

MEMORANDUM

PAC/RESO/1096

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Executive Director, Financial Services, BSP & CASS

Date: 27 April 2026

Subject: **MAIL VOTE (A728)**
PAC123 (Mail A728)
AMENDMENTS TO RESOLUTION 812, SECTION 5.11 - FINANCIAL ASSESSMENT
FRAMEWORK FOR AGENTS WITH AMOUNT AT RISK EXCEEDING USD 5M

Submitted by IATA

Background Information

As per Resolution 812, Section 5.11, agencies that meet local financial criteria may still be subject to additional assessment if their Amount at Risk exceeds \$5 million in accordance with the multi-country framework as established in Attachment 'E' of this Resolution.

Agents who fail such additional assessment, will be required to provide a Financial Security to cover any amount at risk in excess of \$5 million.

The current wording in Section 5.11 does not clearly indicate the consequences for an Agent who either fails to provide the full Financial Security requested by IATA or submits a lower amount after failing a financial assessment under the multi-country framework (Attachment 'E'). This creates ambiguity regarding how the Remittance Holding Capacity (RHC) should be adjusted and whether the initial USD 5 million RHC should be granted to an Agent meeting the local financial criteria.

During PSG/137, the members discussed the proposal submitted by the Greek APJC Members, who recommended that in such cases the RHC remain capped at USD 5 million, with any additional financial security provided added on top of that amount. The proposal aimed to avoid penalizing Agents by disproportionately reducing their sales capacity when they provide less security than requested.

IATA was asked to further illustrate the potential impact of the Greek proposal during the PSG/138 online meeting. Following the discussion, the PSG members did not support the proposal; however, it was agreed that IATA would draft a clarification to address the scenario described above and ensure that the Resolution is clear and unambiguous for future application.

Proposed Solution

The proposal suggests adding a clarification to Section 5.11 stating that whenever an Agent fails to provide a requested Financial Security, actions taken by IATA will be in accordance with Section 5.5.4 (Failure to provide a Financial Security). This Sections explains that either the RHC is adjusted if a lower Financial Security is provided, or the Cash and Credit Card payment methods are removed when no Financial Security is provided.

The proposal proposal was presented at PSG/139, where the members endorsed it.

Effective Date

The proposed effective date of these changes is the earliest date: 1 July 2026.

Proposed Action

Conference to adopt the changes as shown in Attachment 'A'.

Voting Period: 27 April -11 May

Filing Period: 12 - 26 May

Effectiveness: 1 July 2026

To cast a vote, Members are asked to access the application from the following link:

[2026 First mail vote cycle – Fill out form](#)

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Monday, 11 May 2026**. 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
Executive Director, Financial Services, BSP & CASS
PAConf & PSG Secretary

RESOLUTION 812

[...]

5.5.4 Failure to Provide a Financial Security

Increase in Financial Security

5.5.4.1 Where the request relates to an increase in the amount of a Financial Security and IATA already holds a Financial Security for that Agent, failure to provide the increase in the amount of the Financial Security; ~~as required in the applicable Financial Criteria;~~ by the deadline will result in the Agent's Remittance Holding Capacity being reduced in accordance with section 5.9.4.

New Financial Security

5.5.4.2 Subject to section 5.5.4.3, where the request relates to the provision of a new Financial Security, failure to provide the Financial Security by the deadline will result in a Risk Event for failure to provide a Financial Security and IATA will remove the Cash Payment Method, Customer Card Payment Method and Alternative Transfer Methods from the Agent until the Financial Security is received by IATA.

5.5.4.3 If the Agent fails to provide the Financial Security to IATA within a further 60 days of the original due date for provision of such information under section 5.5.3.1, IATA will send a Termination Notice to the Agent in accordance with the provisions of section 13.

[...]

5.11 FINANCIAL ASSESSMENTS FOR AGENTS WITH AN AMOUNT AT RISK GREATER THAN USD 5 MILLION

5.11.1 At any point, an Agent with an Amount at Risk greater than USD 5,000,000, will be subject to additional financial and operational reviews of the Agent's business in accordance to the Multi-country Assessment Framework as established in Attachment 'E' of this Resolution (or, for Euro-Zone Accreditation, the Euro-Zone Financial Criteria as established in Attachment 'E-EUR' of this Resolution). Any cost associated with such review ~~will~~ may be borne by the Agent.

5.11.2 To pass the assessment, the Agent must pass all sections of the framework in accordance to Attachment 'E' (or, for Euro-Zone Accreditation, 'E-EUR') of this Resolution.

5.11.3 If the Agent fails any section of the framework, in accordance to Attachment 'E' of this Resolution (or, for Euro-Zone Accreditation, the Euro-Zone Financial Criteria as established in Attachment 'E-EUR' of this Resolution), the Agent will be required to provide a Financial Security to cover any Amount At Risk in excess of USD 5,000,000. ~~The Financial Security requirements for any Amount At Risk below USD 5,000,000 shall continue to be governed by the Local Financial Criteria (or, for Euro-Zone Accreditation, the Euro-Zone Financial Criteria). Failure by the Agent to provide Financial Security will result in actions taken by IATA in accordance with section 5.5.4.~~

5.11.4 The Risk Status of the Agent will not be impacted regardless of the outcome for any financial assessments that takes place as a result of Section 5.11 of this Resolution.

5.11.5 Notwithstanding the requirements as established in 5.11.1-5.11.3 of this section, the Agent will continue to undergo annual examination of its financial standing in accordance to section 5.4.1 of this Resolution.

5.11.6 An Agent with an Amount at Risk greater than USD 5,000,000 may reduce its Amount At Risk by considering any of the following alternatives:

5.11.6.1 voluntarily remit at a more frequent Remittance Frequency available in the market;

5.11.6.2 conduct BSP sales through payment methods other than Cash Payment Method (such as customer card, IATA EASY PAY or Alternative Transfer methods).

[...]