

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Agreements Adopted by the
Passenger Agency Conference
of the International Air Transport Association

Docket OST-2007-

**APPLICATION FOR APPROVAL OF AGREEMENTS
BY THE
INTERNATIONAL AIR TRANSPORT ASSOCIATION**

19 February 2007

Communications with respect to
this document should be sent to:

Douglas Lavin
Regional Vice President – North America
International Air Transport Association
1750 K St. N.W. #12th Floor
Washington, D.C. 20006
(202) 293-9292

Summary
pending

DOCKET: **OST-2007-**

DOT ORDER:

Date: **19 February 2007**
Filing fee/IATA Acct: \$61/ 515
US/UST involved?: NO
Intended effective date: 1 March 2007
Memorandum PAC1/2/3(Mail A134)
Reinstatement Provision in Resolution 800f

r1. **800f**

APPLICATION FOR APPROVAL OF AGREEMENTS

Pursuant to statements submitted by Member airlines of the International Air Transport Association (IATA), the undersigned has been constituted to be their attorney-in-fact for filing with the Department of Transportation copies of agreements adopted by the IATA Traffic Conferences.

On their behalf, and pursuant to Sections 41308 and 41309 of Title 49 of the United States Code and Parts 303.03, 303.05 and 303.30(c) of Title 14 of the Code of Federal Regulations, I am filing with the Department this application for approval of an IATA agreement.

This agreement and related factual and explanatory materials and documentation required by 14 C.F.R. 303.31 and Department and Civil Aeronautics Board (CAB) precedent are contained in the IATA Traffic Conference documentation summarized above.

This agreement arises from the continuing process of Agency Conferences through which IATA Member airlines establish standardized agency arrangements intended to govern agent practices in countries other than the United States. The agreement was developed in the context of prior Department and CAB rulings addressing related resolutions, which reflected regulatory and market conditions then in effect. Thus the present agreement, which makes amendments to the framework agreements forming the charter for ongoing agency programs and/or creates new resolutions pursuant to that framework, should be viewed as part of a dynamic process of IATA Member airline adjustment to governmental and economic factors.

On previous occasions, the Department and CAB have found these framework agreements to be consistent with the public interest. The present agreement does not impair the previous bases for approval and itself is not adverse to the public interest. Moreover, approval of this agreement, which reflects compromises among the differing economic and social philosophies of the many nations whose airlines are parties, will advance the public interest in maintaining good aviation relations with other countries.

We request early approval by the Department of the foregoing agreement, pursuant to 49 U.S.C. 41309, and the grant of full antitrust immunity, pursuant to 49 U.S.C. 41308.

The conferral of full antitrust immunity would be in the public interest and necessary for the transaction to proceed. This agreement is a product of the IATA Agency Conferences which the Department found to be anticompetitive but nevertheless approved and immunized in Order 85-5-32 (May 6, 1985) on foreign policy and comity grounds. The subject agreement applies only to marketing arrangements in foreign countries. Department and CAB policy has recognized that U.S. regulatory concerns are more limited than those of other countries and has given special weight to the important public benefit of foreign policy and comity.

Respectfully submitted:

Douglas Lavin
Regional Vice President – North America
International Air Transport Association

CERTIFICATE OF SERVICE

A copy of this application or a summary notice thereof has been served by first class or priority mail on the following persons:

Chief, Transportation, Energy
& Agriculture Section
Antitrust Division
Department of Justice
Washington D.C. 20530

Douglas Lavin

19 February 2007
Date Served



12 January 2007

M E M O R A N D U M
PAC/RESO/456

TO: All Members,
Passenger Agency Conference Accredited Representatives

FROM: Director, Passenger

SUBJECT: **MAIL VOTE (A134)**
PAC1/2/3(Mail A134)
Reinstatement Provision in Resolution 800f

1. PACConf/29 at its June 2006 meeting adopted resolution amendments to require an agent to furnish a guarantee on reinstatement after a default. The change that was adopted restricts an Agent to use of bank guarantees. This was a drafting error and for consistency should have reflected the option of an Agent using a bond, a bank or insurance guarantee.

2. Members are requested to endorse amendments to the rules under Resolution 800f as detailed at **Attachment 'A'**.


3. The timetable for Mail Vote (A134) is as follows:

Voting Period:	12 January – 2 February 2007
Filing Period with Governments:	02 – 19 February 2007
Implementation and Effectiveness:	01 March 2007

4. Members may cast their votes by the following methods:

a) by e-mail from the PACConf Accredited Representative to the Assistant Director, Passenger Agency Policy on masonj@iata.org, with copy to robbinsc@iata.org, or

- b) by teletype message from the PAAConf Accredited Representative to the Assistant Director, Passenger Agency Policy on **GVATLXB**.
5. Ballots should reach this office by close of business (CET), on 2 February 2007. Votes not received by that deadline will be deemed to be affirmative.
6. Any Member seeking clarification concerning any aspect of this mail vote is invited to contact John Mason by email to **masonj@iata.org**.

A handwritten signature in black ink, appearing to read "Michael Feldman", with a long horizontal flourish extending to the right.

Michael Feldman
Director

Amend Resolution 800f Section 3 as below:

3.3 In the event of default for non payment of monies due Agents will be required to furnish a bank guarantee or an approved insurance guarantee or bond equivalent to sales at risk and in accordance with any locally established formula prior to consideration of reinstatement.

MEMORANDUM PAC/Reso/456

To: Mr John Mason
Assistant Director
International Air Transport Association
Route de l'Aéroport 33
P.O. Box 416
1215 Geneva 15 Airport, Switzerland

Fax: +41 (0)22 770 2662

BALLOT

Subject: Reinstatement Provision in Resolution 800f

_____ hereby vote as follows:
(Airline name)

	<u>In favour</u>	<u>Against</u>	<u>Abstain</u>
<u>on Mail Vote: PAC1/2/3(Mail A134)</u>

Date: _____

Signature of Accredited Representative

Name

Airline