

18 November 2005

MINTER ELLISON BUILDING 25 NATIONAL CIRCUIT FORREST GPO BOX 369 CANBERRA ACT 2601 AUSTRALIA DX 5601 CANBERRA www.minterellison.com TELEPHONE +61 2 6225 3000 FACSIMILE +61 2 6225 1000

### BY COURIER

Mr Scott Gregson General Manager, Adjudication Australian Competition & Consumer Commission 470 Northbourne Avenue Dickson ACT 2602

Dear Mr Gregson

### International Air Transport Association - Passenger Agency Programme Further application for minor variation of authorisation A90791

On behalf of our client, the International Air Transport Association, we enclose a further application for minor variation of Authorisation A90791 under section 91A of the *Trade Practices Act 1974*.

The application concerns changes to the Passenger Agency Programme in Australia adopted by IATA's members at the meeting of the IATA Passenger Agency Conference in June 2005 other than those adopted for expedited implementation. Those expedited changes are the subject of the ACCC's Determination dated 28 July 2005. The application also concerns changes to the Passenger Agency Programme in Australia adopted by the South West Pacific General Assembly.

The changes that are the subject of the enclosed application have an intended implementation date of 1 January 2006. The application covers changes adopted to implement recommendations of the Travel Industry Accreditation Review Committee (TIARC) in accordance with the condition placed on Authorisation A90791 relating to relating to a joint review of the agent accreditation criteria in Australia. It also covers changes to improve the resolutions concerning arbitration procedures, the appointment of travel agency commissioners and reviews conducted by travel agency commissioners.

We are instructed to request an interim authorisation for the subject matter of this application pending the ACCC's final decision on it.

We draw to the ACCC's attention that amendments to Resolution 850m are included in the changes that have been provided in the application for the ACCC's information. The ACCC indicated that it had possible concerns with this resolution following its adoption at the 2003 meeting of the IATA Passenger Agency Conference. At the time, in our letters of 6 July 2004 and 7 October 2004, IATA advised that as this resolution is within the scope of Authorisation A90791 no application for authorisation of the amendment to it would be made. However, IATA also assured the ACCC that if it had any particular concerns with the resolution IATA would be happy to address them. No such concerns have been raised.

The position in relation to the current changes to this resolution remains the same. Although the changes are not part of the enclosed application, IATA would be pleased to address any particular concerns the ACCC may have with them.

If you have any queries about the application or request for an interim authorisation, please contact Cathryn Lane on 6225 3200.

Yours sincerely

Russell Miller AM

Partner

Contact:

Cathryn Lane Direct phone: +61 2 6225 3200 Direct fax: +61 2 6225 1200

Email:

cathryn.lane@minterellison.com

Partner responsible: Russell Miller Direct phone: +61 2 6225 3297 Direct fax: +61 6225 1297

Our reference:

CML:RVM 26-4425718

enclosure

### Commonwealth of Australia Trade Practices Act 1974 ---- Section 91A

### APPLICATION FOR MINOR VARIATION OF AUTHORISATION

To the Australian Competition and Consumer Commission:

Application is hereby made under section 91A of the *Trade Practices Act 1974* for minor variation of authorisation A90791 as set out below:

### Name of applicant

International Air Transport Association ('IATA') 800 Place Victoria Montreal, Quebec CANADA

### Address in Australia for service of documents on the applicant

Minter Ellison Level 3, 25 National Circuit Forrest ACT 2603

### Names and addresses (where known) of parties and other persons on whose behalf the application is made

The applicant and its members (see **Schedule 1** to this application).

### Authorisation for which variation is sought

Authorisation A90791, being the authorisation granted to IATA in respect of the Passenger Agency Programme by Determination dated 13 November 2002 as amended by Determinations dated 5 March 2003, 20 October 2004, 16 May 2005, 16 June 2005 and 28 July 2005.

### Nature of variations sought

The following minor variation of Authorisation A90791 is sought:

- that the authorisation be amended by inserting the text set out at **Schedule 2 Part A** to this application (other than the column entitled 'impact of changes' and the resolution text itself) at the end of and to form part of Part 2 of Appendix B; and
- that Determination A90791 be amended by inserting the text set out at **Schedule 2 Part B** to this application (other than the section entitled 'impact of changes' and the resolution text itself) at the end of and forming part of Part 3 of Appendix B.

The effect of this variation is to update Appendix B to Determination A90791 to extend the authorisation to:

- amendments to and substitutions for the resolutions listed in Part 1 of Appendix B to Determination A90791 adopted by IATA's members at the meeting of the IATA Passenger Agency Conference in June 2005 and that are applicable in Australia. It does not include those amendments and substitutions adopted for expedited implementation as these are the subject of the Determination dated 28 July 2005;
- decisions of the General Assembly made under the resolutions in Parts 1 and 2 of Appendix B to Determination A90791 made since IATA's application for minor variation to Authorisation A90791 dated 15 July 2004.

The specific changes for which authorisation is sought are set out in Schedule 2 to this application, which also includes a section outlining the impact of the specific changes. In accordance with IATA's standard practice, travel agents were consulted on these changes prior to their adoption. The changes adopted by the General Assembly arose out of recommendations made by the Travel Industry Accreditation Review Committee ('TIARC'), the joint airline and agent body established in compliance with the condition in Determination A90791 relating to a joint review of the agent accreditation criteria in Australia. In relation to the changes adopted by the Passenger Agency Conference, the Global Consultative Committee, which is the permanent body consisting of 8 airline and 8 agent representatives that reports directly to the Conference and may make recommendations to the Conference on all issues affecting the operation of the IATA Passenger Agency Programme, together with all local joint agent and airline bodies established under the Programme worldwide were given an opportunity to comment on the proposed changes. Comments on the proposed changes from the agency community, through those joint bodies and by the European Travel Agents' & Tour Operators' Association ('ECTAA') and the Guild of European Business Travel Agents ('GEBTA'), were provided with the agenda of the Passenger Agency Conference and were taken into account during discussion.

A copy of Authorisation A90791 as amended by the Determinations dated 5 March 2003, 20 October 2004, 16 May 2005, 16 June 2005 and 28 July 2005, with marked up amendments to give effect to this application, is in **Schedule 3** to this application.

In addition this application includes, for the sake of completeness and for the Commission's information only, copies of resolutions applicable in Australia adopted by IATA members at the meeting of the Passenger Agency Conference in June 2005, which now form part of the Passenger Agency Programme. Those resolutions, already authorised under Determination A90791 because they are neither amendments to nor substitutions for the resolutions specified in Part 1 of Appendix B as they appeared in the 22nd edition of the IATA Passenger Agency Conference Resolutions Manual, are in **Schedule 4** to this application.

### Grounds for grant of minor variation

The variations which are the subject of this application are in respect of changes which either:

- (a) improve the IATA Passenger Agency Programme for airlines and agents;
- (b) comply with the condition of Authorisation A90791 contained in paragraph 10.2(2)(c) to Determination A90791;
- (c) comply with the condition of Authorisation A90791 contained in paragraph 10.2(3) to Determination A90791 as amended by the Determination dated 16 May 2005; or

### (d) are of a technical or drafting nature.

The variations would not result, and would not be likely to result, in either a reduction in the extent to which the benefit to the public of the authorisation outweighs any detriment to the public caused by the authorisation, or a reduction in the benefit to the public that arose from the original authorisation.

### Name and address of person authorised by the applicant to provide additional information in relation to this application:

Russell Miller Minter Ellison Level 3, 25 National Circuit Forrest ACT 2603

Telephone: (02) 6225 3000 Facsimile: (02) 6225 1000

Dated: 18 November 2005

Signed on behalf of the Applicant

Russell Miller

Minter Ellison

### IATA MEMBERS<sup>1</sup>

### ACTIVE MEMBERS

- 1. Adria Airways
- 2. Aegean Airlines S.A.-Aviation Limited Company
- 3. Aer Lingus (Aer Lingus Ltd.)
- 4. Aero Asia (Aero Asia International (PVT) Ltd.)
- 5. Aero California (Aero California, S.A. de C.V.)
- 6. Aero Zambia (Aero Zambia Ltd.)
- 7. Aeroflot (Aeroflot Russian Airlines)
- 8. Aerolíneas Argentinas (Aerolíneas Argentinas S.A.)
- 9. Aeromexico (Aerovías de Mexico S.A. de C.V.)
- 10. Aeromexpress (Aeromexpress, S.A. de C.V.)
- 11. Aeropostal Alas de Venezuela C.A.
- 12. Aerosvit Airlines
- 13. Afriqiyah Airways
- 14. Air Algérie
- 15. Air Astana
- 16. Air Austral
- 17. Air Baltic (Air Baltic Corporation (A/S))
- 18. Air Berlin (Air Berlin GmbH & Co Luftverkehr KG)
- 19. Air Bosna
- 20. Air Botswana
- 21. Air Canada
- 22. Air China Limited
- 23. Air Contractors (UK) Ltd.
- 24. Air Europa (Air Europa Líneas Aéreas, S.A.)
- 25. Air France (société Air France)
- 26. Air Gabon
- 27. Air Guinea (Air Guinea Cargo S.A.)
- 28. Air Jamaica Ltd.
- 29. Air Koryo
- 30. Air Luxor (Air Luxor S.A.)
- 31. Air Macau (Air Macau Company Ltd.)
- Air Madagascar (Société Nationale Malgache de Transports)
- 33. Air Malawi (Air Malawi Ltd.)
- 34. Air Malta p.l.c

- 35. Air Marshall Islands (Air Marshall Islands Inc.)
- 36. Air Mauritius (Air Mauritius Ltd.)
- 37. Air Moldova (Air Moldova IS CA)
- 38. Air Namibia (Air Namibia (Pty) Ltd)
- 39. Air New Zealand (Air New Zealand Ltd.)
- 40. Air Niugini (Air Niugini Pty Ltd.)
- 41. Air Nostrum (Líneas Aéreas del Mediterráneo S.A.)
- 42. Air Pacific (Air Pacific Ltd.)
- 43. Air Sahara (Sahara Airlines Ltd.)
- 44. Air Sénégal International
- 45. Air Seychelles (Air Seychelles Ltd.)
- 46. Air Tahiti Nui
- 47. Air Tanzania (Air Tanzania Company Ltd.)
- 48. Air Vanuatu (Air Vanuatu (Operations) Ltd.)
- 49. Air Zimbabwe (Air Zimbabwe Corporation)
- 50. Aircalin (Air Caledonie International)
- 51. Air-India (Air India Ltd.)
- 52. Alaska Airlines (Alaska Airlines Inc.)
- 53. Albanian Airlines (Albanian Airlines MAK SH.p.k.).
- 54. Alitalia S.p.A. (Alitalia Linee Aeree Italiane S.p.A.)
- 55. All Nippon Airways (All Nippon Airways CO., Ltd.)
- 56. Aloha Airlines (Aloha Airlines, Inc.)
- 57. Alpieagles (Alpi Eagles S.p.A.)
- 58. America West Airlines (America West Airlines, Inc.)
- 59. American Airlines (American Airlines, Inc.)
- Angola Airlines (TAAG Linhas Aéreas de Angola S.A.R.L.)
- 61. Ariana Afghan Airlines Co. Ltd.
- 62. Arkia Israeli Airlines Ltd.
- 63. Armavia (Armavia Aviacompany LLC)
- 64. Armenian International Airways
- 65. Asiana Airlines Inc.
- 66. Atlas Air (Atlas Air, Inc.)
- 67. Atlasjet International Airways
- Austrian (Austrian Airlines, Ósterreichische Luftverkehrs)

<sup>&</sup>lt;sup>1</sup> As at 10 August 2005. Addresses will be provided on request.

- 69. AVIANCA (Aerovías Nacionales de Colombia S.A.)
- 70. AVIATECA (AVIATECA, S.A.)
- 71. Azerbaijan Airlines (Azerbaijan Hava Yollari)
- 72. Bangkok Airways Co., Ltd.
- 73. Belavia Belarusian Airlines
- 74. Beliview Airlines
- 75. Biman (Biman Bangladesh Airlines)
- 76. Binter Canarias (Binter Canarias, S.A.)
- 77. Blue Panorama (Blue Panorama Airlines S.p.A.)
- 78. Blue1 (Blue1 Ltd.)
- 79. bmi (British Midland Airways Ltd.)
- 80. British Airways (British Airways P.I.c.)
- BWIA West Indies Airways (BWIA West Indies Airways Limited.)
- 82. C.A.L. Cargo Airlines (C.A.L. Cargo Airlines Ltd.)
- 83. Cameroon Airlines (Limited)
- 84. Cargojet Airways Ltd.
- 85. Cargolux S.A. (Cargolux Airlines International S.A.)
- 86. Carpatair (S.C. Carpatair S.A.)
- Caspian Airlines (Caspian Airlines Services Company Ltd.)
- 88. Cathay Pacific (Cathay Pacific Airways Ltd.)
- CCM Airlines (Compagnie Aérienne Corse Méditerrannée)
- 90. China Airlines Ltd.
- 91. China Cargo Airlines Ltd.
- 92. China Eastern (China Eastern Airlines Co., Ltd.)
- 93. China Northwest Airlines
- 94. China Southern Airlines
- 95. China Yunnan Airlines
- Cirrus Airlines (Cirrus Airlines Luftfahrtgesellschaft mbH)
- 97. CityJet (Business City Express Limited)
- 98. Comair Ltd.
- 99. Continental Airlines (Continental Airlines, Inc.)
- 100. Continental Micronesia (Continental Micronesia, Inc.)
- COPA AIRLINES (Compañía Panameña de Aviación S.A. (Copa Airlines))
- 102. Corsair (Corse Air International)
- 103. Croatia Airlines (Croatia Airlines, Inc.)
- 104. Cubana (Cubana de Aviación S.A.)
- 105. Cyprus Airways (Cyprus Airways Ltd.)
- 106. Czech Airlines
- 107. dba Luftfahrtgesellschaft mbH
- 108. Delta Air Lines (Delta Air Lines, Inc.)
- 109. Denim Air (Denim Air B.V.)
- 110. DHL Air Ltd.
- 111. DHL International E.C.

- 112. Dragonair (Hong Kong Dragon Airlines Ltd.)
- 113. Egyptair
- 114. EL AL (EL AL Israel Airlines Ltd.)
- 115. Emirates
- 116. Estonian Air (AS Estonian Air)
- 117. Ethiopian Airlines (Ethiopian Airlines Corporation)
- 118. Etihad Airways
- European Air Express EAE (European Air Express Luftverkehrsgesellschaft mbH)
- 120. European Air Transport
- 121. Eurowings (Eurowings Luftverkehrs AG)
- 122. EVA Air (EVA Airways Corporation)
- 123. Falcon Air (Falcon Air AB)
- 124. Federal Express (Federal Express Corporation)
- 125. Finnair (Finnair Oyj)
- flybe.British European (Jersey European Airways (UK) Limited)
- 127. Garuda (Garuda Indonesia)
- 128. GB Airways (GB Airways Limited)
- 129. Ghana Airways (Ghana Airways Limited) (limited)
- 130. Gulf Air (Gulf Air Company G.S.C.)
- 131. Hahn Air Lines GmbH
- 132. Hainan Airlines (Hainan Airlines Co. Ltd.)
- 133. Hapag Lloyd (Hapag Lloyd Flug GmbH)
- 134. Helios Airways Ltd.
- 135. Hellas Jet (Hellas Jet Airways S.A.)
- 136. Hemus Air
- 137. IBERIA (IBERIA Líneas Aéreas de España S.A.)
- 138. Icelandair (Icelandair (Flugleidir H.F.))
- 139. Indian Airlines (Indian Airlines Limited)
- 140. Inter Air (Inter Aviation Services (Pty) Ltd.)
- 141. Iran Air
- 142. Iran Aseman Airlines
- 143. Iraqi Airways
- 144. Israir Airlines and Tourism Ltd.
- 145. JALways Co. Ltd
- 146. Japan Airlines (Japan Airlines International Co. Ltd.)
- 147. Jat Airways
- 148. Jet Airways (Jet Airways (India) Limited)
- 149. Kenya Airways (Kenya Airways Ltd.)
- 150. Kish Air (Kish Air Lines)
- 151. Kitty Hawk (Kitty Hawk Aircargo, Inc.)
- 152. KLM (KLM Royal Dutch Airlines)
- 153. Korean Air (Korean Air Lines Co. Ltd.)
- 154. Kuwait Airways (Kuwait Airways Corporation)
- 155. LAB (Lloyd Aéreo Boliviano, S.A. (LAB S.A.))
- 156. LACSA (Líneas Aéreas Costarricenses S.A.)

- 157. Laker Airways (Bahamas) Ltd.
- 158. LAM Linhas Aéreas de Moçambique
- 159. Lan Airlines (Lan Airlines S.A.)
- 160. Lan Chile Cargo (Lan Chile Cargo S.A.)
- 161. Lan Perú (Lan Perú S.A.)
- LanEcuador (Aerolane, Líneas Aéreas Nacionales del Ecuador S.A.)
- 163. Lauda Air (Lauda Air Luftfahrt GmbH )
- 164. Lauda Air S.p.A.
- 165. Libyan Arab Airlines
- 166. Lithuanian Airlines
- LOT Polish Airlines (Polskie Linie Lotnicze "LOT" Spolka Akeyjna)
- 168. LTU (LTU International Airways)
- 169. Lufthansa (Deutsche Lufthansa Aktiengesellschaft)
- 170. Lufthansa Cargo (Lufthansa Cargo A.G.)
- Luxair (Société Luxembourgoise de Navigation Aérienne)
- 172. Maersk Air A/S
- 173. Mahan Air (Mahan Airlines Services Company)
- 174. Malaysia Airlines (Malaysian Airline System Berhad)
- 175. MALEV (MALEV Hungarian Airlines Ltd.)
- 176. Malmö Aviation AB
- 177. MAT-Macedonian Airlines
- 178. MEA (Middle East Airlines AirLiban S.A.)
- 179. Meridiana (Meridiana S.p.A.)
- Méxicana (Comp. Mexicana de Aviación S.A. de C.V.)
- 181. MIAT (MIAT Mongolian Airlines)
- 182. Montenegro Airlines
- Nationwide Airlines (Nationwide Airlines (Pty) Limited)
- Nippon Cargo Airlines (NCA) (Nippon Cargo Airlines Co. Ltd.)
- 185. Northwest Airlines (Northwest Airlines Inc.)
- 186. Olympic Airlines S.A.
- 187. Oman Air (Oman Aviation Services Co. [SAOG])
- 188. PAL (Philippine Airlines Inc.)
- 189. Palestinian Airlines
- PGA Portugália Airlines (PORTUGÁLIA Companhia Portuguesa de Transportes Aéreos S.A.)
- 191. Phuket Air (Phuket Airlines Company Limited)
- 192. PIA (Pakistan International Airlines Corp.)
- PLUNA (Pluna Líneas Aéreas Uruguayas Sociedad Anónima)
- 194. Polynesian Airlines (Polynesian Ltd.)
- Pulkovo Aviation Enterprise (State Unitary Aviation Enterprise PULKOVO)
- 196. Qantas (Qantas Airways Ltd.)
- 197. Qatar Airways (Qatar Airways Co. (W.L.L.)

- Royal Air Maroc (Compagnie nationale Royal Air Maroc)
- 199. Royal Brunei (Royal Brunei Airlines Sdn. Bhd)
- 200. Royal Jordanian (ALIA The Royal Jordanian Airline)
- 201. Royal Swazi (Royal Swazi National Airways Corp.)
- 202. Rwandair Express (Rwandair Express S.A.R.L.)
- 203. SA Airlink (SA Airlink (Pty) Ltd.)
- 204. SAA (South African Airways)
- 205. Samara Airlines (Samara Airlines JSC)
- 206. SAS (Scandinavian Airlines Systems)
- 207. SAS Braathens (SAS Braathens AS)
- Saudi Arabian Airlines (Saudi Arabian Airlines Corporation)
- 209. Shandong Airlines Co., Ltd.
- 210. Shanghai Airlines (Shanghai Airlines Co., Ltd.)
- 211. SIA (Singapore Airlines Ltd.)
- 212. SIA Cargo (Singapore Airlines Cargo Pte Ltd.)
- 213. Siberia Airlines (Siberia Airlines JSC)
- Sierra National Airlines (Sierra National Airlines Co. Ltd.)
- 215. Silkair (Silkair (Singapore) Private Limited)
- 216. Skyways (Skyways AB)
- SN Brussels Airlines (Delta Air Transport dba SN Brussels Airlines)
- 218. Solomon Airlines
- 219. Spanair (Spanair S.A.)
- 220. SriLankan (SriLankan Airlines Ltd.)
- 221. Sudan Airways (Sudan Airways Company Ltd.)
- 222. Surinam Airways
- 223. SWISS (Swiss International Air Lines Ltd.)
- 224. Syrianair (Syrian Arab Airlines)
- 225. T.M.A. (Trans Mediterranean Airways S.A.L.)
- 226. TACA (TACA International Airlines S.A.)
- 227. TAM Transportes Aéreos del Mercosur S.A.
- 228. TAM Linhas Aéreas S.A.
- 229. TAP Air Portugal (Transportes Aéreos Portugueses S.A.)
- 230. TAROM S.A. (Romanian Air Transport S.A.)
- Thai Airways (Thai Airways International Public Company)
- 232. THY (Turkish Airlines Inc.)
- 233. TNT Airways S.A.
- 234. Transaero (Transaero Airlines)
- 235. TransAsia Airways (TransAsia Airways Corporation)
- 236. Tunis Air
- 237. Turkmenistan Airlines
- 238. Ukraine International Airlines
- 239. United Airlines (United Air Lines, Inc.)

- 240. UPS Airlines (United Parcel Service Company)
- 241. US Airways, Inc.
- 242. VARIG ("VARIG" S.A. (Viação Aérea Rio-Grandense))
- 243. VASP (VASP Brazilian Airlines)
- 244. Virgin Atlantic (Virgin Atlantic Airways)
- 245. Vladivostok Air JSC

- 246. Volare Airlines (Volare Airlines S.p.A.)
- 247. Volga-Dnepr Airlines (Volga-Dnepr Airlines JSC)
- 248. Wideroe (Wideroe's Flyveselskap ASA)
- 249. Xiamen Airlines
- 250. YEMENIA (Yemen Airways)

### ASSOCIATE MEMBERS<sup>2</sup>

- 1. Air One SpA
- 2. Air Tahiti
- 3. Albarka Air plc
- Austral (Austral Líneas Aéreas Cielos del Sur S.A.)
- 5. Forward Air (Forward Air International Airlines Inc.)
- 6. Líneas Aéreas Azteca (S.A. de C.V.)
- 7. Lufthansa CityLine (Lufthansa CityLine GmbH)
- 8. Regional Express (Hazelton Air Services Pty Ltd.)
- 9. Safair (Safair (Pty.) Ltd.)

- SATA Air Açores (Sociedade Açoreana de Transportes Aéreos, S.A.)
- 11. Shenzhen Airlines Co. Ltd.
- 12. Southern Winds (Southern Winds S.A.)
- 13. Tassili Airlines
- 14. Varig Log (Varig Logistica S.A.)
- 15. Zambian Airways (Zambian Airways Ltd.)

<sup>&</sup>lt;sup>2</sup> Associate members enjoy the same rights and privileges as active members except that they do not have the right to vote at certain IATA meetings.

## AUTHORISED 2005 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No	Title	Outline of changes <sup>3</sup>	Impact of changes / competitive effect and public benefit
800b	Satellite Ticket Printer and Ticket Delivery Locations	Amended to add a requirement that accredited agents hold a valid licence to operate an STP location where required by law.  Also amended in relation to Australia to:  • remove the prescribed security requirements in relation to safes, premises access points and stock levels of unused traffic documents; and  • introduce a provision making accredited agents liable for the fraudulent or improper use of lost, stolen or misused traffic documents until the agent reports the missing documents to the BSP.	The changes relating to rules on premises security and agent liability have been adopted to implement recommendations of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  The other change reflects existing legal requirements.  The changes are neutral in terms of competitive effect.
816(2)	Passenger Sales Agency Rules - South West Pacific	Amended to make editorial changes to remove the duplicate listing of countries which is also contained in the resolution preamble.  All other amendments relate to the Executive Council New Zealand	The changes applicable in Australia consist of minor editorial amendments. They are neutral in terms of competitive effect.
816(3)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the provision for site examinations of accredited agents financial documents and to allow for extension of the deadline for accredited agents to comply with financial criteria conditions.  Also amended, in line with changes to sales agency rules worldwide, to remove the requirement for a recommendation from the Local Customer Advisory Group in order for provision for electronic ticketing locations to be implemented.	The changes relating to on site examinations and deadline extensions will have a liberating effect on the programme. They implement recommendations of the Travel Industry Accreditation Review Committee (TIARC), in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  The changes in relation to

<sup>&</sup>lt;sup>3</sup> This outline is provided for general guidance only. The full text of the amended resolutions, indicating the amendments made, is attached.

No	Title	Outline of changes <sup>3</sup>	Impact of changes / competitive effect and public benefit
			electronic ticketing locations will not have any practical effect in Australia as provision for electronic ticketing locations has already been implemented in Australia.
			All of these changes are neutral in terms of competitive effect.
816(4)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the requirement for applicants to provide photographs of premises.  Also amended to make editorial changes consequential on other amendments and to improve the overall drafting.	The change relating to the provision of photographs has been adopted to implement a recommendation of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  Other changes consist of editorial amendments.
			All of these changes are neutral in terms of competitive effect.
816(9)	Passenger Sales Agency Rules - South West Pacific	Amended to remove references to sales made by way of charter agreement where payment is by cheque made out by a third party direct to the airline concerned.	This is a minor change and reflects modern business practices. It is neutral in terms of competitive effect
816(10)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the requirement for accredited agents to submit photographs of premises on changing location, and to include a requirement that accredited agents provide notification on sharing their premises with another agent to reflect the changes to 816(3) (see above).  Also amended to make editorial changes.	The changes will have a liberating effect on the programme. They have been adopted to implement recommendations of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  The changes are neutral in terms of competitive effect.
816(11)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove prescribed security requirements in relation to safes and premises access points, and limitations on stock of unused traffic documents.  Also amended to clarify existing	Those changes relating to rules on premises security have been adopted to implement recommendations of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to

No	Title	Outline of changes <sup>3</sup>	Impact of changes / competitive effect and public benefit
		requirement that accredited agents comply with security standards contained in the local addendum to	Determination A90791 (as amended by the Determination dated 16 May 2005).
		the BSP Manual for Agents.	Other changes clarify existing requirements.
			The changes are neutral in terms of competitive effect.
816(14)	Passenger Sales Agency Rules - South West Pacific	Amended to provide that the procedures established for arbitrations requested by applicants and accredited agents also apply to arbitrations requested by IATA member airlines	This change reflects changes made to Resolution 820e in 2003 (previously authorised) giving IATA member airlines the right to request arbitrations in relation to certain decisions of the Travel Agency Commissioner.
			This change is positive as it ensures that all arbitrations, whether airline or agent initiated, are conducted on the same basis.
820(d)	Travel Agency Commissioner	<ul> <li>expand UFTAA's role to include joint authority with the IATA Director General for ending a commissioner's term early and joint review of the annual statement of accounts;</li> <li>include the newly formed World Travel Agents Association Alliance (WTAAA) in evaluations of candidates for commissioner positions and early termination decisions;</li> <li>set a three year minimum on the term of a commissioner's appointment;</li> <li>set out the funding arrangements for the office of commissioner.</li> <li>Also amended to make editorial changes to update and clarify the resolution.</li> </ul>	The changes providing the global agents associations with joint authority for appointment and termination of commissioners will have a liberating effect on the programme and are procompetitive.  The changes in relation to funding and term of appointment improve the transparency of the office of travel agency commissioner, and are neutral in terms of competitive effect.
820e	Reviews by the Travel Agency Commissioner	Amended to:     expand the categories of decisions that an accredited agent or applicant can have	In public benefit terms these changes are positive as they improve the transparency of the programme. They are neutral in terms of competitive

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No	Title	Outline of changes <sup>3</sup>	Impact of changes / competitive effect and public benefit
		reviewed;	effect.
		add persistent failure of an accredited agent to settle amounts owing against agency debit memos in the categories of conduct that the Agency Administrator can have reviewed;	
		<ul> <li>remove the provision enabling an IATA member airline to have a successful application against which that member protested reviewed; and</li> </ul>	
		<ul> <li>exclude reviews of issues that are the subject of litigation or arise out of restraint of trade laws.</li> </ul>	
		Also amended in relation to reviews conducted at the request of agents or applicants to;	
		introduce a preliminary step requiring the Travel Agency Commissioner to consider a case credible before proceeding to conduct a review;	
		<ul> <li>clarify the form of the review proceedings;</li> </ul>	
		<ul> <li>clarify that a decision that is the subject of review is suspended while the review is on foot;</li> </ul>	
		<ul> <li>enable the Travel Agency         Commissioner to require an         agent/applicant seeking         interlocutory relief to provide         some form of guarantee.     </li> </ul>	
		Also amended to make editorial changes to clarify the resolution.	

No	Title	Outline of changes <sup>3</sup>	Impact of changes / competitive effect and public benefit
830a	Consequences of Violation of Ticketing Procedures	Amended to remove the specific reference to accredited agents being provided with copies of the IATA Ticketing Handbook.	This change is technical only. Hard copies of the Ticketing Handbook are no longer provided to accredited agents as the information contained in it is more readily available through an agent's global distribution system (GDS). The handbook will, however be provided on CD rom. This change is neutral in terms of competitive effect.
866	Definitions of Terms Used in Passenger Agency Programme Resolutions	Amended to remove the definition of 'de novo hearing' as a consequence of the changes to Resolution 820e above.  Also amended in relation to a number of terms not relevant to resolutions applicable in Australia.	The changes consist of minor technical amendments and are neutral in terms of competitive effect.

#### **Resolution 816**

### PASSENGER SALES AGENCY RULES – SOUTH-WEST PACIFIC (Amending)

PAC3(41)816 (South-West Pacific)

Expiry: Indefinite

Type:

В

- 1. Amend Resolution 816 Section 2 as follows:
- 2.2.6 a majority from both airline and agent representatives shall constitute the quorum;
- 2.2.7 the Council shall meet when required. All decisions shall be taken by a simple majority vote of Council members. The voting result shall be included with all recommendations to the Passenger Agency Conference or SWP General Assembly;
- 2.2.6 the Council shall meet when required and shall elect its Chairman from its membership. A simple majority of the Council shall constitute a quorum and recommendations or decisions shall be adopted when a majority of the air carriers and a majority of the Agents present vote in favour of the proposal.
- 2.2.7 Written records shall be kept by the Secretary who shall be provided by the Agency Administrator. The voting result shall be included with all recommendations to the Passenger Agency Conference or SWP General Assembly.

#### 2.4 AREA OF APPLICATION

the provisions of this Resolution are applicable in those following countries or territories listed in the preamble to this Resolution.

**Australia** 

Cook Islands

Federated States of Micronesia

Fiji

French Polynesia

Kiribati (Canton and Enderbury Islands)

New Caledonia (including Loyalty Islands)

New Zealand

Papua New Guinea

Republic of Palau

Republic of the Marshall Islands

Samoa (Independent State of)

Solomon Islands
Tonga
Vanuatu
Wallis and Futuna Islands

2. Amend Section 3 as follows:

### SECTION 3 – QUALIFICATIONS FOR ACCREDITATION AND RETENTION

3.3 if at any time the Agency Administrator becomes aware that an application, which resulted in accreditation of the applicant, contained a material statement that was inaccurate or incomplete in respect of the criteria set out in Subparagraphs 3.4.6 and 3.4.7 (Australia only) and 3.8.6 and 3.8.7 (except Australia) of this Paragraph Section, it shall be grounds for the Agency Administrator, if he considers that the circumstances so warrant, to place the Agent, or the Location concerned, immediately on a cash basis. Thereafter he shall give the Agent notice of termination of the Sales Agency Agreement or, in the case of a Branch Office Location, of removal of such Location from the Agency List; provided that such termination or removal shall not take effect if, prior to the date of termination or removal:

### 3.7 ELECTRONIC TICKETING LOCATION (ETL)

The following provisions shall be implemented in any country/ area in which a BSP is in operation, on the request of the Local Customer Advisory Group—Passenger of such BSP and on notification by the Agency Administrator. Any Person may make an application to be included on the Agency List as an Accredited Agent, or an Accredited Agent may make an application to have an additional place of business entered on the Agency List. An applicant may specify that the Approved Location shall operate as an Electronic Ticketing Location (ETL). All Sales Agency Rules shall apply to such ETL, provided however that in the event of any conflict, contradiction or inconsistency between the provisions of this Paragraph and any other provisions of this Resolution, the provisions of this Paragraph shall prevail.

#### 3. Amend Section 4 as follows:

4.3.5(a)(ii) on receipt of such application, the Agency Administrator shall verify by inspection that the Agent maintains at the Location concerned additional security arrangements for the safekeeping of multiple stocks of Standard Traffic Documents as set forth in Section 11, Subparagraphs 11.2.6 and 11.2.7 11.2.3, 11.2.4, 11.8.6, 11.9.6.1(a) and 11.9.6.1(b) of these Rules, and that the Agent has developed adequate stock control procedures to ensure that the separate different stocks of STDs supplied to that Location in respect of the different numeric codes allocated to it are not comingled kept separate.

### 5. Amend Section 9 as follows:

9.4.1(a)(iii) by means of a charter agreement and the Agent has forwarded to CBR3\_435319\_3 (W2003)

the Member a cheque for the entire charter price drawn by a person other than the Agent to the Member as payee, together with written certification by the charterer that the Agent effected the sale;

6. Amend Section 10 as follows:

### 10.10 DEATH OF STOCKHOLDER

**10.10.1.2** if the financial situation of the Agent is found to be unsatisfactory, the Agency Administrator shall place the Agent on a commissionable Cash Basis and take action in accordance with Subparagraph 3.4.1(a) (<u>Australia only</u>) and 3.8.1(a) (<u>except Australia</u>) of Section 3 of these Rules;

### 10.11 CHANGE OF LOCATION OR NAME

- **10.11.1(a)** when an Agent moves from an Approved Location to another location not so approved, (**Australia only**: or in the event that an Accredited Agent later decides to share its premises with another Accredited Agent or travel agent) such Agent shall:
- 10.11.1(a)(ii) submit as soon as practicable two photographs of the interior and exterior of the new location (Except Australia).
- 7. Amend Section11 as follows:

## 11.2 MINIMUM SECURITY STANDARDS (Australia only)

- 11.2.1 the applicant shall meet the minimum security standards, established by the Conference from time to time, and published as a local addendum to the BSP Manual for Agents;
- 11.2.2 the premises of each Approved Location and the safe/strong room used on such premises to store Traffic Documents shall be in accordance with

the following minimum standards, as laid down by the Conference. Any additional measures that enhance the minimum security standards may be laid down by the Assembly.

- 11.2.1 all normal access points to the premises shall be efficiently secured when the premises are not attended by authorised personnel of the Agent;
- 11.2.2 all other possible access points to the premises such as skylight, basement windows, etc., shall be secured with strong metal mesh or bars;
- 11.2.4 an Accredited Agent shall not maintain
- 11.2.4.1 on the premises of Head or Branch Office Location a working supply of unissued Traffic Documents which exceeds either one working week's requirements based on the average of such Location's usage during the preceding calendar year or, alternatively, the level determined by the Agency Services Manager, in consultation with the Local Customer Advisory Group Passenger,
- **11.2.4.2** at a STP Location a working supply which exceeds 500 unissued Traffic Documents:
- **11.2.54** each Accredited Agent shall maintain in respect of each Approved Location a current Traffic Document stock control record;
- **11.2.65** each Approved Location's working supply of unissued Traffic Documents shall, when not in use, be locked away securely under approved conditions. Such conditions will be:
- 11.2.5.1 if a safe is already installed on the premises manual Traffic Documents should be stored in the safe.
- 11.2.5.2 If no safe is on the premises manual Traffic Documents should be stored in a lockable steel cabinet.
- Re-number Section 11.2.6.1(a) as 11.2.5.3

### 11.2.6.1(b) Australia Only

locked in a steel cash safe. The body of the safe shall be of 80mm thickness—and contain refractory material of 60 (mg) megapascals compressive strength. The door shall be of at least 12mm thickness inside (excluding bolt and lock—chamber) and contain a locking system that comprises of a three wheel keyless combination lock together with a six level gear lock or a four digit electronic key pad. The safe shall weigh not less than 182 kgs (400 lbs) and be bolted, cemented or otherwise secured to the floor or wall to preclude movement within or quick removal from the premises of the Approved Location; provided that the use of a strong room installed on the premises in place of such safe or the use of a bigger safe of not less than 500 kgs (1,100 lbs) not necessarily secured to the floor or wall shall be permissible for the

storage of the working supply of Traffic Documents. Where an Agent has been allocated multiple numeric codes pursuant to Section 4, Subparagraph 4.3.5 of these Rules, the safe must have adequate capacity and means of separation to store individually the stocks of Traffic Documents allocated to each numeric code;

- Re-number Section 11.2.6.1(c) as 11.2.5.4
- 11.2.6.2 where the Conference has so approved, inside a locked safe-protected by a combination of security measures (such as an approved monitored alarm system that includes a detector that covers the space around the safe directly or has a safe attack detector fitted directly to the safe with patrol response within 20 minutes of alarm activation and a safe with at least solid refractory barriers) where such combination of security methods satisfies the Agency Administrator to be security equal or better than 11.2.6.1(a)(i) above; and
- 11.2.6.3 locked inside a Strongroom/Vault installed on the premises, or any other additional security precautions which have been determined by the Assembly to be security equal to or better than 11.2.6(c)(i) above; and
- 11.2.6.4 where so prescribed by the Assembly, access points and/or the safestrongroom or vault shall be protected by additional security arrangementsacceptable to the Assembly in addition to any provisions detailed above and,
- 11.2.7 the reserve supply of Traffic Documents (i.e. all Traffic Documents in excess of the working supply described in Subparagraph 11.2.4 of this Paragraph) shall be maintained in a safety deposit box in a bank or similar financial institution, hotel safe or equivalent security facility; where such facilities are not available locally or the use of such facilities would not improve the security of the reserve supply of Traffic Documents the Agent may maintain such reserve supply in a safe or strong room on the Agent's premises or in the building in which the Agent's premises are located. Where an Agent has been allocated multiple numeric codes pursuant to Section 4, Subparagraph 4.3.5 of these Rules, the safe must have adequate capacity and means of separation to store individually the stocks of Traffic Documents allocated to each numeric code:
- 11.2.86 when not in use Carrier Identification Plates and Agent's validator plates shall be stored on the premises of the Approved Location under lock and key in a secure metal cabinet or secure metal chest separately from the working supply of Traffic Documents; provided that Agent's validator plates assigned to a STP Location shall be so stored but only on the premises of the controlling Host Location;
- 11.2.97 notwithstanding the provisions of Subparagraph 11.2.6 of this Paragraph where the Agent maintains on the premises of an Approved Location a teleticketing or other ticket issuing device the Agent may leave up to 250 tickets in such device during the period when the device is unattended

by qualified personnel. The device shall be secured against unauthorised removal. It shall not be readily accessible to unauthorised persons and Traffic Documents held in it shall be secured against unauthorised removal;

11.2.108 in addition to maintaining security standards for the safe custody of Traffic Documents and Carrier Identification Plates as prescribed above, Agents shall ensure that Traffic Documents, validator dies or plates and Carrier Identification Plates shall not be accessible to unauthorised persons nor left unprotected.

11.2.9 An Agent who does not meet the minimum-security requirements established by the Conference, shall be dealt with in accordance with Section 11, to the extent that those Rules apply.

## 11.3 DETECTED FAILURE TO MEET MINIMUM SECURITY STANDARDS (Australia only)

when upon inspection at the request of the Agency Administrator it is found that the premises and/or the safe/strong room in use do not meet the minimum security standards in Paragraph 11.2 of this Section, or additional measures laid down by the Assembly, the Agency Administrator shall immediately inform the Agent. If the Agent makes good the security deficiency within 10 calendar days of the inspection and, subject to possible reinspection confirming this, the deficiency shall be deemed corrected.

#### 11.4 SATISFACTORY TEMPORARY STORAGE FACILITIES

if at the time of inspection or at any time within 10 calendar days thereafter the Agent demonstrates to the satisfaction of the inspector that adequate alternative storage facilities on other premises (e.g. a bank vault) for Traffic Documents have been obtained, the Agent shall be permitted to retain custody of Traffic Documents for a period of 30 calendar days from the date of inspection; provided that the Agent shall give a written undertaking to the Agency Administrator that he will use the time so gained to overcome the security deficiency of his Approved Location as reported by the inspector.

## 11.54 CONSEQUENCES OF CONTINUED FAILURE TO COMPLY WITH MINIMUM SECURITY STANDARDS (Australia only)

11.54.1 when after 10 calendar days from the notice provided in Paragraph 11.3 of this Section er at the close of the 30 calendar day period provided in Paragraph 11.4 of this Section, whichever is applicable, the Agent has not made good the security deficiency to the satisfaction of the Agency Administrator, the Agency Administrator shall place the Location concerned on a commissionable Cash Basis and give the Agent notice of termination of

the Sales Agency Agreement, or of removal from the Agency List in the case of a Branch Office Location and notify all Members, Airlines and ISS Management accordingly;

11.54.2 if subsequent to the action taken under Subparagraph 11.54.1 above, but prior to the date of termination or removal, the Agent satisfies the Agency Administrator that the security deficiency has been corrected, such termination or removal shall not take effect and the Agency Administrator shall reinstate credit facilities and notify the Agent, all Members, Airlines and ISS Management accordingly;

11.54.3 if the termination or removal takes effect pursuant to the provisions of Subparagraph 11.54.1 above, the Agent may, within 30 days of the termination or removal, invoke the procedures for review of the Agency Administrator's action by the Travel Agency Commissioner; in such case the Agency Administrator shall place the Location concerned on a non-commissionable Cash Basis pending the outcome of the review and notify the Agent, all Members, Airlines and ISS Management accordingly;

### 11.65 REPORT BY AGENT OF BREACHES OF SECURITY (Australia only)

11.65.1 in the event that the premises of an Accredited Agent suffer any form of unlawful entry irrespective of whether any material loss is incurred, the Agent shall immediately notify the local police authorities and ISS Management and the Agency Administrator;

11.65.2 in the event that Traffic Documents or Carrier Identification Plates are removed from the premises of an Approved Location, or are destroyed, as a consequence of robbery, theft, burglary, fraud or any other unlawful means, the Agent shall immediately notify the local police authorities and shall simultaneously advise the Agency Administrator, ISS Management (with respect to Standard Traffic Documents) and the Member concerned (with respect to that Member's Traffic Documents) using the form prescribed in the Travel Agent's Handbook. Upon discovering that an Agent failed to observe such notification requirement, the Agency Administrator shall initiate a review of the Agent by the Travel Agency Commissioner.

## 11.76 VERIFICATION ACTION (Australia only)

upon receipt of advice from ISS Management or a Member that an Agent has suffered loss as the consequence of robbery, theft, burglary, fraud or any other unlawful means which might include loss of Traffic Documents, the Agency Administrator shall immediately notify all Members and Airlines. In addition to any action to take inventory of the Traffic Documents deposited

with such Agent ISS Management shall cause the Approved Location in question to be inspected. In the event the inspection report reveals inadequate security arrangements, the procedures outlined in Paragraphs 11.3, 11.4 and 11.4 of this Section shall become applicable.

# 11.87 FAILURE TO FULFIL CONTRACTUAL OBLIGATIONS RELATED TO THE CUSTODY AND/OR ISSUANCE OF TRAFFIC DOCUMENTS (Australia only)

- re-number whole of Sect. 11.8 as 11.7

## 11.28 MINIMUM SECURITY STANDARDS (Except Australia)

- insert original Sect. 11.2 as 11.8

# 11.310 DETECTED FAILURE TO MEET MINIMUM SECURITY STANDARDS (Except Australia)

- re-number whole of Sect. as 11.10

## 11.4<u>11</u> SATISFACTORY TEMPORARY STORAGE FACILITIES (Except Australia)

## 11.512 CONSEQUENCES OF CONTINUED FAILURE TO COMPLY WITH MINIMUM SECURITY STANDARDS (Except Australia)

11.512.1 when after 10 calendar days from the notice provided in Paragraph 11.310 of this Section or at the close of the 30 calendar day period provided in Paragraph 11.411 of this Section, whichever is applicable, the Agent has not made good the security deficiency to the satisfaction of the Agency Administrator, the Agency Administrator shall place the Location concerned on a commissionable Cash Basis and give the Agent notice of termination of the Sales Agency Agreement, or of removal from the Agency List in the case of a Branch Office Location and notify all Members, Airlines and ISS Management accordingly;

**11.512.2** if subsequent to the action taken under Subparagraph 11.5.12.1 above, but prior to the date of termination or removal, the Agent satisfies the Agency Administrator that the security deficiency has been corrected, such termination or removal shall not take effect and the Agency Administrator shall reinstate credit facilities and notify the Agent, all Members, Airlines and ISS Management accordingly;

11.512.3 if the termination or removal takes effect pursuant to the provisions of Subparagraph 11.512.1 above, the Agent may, within 30 days of the termination or removal, invoke the procedures for review of the Agency Administrator's action by the Travel Agency Commissioner; in such case the Agency Administrator shall place the Location concerned on a non-commissionable Cash Basis pending the outcome of the review and notify the Agent, all Members, Airlines and ISS Management accordingly;

## 11.613 REPORT BY AGENT OF BREACHES OF SECURITY (Except Australia)

- re-number whole of Sect. as 11.13

## 11.714 VERIFICATION ACTION (Except Australia)

upon receipt of advice from ISS Management or a Member that an Agent has suffered loss as the consequence of robbery, theft, burglary, fraud or any other unlawful means which might include loss of Traffic Documents, the Agency Administrator shall immediately notify all Members and Airlines. In addition to any action to take inventory of the Traffic Documents deposited with such Agent ISS Management shall cause the Approved Location in question to be inspected. In the event the inspection report reveals inadequate security arrangements, the procedures outlined in Paragraphs 11.310, 11.411 and 11.512 of this Section shall become applicable.

# 11.815 FAILURE TO FULFIL CONTRACTUAL OBLIGATIONS RELATED TO THE CUSTODY AND/OR ISSUANCE OF TRAFFIC DOCUMENTS (Except Australia)

- re-number rest of Section
- 8. Amend Section 14 specified paragraphs as follows:

#### 14.1 RIGHT TO ARBITRATION REVIEW

any Agent <u>or applicant</u> which considers itself aggrieved by a decision of the Travel Agency Commissioner ('the Commissioner') under Resolution 820e, <u>or any Member which contests the Commissioner's ruling in a review of such Member's individual decision</u>, shall have the right to have the decision reviewed by arbitration in accordance with the following procedure (hereafter in this Section the term 'AgentAppellant' is used to designate <u>severally both</u> an aggrieved Agent, <u>or and</u> an applicant <u>or a contesting Member</u> seeking review by arbitration, except where the context specifies otherwise).

### 14.2 APPLICATION PROCEDURE

the AgentAppellant shall send written notice to the Agency Administrator advising of its wish to have the decision reviewed by arbitration. The notice is to reach the Agency Administrator within 30 days of the date the Commissioner's decision was sent to the AgentAppellant. Thereafter the Agency Administrator shall dispatch to the AgentAppellant a form of Request for Arbitration and shall notify all Members that the Agent arbitration has been requested arbitration...

#### 14.3 SETTING UP OF ARBITRATION BOARD

**14.3.1** the AgentAppellant may elect arbitration before:

**14.3.1(a)** a sole arbitrator appointed by mutual agreement within 20 days of the date of dispatch to the <u>Agent Appellant</u> of the form of Request for Arbitration; (failing such agreement, the nomination shall be made by the President of the International

Chamber of Commerce), or

14.3.2 in any event the Agent Appellant shall complete, sign and return the form of Request for Arbitration so as to reach the Agency Administrator within

30 days of its dispatch to the Agent.Appellant. On such form the Agent-Appellant shall indicate its choice of (a), (b) or (c) above. Where it chooses arbitration before a three-member Arbitration Board, the Agent Appellant shall enter the name of an arbitrator acceptable to it and willing to act as such; the form shall be accompanied by a certified cheque or banker's draft for USD 750 or acceptable equivalent where a sole arbitrator has been chosen, or for USD 1,000 or acceptable equivalent where a three-member Arbitration Board has been chosen, as deposit on account of any costs that may become payable by the AgentAppellant:

- 14.3.3 upon receipt of documentation from the Agent Appellant and IATA, and prior to holding the hearing, the arbitrator(s) may require the Agent Appellant and IATA to post certified cheques in an amount determined by the arbitrator(s), in US dollars or acceptable equivalent, to cover the estimated costs of the arbitration. Upon notification of the Arbitration Board's award, any money so posted, and in excess of the arbitration costs, shall be refunded to one or other or both parties, as appropriate, in accordance with the terms of the award;
- **14.3.4** within 20 days of receipt by the Agency Administrator of the form of Request for Arbitration completed by the Agent-Appellant electing arbitration before a three-member Board together with a certified cheque or banker's draft, the Agency Administrator shall nominate an arbitrator and the two arbitrators so nominated shall nominate a third who shall act as chairman of the Arbitration Board. If the third arbitrator has not been so nominated within 20 days after the nomination of the second arbitrator, the Agency Administrator shall request the President of the International Chamber of Commerce to nominate the third arbitrator;

### 14.5 CONDUCT OF PROCEEDINGS

**14.5.1** the Arbitration Board shall unless otherwise agreed by the Agentparties and the Agency Administrator, hold the hearing in the country of the Approved Location concerned or location under application as the case may be;

14.5.2 the Arbitration Board shall publish its award in writing not later than 60 days after appointment of the chairman or of the sole arbitrator, provided that this period may be extended by or with the agreement of the Agentparties and the Agency Administrator. If the Arbitration Board does not publish its award in writing within such period of 60 days, or within such extended period agreed by the Agent and the Agency Administrator parties, the Arbitration Board shall be deemed discharged without remuneration and the Agency Administrator shall request the President of the International Chamber of Commerce to appoint a sole arbitrator or another sole arbitrator (in place of the sole arbitrator discharged) who shall proceed in accordance with the provisions of Subparagraph 13.5.1 of this Paragraph and Paragraph 13.7 of this Section and shall publish his written award within 45 days of the date of his appointment;

### **14.7 AWARD**

**14.7.1** in the event the Arbitration Board does not affirm the decision of the Commissioner, it shall either direct action upon the <u>AgentAppellant</u> in accordance with the Board's findings, or refer the matter to the Commissioner for action consistent with the Board's decision:

14.7.2 the Arbitration Board shall direct that the costs of the Arbitration Board shall be borne; by the Agent if the Commissioner's decision is upheld, shall be borne by IATA if the Commissioner's decision is reversed, or shall be apportioned between the Agent and IATA in such manner as the Arbitration Board shall decide if the Commissioner's decision is modified. Nevertheless, if there are special circumstances warranting a different award as to such costs, the Arbitration Board shall be empowered to direct that they be borne by the parties in such manner as it considers equitable. Costs of legal representation shall be borne by the party incurring such costs.

14.7.2.1(a) when the Appellant is an Agent or applicant:

14.7.2.1(a)(i) by the Appellant if the Commissioner's decision is upheld,

14.7.2.1(a)(ii) by IATA, or by the Member in whose favour the Commissioner had ruled, as applicable, if the Commissioner's decision is reversed,

14.7.2.1(a)(iii) by the Appellant and IATA in a proportion decided by the Arbitration Board if the Commissioner's decision is modified;

14.7.2.1(b) provided that, if there are special circumstances warranting a different award as to such costs, the Arbitration Board shall be empowered to direct that they be borne by the parties in such manner as it considers equitable.

14.7.2.2 when the Appellant is a Member, by the Appellant whether the Commissioner's decision is upheld, reversed or modified:

14.7.3 costs of legal representation shall be borne by the party incurring such costs.

### 14.8 EFFECT AND EFFECTIVE DATE OF THE AWARD

- **14.8.1**, the award of the Arbitration Board shall be final and conclusively binding on the Agentparties, IATA and all Members, as applicable and shall be complied with in accordance with its terms;
- **14.8.2** the Agency Administrator shall notify the <u>Agent, parties</u>, all Members and, where applicable, ISS Management of the decision of the Arbitration Board and the award shall take effect, unless the Arbitration Board directs otherwise, from a date the Agency Administrator shall specify in advance;

## PASSENGER SALES AGENCY RULES – SOUTH-WEST PACIFIC (Amending)

(General Assembly South-West Pacific)

1. Amend Section 3 as follows:

## 3.4 GENERAL CRITERIA (Australia only)

- 3.4.1(a)(ii) for the purposes of conducting an examination of the financial standing of the Agent, the Agency Administrator may appoint an inspector to carry out an on-site examination of the documents deemed necessary to conduct such evaluation, and so advise the Agent in writing. In order to conduct such an examination, the inspector shall be entitled to;
- 3.4.1(a)(ii)(aa) enter premises where the business of the Agent is being carried on,
- 3.4.1(a)(ii)(bb) require the production of documents referred to in Subparagraph 3.4.1(a)(ii) above,
- 3.4.1(a)(ii)(cc) inspect and require explanation of such documents, and,
- 3.4.1(a)(ii)(dd) take notes or copies thereof, or copy extracts therefrom or note or copies of or extracts from statements produced to support or explain such documents;
- 3.4.1(a)(iv) when the Agency Administrator determines that an Agent may no longer satisfy the financial criteria incorporated in the Travel Agent's Handbook, he may, if circumstances so warrant, prescribe in writing such conditions as he deems appropriate to be complied with by the Agency within 60 days (21 days for Australia) 21 days of the date of the written prescription. or such longer period as the Agency Administrator may specify or as agreed by the Agency Administrator of the date of the written prescription; provided that if the Agency Administrator determines that the ability of Members and Airlines to collect monies for Traffic Documents may be prejudiced, he may immediately place the Agent on a commissionable Cash Basis at all its Approved Locations. The Agency Administrator shall determine if such conditions have been met. On finding that the Agent failed to comply, the Agency Administrator shall, if he has not already done so as provided for above, simultaneously place the Agent on a Cash Basis at all its Approved Locations, give the Agent notice of termination of the Sales Agency Agreement and notify all Members, Airlines and ISS Management accordingly;

### 3.4.11 Access to Automated Ticketing

where so agreed by the Executive Council the applicant shall have, at the place of business under application, the facility to issue on behalf of Members/Airlines participating in the BSP, STDs through the use of an approved Automated Ticketing System as defined in Resolution 854;

## 3.48 GENERAL CRITERIA (Except Australia)

Renumber Sects. 3.4 - 3.7 as 3.8 - 3.11

2. Amend Section 4.7 as follows:

### 4.7 ASSEMBLY APPLICATION PROCEDURES

- **4.7.1** (<u>Australia only</u>) the applicant must complete the application form prescribed. The submitted application shall be accompanied by financial statements as required under Section 3, Subparagraph 3.4.12 of these Rules, photographs of the premises and fees as set forth in Paragraph 4.1 of this Section;
- 4.7.1(i) Except Australia the applicant must complete the application form prescribed. The submitted application shall be accompanied by financial statements as required under Section 3, Subparagraph 3.8.2 of these Rules, photographs of the premises and fees as set forth in Paragraph 4.1 of this Section;

### 1. Amend Resolution 820d as below:

### OFFICE OF TRAVEL AGENCY COMMISSIONER (Amending)

PAC1(41)820d (except USA)

Expiry:

Indefinite

PAC2(41)820d PAC3(41)820d

Type: B

### RESOLVED that,

- 1. the eQffice of the Travel Agency Commissioner, ('the Commissioner') is hereby established and shall be funded as provided below.
- 3. any person may submit names of candidates for vacant Commissioner positions to the Director General of IATA. Industry representatives, including the <a href="Secretary GeneralChairman/CEO">Secretary GeneralChairman/CEO</a> of UFTAA and the President of WTAAA, will evaluate each such candidate and make appropriate recommendations to the Director General. The Commissioner will thereafter be appointed on the joint authority of the Director General and the PresidentChairman/CEO of UFTAA, such appointment to be for a period of not less than three years, renewable by mutual agreement. A serving Commissioner shall not leave office before a successor has been appointed.
- **4.** the Director General may appoint one or morea Deputy Travel Agency Commissioners may be appointed as necessary, to meet the demands of the office, in which event the appointment process shall be as for the Commissioner described above. In such easethis Resolution, the term 'Commissioner' shall be deemed to include both the Travel Agency Commissioner and the Deputy Commissioner.
- **7.** the term of office of a Commissioner may be curtailed by the Director General the Chairman/CEO of UFTAA and the President of WTAAA acting jointly, upon the recommendation, for cause, of the appropriate body of industry representatives.
- 8. the costs of the Office of the Travel Agency Commissioner's office shall be borne in equal proportions by Members and by Accredited Agents. The Conference shall review the annual statement of accounts. No IATA Accredited Agent shall be called upon to contribute more than USD 5.00 or acceptable equivalent per Approved Location, per year as a regular contribution;. All such contributions shall be paid into the Travel Agency Commissioner Programme

Fund, held by the Agency Administrator and expended in accordance with the present Resolution. Sauch regular contribution shall not be deemed to include any payment of fee or monetary penalty decided by the Commissioner in the execution of his mandate. The Conference, the UFTAA Chairman and the President of WTAAA shall each receive the annual written statement of accounts.

- **9.** each Commissioner shall aet<u>conduct reviews</u> in accordance with the appropriate Resolution 820e which provides for the Conduct of Review by Travel Agency Commissioner.
- 10. a Commissioner may be assigned in writing by the joint appointing authorities such further duties and functions as may be agreed between them, with a view to ensuring continuing openness, information flow and clarity in the ongoing relationship between IATA and the global community of IATA Accredited Agents. Reasonable expenses incurred in pursuing these goals may be defrayed from the Travel Agency Commissioner Programme Fund, subject to prior approval in writing of the Director General the Chairman/CEO of UFTAA and the President of WTAAA.
- 11. each Commissioner shall be furnished in a timely manner with all the publications provided by the Agency Administrator to Accredited Agents situated in the area of the Commissioner's jurisdiction.

#### **Resolution 830a**

### MULTIPLE TICKET ISSUANCE BY AGENTS (Amending)

PAC1(41)830a (except USA) PAC2(41)830a PAC3(41)830a **Expiry: Indefinite** 

Type: B

1. Amend the preamble of Resolution 830a as shown below:

WHEREAS it is in the interests of the industry that consumers shall have ready access to an optimum number of ticketing outlets; and

WHEREAS IATA Members have accordingly deposited stocks of their traffic documents with IATA Accredited Agents the better to serve the needs of the consumer; and

WHEREAS custody, completion, issue, reissue, validation and revalidation of such traffic documents are governed by Members' tariffs and the ticketing procedures <u>furnished to agents through ticketing systems</u>, and as described in the Travel Agent's Handbook—and the Ticketing Handbook, copies of which are furnished to IATA Accredited Agents by the Agency Administrator and compliance with which is mandatory upon each Accredited Agent under the terms of the Passenger Sales Agency Agreement; it is

### SCHEDULE 2 PART B

### AUTHORISED 2005 DECISIONS OF THE GENERAL ASSEMBLY SOUTH WEST PACIFIC MADE USING POWERS DELEGATED PURSUANT TO RESOLUTIONS APPEARING IN APPENDIX B PART 1

No	Title	Outline of changes <sup>4</sup>	Impact of changes / competitive effect and public benefit
816(3)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the provision for site examinations of accredited agents financial documents and to allow for extension of the deadline for accredited agents to comply with financial criteria conditions.  Also amended, in line with changes to sales agency rules worldwide, to remove the requirement for a recommendation from the Local Customer Advisory Group in order for provision for electronic ticketing locations to be implemented.	The changes relating to on site examinations and deadline extensions will have a liberating effect on the programme. They implement recommendations of the Travel Industry Accreditation Review Committee (TIARC), in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  The changes in relation to electronic ticketing locations will not have any practical effect in Australia as provision for electronic ticketing locations has already been implemented in Australia.  All of these changes are neutral in terms of competitive effect.
816(4)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the requirement for applicants to provide photographs of premises.  Also amended to make editorial changes consequential on other amendments and to improve the overall drafting.	The change relating to the provision of photographs has been adopted to implement a recommendation of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2005).  Other changes consist of editorial amendments.  All of these changes are neutral in terms of competitive effect.

<sup>&</sup>lt;sup>4</sup> This outline is provided for general guidance only. The full text of the amended resolutions, indicating the amendments made, is attached.

### FORM OF AUTHORISATION A90791 AS AMENDED BY:

- 1. DETERMINATION DATED 5 MARCH 2003;
- 2. DETERMINATION DATED 20 OCTOBER 2004;
- 3. **DETERMINATION DATED 16 MAY 2005**;
- 4. DETERMINATION DATED 16 JUNE 2005; AND
- DETERMINATION DATED 28 JULY 2005; AND
- <u>5.6.</u> DETERMINATION DATED .....(current application)
- For the reasons outlined above, the Commission revokes Authorisation A90408 issued on 31 October 1984 and gives authorisation for:
  - IATA and its members from time-to-time to engage in conduct giving effect to the contracts, arrangements and understandings evidenced by the:
    - (a) resolutions of the IATA Passenger Agency Conference passed in accordance with the Provisions for the Conduct of the IATA Traffic Conferences as amended from time to time; and
    - (b) decisions of the Generally Assembly constituted by Resolution 816 Section 2.1 (as amended or substituted from time to time).
  - 2) Subject to paragraph (3) below, authorisation is also given for IATA and its members to meet in IATA Passenger Agency Conferences and pass resolutions amending or modifying or adding to the current resolutions.
  - This authorisation does not extend to amendments of or substitutions for the resolutions specified in Part 1 of Appendix B as they appeared in the IATA Passenger Agency Conference Resolutions Manual, 22nd Edition, other than those set out in Part 2 of Appendix B.
  - 4) Subject to paragraph (5) below authorisation is given for IATA and its members to meet and make decisions in the General Assembly;
  - This authorisation does not extend to decisions of the General Assembly made using powers delegated pursuant to resolutions appearing in Part 1 of Appendix B other than: (i) those decisions which are reflected in the IATA Travel Agent's Handbook, Resolution 816 Edition (effective 1 December 2000); or (ii) decisions made pursuant to the resolutions in Part 2 of Appendix B; or (iii) decisions set out in Part 3 of Appendix B.
  - 6) Authorisation is also given for IATA, its members and others who, according to IATA Passenger Agency Conference resolutions establishing

the Executive Council Australia and other consultative groups relating to the IATA Passenger Agency Program, participate in consultations within the terms of reference set by the relevant Conference for those groups from time to time.

- 10.2 The granting of the above authorisation is subject to the following conditions:
  - A review is required to be undertaken of the conditions imposed by IATA through its Passenger Agency Program for travel agents in Australia to obtain and retain IATA accreditation, such review to take into account:
    - (a) the extent to which IATA accreditation conditions as applied in Australia impede the operational efficiency of agents and/or result in increases in operating costs;
    - (b) the level of risk associated with the credit extended to agents by airlines and with traffic documents and authorities provided to agents by IATA in Australia and the extent to which the qualifications for accreditation and retention of travel agents, as applied in Australia, alleviate that risk;
    - (c) any opportunities for reducing costs and burdens placed on agents in Australia while containing risk associated with the extension of credit by airlines and the holding of traffic documents by those agents; and
    - (d) the impact on risk associated with airline credit and traffic documents of recent developments in the aviation and sale of travel industries including electronic ticketing, the incidence of credit sales made using airlines' merchant agreements and changes to the BSP Australia remittance period.
  - 2) The Commission requires:
    - (a) the review to be undertaken jointly by airlines and agents (with equal representation from each group and including a representative of the Australian Federation of Travel Agents) under an independent Chairperson;
    - (b) the results of the review to be made public and available to the Commission within two years of the date this determination comes into force; and
    - (c) recommendations arising from the review and related to the IATA Passenger Program which are directed at improving the efficiency or reducing the operating costs of, or burdens on, accredited agents to be implemented at the earliest opportunity but no later than three years from the date of this determination taking effect.
  - By 1 August 2005, the IATA Passenger Agency Conference resolution establishing and governing the IATA Passenger Agency Programme as it applies in Australia (i.e. Resolution 816) is to include a provision to the effect that IATA member airlines who have entered general concurrence

in relation to Australia are to provide a statement of reasons to any IATA accredited agent in Australia, where the airline either declines to provide the agent with ticketing authority or carrier identification plates or from whom the airline withdraws such authority or plates.

10.3 Resolutions appearing in Appendix B and decisions of the General Assembly South West Pacific made using powers delegated pursuant to resolutions appearing in Appendix B are authorised for a period of four years from the date of effect of this determination. All other resolutions of the IATA Passenger Agency Conference and decisions of the General Assembly South West Pacific and variations to them are authorised for eight years.

## APPENDIX A: INTERNATIONAL AIRLINES OPERATING SCHEDULED PASSENGER SERVICES TO/FROM AUSTRALIA FOR THE YEAR ENDED JUNE 2000

[not included]

APPENDIX B:

PART 1 - IATA PASSENGER AGENCY CONFERENCE RESOLUTIONS <sup>5</sup> VARIATIONS TO WHICH ARE NOT AUTHORISED

Resolution No	Description	
816(2)	South West Pacific Agency Program	
816(3)	Qualifications for accreditation and retention	
816(4)	Procedures	
816(8)	Consequences of default	
816(9)	Conditions for payment of commission or other remuneration	
816(10)	Change of ownership, legal status, name or location	
816(11)	Application of minimum security standards for safe custody of traffic documents and carrier identification plates	
816(12)	Reviews under the authority of the Travel Agency Commissioner	
816(13)	Measures affecting an agent's standing	
816(14)	Review by arbitration at agent's request	
816e	Conduct of review by Travel Agency Commissioner	
816f	Extension of agency program in South West Pacific	
820d	Travel Agency Commissioner	
824	Passenger sales agency agreement	
824a	Application of the term "commission"	
824r	Refunds to agents	
830	Multiple ticket issuance by agents	
830a	Consequences of violation of ticketing procedures	
850t	Non-IATA airline participation in certain IATA programs	
862	Joint agent and airline consultative meetings	
886p	Reduced fare transportation for persons officially travelling to Travel Agency Commissioner hearings	

<sup>&</sup>lt;sup>5</sup> As appearing in the IATA Passenger Agency Conference Resolutions Manual 22<sup>nd</sup> Edition.

## PART 2 - AUTHORISED 2001 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>6</sup>
816	Passenger Sales Agency Rules - South West Pacific	Amended to reflect the introduction of Resolution 832 (see below), and to allow an agent's accreditation to be withdrawn if it is used to profit from activities which harm IATA's good standing.
816e	Conduct of Review by Travel Agency Commissioner - South West Pacific	Amended to reflect the introduction of Resolution 832.
824r	Refunds to Agents	Amended to replace the previous requirement on airlines to use their best endeavours to ensure refunds to agents are processed within two months, with an obligation to ensure that this occurs. Airlines are also now required to provide reasons to the agent where a refund is not processed within two months.
830a	Consequences of Violation of Ticketing Procedures	Amended to add failure to follow the Ticketing Airline Selection Rules (contained in attachment H to Resolution 850) to the example list of practices which breach agent ticketing procedures.
832	Reporting and Remitting Procedures	New Resolution 832 consolidates the rules relating to consequences of agent default under the various resolutions worldwide into a single resolution. As a result the rules applicable in Australia which were previously set out in section 8 of Resolution 816 have been incorporated into Resolution 832. In the drafting process some aspects of the existing arrangements under Resolution 816 were inadvertently altered in Resolution 832. Those discrepancies were amended at the next Passenger Agency Conference meeting in June 2002. In the interim the arrangements as they existed under Resolution 816 continued to be applied.

## PART 2 - AUTHORISED 2002 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>7</sup>
816	Passenger Sales Agency Rules - South West Pacific	Amended to:     expand the authority delegated to the General     Assembly South West Pacific to include cost-recovery

<sup>&</sup>lt;sup>6</sup> The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is on the Commission's public register.

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The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is on the Commission's public register.

		charges, variation of sanctions and enhancement of the minimum security standards  make AFTA's chief executive an ex officio member of
		the Executive Council Australia
		<ul> <li>remove the provision allowing an airline to lodge a protest against an agent's application for accreditation, and replace it with a provision allowing an airline to register information which it believes justifies a review of a successful applicant</li> </ul>
		<ul> <li>remove the provisions allowing an airline to lodge a protest against an agent's notification of change of ownership, legal status or location</li> </ul>
		<ul> <li>reduce the permitted decision time on applications for accreditation and notifications of change of ownership or legal status</li> </ul>
		<ul> <li>remove the long-unused provision prohibiting commission on government sales</li> </ul>
		formalise the authority given to accredited agents to use the IATA logo
832	Reporting and Remitting Procedures	Resolution 832 was a new resolution adopted at the 2001 meeting of the Passenger Agency Conference which consolidated the rules relating to consequences of agent default under the various resolutions worldwide into a single resolution. It was amended to improve the clarity of the text, to reflect changes to Resolution 850 and to correct some aspects of the rules applicable in Australia under former section 8 of Resolution 816 which were inadvertently altered during the transition to Resolution 832. During the period that those errors were in Resolution 832 the arrangements as they existed under Resolution 816 continued to be applied.
862	Joint Agent and Airline Consultative Meetings	Amended to remove the 12 month transitional timeframe as equal representation has been achieved in all joint consultative bodies.

# PART 2 - AUTHORISED 2003 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>8</sup>
800f	Framework for the Development of Agent's Financial Evaluation Criteria	New resolution setting out a recommended framework for the development of an agent's financial evaluation criteria to be applied as a guideline for the establishment and/ or review of the local financial criteria in all markets, subject to local conditions that may apply. It is intended to promote a consistent and where possible, standard set of

<sup>&</sup>lt;sup>8</sup> The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is attached to IATA's application dated 24 December 2003.

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No.	Title	Outline of changes <sup>8</sup>
		rules for agency accreditation.
816	Passenger Agency Sales Rules - South West Pacific	Amended to remove the definitions of terms from this resolution. All definitions applicable to Passenger Agency Conference Resolutions are now contained in a single new Resolution 866 (see below).
820e	Reviews by the Travel Agency Commissioner	New resolution consolidating the procedures for reviews conducted by the Travel Agency Commissioner under the various resolutions worldwide into a single resolution. As a result the procedures applicable in Australia which are currently set out in Resolution 816e will be incorporated into Resolution 820e. In addition to the existing arrangements under Resolution 816e, the new resolution:
		clarifies many of the existing procedures
		introduces new grounds of review for agents who believe their commercial survival is threatened by a decision by an individual IATA member, or who are aggrieved by an impending amendment to their passenger sales agency agreement
		<ul> <li>enables an IATA member to request a review where it objects to the approval of a particular application for accreditation.</li> </ul>
832	Reporting and Remitting Procedures	Amended to make numerous editorial changes to improve the overall drafting, reduce the complexity of and clarify the resolution.
842	Network Agent	New resolution introducing a new classification of accredited agent. The new classification of "network agent" is directed at large agents who have been accredited for at least 3 years and with no history of consistent irregularities or default. Classification as a network agent entitles an agent or group of agents to automatic approval of branch offices. The resolution sets out:
		the criteria for qualification and retention;
		application procedures including forms and fees;
		procedures on change of ownership;
		procedures for review of a rejected application including review by the Travel Agency Commissioner and arbitration;
		provisions in relation to capacity, indemnity and waiver incorporated from the Passenger Sales Agency Rules.
		Note: This resolution has been included as it may impact on Resolution 816(3) which is included in Appendix B Part 1
866	Definitions of terms used in Passenger Agency Programme	New resolution consolidating all the definitions of terms and expressions used in resolutions of the Passenger Agency Conference into a single resolution.
- 3/4	Resolutions	Note: This resolution has been included as it defines terms and expressions used in resolutions contained in Appendix

No.	Title	Outline of changes <sup>8</sup>
		B Part 1.
878	General Concurrence	New resolution clarifying the procedures and form to be used by airlines for the depositing of a statement of general concurrence.
		Note: This resolution has been included as it supplements the general concurrence provisions contained in Resolution 816(4), which is included in Appendix B Part 1.

## PART 2 - AUTHORISED 2004 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>9</sup>
816 (3)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove provisions which may have been interpreted as restricting accredited agents to operating during normal business hours only.
		Also amended in relation to Australia to remove the prohibition on an accredited agent sharing premises with another agent. Premises are now permitted to be shared provided that the agents concerned are separate legal entities and separately identify their transactions, tickets and reservations sales.
800b	Satellite Ticket Printer and Ticket Delivery Locations	Substitution for paragraph 3.5 of Resolution 816 in Appendix B Part 1. A new resolution consolidating the requirements for the inclusion of a satellite ticket printer in an agent's accreditation under the various resolutions worldwide into a single resolution. As a result the requirements applicable in Australia, which are currently set out in paragraph 3.5 of Resolution 816 and in Resolution 816aa, will be incorporated in this new resolution.
		The new resolution will bring about three changes to the existing arrangements in Australia. First, the application process, including the appeal mechanism, has been clarified and made more transparent. Second, the application of the change of ownership, legal status, name and location provisions to satellite ticket printer locations has been clarified. Third, the existing minimum security standards have been tailored to satellite ticket printers with the following consequences:
		the inspection process has been clarified;
		the limits on supplies of unprinted tickets have been simplified; and
		the consequences of a satellite ticket printer location failing to meet the standards have been relaxed.

<sup>&</sup>lt;sup>9</sup> The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is attached to IATA's application dated 15 July 2004.

No.	Title	Outline of changes <sup>9</sup>
		The new resolution also incorporates the provisions of Resolution 800t in relation to ticket delivery locations. Resolution 800t does not apply in Australia.
816 (2)	Passenger Sales Agency Rules - South West Pacific	Amended to include Papua New Guinea in the area covered by the resolution.
816 (3)	Passenger Sales Agency Rules - South West Pacific	Amended to remove the rules and procedures in relation to accreditation of satellite ticket printer locations to reflect the introduction of Resolution 800b (see above).
816 (9)	Passenger Sales Agency Rules - South West Pacific	Amended to remove references to a fixed value of amounts on partially or wholly refunded tickets.
816 (10)	Passenger Sales Agency Rules - South West Pacific	Amended to make editorial changes to improve the overall drafting and clarity of the provisions setting out which changes of ownership or legal status of an accredited agent require a new passenger sales agency agreement, and which such changes do not.
866	Definitions of Terms Used in Passenger Agency Programme Resolutions	Substitution for definitions in resolutions contained in Appendix B Part 1. Resolution amended to insert a definition of 'days' and to amend the definitions of 'Neutral Traffic Document' and 'Satellite Ticket Printer Location'.
•		Also amended to remove the definitions of 'Agency Supervisory Board', 'Agency Supervisory Board List' and 'Inclusive Tour' however these terms are not contained in any resolutions applicable in Australia.

# PART 2 - AUTHORISED 2005 AMENDMENTS TO OR SUBSTITUTIONS FOR THE RESOLUTIONS SPECIFIED IN APPENDIX B PART 1

No	Title	Outline of changes <sup>10</sup>
816(3)	Passenger Sales Agency Rules - South West Pacific	Amended to require IATA member airlines who have entered general concurrence in relation to Australia to provide a statement of reasons to an Australian accredited agent where it either declines to provide the agent with electronic ticketing authority or withdraws such authority from the agent. The statement of reasons is also required to be copied to the Travel Agency Commissioner.
<u>800b</u>	Satellite Ticket Printer and Ticket Delivery Locations	Amended to add a requirement that accredited agents hold a valid licence to operate an STP location where required by law.
		Also amended in relation to Australia to:
		remove the prescribed security requirements in

 $<sup>^{10}</sup>$  This outline is provided for general guidance only. The full text of the amended resolutions, indicating the amendments made, is attached to IATA's application dated 1 July 2005 and to this application.

		relation to safes, premises access points and stock levels of unused traffic documents; and
		<ul> <li>introduce a provision making accredited agents liable for the fraudulent or improper use of lost, stolen or misused traffic documents until the agent reports the missing documents to the BSP.</li> </ul>
816(2)	Passenger Sales Agency Rules - South West Pacific	Amended to make editorial changes to remove the duplicate listing of countries which is also contained in the resolution preamble.
		All other amendments relate to the Executive Council New Zealand
816(3)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the provision for site examinations of accredited agents financial documents and to allow for extension of the deadline for accredited agents to comply with financial criteria conditions.
		Also amended, in line with changes to sales agency rules worldwide, to remove the requirement for a recommendation from the Local Customer Advisory Group in order for provision for electronic ticketing locations to be implemented.
816(4)	Passenger Sales Agency Rules - South West	Amended in relation to Australia to remove the requirement for applicants to provide photographs of premises.
	<u>Pacific</u>	Also amended to make editorial changes consequential on other amendments and to improve the overall drafting.
816(9)	Passenger Sales Agency Rules - South West Pacific	Amended to remove references to sales made by way of charter agreement where payment is by cheque made out by a third party direct to the airline concerned.
816(10)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the requirement for accredited agents to submit photographs of premises on changing location, and to include a requirement that accredited agents provide notification on sharing their premises with another agent to reflect the changes to 816(3) (see above).
		Also amended to make editorial changes.
816(11)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove prescribed security requirements in relation to safes and premises access points, and limitations on stock of unused traffic documents.
		Also amended to clarify existing requirement that accredited agents comply with security standards contained in the local addendum to the BSP Manual for Agents.
816(14)	Passenger Sales Agency Rules - South West Pacific	Amended to provide that the procedures established for arbitrations requested by applicants and accredited agents also apply to arbitrations requested by IATA member airlines

820(d)	Travel Agency Commissioner	<ul> <li>expand UFTAA's role to include joint authority with the IATA Director General for ending a commissioner's term early and joint review of the annual statement of accounts;</li> <li>include the newly formed World Travel Agents Association Alliance (WTAAA) in evaluations of candidates for commissioner positions and early termination decisions;</li> <li>set a three year minimum on the term of a</li> </ul>
		<ul> <li>commissioner's appointment;</li> <li>set out the funding arrangements for the office of commissioner.</li> <li>Also amended to make editorial changes to update and clarify the resolution.</li> </ul>
820(e)	Reviews by the Travel Agency Commissioner	<ul> <li>Amended to:         <ul> <li>expand the categories of decisions that an accredited agent or applicant can have reviewed;</li> </ul> </li> <li>add persistent failure of an accredited agent to settle amounts owing against agency debit memos in the categories of conduct that the Agency Administrator can have reviewed;</li> <li>remove the provision enabling an IATA member</li> </ul>
		<ul> <li>airline to have a successful application against which that member protested reviewed; and</li> <li>exclude reviews of issues that are the subject of litigation or arise out of restraint of trade laws.</li> <li>Also amended in relation to reviews conducted at the request of agents or applicants to;</li> <li>introduce a preliminary step requiring the Travel Agency Commissioner to consider a case credible before proceeding to conduct a review;</li> </ul>
		<ul> <li>clarify the form of the review proceedings;</li> <li>clarify that a decision that is the subject of review is suspended while the review is on foot;</li> <li>enable the Travel Agency Commissioner to require an agent/applicant seeking interlocutory relief to provide some form of guarantee.</li> <li>Also amended to make editorial changes to clarify the resolution.</li> </ul>
<u>830a</u>	Consequences of Violation of Ticketing Procedures	Amended to remove the specific reference to accredited agents being provided with copies of the IATA Ticketing Handbook.

866	Definitions of Terms Used in Passenger	Amended to remove the definition of 'de novo hearing' as a consequence of the changes to Resolution 820e above.
	Agency Programme Resolutions	Also amended in relation to a number of terms not relevant to resolutions applicable in Australia.

PART 3 - AUTHORISED 2002 AMENDMENTS TO DECISIONS OF THE GENERAL ASSEMBLY SOUTH WEST PACIFIC REFLECTED IN THE IATA TRAVEL AGENT'S HANDBOOK RESOLUTION 816 EDITION (EFFECTIVE 1 DECEMBER 2000) MADE USING POWERS DELEGATED PURSUANT TO RESOLUTIONS APPEARING IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>11</sup>
816	Passenger Sales Agency Rules - South West Pacific	Amended to introduce a requirement for all staff of an accredited agent to have completed an appropriate ticketing course within the previous 2 years.

PART 3 - AUTHORISED 2004 AMENDMENTS TO DECISIONS OF THE GENERAL ASSEMBLY SOUTH WEST PACIFIC REFLECTED IN THE IATA TRAVEL AGENT'S HANDBOOK RESOLUTION 816 EDITION (EFFECTIVE 1 DECEMBER 2000) MADE USING POWERS DELEGATED PURSUANT TO RESOLUTIONS APPEARING IN APPENDIX B PART 1

No.	Title	Outline of changes <sup>12</sup>
816	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove provisions which may have been interpreted as restricting accredited agents to operating during normal business hours only.
		Also amended in relation to Australia to remove the prohibition on an accredited agent sharing premises with another agent. Premises are now permitted to be shared provided that the agents concerned are separate legal entities and separately identify their transactions, tickets and reservations sales.
	Locally Established Criteria for Accreditation and Retention of Agents - South West Pacific	Australian locally established criteria for financial evaluation of agents amended to expand the categories of acceptable security to include bonds and guarantees issued by other than authorised insurers.

<sup>12</sup> The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is attached to IATA's application dated 15 July 2004.

CBR3\_435319\_3 (W2003)

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<sup>&</sup>lt;sup>11</sup> The outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is on the Commission's public register.

PART 3 - AUTHORISED 2005 AMENDMENTS TO
DECISIONS OF THE GENERAL ASSEMBLY SOUTH
WEST PACIFIC REFLECTED IN THE IATA TRAVEL
AGENT'S HANDBOOK RESOLUTION 816 EDITION
(EFFECTIVE 1 DECEMBER 2000) MADE USING
POWERS DELEGATED PURSUANT TO RESOLUTIONS
APPEARING IN APPENDIX B PART 1

No.	<u>Title</u>	Outline of changes <sup>13</sup>
816(3)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the provision for site examinations of accredited agents financial documents and to allow for extension of the deadline for accredited agents to comply with financial criteria conditions.  Also amended, in line with changes to sales agency rules worldwide, to remove the requirement for a recommendation from the Local Customer Advisory Group in order for provision for electronic ticketing locations to be implemented.
816(4)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to remove the requirement for applicants to provide photographs of premises.  Also amended to make editorial changes consequential on other amendments and to improve the overall
		drafting.

<sup>&</sup>lt;sup>13</sup> This outline is provided for general guidance only. The full text of the amended resolutions, indicating the amendments made, is attached.

#### **SCHEDULE 4**

## OTHER RESOLUTIONS FILED FOR INFORMATION ONLY

No.	Title	Outline of changes <sup>14</sup>
003	Standard Rescission Resolution	New resolution to rescind Resolution 800v, as the use of vidoetext systems in accredited agents' offices has been superceded by web based tools and therefore Resolution 800v is no longer required.
800r	Special Event Locations	Amended to clarify that electronic tickets are permitted to be issued by special event locations.
816(5)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to introduce a provision making accredited agents liable for the fraudulent or improper use of any lost, stolen or misused traffic documents until the agent reports the missing documents to the BSP. This amendment is a consequence of the concurrent changes to Resolution 816 section 11 (see Schedule 2 Part A of this application) liberalising the rules on premises security in Australia. It implements a recommendation of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2006).
816(16)	Passenger Sales Agency Rules - South West Pacific	Amended in relation to Australia to introduce a provision making accredited agents liable for the fraudulent or improper use of any lost, stolen or misused traffic documents until the agent reports the missing documents to the BSP. This amendment is a consequence of the concurrent changes to Resolution 816 section 11 (see Schedule 2 Part A of this application) liberalising the rules on premises security in Australia. It implements a recommendation of TIARC, in compliance with the condition contained in paragraph 10.2(2)(c) to Determination A90791 (as amended by the Determination dated 16 May 2006).
832	Reporting and Remitting Procedures	Amended to improve the process for the handling of disputed agency debit memos (ADMs).
		Agents will now have 14 days to review an ADM before an airline can submit it to the BSP for processing. Where an agent then disputes an ADM the airline must issue a new ADM correcting any error in the original. The persistent failure to settle amounts properly owing against an ADM is now also included in the list of accounting irregularities that can lead to a review of an agent's accreditation.
		Also amended to correct an erroneous cross reference. A number of other changes have also been made that are not, however, applicable in Australia.
838	Revalidation or Reissue of Traffic Documents by	Amended to reflect that it is possible under Passenger Services Conference Resolution 722g for an electronic ticket that has

<sup>&</sup>lt;sup>14</sup> This outline is provided for general guidance only. The full text of the new and amended resolutions, indicating the amendments made, is attached. CBR3\_435319\_3 (W2003)

No.	Title	Outline of changes <sup>14</sup>
	Agents	already been issued to be associated with a new booking.
850	Billing and Settlement Plans	Amended to:     remove references to the Data Interchange     Specifications Handbook as a consequence of responsibility for the handbook being moved to the Passenger Services Conference;
		<ul> <li>clarify and strengthen the provisions dealing with the financial obligations of airlines participating in a BSP;</li> <li>introduce provisions dealing with airlines that wish to continue participating in a BSP after a change of ownership; and</li> </ul>
		clarify that local bankruptcy laws prevail over the provisions dealing with suspension of an airline from BSP operations.
850m	Issue and Processing of	Amended to replace the entire content of the resolution.
	Agency Debit Memos (ADMS)	The existing resolution sets out a code of best practice for agency debit memos (ADMs) applicable to airlines and accredited agents.
		The new form of the resolution requires airlines to prepare an ADM policy and provide it to accredited agents. It also provides a model policy based on the existing airline code of best practice.
		The new form of the resolution also provides specific timeframes for the processing of ADMs and for the handling of disputes relating to ADMs to ensure that accredited agents are given adequate time to raise disputes and that disputes are dealt with in a timely manner.
850p	Financial Securities	New resolution providing for the development of guidelines for assessing the acceptability of providers of financial guarantees for agents to meet accreditation financial criteria.
898a	Electronic Reservations Services Providers	Amended to require that IATA members use electronic reservations services provider data solely for the identification of the source of sale for inventory control purposes.

#### **Resolution 003**

#### STANDARD RESCISSION RESOLUTION (New)

2 Jan 2006 Expiry:

PAC1(41)003 PAC2(41)003

В

PAC3(42)003 Type:

Resolved that, upon the effectiveness of this Resolution, the undermentioned Resolutions shall be rescinded:

PAC1(41)800v (except Canada and USA)

PAC2(41)800v

PAC3(41)800v

PAC1(41)802 (Brazil)

### SATELLITE TICKET PRINTER AND TICKET DELIVERY LOCATIONS (Amending)

PAC1 (41) 800b (except USA)

Expiry: Indefinite

PAC2 (41) 800b (except Russian Federation)

PAC3 (41) 800b (except China)

Type: B

1. Amend Resolution 800b as follows:

### Section 2 — Special Qualifications for Approval and Retention of a Satellite Ticket Printer Location

- **2.12** OPATB2 technology is to be introduced in all EU, EEA Countries and Switzerland not later than 1 December 2006.
- 2.2 The Agent must be in possession of a valid licence to operate the STP Location where such licence is required by law.
- Re-number existing paragraphs 2.2 through 2.12
- 4.2 (Australia only) in the event of loss or theft or misuse of Traffic Documents in the Agent's custody, the Agent is liable for their subsequent fraudulent or improper use until such time as the Agent reports the missing Traffic Documents in writing to the BSP, which shall immediately list them in the Industry Tickets Services Blacklist.
- Re-number existing paragraphs 4.2 as 4.3
- **5.1.1(a)** (Except Australia) all normal access points to the premises of each STP Location shall be efficiently secured when the premises are not attended by authorised personnel
- **5.1.1(b)** (Except Australia) all other possible access points to the premises such as skylights, windows etc., shall be secured to a standard acceptable to the Conference
- **5.1.1(e)** (Except Australia) each STP Location's supply of unprinted Traffic Documents which are not secured within the ticket printing device (STP) shall, when not in use, be locked in a steel safe weighing not less than 182 kgs and

bolted, cemented or otherwise secured to the floor or wall to preclude movement within or quick removal from the premises; provided that the use of a strong room installed on the premises in place of such a safe, or the use of a bigger safe of not less than 500 kgs not necessarily secured to the floor or wall shall be permissible for the storage of the working supply of Traffic Documents, except that:

- **5.1.1(e)(i)** (Australia and New Zealand only) that the additional specific provisions for safes contained within Section 11 of Resolution 816 shall apply, and will supercede those provided in Subparagraph 5.1.1.5(e) above where any inconsistency may arise
- 5.1.1(e)(iii) (Australia only) each STP Location's supply of unprinted Traffic Documents which are not secured within the ticket printing device (STP) shall, when not in use, be:
- (A) if a safe is already installed on the premises then stored in the safe;
- (B) if no safe is on the premises then stored in a lockable steel cabinet.

#### **Resolution 800r**

### SPECIAL EVENT LOCATIONS (Amending)

PAC1 (41) 800r (except USA)

**Expiry: Indefinite** 

PAC2 (41) 800r

Type: B

PAC3 (41) 800r

1. Amend Resolution 800r Section 1.1.3 as below;

1.1.3 only OPTATs Automated or Electronic Tickets OPATB2s shall be issued by the SEL. Such Standard Traffic Documents shall be supplied by the Host Location of the Agent from the reserve supply provided to the Host Location by ISS Management, subject to the prior approval of ISS Management; provided that the supply of such unissued Standard Traffic Documents held at the SEL shall be one box of Standard Traffic Documents which shall not exceed 500 OPTATs or 1,000 OPATB2s, and/or not more than a range of 1,000 numbers of Electronic Ticket issuance.

### PASSENGER SALES AGENCY RULES - SOUTH-WEST PACIFIC (Amending)

PAC3(41)816 (South-West Pacific)

**Expiry: Indefinite** 

Type: B

4. Amend Section 5 as follows (and renumber Sections 5.5.2-5.5.5):

#### 5.5 ADDITIONAL RESPONSIBILITIES OF AGENT

(Australia Only)

**5.5.2** in the event of a loss or theft of the traffic documents in the Agent's custody, the Agent is liable for any subsequent fraudulent or improper use until such time as the Agent reports the missing documents in writing to the BSP, which shall immediately list them in the Industry Tickets Services Blacklist;

9. Amend Section 16 as follows:

#### Section 16 - Indemnities and Waiver

16.1 (Except Australia) the Agent agrees to indemnify and hold harmless the Member, its officers and employees from all damage, expense or loss on account of the loss, robbery, theft, burglary, fraudulent issue or misuse of Traffic Documents supplied to the Agent pursuant to these Rules, which Traffic Documents have not been duly issued by the Agent; provided that the Agent shall be relieved of liability in respect of any damage, expense or loss incurred or suffered by the Member resulting from such event if the Agent can demonstrate that at the material time it met the minimum security standards prescribed in Section 11, Paragraphs 11.2 11.8 of these Rules, and that such unlawful removal was immediately reported in accordance with the requirements of these Rules, or fraudulent issue or misuse of such Traffic Documents resulted solely from the action of persons other than the Agent, its officers or employees.

16.1.1 (Australia Only) the Agent agrees to indemnify and hold harmless the Member, its officers and employees from all damage, expense or loss on account of the loss, robbery, theft, burglary, fraudulent issue or misuse of Traffic Documents supplied to the Agent pursuant to these Rules, which Traffic Documents have not been duly issued by the Agent; provided that the Agent shall be relieved of liability in respect of any such damage, expense or loss incurred or suffered by the Member after such unlawful removal was reported by the Agent in accordance with the requirements of these Rules, or

fraudulent issue or misuse of such Traffic Documents resulted solely from the action of persons other than the Agent, its officers or employees.

#### **Resolution 820e**

### REVIEWS BY THE TRAVEL AGENCY COMMISSIONER (Amending)

PAC1(41)820e PAC2(41)820e PAC3(41)820e Expiry:

Indefinite

Type: B

1. Amend Resolution 820e Section 1 as follows:

RESOLVED that, as established under Resolution 820d, the Travel Agency Commissioner ('the Commissioner') shall conduct reviews <u>and act</u> with respect to decisions <u>and/or actions</u> affecting Agents and applicants in the countries—where the Sales Agency Rules applyunder the Agency Programme (it being understood that the definitions in Resolution 866 apply to this Resolution), in accordance with the following procedures:

#### Section 1 – Review Initiated by Agent or Applicant

The Commissioner shall review and rule on cases initiated by:

- **1.1.1** any Personan applicant whose application to become an Accredited Agent has been disapproved by the Agency Administrator, or has been disapproved upon reconsideration;
- 1.1.3 any Personan applicant who has acquired ownership or is seeking to acquire ownership of an Agent or Location and whose application for change of ownership has been disapproved by the Agency Administrator, either on first consideration, or upon reconsideration;
- 1.1.4 an Agent, or applicant may seek review of the finding that a person who is a director, or who holds a financial interest or a position of management in the Agent or applicant, is disqualified under the applicable Passenger Sales Agency Rules because of that person's connection with an Accredited Agent who was removed from the Agency List for failure to fulfil its fiduciary obligations. Any individual who believes he is, or may be, a person whose conduct would cause application of the exclusion provisions referred to above shall also be entitled to seek review by the Commissioner, to determine whether any disqualification whether actual or proposed should stand or be disregarded, in light of the individual circumstances;
- 1.1.45 an Agent who has received notice from the Agency Administrator of impending removal of the Agent or an Approved Location of the Agent from the

Agency List, or of any action or impending action by the Agency Administrator with regard to the Agent, that unreasonably diminishes the Agent's ability to conduct business in a normal manner:

- **1.1.56** an Agent whose application for change of location and/or name has been disapproved by the Agency Administrator;
- 1.1.67 an Agent from whom stocks of Standard Traffic Documents and Carrier Identification Plates have been withdrawn by ISS Management, or its representative, pursuant to the Accounting Irregularity Safeguards provisions in—Subparagraph 1.7.13.1(b) of either Resolution 832818 or 832, as applicable,; provided that any review initiated under this subparagraph shall be interlocutory to decide on any interim relief pending a redetermination of the eligibility of the Agent or the Location to be retained on the Agency List under Paragraph 1.3 of this Resolution;
- 1.1.78 an Agent who considers that its commercial survival is threatened by a Member's individual decision preventing it from acting as Agent for, or from issuing Traffic Documents on behalf of, such Member;
- **1.1.89** an Agent who is aggrieved by an impending amendment to its Passenger Sales Agency Agreement.
- 1.1.9 an Agent who considers that the Agency Administrator (as defined) has not followed correct procedure as delegated by the Passenger Agency Conference, to that Agent's direct and serious detriment.

#### 1.2 PROCESSING REVIEW REQUESTS FROM AN AGENT OR APPLICANT

- 1.2.2.4 where a request for review is accompanied by an application for interlocutory relief to stay action by the Agency Administrator, the Travel Agency Commissioner may require that the Agent/applicant provide a bank or any other form of guarantee as a condition for granting such interlocutory relief. The bank or other guarantee shall cover the amount in dispute or any other amount deemed appropriate by the Commissioner in light, in particular, of the financial risk associated with the dispute. The Commissioner may, in addition or in the alternative, require an immediate accounting and settlement of all monies due at the time the interlocutory order takes effect. As soon as the Agent/applicant has complied with all conditions to which interlocutory relief is subject, the Commissioner or Agency Administrator shall notify all BSP Airlines accordingly that any previously notified action has been stayed and the status quo restored pending the final determination of the Commissioner's review.
- 1.2.3 each review initiated under any provision of this Section shall be conducted by the Commissioner in the form of a de novo, adversarial proceedingthe Commissioner shall initially decide whether or not a credible case for review has been made; if the request for review is accepted, then the

Commissioner shall seek to ascertain to his/her own satisfaction all the facts relevant to the matter in dispute, affording the parties reasonable opportunity to present their side of the case;

1.2.5 a request for review initiated under the provisions of Paragraph 1.2 in respect of a decision of the Agency Administrator or the Agency Services Manager shall, upon acceptance by the Commissioner, have the effect of suspending such decision pending completion of the review.

#### 1.3 REVIEW INITIATED BY AGENCY ADMINISTRATOR

The Agency Administrator, on his own initiative or at the request of any Member, a group of Members, or of the Agency Services Manager, shall initiate a review to determine whether the Agent or Location has breached its Passenger Sales Agency Agreement, including IATA Resolutions incorporated into it, when the Agency Administrator has determined that a prima-faciecredible case has been made, in particular, in respect of any of the following:

- **1.3.4** the Agent refuses to surrender <u>unusedunissued</u> Traffic Documents or Carrier Identification Plates on demand by the Member or ISS Management;
- **1.3.5** the Agent has issued Traffic Documents or caused Traffic Documents to be issued at other than an Approved Location or other authorized place of issue of that Agent;
- **1.3.8** pursuant to the <u>Accounting Irregularity Safeguards</u> provisions of <del>Subparagraph 1.7.13.1(b) of Resolution 818 or 832, as applicable, an audit or other investigation has revealed irregularities in the Agent's accounting standards or practices;</del>
- 1.3.11 The Agent has persistently failed to settle amounts owing against Agency Debit Memos (ADMs) whether or not such ADMs have been subject to dispute.
- **1.3.1112** pursuant to the provisions of Paragraph 1.8 of Resolution 832, the Agency Administrator receives written information which leads him to the belief that Members' and Airlines' ability to collect monies from the Agent for Standard Traffic Documents may be prejudiced.

### 1.4 MATTERS OUTSIDE THE PURVIEW OF THE TRAVEL AGENCY COMMISSIONER

The Commissioner shall decline to act on any of the following:

- 1.4.1 any matter in litigation in a court of competent jurisdiction;
- **1.4.2** claims arising under restraint of trade law/regulations of the state or international authority having jurisdiction.
- 1.45 PROCESSING REVIEW REQUEST FROM AGENCY ADMINISTRATOR

Each request for review made by the Agency Administrator to the Commissioner shall be in writing and shall be accompanied by his certification—that a truewith copy has been served on simultaneously sent to the Agent. The Commissioner shall conduct each such review in an adversarial proceeding and decide, on the basis of all probative evidence presented during the proceeding, whether or not the Agent has failed to comply with or is in breach of the ResolutionAgency Programme provisions alleged by the Agency Administrator. If the decision is affirmative, the Commissioner shall also decide a penalty, in accordance with the provisions of this Resolution, as he deems appropriate under the circumstances.

#### 1.5 REVIEW INITIATED DIRECTLY BY A MEMBER

A Member who protests the accreditation of an Agent or Approved Location and remains aggrieved by such action, may initiate a review of the Agent in question by submitting a request in writing to the Commissioner, with copy to the Agency Administrator. Such request shall set out the grounds for the protest and shall be submitted within 30 calendar days from the date of the Agency Administrator's publication of the accreditation decision

2. Amend Section 2 as follows;

#### <u>Section 2 – Rules of Practice and Procedure</u>

The Each Commissioner shall publish rules of practice and procedure designed to ensure prompt and impartial review of all matters properly submitted to him.

- 2.3 the Commissioner shall be empowered, upon the agreement of both parties, to waive oral hearing and base his decision on written submissions of the Parties. He may also render a decision on written stipulations between the Parties;
- 2.6 except for good cause stated in writing, the Commissioner shall schedule each review proceeding not later than 45 days after receipt of the request for review. The Commissioner shall normally render his decision within 30 days after the close of the record in the proceeding. However, in each review arising under Subparagraph 1.3.8 of this Resolution, the Commissioner shall upon receipt of the request for review determine whether the circumstances warrant placing the Agent immediately on a Cash Basis, with commission being payable, and, if satisfied that such is the case, he shall issue an interlocutoryinterim decision to that effect, with copy to ISS Management, pending final disposition of the review;
- 2.7 in making each decision, the Commissioner shall be bound by the provisions of the applicable Resolutions, and shall make findings of fact and conclusions with respect thereto. The decision shall be in writing and shall include all such findings and conclusions and with respect to reviews conducted under Paragraph 1.1 of this Resolution any conditions imposed by the Commissioner. With respect to review proceedings instituted pursuant to

Paragraph 1.3 of this Resolution, the decision shall be in writing and shall include all such findings and conclusions and any penalty imposed pursuant to Section 3 of this Resolution. A signed copy of the decision shall be served on each party. Subject to action taken under Subparagraph 1.1.5Section 4 of this Resolution, the Commissioner's decision shall be final and binding on the Parties, including Members of IATA.

#### Section 3 – Courses Open to the Commissioner

The courses open to the Commissioner pursuant to a proceeding conducted under this Resolution will depend on the nature of the review and the facts. The following is an indicative summary of such <u>possible</u> courses, to guide the Commissioner and the Parties.

**3.1.3** an Agent from whom stocks of Standard Traffic Documents, and Carrier Identification Plates and/or ticketing authorities have been withdrawn may have them returned;

### 3.3 DECISIONS ON REVIEWS INITIATED BY THE AGENCY ADMINISTRATOR

- 3.3.3 stocks of Standard Traffic Documents, and Carrier Identification Plates and/or ticketing authorities be ordered to be removed from the Agent's custody
- **3.3.7** where it is found that at the time of the hearing, the Agent is improperly withholding money from a Member, the Commissioner shall either suspend the Agent or place it on a Cash Basis, where permissible, without payment of commission, until all outstanding amounts have been paid to the Member(s) concerned.

#### Section 4 – Review by Arbitration

**4.2** a Member whose individual decision has been the object of an Agent's action before the Commissioner pursuant to Section 4the relevant provisions of the Passenger Sales Agency Rules (or Section 3 in Resolution 814) may, if the Member contests the Commissioner's ruling, seek to have it reviewed by arbitration, in accordance with the procedures set out in Section 12 (or Section 11 in Resolution 814) of the Passenger Sales Agency Rules.

#### Section 5 - Effectiveness and Implementation

This Resolution shall be implemented by declaration of the Agency Administrator and shall thereupon supersede and replace all previous Passenger Agency Conference Resolutions governing the appointment of the Commissioner and the conduct of reviews by the Commissioner. Upon implementation of this Resolution the following Resolutions shall be rescinded:

#### PAC2(36)800e

PAC3(36)800e (except China, India, Japan, Orient and South West Pacific)

PAC1(36)802e (Brazil)

PAC1(36)804e (Canada and Bermuda)

PAC1(36)808e (Latin America and the Caribbean, except Brazil and the

French

Overseas Departments)

PAC3(36)810e

PAC3(36)810f (Japan)

PAC3(36)810g (China)

PAC3(36)810k (India)

PAC2(36)814e

PAC3(36)814e (except China, India, Japan, Orient and South West Pacific)

PAC3(36)816e (South West Pacific)

#### **Resolution 832**

#### REPORTING AND REMITTING PROCEDURES

(Amending)

PAC1(41)832 (except USA)

Expiry: Indefinite

PAC2(41)832 (except EU, EEA & Switzerland)

PAC3(41)832

Type: B

1. Amend Section 1.6.2.1(c) as follows:

**1.6.2.1(c)** if the remittance frequency so established or so elected pursuant to Subparagraph 1.6.2.1(a) is greater than twice monthly, Remittances shall be made by the Agent so as to reach the Clearing Bank not later than its close of business on the fifth day following the Reporting Dates so determined; any transactions not processed in previous reporting periods will be included in the final billing;

- 2. Amend Resolution Section 1.7.10 and 1.7.13 as follows:
- **1.7.10.1(a)** except in countries where weekly reporting and remitting is in place, if the following instances of Irregularity are recorded on such lists in respect of a Location during any 12 consecutive months, four (4) instances (Resolutions 800, 810, 810c, and 810j countries) six (6) instances (Resolution 804 and 808 countries) one-sixth (1/6) instances (Resolution 802 countries) the Agency Administrator shall immediately advise ISS Management and he/she shall take Default Action with respect to that Location in accordance with Paragraph 1.10;

#### 1.7.13 Accounting Irregularity Safeguards

(xvi) persistent failure to settle amounts properly owing against Agency Debit Memos (ADMs)

3. A add a new Section 1.7.14 as follows

#### 1.7.14 DISPUTED AGENCY DEBIT MEMO

- 1.7.14.1 An Agent may for reason dispute an ADM
- 1.7.14.2 An Agent shall have a minimum of 14 days in which to review an ADM prior to its submission to BSP for processing
- 1.7.14.3 When an ADM is disputed prior to it being submitted to the BSP for processing, it will be recorded as disputed, and will not be included in the Billing.

- 1.7.14.4 In the event an Agent disputes an ADM and the Member subsequently determines that the purpose of that ADM was correct or needs adjustment, the Member will issue a new ADM.
- 1.7.14.5 Any ADM that has already been included in the Billing and settled can only be disputed outside of the BSP process.
- 4. Amend the two cross-references to Subparagraph 1.7.5 in Sections 1.7.2.2(a) and 1.7.2.2(b) as shown below:

#### 1.7.2.2(a) (except South West Pacific and Philippines)

the Agency Administrator shall, immediately upon receipt of the initial advice, notify the Agent in writing that such instance of overdue Sales Transmittal in respect of the Location concerned will be entered in the record kept under the provisions of Subparagraph 1.7.58, and if so determined by the Conference, or the Assembly where so delegated, the Agency Administrator shall instruct the Clearing Bank to debit the Location concerned for charges as described in Subparagraphs 1.7.1(a).

OR

- 1.7.2.2(b) (South West Pacific only) the Agency Administrator shall immediately upon receipt of the initial advice verify if such Sales Transmittal has been received by the Clearing Bank in the meantime. If the Sales Transmittal has not been received by the Clearing Bank by its close of business on the day following the Clearing Bank's initial advice, the Agency Administrator shall immediately send to the Agent a Notice of Irregularity in respect of the Approved Location concerned. Where the Sales Transmittal is delivered to the Clearing Bank by its close of business on the day following the Clearing Bank's initial advice no further action should be taken except that the provisions of Subparagraph 1.7.58 shall apply,
- 5. Amend Section 3.3 as follows:
- **3.3(b)** (JAPAN ONLY) when the Agency Administrator is satisfied that the Agent has effected settlement of all outstanding amounts, if any, pursuant to Subparagraph 3.1.1 or to Paragraph 3.2 the agent may submit a reinstatement application and the application fee within three months after settlement of all outstanding amounts and applicable interest(s). In addition to the reinstatement application, the agent shall furnish a bank or insurance guarantee by the date specified by the Agency Administrator's letter. To process reinstatement application, Subparagraph **3.3(c)** (JAPAN ONLY) of shall apply. The Failure by the Agent to submit such documents as prescribed shall be grounds for the Agency Administrator to give the Agent notice of termination of the Sales Agency Agreement:
- **3.3.1(c)** (JAPAN ONLY) if the Agent satisfies the qualifications set forth in 3.3(b-a) and furnishes a bank or insurance guarantee and, in the case of Default resulting from accumulation of Notices of Irregularity, that it has taken adequate measures to prevent recurrence of such irregularities, the Agency Administrator shall so notify BSP Airlines;

3.3.5 (JAPAN ONLY) if the Agent having settled all outstanding amounts, if any, is unable to satisfy the qualifications set forth in Paragraphs 3.3 and to furnish a bank or insurance guarantee and, in the case of Default resulting from accumulation of Notices of Irregularity, that it has taken adequate measures to prevent recurrence of such irregularities, the Agency Administrator shall give the Agent notice of termination of Sales Agency Agreement or of removal from the Agency List as the case may be. If prior to the date of termination or removal, the Agent eliminates the grounds for such termination or removal to the satisfaction of the Agency Administrator, the termination or removal shall not take effect.

6. Amend Resolution 832 Attachment A Frequency of Agent Remittances as shown overleaf:

BSP	Permitted remittance Monthly frequencies remittar	Monthly remittance	Twice Monthly remittance	Greater than Twice Weekly Monthly remittance remittan	Weekly remittance	Greater than Weekly remittance
Resolutions 802	Resolutions Twice Monthly'	•	Remittances shall be made by the Agent to reach the Clearing Bank by not later than its close of business on the last day of the month in respect of billings covering the first 15 days of the month and the 15th day of the following month in respect of billings covering the period from the 16th to the last day of the the month in respect of billings covering the period from the 16th to the last day of the month?	Remittances shall be made by the Agent so as to reach the Clearing Bank by not later than its close of business on the fifth day following the reporting dates so determined	•	•
Resolution Weekly 1, 3 808	Weekly 1, 3	•		•	•	•

or such greater frequency as the Conference shall determine, provided that individual Agents may elect to remit at such greater frequency and for such length of time as the Conference shall deem appropriate.

<sup>2</sup> provided that the Conference may adjust the period within which remittances are required to reach the Clearing Bank by not more than five calendar days to meet the special requirements which shall be demonstrated of a particular Billing and Settlement Plan

<sup>3</sup> based on a weekly Monday to Sunday reporting period for all Resolution 808 countries **(Secretary's Note** – Detailed information regarding the remittance cycles established in each Billing and Settlement Plan can be found on <del>the</del> AgentHome website at www.iata.org/agenthome/in the local Chapter 14 of the BSP Manual for Agents)

#### **Resolution 838**

### REVALIDATION OR REISSUE OF TRAFFIC DOCUMENTS BY AGENTS (Amending)

PAC1(41)838 (except USA)

Expiry:

Indefinite

PAC2(41)838

PAC3(41)838

Type: B

1. Amend Resolution 838 Section 2 as follows:

#### 2. CHANGE OF RESERVATION ONLY

a change of reservation, not involving a change in air carrier or a change in fare, shall be made by use of a revalidation sticker as provided for in Resolution 727, except where Electronic Ticketing is employed. If the change affects the validity, the procedures outlined in the 'Ticketing Handbook' shall apply.

#### **Resolution 850**

#### **BILLING AND SETTLEMENT PLANS**

(Amending)

PAC1(41)850 (except USA)

Expiry:

Indefinite

PAC2(41)850 PAC3(41)850

Type: B

1. Amend Resolution 850 preamble as follows:

WHEREAS IATA Settlement Systems Management is a functional area of <u>IATA</u> Industry Distribution and Financial Services (IDFS) responsible to the IATA Board of Governors for the management and efficient operation of the IATA Settlement Systems (hereafter referred to as "ISS"), and

2. Amend Section 3 as follows:

#### 3. CONFERENCE RESPONSIBILITIES

- **3.1** the Conference is responsible for setting ISS technical and operational standards, as published in the Data Interchange Specifications Handbook which constitutes Attachment "J" to this Resolution and the rules and procedures for IATA Accredited Agents, as provided in the Sales Agency Rules and other Resolutions of the Conference:
- 3. Amend Section 6, 8, 12, 13, 14, 15, 17 -21 as below:

#### 6. PARTICIPATION BY MEMBERS

- **6.1** participation by Members in any BSP is voluntary. Members may join at the inception of a BSP by sharing in the implementation cost, or may join at a later date, by notifying ISS Management and <u>paying the joining fee.paying their share of the implementation costs;</u>
- **6.2** participation in any BSP shall be dependent on the Member <u>paying any</u> amount due in a BSP settlement, by the remittance date, and continuing to pay the charges for those services that have been provided to the Member in connection with the operation of that BSP;

#### 8. PARTICIPATION BY NON-IATA AIR CARRIERS

**8.3** participation in any BSP shall be dependent on the Airline <u>paying any</u> amount due in a BSP settlement, by the remittance date, and continuing to pay for the charges for those services that have been provided to the Airline in connection with the operation of that BSP:

#### 12. EXTENSION OF BSP SERVICES

**12.4** where a participating BSP Aairline issues electronic tickets on behalf of agents through their web site, such sales may be reported to BSP for processing.

### 13. RISK COVERAGE FOR SELFHANDLING OF PROCESSING FUNCTIONS

Where a processing centre is operating under the management and supervision of ISS Management (self-handled processing centre) for a BSP, Members and BSP Airlines participating in that BSP undertake to indemnify IATA, its officers, employees and other appointees against liability (including liability for legal costs) for any action taken or omitted in good faith in the performance of their functions with respect to such operation. Where a separate legal entity has been established to carry a given BSP, such entity shall be deemed to be an "other appointee" in the sense of the preceding sentence, and shall be indemnified accordingly.

#### 14. VOLUNTARY TERMINATION

**14.1** a Member or BSP Airline may withdraw from a given BSP by serving written notice of not less than three, nor more than 13 months. The length of the notice shall be mutually agreed between ISS Management and the Member or BSP Airline. It shall take into account the extent of negative impact, if any, on other Members' and BSP Airlines' costs, the terms of that BSP's contracts with suppliers and the likely effect of that particular carrier's withdrawal on other Members or BSP Airlines' continuing participation in the BSP concerned. As a minimum, the BSP Airline shall be liable for their share of management and other established fees for the calendar year in which they serve notice of withdrawal. In the event a termination is due to an exchange of routes between the Member or Airline and another Member or Airline which participates in such BSP or has notified its intention that, within three calendar months of the exchange of routes, it will participate in such BSP, the advance notice period may be reduced to three calendar months;

**14.2** a Member or BSP Airline terminating its participation without giving the minimum period of advance notice, shall pay atheir share of the Management and the other costs, in the same way as if its participation had continued to the end of the 13 month notice period. Where a Member or BSP Airline terminates its operations to the country or area of a BSP, no such payment need be made.

#### 15. OTHER TERMINATION

**15.1(a)** notwithstanding Paragraph 14 of this Resolution, if ISS Management has reason to believe that a <u>Member or BSP</u> Airline may be unable to satisfy its indebtedness to the BSP and

- **15.1(a)(i)** such <u>BSP AirlineMember or Airline</u> owes in excess of USD <del>15</del>10,000 or equivalent for <u>BSP related processing and management fees</u>, and has been requested to pay the BSP on the applicable settlement date,
- 15.1(a)(ii) ISS Management has notified such Member or Airline of the amount owing,
- **15.1(a)(iii)** the amount owing remains outstanding more than five working days after the date of notification and such Member or Airline has not disputed the debt; or
- 15.1(b) if a BSP Airline fails to pay any amount due in relation to a BSP settlement, as provided for in subparagraphs 6.2 or 8.3 above;
- **15.1(bc)** then ISS Management may immediately suspend or terminate such Member's or BSP Airline's participation in allthe BSPs.
- 15.2 Where a BSP Airline ceases all operations, no termination period shall apply.

#### **17. CHANGE OF OWNERSHIP**

- 17.1 Where a BSP Airline undergoes a change of ownership which has the effect of transferring ownership to another entity, and wishes to continue participation in one or more BSPs, ISS Management shall facilitate such a change, provided the current and future owners agree jointly and severally to meet their fiduciary responsibilities to IATA. Where such an agreement is not provided, the existing BSP Airline will be terminated from all BSPs in accordance with 15.1.(b) above, and the new carrier shall be processed as a new applicant.
- 17.2 Where a BSP Airlines ceases or will cease operations and remains indebted financially to IATA, and where the owners of such BSP Airline have or will have an interest in a new applicant Airline, IATA may reject such application.

### 1718. FINANCIAL LOSSES INCURRED IN HONOURING STANDARD TRAFFIC DOCUMENTS

In the case of financial losses arising from honouring STDs where the issuing Agent may go into irredeemable default or where the STDs have been issued fraudulently, ISS Management shall take the action outlined in Attachment "G" to this Resolution.

#### **1819. TICKETING AIRLINE SELECTION RULES**

Members and Airlines shall follow the ticketing airline selection rules specified in Resolution 852.

#### 1920. CARRIER IDENTIFICATION PLATES

1920.1 in each country or area where a BSP has been implemented, a Member having an Accredited Agent under appointment in accordance with the provisions of the applicable Sales Agency Rules, may deposit with each of its appointed Approved Locations, free of charge, one or more Carrier Identification Plates (CIPs) which shall remain the property of the carrier and which shall carry a notice to this effect on the imprinting face;

**1920.2** CIPs shall be to the specifications provided for in Attachment "K" to this Resolution;

**20.3** the use of CIPs by Agents shall be in accordance with the procedures and requirements specified in the BSP Manual for Agents;

**1920.4** where a Member deposits its CIP(s) with an Accredited Agent, it shall simultaneously inform local ISS Management;

**1920.5** the above rules apply to all aAgents participating in a BSP.

#### **20. ATTACHMENTS**

The Global Customer Advisory Committee may approve amendments to the contents of the Data Interchange Specifications Handbook (DISH) under delegated authority of the Conference.

Amendments agreed by the Global Customer Advisory Committee shall be published in writing to all Members by the Agency Administrator. If no protest is received by the Agency Administrator from any Member within 45 days of their date of publication, the amendments shall be deemed endorsed by the Conference. In the event of a protest, the Member concerned shall give the reasons—therefor—in—writing—and—the—protested—amendment—shall—be reconsidered at the next meeting of the Global Customer Advisory Committee.

In the event of continuing disagreement, the matter will be referred to the next-meeting of the Passenger Agency Conference. If no meeting of the Global Customer Advisory Committee is scheduled prior to the next-meeting of the Conference, such negative vote and the reason shall be submitted directly to the Conference.

#### 21. AUTOMATED/ELECTRONIC TICKETING AUTHORITY

21.1 where a BSP Airline deposits its automated or electronic ticketing authority with an Agent, it shall simultaneously inform local ISS Management

#### 2022. ATTACHMENTS

The Global Customer Advisory Committee may approve amendments to the contents of the Data Interchange Specifications Handbook (DISH) under delegated authority of the Conference. Amendments agreed by the Global Customer Advisory Committee shall be published in writing to all Members by the Agency Administrator. If no protest is received by the Agency Administrator from any Member within 45 days of their date of publication, the amendments shall be deemed endorsed by the Conference. In the event of a protest, the

Member concerned shall give the reasons therefore in writing and the protested amendment shall be reconsidered at the next meeting of the Global Customer Advisory Committee. In the event of continuing disagreement, the matter will be referred to the next meeting of the Passenger Agency Conference. If no meeting of the Global Customer Advisory Committee is scheduled prior to the next meeting of the Conference, such negative vote and the reason shall be submitted directly to the Conference.

#### 2122. IMPLEMENTATION

Upon implementation of this Resolution, the following Resolutions shall become simultaneously rescinded:

PAC1(30)850 (except USA) PAC2(30)850 PAC3(30)850 PAC1(06)850b (USA) PAC1(33)850x (except USA) PAC2(33)850x PAC3(33)850x PAC3(33)850x PAC1(02)852 (except USA) PAC2(02)852 PAC3(02)852

4. Amend Resolution 850 Attachment F as follows:

#### 2. IMMEDIATE ACTION BY ISS MANAGEMENT

If ISS Management, having undertaken the due consultation procedure in Paragraph 1 above, determines that the BSP Airline should be suspended from BSP operations, the ISS Management shall immediately:

- (a) Inform the BSP Airline concerned and all other BSP Airlines;
- (b) Instruct all Agents:
  - to suspend immediately the use of the Carrier Identification Plate (CIP) of the BSP Airline concerned, and in the case of automated <u>or electronic</u> ticketing, to suspend immediately the use of its name and numeric code as ticketing airline;
- to suspend immediately the use of any automated systems for processing of refunds or other credit/debit transactions on behalf of the BSP Airline;
- to report as usual any sales, refunds or other credit/debit transactions made on behalf of the BSP Airline during the current reporting period to the Data Processing Centre (DPC);
- and to settle <u>all outstandingsuch sales</u>, refunds or other credit/debittransactions either directly with ISS Management for control and reconciliation of the special account detailed in paragraph 2(c), or directly with the BSP Airline concerned;

- consequently, to adjust the total amount to be remitted to the Clearing Bank at the end of the current reporting period by excluding the total amount due to or from pertaining the BSP Airline;
- to report and settle all refunds or other credit/debit transactions which will be made in future reporting periods directly with ISS Management for control and reconciliation of the special account detailed in paragraph 2(c), or directly with the BSP Airline concerned;

#### (c) Instruct the Clearing Bank:

- to stop immediately all direct debit and clearing operations relating to sales, refunds or other credit/debit transactions made on behalf of the BSP Airline and await further instructions from the ISS Manager.
  - open a separate special account for management of that specific airline's funds, for the benefit of the participants in the BSP, under the control of IATA, for the collection of monies due to the BSP Airline, to be administered and held at the disposition of the Administrator, Receiver, Liquidator, or Trustee, if any, once all refunds have been actioned, subject to local law and sufficient funds being available; and

#### (d) Instruct the DPC:

- to <u>immediately</u> take all necessary measures to cooperate with the Clearing Bank in stopping any direct debit and clearing operations referred to in the preceding subsectioni<del>mmediately;</del>
- to immediately cease any credit card invoicing on behalf of the BSP Airline;
- to forward as usual to the BSP Airline as usual its copies of the billing analysis for the current remittancereporting period.

#### 3. OTHER ACTION BY ISS MANAGEMENT

The ISS Management shall monitor the situation and shall take any other action in full consultation with members of the ISS Advisory Committee and/or with the LCAGP and, where appropriate, after having sought legal advice, in order to respond to any individual circumstances. This may, where appropriate, include the opening of a special account, for the collection of monies due to the BSP Airline.

ISS Management may then enact the arrangements described in 4(d) below, in accordance where applicable with local bankruptcy laws. All remaining balances will then be held at the disposition of the Administrator, Receiver, Liquidator, or Trustee, if any.

### 4. ACTION WHEN AIRLINE IS NOT SUSPENDED, OR IS RE-INSTATED AFTER SUSPENSION AND RETENTION OF FUNDS AS SECURITY

(b) To the extent required to cover the risk that refunds exceed sales during any given period following the filing under the bankruptcy laws, the ISS Management shall;

(b)(i) negotiate with the BSP Airline, a security deposit to be held centrally by IATA; or

- (h) (ii) for a period of 60 days from the date of such filing, be entitled to retain the entire amount of the BSP Airline's funds collected, and, subject to applicable laws, the Airline or its Administrator, Receiver, Liquidator or Trustee, shall have no claim to such funds while retained in accordance with these rules. During such 60-day period ISS Management shall seek an agreement with the BSP Airline, or its Administrator, Receiver, Liquidator or Trustee, to extend the retention arrangement beyond the 60 days.
- (c) If no such extension beyond 60 days can be agreed, the funds retained in accordance with Subparagraph 4(b)(ii) shall, to the extent not refunded, be released and paid over to the BSP Airline, or its Administrator, Receiver, Liquidator, or Trustee, at the end of the 60-day period referred to in Subparagraph 4(b) (ii) above, and the provisions of paragraph 1 shall apply.
- 5. Amend Resolution 850 Attachment 'J' as follows:

#### **RESOLUTION 850**

Attachment 'J'

DATA INTERCHANGE SPECIFICATIONS HANDBOOK (DISH)

This handbook is published separately to this Resolution.

Note: Copies of the handbook may be obtained from www.iataonline.com-

#### RESOLVED that.

The Data Interchange Specifications Handbook (DISH) may be amended in accordance with the following provisions.

#### 1. AMENDMENTS

- 1.1 A DISH Revision will be issued as and when required but not sooner than two years from the effectiveness date of the previous Revision.
- **1.2** Any amendments agreed during the previous two years either in a Release or in a Bulletin shall be incorporated in the new Revision.
- **1.3** The Effectiveness date of DISH will be 31 January of the year following Conference approval.
- **1.4** Each Revision will be subject to mandatory implementation by the date of 31 January of the year following the year of effectiveness.
- **1.5** When an amendment does not require a major record, data element or file structural change, a DISH Release may be issued,
- 1.5.1 Any such Release will be subject to the endorsement of the business need by the GCACP and/or of the Agency Conference Steering Group,
- **1.5.1.1** The implementation dates for each Release will be as agreed by the relevant BSP business partners.
- **1.6** Clarifications to existing DISH technical provisions or additional code values will be endorsed by GCACP and may be issued in the form of GCACP DISH Bulletins.

**1.6.1.1** Implementation dates for DISH clarifications will be as agreed between the relevant business partners.

#### 2. AUTHORITY

- 2.1 All amendments require the agreement of the PAConf,
- 2.2 Whenever expedient, a mail vote procedure will be invoked to authorise the issue of a DISH Release or a new Revision.
- 2.3 GCACP DISH Bulletins will be filed with all accredited delegates of the Passenger Agency Conference,
- 2.4 DISH Bulletins will reflect decisions of the Conference.

1. Delete current Resolution 850m and replace as follows:

## CODE OF BEST PRACTICE FOR THE ISSUE AND PROCESSING OF AGENCY DEBIT MEMOS (ADMs) ISSUE AND PROCESSING OF AGENCY DEBIT MEMOS (ADMs)

(Amending)

PAC1(4041)850m (except USA)

PAC2(4041)850m

PAC3(4041)850m

Expiry: Indefinite

Type: B

WHEREAS the Passenger Agency Conference ("the Conference") wishes to promote a consistent and, wherever possible, standard set of rules for BSP practices,

It is RESOLVED that the following code of best practice for the issue and processing of Agency Debit Memos is used as the basis for application by all BSPs, Accredited Agents and BSP Airlines,

#### 1. DESCRIPTION

1.1 ADMs are a legitimate accounting tool for use by all BSP Airlines and should only be used to collect amounts or make adjustments to agent transactions in respect of the issuance and use of Traffic Documents issued by or at the request of the Agent;

#### 2. AIRLINE ISSUANCE BEST PRACTICE

- **2.1** ADMS shall only be processed through the BSP if the ADM is issued within nine months of the final travel. Any ADM issued beyond this period shall be handled directly between the BSP Airline and Agent.
- 2.2 Airlines shall provide Agents with at least the minimum period of notice that has been agreed locally, through IATA consultative forums, in order to review any ADM and dispute it:
- 2.3 ADMs are to be specific in their detail as to why a charge is being made;
- **2.4** Any ADM relates to a specific transaction only, and may not be used to group unrelated transactions together, however, more than one charge can be included on one ADM if the reason for the charge is the same, and a detailed supporting list is provided with the ADM;

- **2.5** If administration fees or other changes are levied, BSP Airlines must define them separately. The level of any such fees or other charges, and any changes, will be communicated in advance of implementation by the BSP Airline to Agents;
- **2.6** In principle no more than one ADM should be raised in relation to the same original ticket issuance. When more than one ADM is raised in relation to the same ticket it shall be specified for a different adjustment to previous issues.
- 2.7 All rejected or disputed ADMs must be handled by BSP Airlines in a timely manner:
- **2.8** In principle an additional administration fee shall not be levied where a second, or subsequent, ADM is issued in relation to a ticket issuance that has already been subject to an ADM and an ADM issuance administration fee;
- 2.9 Where ADMs are withdrawn by BSP Airlines, any administration fee that may have been levied will be withdrawn, or refunded to the Agent;
- **2.10** Except where otherwise agreed in a market, in consultation with Agents individually or collectively, ADMs should not be used to collect third party costs not directly associated with the initial ticket issuance of a passenger journey.

#### 3. AGENCY BEST PRACTICE

- 3.1 Agents will train their staff as to what ADMs are, their purpose, and the dispute period that exists;
- 3.2 Agents should make a daily check to monitor receipts of ADMs;
- **3.3** Agents should establish an internal process to ensure that ADMs are checked in detail;
- **3.4** In the event an ADM needs to be disputed it must be processed in accordance with the locally published timescale;
- **3.5** Electronic BSP functionality should be used for this purpose wherever available;
- **3.6** When an ADM is disputed, the response should be specific in detail, and the relevant supporting information provided to the BSP Airline;
- 3.7 Agents should not dispute an ADM where the reason is valid, and evidence to the contrary is not available;
- **3.8** Administration fees, levied at an BSP Airline's discretion, form part of the amount due payable by an Agent and should be settled accordingly;

- **3.9** Any ADM that is disputed after the expiry of the dispute period needs to be handled directly with the BSP Airline, and outside of normal BSP processes.
- 2. Replace deleted text with the following:

WHEREAS the Passenger Agency Conference ("the Conference") wishes to promote a consistent and standard set of rules for BSP practices.

It is RESOLVED that the following principles will be followed,

#### INTRODUCTION

- 1.1 The ADM serves to notify an Agent that unless there is some justification to the contrary, the Agent owes the issuing BSP Airline the amount shown on the ADM for the reasons indicated.
- 1.2 ADMs are a legitimate accounting tool for use by all BSP Airlines to collect amounts or make adjustments to agent transactions in respect of the issuance and use of Traffic Documents issued by or at the request of the Agent.

#### **2 AIRLINE POLICY**

- 2.1 Airlines are required to publish and communicate in writing their ADM policies to Agents in advance of implementation.
- **2.2** Where possible the model shown in the Attachment to this Resolution should be applied.

#### 3. BSP PROCESSING OF ADMS

3.1 ADMs shall only be processed through the BSP if issued within nine months of the final travel date. Any debit action initiated beyond this period shall be handled directly between the BSP Airline and Agent.

#### 4. ISSUANCE PRINCIPLES

- 4.1 Airlines should consider establishing policies for a minimum value for the issuance of a single ADM. Where such minimum is established it may be published to Agents.
- 4.2 In principle ADMs should not be raised for the collection of administration fees.
- 4.3 If there is an administrative cost associated with the raising of an ADM it should be incorporated in the same ADM document raised for the adjustment. The inclusion of the administration fee must be communicated to the agent.
- 4.4 Airlines shall provide Agents with the contact details of a person or department that has knowledge of the concerned ADM.

- 4.5 Where possible electronic BSP functionality will be used by the issuing airline
- 4.6 An Agent shall have a minimum of 14 days in which to review an ADM prior to its submission to BSP for processing.
- 4.7 Any disputes are to be raised by Agents within 30 days of receipt of an ADM, and
- 4.7.1 all disputes are to be settled by the Airline within 60 days of receipt.
- **4.8** If it is established that an ADM is not valid it must be cancelled.
- 4.9 Where ADMs are withdrawn by BSP Airlines, any administration fee that may have been levied will be withdrawn, or refunded to the Agent

#### RESOLUTION 850m ATTACHMENT 'A'

#### MODEL ADM INDUSTRY PROCEDURES

#### 1. DESCRIPTION

- 1.1 ADMs are a legitimate accounting tool for use by all BSP Airlines and should only be used to collect amounts or make adjustments to agent transactions in respect of the issuance and use of Traffic Documents issued by or at the request of the Agent.
- 1.2 Alternative uses of ADMs may exist provided that consultation has taken place either individually with the Agent or through the applicable local joint consultative forum.
- 1.3 ADMs are to be specific in their detail as to why a charge is being made;
- 1.4 Any ADM relates to a specific transaction only, and may not be used to group unrelated transactions together, however, more than one charge can be included on one ADM if the reason for the charge is the same, and a detailed supporting list is provided with the ADM;
- 1.5 In the event an airline decides to apply a charge for under-collection or incorrect ticketing on a sale or for the adjustment of a refund issued incorrectly or incorrectly calculated, such charges must be clearly explained in the carriers published ADM policy or must be agreed with Agents bilaterally in writing.
- 1.6 No more than one ADM should be raised in relation to the same original ticket issuance. When more than one ADM is raised in relation to the same ticket it shall be specified for a different adjustment to previous issues.
- 1.7 All rejected or disputed ADMs must be handled by BSP Airlines in a timely manner;
- 1.8 Except where otherwise agreed in a market ADMs should not be used to collect third party costs not directly associated with the initial ticket issuance of a passenger journey.
- **1.9** When ADMs are raised for administration fees the level of such fees should be commensurate with the cost of the work incurred.

#### **RESOLUTION 850p**

#### FINANCIAL SECURITIES (New)

PAC1(41)850p (except USA) PAC2(41)850p

Expiry:

Indefinite

PAC3(41)850p Type: B

WHEREAS certain Sales Agency Rules provide that an Agent may meet the financial criteria by the provision of additional financial security in the form of a bank guarantee, insurance bond or other instrument; and

WHEREAS the Passenger Agency Conference (hereafter referred to as "the Conference) wishes to make a wide range of financial securities available to Agents; and

WHEREAS non-payment of a claim against a provider of such financial security will result in financial loss to Members and Airlines;

It is hereby RESOLVED that,

#### 1. DEFINITIONS

- 1.1 The definitions of terms and expressions used in this Resolution are contained in Resolution 866.
- 1.2 "FINANCIAL SECURITY PROVIDER" (hereafter referred to as "Provider") means any entity that guarantees payment to Members or Airlines in the event of the default of an Agent.

#### 2. EVALUATION OF PROVIDERS

- **2.1** IATA shall establish guidelines for the consistent evaluation of Providers, and shall make the relevant details known to current and future Providers;
- 2.2 IATA shall conduct a periodic review of all current and future providers of financial securities in accordance with those guidelines;
- 2.3 The result of the initial and periodic evaluation shall be reported to the LCAGP and APJC/Executive Council as appropriate. Their views shall be relayed to IATA, who shall decide whether to accept financial security instruments from the Provider after consultation and recommendations developed, with local Airlines;
- 2.4 The result of the evaluation shall be advised to the Provider, LCAGP and APJC/ Executive Council as applicable.

**Resolution 866** 

### **DEFINITIONS** (Amending)

PAC1(41)866 PAC2(41)866 PAC3(41)866

**Expiry: Indefinite** 

Type:

В

1. Amend Resolution 866 - definitions - as follows:

**CHARGES** means either Administrative Charges, or Clearing Bank Charges, as shown in the relevant Section of Resolution 832 or Resolution 818 Attachment A, as authorised by the Conference, or the Assembly where so delegated.

**DE NOVO HEARING** means, for the purposes of Resolution 820e, a review by the Travel Agency Commissioner whereby previously rendered decisions made by the Commissioner during similar reviews shall not be taken into account during the new review.

EUROPE ACCREDITED AGENT (EAA) means A legal entity established in one country within the EU/ EEA and Switzerland, with financial responsibility for Locations in other countries in the EU/EEA and Switzerland.

LATIN AMERICA AND THE CARIBBEAN means in this Resolution Anguilla, Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivia, Brazil, British Virgin Islands. Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Falkland Islands/Malvinas, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Montserrat, Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, St Kitts-Nevis, Saint Lucia, St Vincent and the Grenadines, Surinam, Trinidad and Tobago, Turks and Caicos Islands, Uruguay, Venezuela.,—Virgin-Islands (British).

### **ELECTRONIC RESERVATION SERVICE PROVIDERS**

(Amending

PAC1(41)898a (except USA) PAC2(41)898a PAC3(41)898a **Expiry: Indefinite** 

Type: B

1. Amend paragraph 1.2. as follows:

**1.2**. Nothing in this resolution shall be deemed to constitute appointment of the Electronic Reservations Services Provider as an IATA Accredited Agent of the member, or travel principal. Nothing in this Resolution shall be deemed to require or to foreclose an agreement on remuneration between the member, and/or travel principal and the Electronic Reservation Services Provider. Members shall use ERSP data solely for the identification of the source of sale for inventory control purposes.