

MEMORANDUM

PAC/RESO/713

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FDS Operations, GDC

Date: **15 September 2020**

Subject: **MAIL VOTE (A352)**
PAC3 (Mail A352)
Exemption from Temporary Quarterly Financial Review - Hong Kong

Background Information

Under the "Managing risk as business restarts" project, the PaConf adopted the requirement that IATA Accredited Agents with sales above USD100,000 that are not covered by any form of financial security held by IATA would be requested to undergo a quarterly financial assessment based on Agents' managerial accounts. The APJC HK discussed and while this initiative would be in a right direction, the APJC considered the LFC for HK to be robust enough to mitigate the financial risk to airlines post COVID-19.

Proposed Solution

APJC Hong Kong proposes Conference to exempt travel agents in Hong Kong to undergo the quarterly financial assessment based on Agents' managerial accounts from 1 Nov 2020 to 31 August 2021. In the meantime, it would be subject to IATA's internal exceptions management mechanism to withhold the implementation.

Details as below:

No. of APJC meeting: 44th APJC meeting

Date of APJC meeting: 12th August 2020

APJC HK has 18 members. 8 airlines' members and 7 agents' members were present

Voting result: Unanimously endorsed by APJC HK to support the proposal

Effective Date

The proposed effective date of these changes is 1 November 2020

Proposed Action

Conference to adopt the proposal to exempt all travel agents in Hong Kong to undergo quarterly financial assessment based on Agents' managerial accounts.

The timetable for this Mail Vote is as follows:

Voting Period: 15 September - 30 September 2020

Filing Period: 1 October - 15 October 2020

Effectiveness: 1 November 2020

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

<https://www.surveymonkey.com/r/A342-359>

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Wednesday, 30 September 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