



MEMORANDUM

PAC/RESO/1058

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FSDS Operations, GDC

Date: 31 October 2024

Subject: **MAIL VOTE (A689)**
PAC2 (Mail A689)
AMENDMENTS TO ACCREDITATION: TRADING HISTORY

Background Information

The current Resolution 812, Section 2.2.5 Trading History, restricts an Applicant, or someone who holds a material financial interest or a position of management in the Applicant, who has previously been removed from the Agency list from applying for a new Accreditation or submitting a Change Accreditation.

The Applicants have expressed their 'discontent' that IATA is applying the Resolution 812 Section 2.2.5 too rigidly and without flexibility, especially in cases where the removal of the Applicants from the Agency list is not related to payment defaults or Prejudiced Collection of funds, hence not a risk for the Member Airlines, but rather related to administrative matters. Examples of administrative matters are non-payment of administrative fees (i.e. annual fees, late annual revalidation fees, Reinstatement fees, late payment fees, etc.), non-compliance related to annual revalidation, late submission of financial security and/or financial accounts, etc. In the current resolution, Applicants who had previously been removed from the Agency list due to any cause, will no longer be able to re-apply as an IATA Accredited Agent.

The 'aggrieved' Applicants resorted to approaching the Travel Agency Commissioner (TAC) office for appeal of their grievances. The Travel Agency Commissioners have taken a 'soft' approach and highlighted in their decision that Resolution 812, Section 2.2.5, if applied in its entirety, should not be taken as a lifetime ban. As such, in scenarios where the removal of the Applicants from the Agency list were due to administrative matters and not related to payment defaults or Prejudiced Collection of funds, TAC has issued decision to allow Applicants to apply for Accreditation and to clear the Trading History.

Proposed Solution

The proposal is to amend Resolution 812, Section 2.2.5 with clear wording on the scenarios that fall under Trading History. The proposal will allow those Applicants previously removed from the Agency List to apply for IATA Accreditation within a limited scope.

Effective Date

The proposed effective date of this change is 1 January 2025.

Proposed Action

Conference to adopt the changes endorsed by the PSG/134, as shown in "Attachment A" with an effective date of 1 January 2025.

The timetable for this Mail Vote is as follows:
Voting Period: 31 October – 15 November 2024
Filing Period: 16 - 30 November 2024
Effectiveness: 1 January 2025

To cast a vote, Members are asked to access the application from the following link:
<https://forms.office.com/e/tha7eYNTWd>

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Friday, 15th of November**. Votes not cast by that deadline will be deemed to be affirmative.

In conformity with the Mail Vote procedure endorsed by PAConf in October 2009, this Mail Vote has been provided in advance to representatives of the agency associations ECTAA, UFTAA and WTAAA for review and/or comment.

No comments were received.

Any Member seeking clarification on any aspect of the mail vote or the mail vote process is invited to contact the IATA Passenger Governance team by email to pac-gov@iata.org.

A handwritten signature in black ink, appearing to read 'J.A. Rodriguez', written in a cursive style.

Juan Antonio Rodriguez
Director – FSDS Operation

Resolution 812 Passenger Sales Agency Rules

[...]

2.2.5 Trading History:

2.2.5.1 A Person who is a director of the Applicant, or who holds a material financial interest or a position of management in the Applicant, must not currently or previously have been:

(a) involved in any fiduciary breach or crime;

(b) subject to bankruptcy proceedings; or

(c) subject to section 2.2.5.2, a director of, or someone who has had a financial interest or held a position of management in, ~~an Agent which has been removed from the Agency List or is currently subject to review or default action by IATA for non-compliance with the conditions of its Accreditation.~~

i. an Agent which, at the time of application, is currently subject to Prejudiced Collection of Funds or Payment Default action by IATA for non-compliance with the conditions of its Accreditation; or

ii. an Agent which has been removed from the Agency List due to Payment Default or Prejudiced Collection of funds.

2.2.5.2 An application for Accreditation may nevertheless be approved if ~~IATA is satisfied that;~~

(a) ~~such person was not responsible for the acts or omissions that caused such removal or default action; and the Applicant shows proof that all accountable transactions were settled by the Agent and not by means of Financial Security encashment, and that all outstanding amounts related to administrative fees have been duly settled.~~

(b) ~~the Applicant can be relied upon to comply with the terms of the Passenger Sales Agency Agreement, this Resolution and other Resolutions of the Conference if its application for Accreditation is accepted. the Applicant removed for any other cause not listed under section 2.2.5.1 complies with the terms of the Passenger Sales Agency Agreement and Passenger Agency Conference Resolutions.~~

[...]