



February 01, 2016

REGISTRAR BULLETIN

REMINDER TO ALL REGISTRANTS REGARDING EXTENDING CREDIT AND THE OBLIGATION TO NOTIFY TICO WHEN CEASING TRADE WITH ANOTHER REGISTRANT

TICO would like to remind all Ontario travel retailers and travel wholesalers the importance of being aware of their obligations under sections 43 and 21 of Ontario Regulation 26/05 (the Regulation).

Section 43 of the Regulation states:

Travel wholesaler required to provide travel services in certain circumstances

Despite any failure on the part of the travel agent to pay the travel wholesaler for travel services, the travel wholesaler shall not refuse to provide the travel services purchased by a customer if,

- (a) the customer has paid the travel agent for the travel services; and
- (b) the travel wholesaler has provided tickets or other documents that relate to the travel services to a travel agent for distribution to the customer.

If you hold a wholesale registration and release tickets or other travel documents prior to receiving payment from a travel retailer, you have extended credit and are required to provide the travel services to the traveller. If the customer has paid the travel retailer, the customer can not be held responsible for the trade debt between the travel retailer and the travel wholesaler.

Section 21 of the Regulation states:

Notice of ceasing to trade with registrant

A registrant who ceases to trade with another registrant by reason of the other registrant's apparent lack of financial responsibility shall promptly notify the registrar in writing of the fact and of the reasons for ceasing to trade.

If you or your company cease doing business with an Ontario registered travel retailer or travel wholesaler due to issues relating to non-payment, NSF cheques, credit card chargebacks or any issues relating to financial responsibility, you are required to notify TICO promptly in writing. Notifications can be sent to tico@tico.ca

Being aware of these obligations and providing the required information is helpful to TICO, not only to enforce and administer the *Travel Industry Act, 2002* but also to meet TICO's Mission Statement to ensure a fair and informed marketplace where consumers can be confident in their travel purchases.

Richard Smart
Registrar, *Travel Industry Act, 2002*