

DECISION 2019 – 03 - 04
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

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

Respondent:

Arhab Services (Pvt) Ltd. ("the Agent")
IATA Code 27-3 0173
Karachi, Pakistan.

The Case and Decision:

IATA sought a "Prejudiced Collection of Funds" review of the Agent on the grounds that it had accepted a third party credit card in the name of a card previously used in a fraud case. The transaction involved USD 6,500.00.

When asked to explain how this situation came about, the Agent advised that a client did not pay on the due date. The Agency received a Notice of Irregularity and IATA was paid by using the fraudulent card using the Agent's access to the IATA Customer Portal based on the credit card information provided by the client. When the payment was declined by IATA, the Agent stated that it then became aware of the fraudulent nature of the card. The Agent accepted that this was a serious matter and apologised for its actions and undertook to strictly abide by the Rules in future.

In its submission IATA stated that a chargeback had already been requested from the credit card company. These situations caused IATA a cost apart from the additional time spent in handling same. A cost recovery charge of USD 500.00 should apply.

In considering this case it is clear that the Agent was negligent and careless with regard to this matter. This transaction was a "Non Face-to-Face" transaction, as defined in Resolution 890, a category for which the Agent is liable. The writer considers that the Agent was the victim of the fraud and did not knowingly attempt to effect same. Having had this experience, it is expected that there will be no future occurrences of this nature. Under the circumstances it is considered appropriate that the additional cost and time incurred by IATA should be paid for.

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 ticketing authority is to be reinstated subject to it complying with the following condition:

- (a) paying IATA a Cost Recovery Charge of USD 500.00.

Such condition to be complied with within 30 days of the date of this decision.

This Decision is effective as of today.

Decided this 4th day of March 2019 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 19 March 2019.

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 20 March 2019, I will assume that there is no objection to that action being taken.

Yours faithfully,

Jorgen Foged
Travel Agency Commissioner Area 3