

**DECISION 2019 - 05 - 29**  
**TRAVEL AGENCY COMMISSIONER - AREA 3**

Jo Foged  
685 Remuera Road  
Remuera, Auckland 1050  
New Zealand

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**Applicant:**

***Mona Travels and Tour Operator*** ("the Agent")  
IATA Numeric Code # 27-3 1386  
Karachi, Pakistan.

**Respondent:**

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

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**The Case and Decision:**

On 12 February 2019 the Agent sought a review of IATA's action in issuing 8 SPDR's amounting to PKR 3,099,773 (USD 20,416.60) on the following grounds:

"We have noticed that your below Post Billing Dispute(s) (PBD) was/were incorrectly processed by our data processing centre. Instead of deducting the PBD amount from your agency, it was incorrectly paid back. This has resulted your agency in getting double credit for the refund; firstly, when the refund was processed and subsequently when the PBD amount was paid "

In its elaboration on the reason for issuing the SPDRs IATA advised that the Agent had disputed refunds after receiving the money for the refunds as a consequence of which the Agent received the money twice when the Airline did not respond to the dispute.

The Agent denied having received the moneys twice by stating the following:

"When I refunded these tickets airline recalled the refund value as here it is a common practice of PIA that after refunding the ticket from the system we have to send the refund documents manually to PIA and if refund documents are not received with 7 days PIA recall it refund value out side BSP which they did with me and after mutual understanding i have started PBD on refund and this is the reason Airline did not respond to it"

That explanation differed from IATA's advice that the issue had been created by the PBDs being incorrectly processed by their data processing centre. IATA went on to

state that the process described by the Agent going outside the BSP was unknown to it and if the Agent claimed that it had paid the Airline in that fashion it would need to sight proof of those payments.

The writer found it reasonable for the Agent to be given time to locate and submit evidence of the payments made by the Agency to the Airlines. For a variety of reasons given by the Agent this process was partially completed over a lengthy period and did not provide proof of payment for all the SPDRs. An amount of PKR 1,129,381 (USD 7,438.64) was unaccounted for.

IATA advised that it would seek confirmation from the Airlines concerned that they had received the payments submitted by the Agent.

Both Airlines from whom IATA sought such confirmation stated that after investigation no records of the subject payments had been found.

That situation places the writer in a difficult position. The Agent was requested to submit proof of having repaid specific amounts and did so for all the SPDRs listed by IATA with the exception of the SPDRs referred to above for which the Agent did not provide proof of payment. With regard to some of those "proof of payment" documents an Airline observed that a stamp on a cheque from the Agent was dated on a Sunday, which was outside the business hours of the bank. Another submission was that an Airline did not have an account with a bank whose "clearing bank" stamp was displayed on the Agent's cheque. Both the Agent and the Airline used the same bank hence a "clearance" was not required.

That information, placed against the unequivocal advice from both Airlines that they have not been paid, makes the Agent's statements less convincing and as a consequence has moved the writer to conclude that the Airlines have not been paid.

On 24 May 2019 IATA issued a Notice of Termination to the Agent citing sub paragraph 2.4.4 of Resolution 818g as the mandate for so doing.

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 action taken by IATA in issuing a Notice of Termination under sub paragraph 2.4.4 of Resolution 818g is appropriate and should stand.

This Decision is effective as of today.

Decided this 29<sup>th</sup> day of May 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 13<sup>th</sup> June 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 14<sup>th</sup> June 2019, I will assume that there is no objection to that action being taken.

Yours faithfully,

**Jorgen Foged**  
**Travel Agency Commissioner Area 3**