 on 28 May and a further PKR 1,170,000 on 29 May. A final reminder requesting payment of the remaining PKR 450,000 by the end of the day was sent on 29 May. When that did not eventuate IATA took termination action on 1 June 2018.

In considering this matter it is clear that the Agent is intent on settling its BSP debt. It is also noted that IATA recognised that intent by taking a pragmatic attitude to the manner in which the 2nd installment was paid. However, when the same scenario appeared to be playing out for the 3rd installment IATA reacted. Based on that sequence of events it is not unreasonable for the Agent to have assumed that it would have been treated differently. However, it is IATA's mandate to protect

Airlines' monies, hence, its action with respect to the 3rd installment fulfilled that objective.

The writer is cognisant of the Agent's stated intention of settling the remaining outstandings on the 4th installment payment date of 27 June 2018 and, hence, is prepared to grant the Agent that opportunity.

The Parties have complied with the terms of Resolution 820e and were placed on notice that in the writer's judgement an oral hearing was not necessary and that this decision would be based on the written information submitted.

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

1. The Agent's accreditation is to be reinstated subject to it complying with the following conditions:

(a) Paying IATA the full amount for the 4th installment on 27 June 2018;

(b) Paying all fees and charges associated with the reinstatement.

This Decision is effective as of today.

Decided this 23rd day of June 2018 in Auckland.

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 **July 8th, 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 the above mentioned date I will assume that there is no objection to that action being taken.

Jorgen Foged
Travel Agency Commissioner Area 3