RESOLUTION 850e

INDUSTRY SETTLEMENT SYSTEMS

△ PAC1(49)850e(except USA) Expiry: Indefinite PAC2(49)850e Type: B PAC3(49)850e

WHEREAS the 1998 IATA Annual General Meeting agreed to restructure the IATA Industry Settlement Systems and has delegated responsibility to IATA Settlement Systems Management (hereinafter "ISS Management") for the management and efficient operation of this business activity and, to that end, has authorized changes in the management and operation of the IATA Industry Settlement Systems (hereinafter "ISS"), and

WHEREAS, it is therefore necessary to recognize the responsibility of ISS Management for all ISS administration and operational functions, such as:

- ISS budgets (cost and revenues)
- ISS staffing
- ISS contracts (service agreements) to include signature authority
- ISS office management and administration

and further to recognize that ISS matters will be supervised by the IATA Board of Governors, now it is

RESOLVED that upon this Resolution becoming effective:

△ 1. All authority and responsibilities previously delegated by the PAConf to the BSPC and through the BSPC to the BSP Panels and their Steering Panels are subject to the condition that no such authority or responsibility shall be exercised with respect to the administrative and operational functions to be performed by ISS Management on ISS matters at the direction of the IATA Board of Governors, who shall act on the advice of the IATA Financial Committee.

2. This condition is without prejudice to, and shall not limit, all other authority and responsibilities currently exercised by the PAConf including the relationship between airlines and agents, provided, however, that PAConf shall take action to identify and amend the Passenger Sales Agency Rules and other PAConf Resolutions as required to implement the condition imposed in Paragraph 1.

3. PAConf hereby establishes, wherever a BSP is in operation, a Local Customer Advisory Group (LCAG), to provide advice to ISS Management on customer service issues, and to ISS Management and the PAConf on Industry Settlement Systems standards. Rules and Procedures, for these groups, will be developed by the PAConf. The PAConf shall determine the procedures for establishing membership of the CAGs.