

DECISION 2019 - 11 - 26
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Travelsmart Ltd. (the “Agent”)
IATA Numeric Code 423 0315
Dhaka, Bangladesh.

Respondent:

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

The Case and Decision:

The Agent's accreditation was terminated as a result of defaulting on a BSP billing and not entering into a repayment plan with IATA.

In its request for a review the Agent stated that it had been billed BDT 5,627,076.00 (USD 65,102.00) for settlement on 15 September 2019. Its Bank had debited its account on 15 September 2019 but due to "internal software problems" the payment was not transmitted to IATA's account. Being notified of that issue, the Agent made payment directly to IATA's Bank on 16 September 2019. The Agent ultimately submitted a letter from its Bank to IATA in which the Bank admitted its culpability and advised that "there is sufficient balance in the account #- - - - - to honor the cheque."

Having had its ticketing authority suspended due to an accumulation of Irregularities the Agent was unable to pay the subsequent billing and was invited to enter into a repayment plan. The Agent was unable to do so and requested that it be given until 30 November 2019 to make full settlement which was declined by IATA and the Agent's accreditation was terminated on 31 October 2019.

In its summary of events and subsequent submissions IATA was firm on the fact that the Bank's letter was not acceptable as the Agent's bank statement clearly showed that it had a balance of BDT 2,159,552.00 on 15 September 2019 for a billing of BDT 5,627,076.00; hence, its action was in conformity with Resolution 812.

In considering this matter there is a gap between the information submitted by the Agent's Bank to IATA and the information recorded on the Agent's bank statement. However, the Agent has been accredited since 2007 and appears confident that it can make full settlement by 30 November 2019 so the writer is not going to deny 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.

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

1. the Agent is granted until 30 November 2019 to make full settlement of all outstandings including payment of the Annual Fee for 2020;
2. having met that requirement the Agent's accreditation is to be restored.

Decided this 26th day of November 2019 in Auckland.

This Decision is effective immediately. The following sub paragraphs of Resolution 820e are brought to the attention of the Parties:

"2.9 - 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."

"2.10 - within 30 days after the receipt of the decision or an interpreted or clarified decision pursuant to paragraph 2.8 hereinabove, a party, with notice to the other parties may request that the decision be reviewed by a majority decision of all of the Commissioners."

In this particular case the 15 day time frame expires on 11 December 2019 and the 30 day time frame expires on 21 December 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 26 December 2019 I will assume that there is no objection to that action being taken.

A signed copy of the decision will be emailed to the parties

Regards,

Jo Foged

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