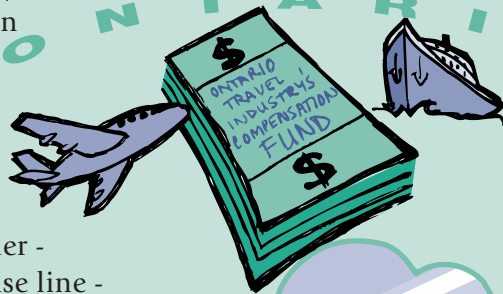


## DEAL MINDFULLY WITH OUT-OF-PROVINCE SUPPLIERS

**W**ithout a doubt, many of you sell travel services that are supplied by out-of-province tour operators from time to time, be they in Manitoba or Malaysia. With this in mind, TICO would like to remind you of the ramifications. The Ontario Travel Industry Compensation Fund coverage does not extend to bookings made with an out-of-province tour operator (wholesaler) or end supplier - other than an airline or a cruise line - in the event of a bankruptcy or insolvency. Under Ontario Regulation 26/05, the Compensation Fund ONLY covers your clients if an Ontario registrant or an end supplier - airline or cruise line - becomes bankrupt or insolvent, and your clients have received neither the travel services paid for nor a reimbursement from any other source.

Generally speaking, this is an issue that pertains more to retail travel agencies that purchase travel services from end suppliers (excluding airlines and cruise lines), travel suppliers and tour operators located outside the province of Ontario.



**Section 25** of the *Travel Industry Act, 2002* states that travel agents are jointly and severally liable for any deposits received from customers. However, this section does not apply if the Ontario travel retailer or wholesaler has properly disbursed the money received; has acted in good faith and at arm's length with any person with whom they would be jointly and severally liable; and the person with whom the travel agent would be jointly and severally liable is not in breach of a requirement to be registered under the *Act*.

Equally important, **Section 36 (a)** of Ontario Regulation 26/05 requires travel agents to disclose information that they believe may affect the customer's decision to purchase. In TICO's view, this includes the fact that the Compensation Fund coverage does not extend to bookings made with out-of-province tour operators and end suppliers - other than, as previously stated, with airlines and cruise lines.

TICO is not suggesting that you should never book with out-of-province tour operators. However, we strongly recommend that you exercise "due diligence" on all dealings with out-of-province suppliers of travel services. It will give you a greater comfort level, and your clients greater satisfaction with your services. ▲

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## TICO BOARD OF DIRECTORS 2005-2006

### INDUSTRY REPRESENTATIVES

Michael Merrithew - Chair  
President  
Merit Travel Group  
Toronto

Denise Heffron - Vice Chair  
Vice President, Commercial  
Transat Holidays  
Etobicoke

Jeff Element  
Vice President, Finance & Director of  
Operations  
Trafalgar Tours of Canada  
Toronto

Mike Foster  
President  
Uniglobe Instant Travel Inc.  
London

John Kennedy  
Vice President  
TravelPlus  
Toronto

Trish McTavish  
Vice President, Sales  
McTavish Travel  
Oakville

Scott Stewart  
President  
G. Stewart Travel Services Ltd.  
Peterborough

Brett Walker  
Operations Manager  
Collette Tours Canada Ltd.  
Etobicoke

Kathleen Warren  
Senior Travel Consultant  
Allison's Travel Agency Ltd.  
Windsor

Jill Wykes  
Vice President, Customer Service,  
Resort Management & Quality Assurance  
MyTravel Canada  
Toronto

### MINISTERIAL APPOINTMENTS

Deborah Brown  
Acting Director for the Sector Liaison Branch  
Ministry of Government Services  
Toronto

W.H. Bruce Fraser, C.A.  
Management Consultant  
Toronto

Michael Janigan  
Executive Director and General Counsel  
Public Interest Advocacy Centre  
Ottawa

Patricia Jensen  
Board member  
Consumers Council of Canada  
Toronto

### EX OFFICIO

Michael Pepper  
President and Chief Executive Officer  
Travel Industry Council of Ontario

## LETTER FROM THE CEO



It is hard to believe that we are almost half way through another year and the Travel Industry Council of Ontario (TICO) is once again preparing for its Annual General Meeting. This year, TICO's AGM is taking place on June 27, 2006 at the Airport Board of Trade. The meeting will commence at 4:00 p.m. and is open to the public. At the meeting, TICO will be presenting its 2006 Business Plan and 2006 Annual Report as well as announcing the results of the election for the open position on TICO's Board of Directors. The AGM is an excellent opportunity for stakeholders to get an update on what TICO has been doing and to ask any questions about issues of concern. TICO encourages all registrants to attend.

This issue of **TICO TALK** deals with a number of significant issues such as the importance of invoicing correctly. The changes to the invoicing requirements found in Ontario Regulation 26/05 are still causing problems for some travel agencies. Providing all the information required on the invoice is very important, both to inform the consumer and to protect the travel agency. TICO has included a sample invoice as a guideline to assist registrants. However, it is not mandatory that registrants use this format, only that they include all of the information required on their invoice. If registrants are unsure about whether they are invoicing correctly or if they have questions, they are encouraged to contact our office for assistance.

Also, in this issue, TICO wants to remind registrants to tell consumers when they are using out-of-province wholesalers or end suppliers other than airlines and cruise lines. It is important to advise consumers that they are not covered by the Compensation Fund in the event that those entities fail. As you are aware, the Compensation Fund exists to protect consumers who have booked through Ontario registered travel agents in the event that a registered travel agent, a registered travel wholesaler or an end supplier airline or cruise line fails to provide the travel services due to bankruptcy or insolvency.

Finally, this issue contains an update on TICO's new Consumer Advisory Committee. This is a promising new initiative, which will provide an opportunity for TICO to get consumer feedback and input on issues. We are very excited about this new group and look forward to working with them for the betterment of TICO and the industry. It is our hope that you will find this issue of **TICO TALK** informative and useful. Again, I wish to extend an invitation to TICO's AGM and to wish you all a safe, happy, healthy summer.

Michael Pepper, CEO



**Notice to Members**  
**ANNUAL GENERAL MEETING**

TAKE NOTICE THAT the Annual General Meeting of the members of the Travel Industry Council of Ontario will be held at 4:00 p.m. on Tuesday, June 27, 2006 at the Board of Trade of Metropolitan Toronto (Airport Location), 830 Dixon Road, Etobicoke, Ontario for the purpose of:

- (a) receiving, considering and approving the financial statements for the previous financial year, together with the Auditor's Report;
- (b) receiving and considering the Annual Report;
- (c) appointing an Auditor for the next year following; and
- (d) transacting such other business as may properly come before the meeting.

Only members in good standing are entitled to participate in and vote at the meeting. Members of the public are invited to attend.

Written notice must be received by the Secretary on or before June 5, 2006, of any motions to be made at the Annual Meeting.

Members who will not be attending the meeting are invited to submit written requests for proxies. Copies of the audited financial statements as at and for the fiscal period ended March 31, 2006 will be available at the Annual General Meeting and may be requested in writing prior to the meeting.

DATED at Mississauga this 4th day of April, 2006.  
 On behalf of the Board of Directors  
 Tracey McKiernan  
 Secretary

**DON'T FORGET TO VOTE**

An invitation to the Industry was recently extended by TICO, inviting nominations for one elected position on the Board of Directors. The position is open to retail, wholesale and other eligible candidates, for a term of office of three years, commencing at the Annual General Meeting. The deadline for submitting nominations was April 24, 2006, and the following nominees are on the ballot: Bruce Bishins, Helen Thompson Travel, Toronto; Gregory Luciani, Travelonly, Brantford; and Richard Vanderlubbe, Travel Superstore Inc., Hamilton. Ballots were sent to Member Registrants at the end of May. The deadline to vote is June 19, 2006. The election results will be announced at the Annual General Meeting on June 27, 2006. Every position on TICO's Board of Directors carries an immense responsibility - as we hope has become apparent through the recent profiles of Board members in **TICO TALK**. As this is your voice on the Board, we urge registrants to vote in this election.



**Business Plan  
 and  
 Annual Report**

The 2006 Business Plan and 2006 Annual Report are currently being prepared for presentation at the AGM. The Annual Report will be mailed to all registrants, while the Business Plan will be distributed at the AGM. It will also be available to registrants on request, and it may be downloaded from TICO's website at [www.tico.on.ca](http://www.tico.on.ca) after June 27, 2006.

**Don't forget to  
 register your  
 web site**

It has come to TICO's attention that some registrants who operate web sites have not registered the name of their site. Since it is a trade name, it must be registered with both the Ministry of Government Services - Companies branch, and with TICO. For example, you may be registered as ABC Travel Inc.

operating as ABC Travel & Tours, and you have both names registered with the Ministry and with TICO. However, if the name of your web site is ABCtravel.ca,

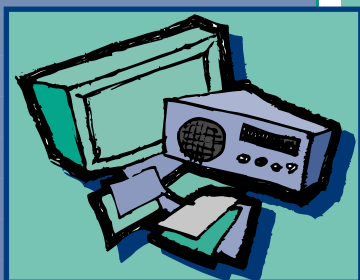
that too must be registered with the Ministry and TICO as an operating trade name.

## Latest on the consumer awareness campaign

For the past seven years, an omnibus survey has been conducted to assess consumers' awareness of TICO. This year, 1,000 random calls were placed to people across Ontario, and the good news is that awareness is up! 40% of respondents claimed awareness of TICO, compared with 37% last year, while 45% were aware of the travel compensation fund, an increase from 40% in 2005.

Later this summer, TICO will launch its Fall advertising campaign, on both television and radio. The television commercials will be shown on CHCH, Global and Omni TV. On Omni TV, the main focus will be ethnic markets. These ads will be supported by print ads in the ethnic print media. In addition, the radio ads will be heard on various stations across the province.

We ask that you continue to display the TICO logo, window decals and posters in prominent locations, to reinforce our message and encourage the consumer to support your business. And don't forget to use the TICO ticket stuffers. If your supply is running low, contact us and we will send you more, right away.



## John Kennedy, CTC Vice President, TravelPlus



### Q & A

#### *When did you join the retail travel business?*

I began in partnership with my father in 1975, with an agency called Weston Travel. After he retired in 1988, I merged the business with Collacutt Travel and remained there till 1991.

#### *When did you first become involved with developing travel retail networks?*

Basically, since 1991. After a one-year stint with Uniglobe Travel Eastern Canada, as Director of Training and Business Development, a partner and I formed the Travel Dealership Network in 1992. The following year I sold my interest to my partner, and joined GIANTS Canada as Director of Corporate Travel Services. In 1997 I was promoted to Executive Director, and in 2000 to Vice President, Canada. I joined TravelPlus two years ago.

#### *When did you start working with the travel industry's professional associations?*

I have a long history in this area, as well. I was elected vice president of the CITC in 1985, and in 1987 I became vice president of ACTA-Ontario for a year. That was followed by three years as president, until 1991, and I continued on the ACTA-Ontario Board until 2000. I joined TICO's Board of Directors in 2003.

#### *What were you hoping to offer TICO?*

First of all, I had a good, overall perspective of the travel industry as a whole, and I felt particularly well positioned to represent the point of view of a travel retailer. I really wanted to be a voice for the independent retail agency - to give them a fighting chance to compete against the chains. The independent retailer has to sell a variety of travel services in order to stay in business, and they should be able to do so,

# Q & A

confident that they're acting in good faith, and that they will be protected if something beyond their realm of control goes wrong.

## *Which of TICO's various issues was of particular importance to you?*

Third-party responsibility. I felt very strongly about the unfairness of **Section 13** in the old *Travel Industry Act* - it placed such an unreasonable responsibility on the shoulders of an Ontario retail agency when they sold the travel services of a non-registered supplier. As you know, after extensive lobbying for many years, the *Act* was amended one year ago to eliminate the travel agents' end-supplier liability pertaining to airlines and cruise lines. That was a huge win for TICO, and above all, for the retail travel sector.

## *Now that your term as a Director is coming to an end, what are your thoughts?*

TICO treads a fine line, between protecting both the travel industry and the consumer, but it's extremely important that TICO fully appreciates the business realities facing the small travel retailer. The current move, to reduce contributions to the Compensation Fund, is a significant step in the right direction.

## *How do you feel about the minimum education standards?*

Establishing educational standards is very important, as consumers will know that they are being offered good, fair advice from any travel counsellor in Ontario. With technology now playing such a huge role in buying travel services, it's even more important to create a level playing field for registrants. The changes to the *Act* and to the Regulation are achieving this in a workable way for us, as well as to the benefit of the consumer.

## *Going forward, how do you envision TICO's role?*

I'd very much like to see it as a self-regulated authority rather than run under the auspices of the provincial government. It must also continue to increase consumers' awareness of TICO. We're well on our way in this area, and I think you'll be seeing much more of this, through the Consumer Awareness Campaign, over the next few years.

## *How would you sum up your term on the Board?*

It's been a learning experience and very gratifying. The Board has worked incredibly hard, dealing with the realities of the travel industry, while building on the consumer's level of confidence. TICO is now well positioned to continue offering protection to consumers, long into the future, and I wish it - and the industry - all the best. ▲

## *A successful first date*

**F**ollowing up on our announcement in the last issue of **TICO TALK**, the newly formed Consumer Advisory Committee recently held its first meeting at TICO's offices. The participants were given an overview of TICO, including its mandate and its functions, and a number of issues were discussed. For a preliminary meeting, it was extremely productive, reinforcing TICO's view that this will be a very worthwhile process. A number of helpful comments were made, such as the suggestion that TICO extend its Consumer Awareness Campaign to cover corporate travel, since so many people travelling on business make their own travel arrangements.



TICO will be reporting fully on the progress of the Consumer Advisory Committee, going forward - including the feedback on issues that are beyond TICO's mandate, but of interest to the travel industry as a whole. You will be able to read about the results of future meetings on our web site, and in this newsletter. Stay tuned!

# Invoice correctly, it's your legal obligation!

Invoicing, as we stated in a story in the October-December 2005 issue of **TICO TALK**, is one of the major causes of complaints that TICO receives from consumers. As explained in that issue, travel agents must provide a statement, invoice or receipt promptly to the customer, setting out the information found in **Section 38 (1)** of the Regulation. (For further information on TICO's Disclosure Guidelines, refer to [www.tico.on.ca/news/infonewlegislation](http://www.tico.on.ca/news/infonewlegislation).)

When asked why they are continuing to use old invoices, some registrants have told us that they were unaware of the changes in the legislation, or even that they have to use up their old stock first. Neither reason is acceptable.

From time to time, TICO has also been asked by registrants to check whether their invoices are in compliance or not. As a result, we have designed a

**sample invoice, as shown here,**

to help you update your own invoices. This sample is also available on our web site.

Providing all the information required on the invoice not only protects and informs the consumer, but protects you - the travel agent.

## INVOICE

ABC TRAVEL  
123 ANY STREET  
ANYWHERE, ONTARIO  
X0X 0X0

Telephone: (555) 555-5555  
Fax: (555) 555-5557  
E-mail: [bookings@abctravel.ca](mailto:bookings@abctravel.ca)

TICO Registration #: 1234567

GST #: R123456789

DATE: January 12, 2006  
INVOICE #: A123  
PAGE #: 1 of 2  
BOOKING #: A1111111  
AGENT: Booka Trip

CUSTOMER: Iwanna Travel  
456 Home Avenue  
Nowhere, Ontario  
X1X 1X1  
Telephone: (555) 555-0005

### SERVICES PURCHASED:

DESCRIPTION	QTY	PRICE	TAXES	GST	PST	TOTAL
VACATION PACKAGE TO ACAPULCO, MEXICO  Services provided by: ABC Air, ABC Tour Operator and the Acapulco Grand Resort.  Travel Dates: March 12-19, 2006  Includes return airfare Toronto - Acapulco, deluxe ocean view room with golf daily.  Package is non-refundable.  No changes permitted.  Further terms and conditions may be found in the tour operator's brochure.  Trip cancellation insurance and out-of-province health insurance were offered and declined.	1	\$1891.95	\$247.00	\$1.05		\$2140.00

Deposit of \$1000.00 paid in cash on January 12, 2006.

**BALANCE OF \$1140.00 DUE ON FEBRUARY 17, 2006.**

### Notes:

Your flight from Toronto to Acapulco departs from Toronto International Airport. Please review your itinerary to ensure that all information is correct. Check in 2-3 hours prior to departure. Please note that flight times are subject to change. Please re-confirm flight times prior to departure.

This contract permits price increases. No price increases are permitted after the customer has paid in full. If the price increase is more than 7%, except increases resulting from an increase in retail sales tax or federal goods and services tax, the customer has the right to cancel the contract and obtain a full refund.

Documentation Requirements: You have indicated that you are a Canadian citizen. Proof of Canadian citizenship supported by government issued photo I.D. is required for entry into Mexico. Canadian passports preferred as I.D. by Mexican immigration. Mexican tourist cards will be provided by ABC Tour Operator at airport check-in. Please note that entry to another country may be refused even if the required information and travel documents are complete.

Living standards and practices at the destination and standards and conditions there with respect to the provision of utilities, services and accommodation may differ from those found in Canada.

Thank you for booking with ABC Travel.  
We wish you a safe and enjoyable trip.  
If you have any questions, please do not hesitate to call.

# The Tango affair

The announcement by Air Canada on May 2, 2006 of the withdrawal of its Tango fares from the GDS system - because some of its new discount fare packages were not compatible with the GDS systems - caused an unprecedented outcry from the Canadian travel industry.

TICO received many calls from registrants concerned about Air Canada's move, which was done without any prior notice. Although the matter is beyond TICO's mandate, it has raised an important issue that deserves to be highlighted. From now on, whenever a consumer asks their travel agent to book a TANGO fare, the agent will have to book it on Air Canada's own web site, and make the booking as though they are the consumer. TICO was asked what would happen should Air Canada - or any other airline that is booked in this way - cease operations.

The answer comes back, once again, to proper documentation (see article on Page 6). Provided the consumer has been provided with a detailed receipt by the travel agent, they will be able to claim against the Compensation Fund in the event of a failure. ▲

## Court matters

### CHARGED

Dominique Faubert was charged with four counts of operating without registration as a travel agent, contrary to **Section 4 (1) (a)** of the *Travel Industry Act, 2002*. Faubert was previously charged with seven counts of operating without registration as a travel agent contrary to **Section 3 (1)** of the *Travel Industry Act*.

Following an investigation of Performance Multi Services and Performance Voyages, Jean St. Pierre was charged with one count of operating without registration as a travel agent, contrary to **Section 4 (1) (a)** of the *Travel Industry Act, 2002*.

Following an investigation, Shaheedan (Susan) Ali was charged on May 11, 2006 with 24 counts of holding herself out as being available to act as a travel agent without being registered as such, contrary to **Subsection 4 (1) (a)** of the *Travel Industry Act, 2002*. She had been charged previously, on March 3, 2006, with one count for the same offence under the *Travel Industry Act*.

Donatella Iacobucci has been charged with one count of operating without registration as a travel agent, contrary to **Section 4 (1) (a)** of the *Travel Industry Act, 2002*. This is a second

Continued on page 8...

## Travel documentation: a clarification

In response to feedback on an article in the January - April 2006 issue of **TICO TALK**, we would like to offer a clarification on the complexities of travel documentation and the travel agent's duties with respect to advice and disclosure. Although there is indeed no specific requirement to advise consumers about inoculations, **Section 36 (e)** of Ontario Regulation 26/05 does call for a travel agent to advise customers about "typical information and travel documents" that will be needed for each person for whom travel services are being purchased.

In our considered opinion, the extent of the registrant's obligation would be to bring to the consumer's attention the fact that inoculations may be required, and to advise them to visit a travel clinic or their doctor.

## Minimum education standards: an update

As reported in the last issue of **TICO TALK**, TICO is working with the Canadian Institute of Travel Counsellors to complete the study manual that will cover the travel counsellor curriculum. The manual is finally at the testing stage, and TICO hopes to be able to report on its readiness for circulation in the near future.

# Upcoming Issues

In future issues of *TICO TALK* we plan to include:

- Overview of the Travel Industry Act, 2002 Minimum Education Standards
- A review of Working Capital Requirements
- Update on the Consumer Advisory Committee
- Report on the Annual General Meeting

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This newsletter is published by the Travel Industry Council of Ontario and is provided to all *Travel Industry Act* registrants. The information provided in this newsletter is provided for general knowledge purposes only and is not intended to be legal advice.



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*Court Matters continued from page 7*

charge laid on Iacobucci. She was charged in June 2005 with the same offence under **Section 3 (1)** of the *Travel Industry Act*. The trial of this charge is scheduled for July 21, 2006 at 1530 Markham Road, Toronto.

## CONVICTIONS

Following a guilty plea at the Toronto Provincial Offences Court, Nazimuddin Kazi in his personal capacity and Airpool 2000 Travel Services Inc. were each convicted of the following offences: two counts of acting as a travel agent after the registration was revoked, contrary to **Section 3 (1)** of the *Act*; four counts of failing to hold funds in a designated Trust Account until the payment was made to the supplier of the travel service for which the money was received, contrary to **Section 36 (6)** of Ontario Regulation 806/93 made under the *Travel Industry Act*; and three counts of failing to deposit funds in a Trust Account within two banking days after receiving them, contrary to **Section 33 (3)** of Ontario Regulation 806/93. Kazi was sentenced to two years' probation and ordered to pay \$28,215.00 in restitution and a \$1,000 fine on one count. Airpool 2000 Travel Services Inc received a suspended sentence on all nine counts.

Jean St. Pierre pled guilty to one count of acting as an unregistered travel agent, contrary to **Section 4 (1) (a)** of the *Travel Industry Act, 2002* and was sentenced to a fine of \$3,000 and two years' probation.



## REVOCATIONS

Between February 2, 2006 and May 18, 2006, seven companies had their registrations revoked: J.R.R. Multimedia Enterprises Inc. o/a Cruise Wise Travel; Fouzi Corporation o/a Time Travels & Tours; Sunset Travel London Ltd; Magdalena Luquez o/a Inti Tours Travel Agency; Faris Travel Inc; Cruises 'n Cruises Travel Inc.; and 779969 Ontario Inc. o/a Orly Travel Agency. ▲