## DECISION 2018 – 12 - 20 TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged 685 Remuera Road Remuera, Auckland 1050 New Zealand

### **Applicant:**

*Karwan-E-Dhikr Aviation (Pvt) Ltd.* ("the Agent") IATA Code 27-3 2204 Lahore, Pakistan.

### **Respondent:**

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

#### The Case and Decision:

The Agent's accreditation was terminated as a consequence of failing to submit a renewed financial security (FS) within the extended time allowed by IATA. There was also an issue involving a Change of Ownership where the Agent failed to submit documents sought by IATA. Confusion on the part of the Agent with regard to the case number to be used did not help; however, the termination action was triggered by the financial security submission failure.

In its request for a review the Agent described its attempt to have its FS renewed through CIC; however, that entity was no longer endorsed by IATA so the Agent sought cover from UIC only to discover that that insurance provider was not seeking new customers for their FS product. That left the option of acquiring a bank guarantee (BG) but at the critical time the Agent's prime Director was absent overseas thus delaying the approval and submission date beyond that specified by IATA. During that process it was discovered that a sole owner category applicant for a BG was easier than the "Private Limited" entity, which led to the Change of Ownership application. The Agent had paid the 2019 Annual Fee, had not ever defaulted on a BSP billing and had no current outstandings. The Agent regretted the confusion arising over the case numbers involved and asked not to be "punished" by the termination action.

In considering this matter the writer recognises that the protracted time in trying to acquire an FS via an insurance provider and the unfortunate absence of a key Director at the time the BG was being sought plus the confusion over the case numbers, to a limited extent, was beyond the control of the Agent. There was every intention of meeting IATA's requirements but time ran out before the BG

submission could be made. Under the circumstances the writer is prepared to grant the Agent another opportunity to be accredited.

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.

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

- 1. the Agent's accreditation is to be reinstated subject to it complying with the following conditions:-
  - (a) submitting the requested financial security to IATA,
  - (b) submitting all documents related to the Change of Ownership requested by IATA,
  - (c) paying all fees and charges associated therewith.

All these conditions must be completed within 30 days of the date of this decision. This Decision is effective as of today.

Decided this 20th day of December 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 5 January 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 16 December 2018, I will assume that there is no objection to that action being taken.

# Jorgen Foged Travel Agency Commissioner Area 3