



MEMORANDUM

PAC/RESO/697

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FDS Operations, GDC

Date: **2 July 2020**

Subject: **MAIL VOTE (A336)**
PAC (Mail A336)
Resolution 890x

Background Information

At PACConf/42 the Conference was introduced to the importance of the need to differentiate Resolutions in the Passenger Agency Programme relevant to payments as a result of an NDC transaction, as the Resolution framework as laid out in Resolution 890 is not applicable.

PSG has discussed across several meetings on a framework and the steering group endorsed to establish a new Resolution that specifies the liability framework for payments for NDC transactions. After careful deliberation with Agents and Airlines during PAPGJC/38, the Council had also reviewed the proposal that Conference is requested to adopt.

Effective Date

The proposed effective date of these changes is 1 September 2020.

Proposed Action

Conference to adopt the establishment of a new Resolution, Resolution 890x, as shown in Attachment 'A'.
The timetable for this Mail Vote is as follows:

Voting Period: 2 – 16 July 2020
Filing Period: 17 – 31 July 2020
Effectiveness: 1 September 2020

To cast a vote, Members are asked to access the application from the following link:
<https://www.surveymonkey.com/r/A333-341>

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Thursday, 16 July 2020**. 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 – FDS Operations, GDC

RESOLUTION 890x- PAYMENT FRAUD LIABILITY IN TRANSACTIONS RESULTING FROM AN OFFER

WHEREAS Members/Airlines seek to establish a defined series of procedures to ensure compliance with payment industry rules and to eliminate or reduce their exposure to fraud under the framework of transactions that result from an Offer;

WHEREAS those payments shall be conducted using a payment instrument owned by the customer and are not remitted as cash transactions by the Agent through any BSP;

IT IS RESOLVED that the following conditions will apply, and the following provisions will be complied with, for the sale of passenger air transportation and Ancillary Services for which the payment transaction is entirely conducted by the Member/Airline.

1. AGENT DIRECTS CUSTOMER TO PROVIDE PAYMENT INFORMATION DIRECTLY TO THE AIRLINE

1.1 When the Agent is not party to the processing of the payment transaction related to an Order, the customer shall conduct his payment directly on the Member/Airline's own payment page. In such instance, the Member/Airline is entirely responsible for the outcome of the payment transaction.

1.2 The Agent will not be held liable for any fraud or disputed transaction occurring on a payment conducted by the customer directly on the Member/Airline's own payment page.

2. AGENT ACCEPTS CUSTOMER PAYMENT INFORMATION ON BEHALF OF THE AIRLINE

This section is applicable when the Member/Airline initiates and conducts the collection of funds through customer payment information provided by the Agent.

2.1 Customer Card as a Form of Payment

2.1.1 The Agent collects from the customer and forwards to the Member/Airline all relevant card and cardholder details, so that the Member/Airline can initiate and conduct the card transaction in its own payment acceptance system.

2.1.2 When requested by the Member/Airline, the Agent initiates customer authentication as specified in secure protocols defined by the card payment industry and forwards the results of the authentication attempt to the Member/Airline.

2.1.3 The Agent is liable for the fraud chargeback risk the Member/Airline is exposed to in building a card transaction out of the customer card payment data provided by the Agent.

2.1.4 When the transaction is subject to card fraud chargeback, as per the applicable rules of the relevant card scheme, the Member/Airline will pass the loss to the Agent in accordance to Resolution 890, Section 4.7.

2.1.5 When the transaction is not subject to card fraud chargeback, as per the applicable rules of the relevant card scheme, the Agent will not be held liable for any fraud or disputed transactions occurring on a payment; by way of example, using any secure protocol as defined by the payment card industry removes the risk of card fraud chargeback.

2.1.6 When the transaction is subject to a commercial chargeback invoking any aspect of the sales process, as per the applicable rules of the relevant card schemes, the Member/Airline and Agent will attempt jointly to resolve the issue in accordance to Resolution 890, Section 4.7.

2.1.7 The Agent is never liable for any dispute regarding the delivery of the product or service purchased by the customer.

2.1.8 To protect the customer's data, the Agent must ensure its full compliance with the payment card Industry Data Security Standards (PCI DSS) in accordance with the provisions published in Resolution 890, section 7.

3 AGENT REMITTING TO THE AIRLINE WITH CARD AS AN ALTERNATIVE TRANSFER METHOD

3.1 When the Agent wishes to make use of the Agent card as an Alternative Transfer Method to pay for an Order, it must seek the Member/Airline prior consent in accordance with the provisions published in Resolution 812a.

3.2 The ensuing card transaction must follow the rules defined in section 2 above.