

RESOLUTION 880

REDUCED FARES FOR ACCREDITED PASSENGER SALES AGENTS

PAC1(42)880(except USA) Expiry: Indefinite
(amended) Type: B

PAC2(42)880 (amended)

PAC3(42)880 (amended)

RESOLVED that, for the purpose of facilitating the conduct of business operations relative to international air transportation for Accredited Agents situated elsewhere than in the USA, Members may, at their option and subject to the conditions contained in this Resolution, grant to Accredited Agents international air passenger transportation at a discount.

DEFINITIONS

The definitions of terms and expressions used in this Resolution are contained in Resolution 866.

1. AGENT ELIGIBILITY

each Approved Location of an Agent may qualify for reduced fare transportation under this Resolution provided all the following minimum eligibility requirements are met:

1.1 at the time of application the Agent shall have had at least one Approved Location on the Agency List continuously for a period of not less than 12 months; and

1.2 at the time of application, through to the time of proposed travel, the Agent must not be under notice of default; or

1.3 at the time of application, through to the time of proposed travel, the Approved Location of the Agent must not be under suspension.

2. ELIGIBILITY OF PERSON TRAVELLING

a reduced fare ticket may be issued under the provisions of this Resolution to the sole proprietor, partner, director and/or employee of an Agent when they meet all the following requirements; the person travelling must:

2.1 have been in the service of the said Accredited Agent continuously and without interruption for not less than 12 months immediately prior to the date of such Application; provided that a period of not less than three months' service with the Agent shall suffice where the person travelling was in the service of another Accredited Agent not more than 60 calendar days before commencing his present employment and was eligible under this Resolution; and

2.2 devote in a full-time capacity all or substantially all of his time directly to the promotion and sale of travel, including air transportation, on behalf of the Accredited Agent making such application, either at an Approved Location of the Agent or at the Agent's listed Administrative Office within the same country; and

2.3 be salaried and/or paid on a commission basis and be shown on appropriate disbursement records of the Agent; and

2.4 in the case where he is an employee whose full-time employment is not on the premises of the Approved Location or the listed Administrative Office of the Agent:

2.4.1 work hours not less than those normal for other eligible staff at such Agent's Approved Location, and he must be assigned to such Approved Location or listed Administrative

Office and report there in person at least once a month, and have no other gainful employment. Additionally he must be carried regularly and in good faith on the payroll or other relevant disbursement records of the Agent, or

2.4.2 have been transferred directly from an Approved Location where he met the requirements of Subparagraph 2.1 of this Paragraph, to another location of the Agent for which an application for accreditation has been made but is still pending; provided that such employee's eligibility shall cease upon the first disapproval of the application; provided further that any tickets issued to such an employee shall not increase the total number of tickets permitted by this Resolution.

3. SUBORDINATES OF ELIGIBLE PERSONS

the eligibility of a person shall not in itself render eligible such person's subordinates who shall be eligible only if they meet all the applicable requirements of this Resolution.

4. FARE REDUCTION FOR SPOUSE

the spouse of a person travelling under the provisions of this Resolution may also be granted reduced fare transportation provided that;

4.1 the couple travel together from the point of origin to the point of destination in case of one way trips, or to the point of turnaround in case of round trips, or to the highest rated point in case of circle trips;

4.2 the discount granted is not greater than 50% of the applicable fare; provided that the discount shall only be applied to fares on which the discount for Agents provided for in this Resolution also applies;

4.3 under this Paragraph no person shall receive more than one reduced fare ticket per calendar year from any one Member;

4.4 such ticket shall not be deducted from the Agent's annual allotment described below;

4.5 nothing herein shall preclude a spouse who is independently eligible for reduced fare transportation under the provisions of Paragraph 2 from applying and travelling in accordance with the provisions of this Paragraph.

5. ANNUAL ALLOTMENT AND DISCOUNT

5.1 an annual allotment of two tickets, for one way, round or circle trip transportation in respect of each Approved Location of the Agent may be issued by each Member per calendar year at a discount of not more than 75% of the applicable air fare for the class of service used; provided that notwithstanding any conditions governing special fares, such tickets may not be issued using special inclusive tour basing fares. Where the charge for air transportation consists of a fare and a surcharge, e.g. weekend, business class, the discount shall be based on the fare and such surcharge, but shall not be applied to excess baggage charges or to any surcharge specifically excluded by the Member from the application of the discount. Any tickets issued to an eligible person attached to an Agent's listed Administrative Office shall not increase the total number of tickets permitted by this Resolution;

5.2 ICELAND ONLY notwithstanding Subparagraph 5.1 of this Paragraph, Members operating services to and from Iceland may provide Accredited Agents having one or more Approved Locations in that country with an unlimited number of tickets at a 50% discount over their lines between Iceland

and UK/Scandinavia; provided this shall apply as long as there are not more than three Members serving Iceland.

6. APPLICATION FORM AND PROCEDURE

6.1 when applying for reduced fare transportation the responsible official of the Agent shall fully complete and sign the Application Form prescribed in Attachment 'A' to this Resolution and submit it in advance to all air carriers participating in the itinerary. All such carriers shall be responsible for granting approval and for the arrangements for issuance of their own Traffic Document on their own services and on the services of another air carrier, if applicable. In the latter instance the Agent, if so required by the ticketing Member, shall obtain and submit to the ticketing Member the written concurrence of all other air carriers participating in the itinerary;

6.2 whereas only a Member or where applicable the Member's General Sales Agent having duly appointed the Agent pursuant to the Passenger Sales Agency Rules may issue or cause to be issued reduced fare tickets under the provisions of this Resolution, other Members participating in the transportation need not have so appointed the Agent. The Member receiving the Application shall not grant the reduced fare transportation if it knows or reasonably should have known that the eligibility requirements or other requirements have not been met.

7. ACCEPTANCE PROCEDURE

the Member to which the Application is made need not accept it for processing. The Member may accept the Application if, in the Member's opinion, it covers travel by a person qualified to benefit under the provision of this Resolution.

8. TICKET ALLOTMENT — DEDUCTIONS

8.1 a deduction shall be made by each Member participating in the transportation granted from the Approved Location's annual allotment with such Member. However, where a reduced fare ticket is issued, in whole or in part over a line which is operated in pool the deduction pertaining to the pool sector shall be made by the pool partner Member issuing the ticket, whether or not that Member operates the actual pool service used; furthermore, where in an interchange service the aircraft of one Member operate a through service from points on its routes to points on another Member's routes, under charter to such other Member, the deduction shall be made only by the Member operating the flight, when the person travels exclusively on the interchange service;

8.2 irrespective of the actual Approved Location or listed Administrative Office where the passenger works, upon agreement between the Member and the Agent the deduction may be made from the annual allotment of any Approved Location of the Agent in the same country, as long as the aggregate number of tickets which the Member may grant the Agent pursuant to Subparagraph 5.1 of this Resolution is not exceeded;

8.3 an Agent shall not be allowed to reimburse a Member for a reduced fare ticket(s) issued and used for the purpose of reinstating any of its annual allotment for other reduced fare transportation.

9. ISSUANCE, REPORTING AND REMITTANCE OF REDUCED FARE TICKETS

the ticket issuing Member may either issue the reduced fare ticket directly or instruct the Agent to issue it. Commission or

other remuneration shall not be claimed or retained by the Agent nor paid by a Member in respect of the reduced fare transportation provided in accordance with this Resolution. The reporting and remitting procedures applicable under the Passenger Sales Agency Rules shall apply in respect of reduced fare tickets; provided that:

9.1 where the Member issues the ticket a billing shall be promptly sent to the Agent and shall be settled directly by the Agent with the Member within 15 days of billing; or

9.2 where the Agent is instructed to issue the ticket from Standard Traffic Document stock such issue shall be included in the next Sales Transmittal under Billing and Settlement Plan reporting procedures and remittance shall be made accordingly; or

9.3 where the Agent is instructed to issue the Member's Traffic Document the Agent shall report the issue in the next sales report due to the Member and remit the amount due in accordance with the remitting provisions set forth in the applicable Passenger Sales Agency Rules.

9.4 the ticket must be issued in the calendar year of application; and

9.5 in no case shall the ticket validity be more than three months from date of issue.

10. BILLING WHERE ISSUANCE PRECEDES CONCURRENCE(S) OF PARTICIPATING AIR CARRIERS

notwithstanding the provisions of Paragraph 8 of this Resolution where one or more participating air carriers' concurrences have been requested by a Member but have not been received prior to departure date, such Member may cause the ticket to be issued, subject to the following conditions:

10.1 the ticket is issued not earlier than ten days after the Application for the reduced fare transportation has been received; the Agent gives a written guarantee he will pay, within 15 days of billing to the issuing Member, the full applicable fare for each sector for which a concurrence has been refused; the Member must render such billing within 30 days of the date of receipt of any such refusal;

10.2 the Agent must, within 15 days of the billing date, settle the remittance due directly with the issuing Member to be passed to the respective air carrier concerned. If the Agent does not remit within such 15 day period, the irregularity and/or default procedures otherwise applicable to the Agent under the provisions of the Passenger Sales Agency Rules shall apply.

11. CHANGE IN ELIGIBILITY

if at any time prior to the commencement of the travel there is a change affecting the eligibility of the person travelling, either as a consequence of a change in status of such person (e.g. discontinued employment) or of the status of the Agent or Approved Location (e.g. the Agent or Approved Location comes under notice of default, or is suspended) the Agent shall immediately so notify the Member whose ticket is used and shall immediately return the ticket to that Member. The travel approval granted by the Member shall no longer be valid; provided that the Member shall be responsible for cancelling the reduced fare transportation only if it knows or reasonably should have known of the changed eligibility.

12. RETROACTIVE APPLICATION

notwithstanding the Application in advance requirement in Paragraph 6 of this Resolution it shall be permissible for a Member to accept an Agent's retroactive Application where there were exceptional and compelling reasons why the Agent was unable to make Application in advance; such retroactive acceptance may be granted if an Application is submitted not later than three months after date of purchase of the full fare ticket, in which case it must be deducted from the annual allotment of the year when the full fare ticket was issued; provided (i) that the Agent is in all other respects eligible for such reduction; and (ii) that the Member accepting such retroactive Application shall obtain from the Agent and maintain on file for at least two years a letter explaining the exceptional and compelling reasons for such retroactive Application.

13. RECORDS

each Accredited Agent shall maintain, for not less than two years from the date of Application and hold immediately accessible, adequate records to substantiate the Agent's certification that a person named in any Application qualifies for reduced fare transportation. Such records shall be open to inspection by a Member to which an Application is made and shall include the following:

13.1 payroll ledger and cancelled cheques, money orders or other proof of payment of salary, wages and/or commissions as well as all deductions for taxes and social security (or equivalent) in the case of an employee;

13.2 cash disbursement books and cancelled cheques, money orders or other proof of payment of salary or other remuneration for services rendered, made in the case of a sole proprietor, partner and/or director, eligible as defined herein;

13.3 service agreements, contracts, time sheets or other documentary proof of the degree of service required from each sole proprietor, partner, director and/or employee to whom payment of remuneration is shown under Subparagraphs 14.1 and 14.2 of this Paragraph;

13.4 copies of all Applications accepted by the Member to which the Application was made.

14. LIABILITY FOR ACCURACY OF APPLICATION

the Agent shall be solely responsible for the accuracy of each and every Application. In the event that the Agency Administrator receives a complaint in writing that the Agent, in an Application for reduced fare transportation under the provisions of this Resolution, has made a material misrepresentation, and the Agency Administrator finds that a prima-facie case has been established, he shall initiate a review by the Travel Agency Commissioner. If the Commissioner determines that the Agent did make a material misrepresentation in its application, the Agent in respect of its Approved Locations in the country concerned shall be deemed to have forfeited all reduced fare transportation privileges available under the provisions of this Resolution for a period of two years commencing 30 days after the date of the Commissioner's decision. For purposes of this Paragraph a material misrepresentation is any statement in or omission from an Application which conveys or implies that the Agent, or the person on whose behalf the reduced fare transportation is requested,

is eligible for the grant of such reduced fare transportation when in fact either the Agent or such person is not so eligible.

GOVERNMENT RESERVATIONS

CANADA

Nothing in said Resolution or acceptance thereof shall be construed as limiting in any way the statutory power and duty of The National Transportation Agency of Canada to approve the issuance of any and all free and reduced fare transportation by air carriers subject to the Agency's jurisdiction and under such terms, conditions and forms as the Agency may direct, and that the issuing of such other free or reduced rate transportation shall not be deemed by the International Air Transport Association or any Member thereof to be contrary to any Resolution or Rule of the Association or to the provisions of any agreement to which such air carriers are party as Members of the Association.(10.6.76)

INDIA

A sole proprietor, partner or director of an IATA approved agent or any other official deputed by such an approved agent in India will be exempt from the eligibility requirements stipulated in Subparagraph 2.2 in respect of travel from/to India, provided that Department of Tourism and the Government of India has released exchange to the agency for promotion of tourism to India. (13.04.81)

MEXICO

Nothing in Resolution 203 (now 880) will limit in any way the laws or the regulatory authority of the Secretary of Communications and Transport to issue one or more passes for air transportation. (5.3.79)

SOUTH AFRICA

Its terms shall not be construed as having any bearing on the transportation of an IATA Sales Agent (including its directors, officers and employees or the spouse or dependents of any thereof) exclusively on or over the domestic air services operated within the Republic of South Africa or the Territory of South West Africa, or between the Republic and the said Territory.