



RESOLUTIONS ADOPTED AT THE

THIRTY-NINTH PASSENGER AGENCY CONFERENCE

Marina Bay Sands Hotel, Singapore, 19-21 September 2016

FOR EXPEDITED IMPLEMENTATION

PAC/Reso/626

**P.O. Box 416
1215 GENEVA 15 AIRPORT
SWITZERLAND**



18 November 2016

M E M O R A N D U M

To: All Members of IATA
Passenger Agency Conference Accredited Representatives

From: Director, FDS Operations

Ref: PAC/Reso/626

Subject: **THIRTY-NINTH PASSENGER AGENCY CONFERENCE (PACConf/39)**
Marina Bay Sands Hotel, Singapore, 19-21 September 2016
ADOPTED RESOLUTIONS FOR EXPEDITED IMPLEMENTATION

1. Attached are the expedited Resolutions adopted at PACConf/39 (Marina Bay Sands Hotel, 19-21 September 2016) and the draft minutes of that meeting.
2. Members are requested kindly to file these Resolutions with their respective Government authorities, where required, and to advise this office of such authorities' reactions when received.
3. The filing period is 18-28 November 2016 for effectiveness 01 January 2017 (unless otherwise indicated).
4. You are reminded that these Resolutions will be declared effective upon receipt of the required Government approvals, in accordance with Resolutions 001 and 006.

Juan Antonio Rodriguez
Director, FDS Operations

OUTLINE OF CONTENTS AND STATUS OF EFFECTIVENESS

Expedited Resolutions adopted at:

Thirty-ninth Passenger Agency Conference (PACConf/39)

Marina Bay Sands Hotel, Singapore, 19-21 September 2016

Intended Effective Date: 01 January 2017
(unless stated otherwise)

Resolution	Title	Page	PACConf/39 Agenda Item
PAC1(523)818g (except USA) PAC2(523)818g PAC3(523)818g	Passenger Sales Agency Rules		R6 R7 R17 R18 R20.8 R20.9
PAC1(503)832 (except USA) <u>(except 818g countries)</u> PAC23(503)832 (except 818g countries) PAC3(53)832 <u>(except 818g countries)</u>	Reporting and Remitting Procedures		R18
PAC1(543)850 (except USA) PAC2(543)850 PAC3(543)850	Billing and Settlement Plans		R6
PAC1(543)850p (except USA) PAC2(543)850p PAC3(543)850p	Financial Securities		R3
PAC1(MailA24753)860a (except USA) PAC2(MailA24753)860a PAC3(MailA24753)860a	Passenger Agency Programme Global Joint Council (PAPGJC)		R8
PAC1(543)866 (except USA) PAC2(543)866 PAC3(543)866	Definitions of Terms used in Passenger Agency Programme Resolutions		R3
PAC1(543)868 (except USA) PAC2(543)868 PAC3(543)868	Passenger Agency Conference Steering Group and the Agency Administrator		R8

PASSENGER SALES AGENCY RULES
(Amending)

PAC1(523)818g (except USA)	Expiry:	Indefinite
PAC2(523)818g	Type:	B
PAC3(523)818g		

1. Amend Resolution 818g as shown below:

2.2.1.3 In all cases where a Financial Security needs to be provided, it shall be provided by specified date to be determined by IATA, which shall be 30 days (40 days in Argentina, Brazil, Canada, Colombia, ~~and~~ Venezuela, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Belize, Trinidad & Tobago, Antigua & Barbuda, Aruba, Barbados, Bonaire, Curacao, Dominica, Grenada, Guyana, Montserrat, St Kitts & Nevis, St Lucia, St Maarten, St Vincent & the Grenadines, Suriname, Bahamas, British Virgin Islands, Cayman Islands, Turks & Caicos, Dominican Republic, Haiti and Jamaica) from the date of such written notification. On finding that the agent failed to comply with a requirement to provide a Financial or in an increase thereof, such failure shall be grounds for IATA to apply two instances of irregularity and IATA shall withdraw all Standard Traffic Documents (STDs) and require the agent to comply with the conditions within 30 days (40 days in Argentina, Brazil, Canada, Colombia, ~~and~~ Venezuela, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Belize, Trinidad & Tobago, Antigua & Barbuda, Aruba, Barbados, Bonaire, Curacao, Dominica, Grenada, Guyana, Montserrat, St Kitts & Nevis, St Lucia, St Maarten, St Vincent & the Grenadines, Suriname, Bahamas, British Virgin Islands, Cayman Islands, Turks & Caicos, Dominican Republic, Haiti and Jamaica). Failure by the agent to comply within the required days shall be grounds to give the Agent notice of removal from the Agency list, which removal shall take effect on a date that is not before the date specified in clause 13.2 of the Passenger Sales Agency Agreement, and to notify all BSP Airlines accordingly;

2. Amend Resolution 818g, Attachment 'A' as shown below:

1.1 MONIES DUE ON ISSUE OF STANDARD TRAFFIC DOCUMENTS

1.1.2 in circumstances where a BSP Airline is suspended from the BSP, the monies due to the BSP Airline are handled according to the provisions contained within Resolution 850. While IATA's instruction to Agents under Resolution 850 Attachment F paragraph 2(b)(iv)(b) to settle directly with the suspended BSP airline does not relieve Agents of any payment obligations to the suspended BSP Airline, the irregularity and default action provisions of paragraph 1.7 of this Attachment do not apply while such instruction is in place.

1.1.7 Agents may at all times continue to make sales through the BSP using the BSP China Online Payment Solution, Credit Cards, or through direct bilateral arrangements as may be agreed between an Agent and any BSP Airline(s).

1.1.8 The monitoring method shall be conducted during weekends and public holidays.

1.1.9 The effectiveness of Sections 1.1.5 through 1.1.7~~8~~ of this Resolution shall ~~expire~~ be reviewed by Conference at its meeting in 2018 ~~automatically upon the implementation of credit limit management in China as defined under NewGen ISS.~~

1.7.9 Disputed Agency Debit Memo

1.7.9.2 an Agent shall have a maximum of 15 days in which to review and dispute an ADM prior to its submission to BSP for inclusion in the Billing.

1.10.5 Disputes and Withdrawal of Defaults

~~1.10.5(a) an Agent may register the existence of a dispute with the Agency Administrator over a billing of a specified amount as part of its billing. Provided written evidence of such dispute is provided by the Agent to the Agency Administrator, the Agency Administrator will ensure that no irregularity or default action will be applied, except where notification is received that the Agent has failed to comply with the provisions of Resolution 890 and action as prescribed under paragraph 1.7.7 of these rules is being taken by the Agency Administrator;~~

~~1.10.5(b) if the Agency Administrator becomes aware, through any source, that there exists between a BSP Airline and the Agent any dispute arising solely from amounts due or claimed to be due to such Airline from the Agent, or vice versa, in respect of the Reporting/ Billing Periods for which the Agent was declared in Default he/she shall withdraw the declaration of Default. In the event that the BSP Airline does not admit the existence of such a dispute, the Agency Administrator shall require the Agent either, to submit documented evidence demonstrating the existence of the dispute or, to pay the amount of the short payment to the BSP. Provided that either of such conditions is met, the Agency Administrator shall withdraw the declaration of Default;~~

~~1.10.5(c) pending resolution of the dispute between the BSP Airline and Agent, and where the Agent has remitted the disputed amount to the BSP, the Agency Administrator shall hold such amount for 60 days. If after 60 days the dispute has not been resolved the Agency Administrator shall return the disputed amount to the Agent.~~

1.10.5.1 In order to be dealt with through the BSP, disputes raised by the Agent must:

- (a) be registered with IATA via BSPlink prior to the Remittance Date;
- (b) relate to a specified amount as part of a Billing;
- (c) state a substantive reason for the dispute supported by written evidence of that dispute;
- (d) be raised by the Agent within 12 months of the ticket issuance date;
- (e) be added to the daily dispute file.

- 1.10.5.2 All validly disputed amounts will continue to form part of the Billing and the Agent must remit the disputed amount to the BSP on the Remittance Date notwithstanding the existence of the dispute.
- 1.10.5.3 All disputed amounts paid by the Agent will be held by IATA for a period of 30 days or until the dispute is resolved, whichever is earlier.
- 1.10.5.4 For Reported Sales markets, any disputed amount received from the Agent and paid to a BSP Airline will be deducted from the BSP settlement of that BSP Airline in the following Reporting Period and held for a period of 30 days or until the dispute is resolved, whichever is earlier.
- 1.10.5.5 All disputes must be resolved in BSPlink between the Airline and the Agent within 30 days with a maximum of two responses per party, otherwise the dispute will be for bilateral resolution between the Airline and the Agent outside of the BSP and IATA will pay the disputed amount held to the Agent or the Airline as applicable in accordance with section 1.10.5.7. If the Agent initiated a dispute on the 30th day, the Airline will have an additional 7 days to respond.
- 1.10.5.6 Each agreement or disagreement with the dispute must be registered by the Airline or the Agent, as applicable, in BSPlink, and each disagreement must be accompanied by a substantive reason for the disagreement supported by written evidence.
- 1.10.5.7 Disputed amounts held by IATA will be paid as follows:
- (a) Where the Airline agrees with the dispute raised by the Agent, to the Agent.
 - (b) Where the Airline disagrees with the dispute, the Airline must state a substantive reason for the disagreement supported by written evidence. If the Agent agrees with this position, the disputed amount will be paid to the Airline. Otherwise, the disputed amount will be remitted to the Agent, without prejudice to the right of the Airline to claim the disputed amount from the Agent outside of the BSP.
 - (c) Where no response is received from the Airline within 30 days, the dispute is deemed settled in favour of the Agent and the disputed amount will be paid to the Agent.

3. Amend Resolution 818g, Attachment 'C' as shown below:

SECTION 1.6 SETTLEMENT – THE REMITTANCE DATE

***Effective 01 November 2016**

ESTONIA ONLY: If the Remittance Frequency so established is four times monthly, Remittances shall be made so as to reach the Clearing Bank not later than its close of business on the 10th calendar day from the Reporting Date.

***Effective 01 March 2017**

ESTONIA ONLY: If the Remittance Frequency so established is four times monthly, Remittances shall be made so as to reach the Clearing Bank not later than its close of business on the 7th calendar day from the Reporting Date.

***Effective 01 January 2017**

LATVIA ONLY: If the Remittance Frequency so established is four times monthly, Remittances shall be made so as to reach the Clearing Bank not later than its close of business on the 7th calendar day from the Reporting Date.

REPORTING AND REMITTING PROCEDURES
(Amending)

PAC1(503)832 (except USA) (<u>except 818g countries</u>)	Expiry:	Indefinite
PAC23(503)832 (except 818g countries)	Type:	B
<u>PAC3(53)832 (except 818g countries)</u>		

Amend Resolution 832 as shown below:

1.1 MONIES DUE ON ISSUE OF STANDARD TRAFFIC DOCUMENTS

1.1.2 in circumstances where an Airline is suspended from the BSP ('BSP Airline') the monies due to the BSP Airline are handled according to the applicable procedures within Resolution 850, Attachment 'F'. While IATA's instruction to Agents under Resolution 850 Attachment F paragraph 2(b)(iv)(b) to settle directly with the suspended BSP Airline does not relieve Agents of any payment obligations to the suspended BSP Airline, the irregularity and default action provisions of paragraph 1.7 of this Attachment do not apply while such instruction is in place.

BILLING AND SETTLEMENT PLANS
(Amending)

PAC1(543)850 (except USA)	Expiry:	Indefinite
PAC2(543)850	Type:	B
PAC3(543)850		

Amend Resolution 850 as shown below:

21. BSP SETTLEMENT MODELS

21.1 Reported Sales Model

When used in connection with this model, the terms “BSP settlement” for a Member or BSP Airline will be the amount of the sales reported for any one period notwithstanding whether all amounts have been received by IATA from the Agent.

21.2 Funds Received Model

When used in connection with this model, the terms “BSP settlement” for a Member or BSP Airline will be the amount actually received by IATA from the Agent for any one period.

FINANCIAL SECURITIES
(Amending)

PAC1(543)850p (except USA)	Expiry:	Indefinite
PAC2(543)850p	Type:	B
PAC3(543)850p		

Amend Resolution 850p as shown below:

2. ACCEPTABLE FINANCIAL SECURITY TYPES

2.3 Default Insurance Programme

2.4 Global Default Insurance

2.45 Any Provider of the acceptable financial security types in 2.2-2.3 ~~are~~ is required to meet the criteria as referred to in section 3 of Resolution 850p.

2.6 Any Provider of the acceptable financial security type under 2.4 is required to meet the criteria referred to in section 4 of Resolution 850p.

4. EVALUATION OF THE GLOBAL DEFAULT INSURANCE AND PROVIDERS

4.1 IATA will establish criteria for the evaluation of the Global Default Insurance and Providers. The criteria will be subject to review and amendment by IATA annually or more frequently as may be necessary due to changes in the insurance market or the Providers.

4.2 IATA will assess the performance of the Global Default Insurance and Providers considering the annual renewal process.

4.3 The results of the annual evaluation will be reported to the Passenger Agency Conference Steering Group and subsequently to the Passenger Agency Programme Global Joint Council.

45. EXCEPTIONS

45.1

45.2

PASSENGER AGENCY PROGRAMME GLOBAL JOINT COUNCIL (PAPGJC)
(Amending)

PAC1(Mail A24753)860a (except USA)	Expiry:	Indefinite
PAC2(Mail A24753)860a	Type:	B
PAC3(Mail A24753)860a		

Amend Resolution 860a as shown below:

2. COMPOSITION

2.1 The Council shall be composed of a maximum of ~~48~~ 24 members and shall include equal representation of Member Airlines and Travel Agency representatives:

2.1(a) the Airline delegates shall be selected from Members serving on the Steering Group of the Passenger Agency Conference and to the extent possible shall represent the three IATA Conference areas,

2.1(b) Travel Agency representation shall be as designated by recognised agency associations, and to the extent possible shall represent the three IATA Conference areas,

**DEFINITIONS OF TERMS USED IN PASSENGER AGENCY PROGRAMME
RESOLUTIONS
(Amending)**

PAC1(543)866 (except USA)	Expiry:	Indefinite
PAC2(543)866	Type:	B
PAC3(543)866		

Amend Resolution 866 as shown below:

GLOBAL DEFAULT INSURANCE means an insurance policy issued in the name of IATA to cover the liabilities of the listed Agents as defined in the policy. For each Agent a maximum coverage amount will be specified.

**PASSENGER AGENCY CONFERENCE STEERING GROUP AND THE AGENCY
ADMINISTRATOR**
(Amending)

PAC1(543)868 (except USA)
PAC2(543)868
PAC3(543)868

Expiry: Indefinite
Type: B

Amend Resolution 868 as shown below:

2. COMPOSITION AND MEETINGS OF THE PSG

2.1 The PSG is comprised of:

- the Chairman and Vice Chairman of the Conference;
- ~~, plus the Chairman of the Joint A4A/IATA Passenger Services Conference (JPSC), as well as four (4) five (5) members from each Conference Area wherever possible, including 2 members from the Financial Services Development Group (FinDev) whose Airlines are not currently members of the PSG;~~
- plus ~~four~~ one additional members at large;
- chairmen of Conference working groups may be co-opted as members of the PSG.

2.2 Members from each of the Conference Areas shall be elected for a term of three years. Additional Members may be elected by the Passenger Agency Conference to serve for a specific term.

2.23
2.34
2.45
2.56
2.67
2.78
2.89