

(3) Subject to the provisions of this notice, if a principal may under any of subclauses (1), (2), and (4) of clause 4 of this notice pay any commission to any approved passenger agent, in respect of any travel on the services of that principal arranged, or any prepaid ticket advice relating to any such travel whose issue was requested, at a location that is within the defined territory of an approved general sales agent, that principal may pay to that general sales agent a commission of not more than 3 percent of the lawful fare for that travel or, as the case requires, of the appropriate proportion of the lawful fare for some travel of which that travel forms part.

(4) Subject to the provisions of this notice, if a principal may under clause 4 (3) of this notice pay any commission to any approved passenger agent in respect of any travel arranged at a location that is within the defined territory of a general sales agent, that principal may pay to that approved general sales agent a commission of not more than 60 percent of that proportion of that first-mentioned commission that relates to travel on the services of that principal.

(5) Subject to the provisions of this notice, if, and only if, any approved general sales agent (being a carrier) collects at an approved location the lawful fare for travel on the services of a principal and issues a prepaid ticket advice relating to that travel, that principal may pay to that agent a commission of not more than 3 percent of the lawful fare for that travel or, as the case requires, of the appropriate proportion of the lawful fare for some travel of which that travel forms part.

(6) Subject to the provisions of this notice, if, and only if, no commission may be paid to an approved general sales agent under any of subclauses (1), (3), and (5) of this clause in respect of the issue at an approved location within that agent's defined territory of a prepaid ticket advice relating to travel on the services of a principal, that principal may pay to the approved general sales agent (if any) within whose defined territory travel is arranged at an approved location by that other approved general sales agent or an approved passenger agent a commission of not more than 3 percent of the lawful fare for that travel or, as the case requires, of the appropriate proportion of the lawful fare for some travel of which that travel forms part.

**6. Inclusive tour support—**If, and only if,—

- (a) A carrier and any person who is not a carrier (whether or not that person is an approved agent) have entered into a written agreement relating to the costs of developing, or advertising or promoting to the general public, a qualifying inclusive tour arranged or to be arranged by that person; and
- (b) That tour includes travel on the services of that carrier; and
- (c) All the literature relating to that tour—
  - (i) Published by that person; and
  - (ii) Available to the public generally—contains or includes, or is endorsed with, an inclusive tour code assigned to that tour by that carrier,—
 that carrier may pay to that person any commission that does not exceed the total amount of those costs.

**7. Commissions generally—**(1) Except as provided in this clause, no commission shall be paid under clause 4 or clause 5 of this notice unless—

- (a) The lawful fare or charter price for the travel concerned has been paid to the appropriate approved agent; and
- (b) That fare or price (or that fare or price reduced by the amount of any commission lawfully payable to that agent by the principal concerned) has been paid by that agent to that principal, either directly or through a standard bank plan.

(2) Subject to the provisions of this notice, a principal may pay a commission under clause 4 or clause 5 of this notice in respect of any travel, notwithstanding that the lawful fare or charter price has not been paid to the agent concerned, if that travel has been arranged pursuant to a credit plan recognised by that principal for the purpose.

(3) Subject to the provisions of this notice, a principal may pay a commission under either of subclauses (5) and (6) of clause 4 of this notice, or under any of subclauses (3), (4), and (6) of clause 5 of this notice, notwithstanding that payment in respect of the prepaid travel advice concerned was made not to the agent concerned but to some other approved agent or to a carrier.

**8. Payment of commission provisional initially—**No commission shall be paid under clause 4 or clause 5 of this notice unless it is paid on the basis that—

- (a) Its initial payment is provisional only, until—
  - (i) The travel to which it relates takes place; or
  - (ii) No application for a refund in respect of that travel having been made within the time during which such an application may be made by a person entitled to such a refund, that time has expired; or
  - (iii) Every such application made within that time has been finally rejected,—
 whichever soonest occurs; and
- (b) Where a refund has been made in respect of that travel to a person entitled to such a refund, and the failure of that

travel to take place did not result from an involuntary change or routing involving the substitution of surface transportation for confirmed travel,—

- (i) That commission will be recalculated; and
- (ii) The agent concerned will refund (either directly or by the appropriate deduction from some other amount payable to that agent) the difference between that commission as originally calculated and the recalculated amount, unless it is not more than the equivalent (in either New Zealand currency or the appropriate local currency, as the case requires, rounded up to the next whole dollar or local unit) of US\$6.

**9. Disbursement of commission—**(1) Where any travel in respect of which any commission is payable under clause 4 of this notice to an approved agent was arranged at an approved location of that agent, that agent may pay all or any part of that commission to any employee who, at that location, personally arranged or personally assisted in the arrangement of, that travel on behalf of that agent.

(2) Where any travel in respect of which any commission is payable to an approved agent under clause 4 of this notice was arranged at the request of some other agent (being an approved passenger agent of the principal by which that commission is payable),—

- (a) That approved agent may pay to that other agent all or any part of that commission; and
- (b) That other agent may pay to any employee who, at an approved location or approved tour location of that other agent, personally made, or personally assisted in making, that request all or any part of the amount paid to him or it.

**10. Payments in respect of subcontracted functions of agents—**Where any approved agent has, in respect of travel arranged or to be arranged by any other approved agent, agreed with that other agent to—

- (a) Make reservations; and
  - (b) Complete and issue traffic documents—
- by means of some electronic equipment that is, with the consent and under the control of a carrier who is a principal of both those agents, connected directly to the reservations system of that carrier, that other agent may pay to that first-mentioned agent, in respect of the performance of those functions in relation to any travel arranged by that other agent, any commission that does not exceed the commission lawfully payable to that other agent in respect of the arrangement of that travel.

**11. Involuntary changes of routing—**Where—

- (a) An approved passenger agent has refunded to a principal any commission paid in respect of any travel; and
  - (b) That travel failed to take place as a result of an involuntary change of routing,—
- that principal may pay to that agent all or any part of any commission received by that principal from any new transporting carrier on whose services equivalent travel took place.

**12. No commission payable in certain circumstances—**(1) No commission shall be paid under clause 4 or clause 5 of this notice—

- (a) On travel arranged pursuant to a miscellaneous charges order or transportation order, unless that travel is specifically described in that order; or
- (b) In respect of any excess baggage charge or excess value charge; or
- (c) On or in respect of any insurance or any government tax or charge, collected by the agent concerned; or
- (d) On travel provided free, or at a charge or fare less than that lawfully payable by members of the public for that travel.

(2) No commission shall be paid to an approved agent under clause 4 or clause 5 of this notice in respect of travel provided for or at the request of the New Zealand Government, any department of State, any agent of the New Zealand Government, any foreign government, or any agency or agent of any foreign government, unless either—

- (a) Full payment for that travel was made to that approved agent; or
- (b) That travel is paid for by a government transportation request drawn in favour of that approved agent; or
- (c) That travel was arranged by an approved general sales agent, and paid for directly to a carrier.

**13. Payments pursuant to interline agreements—**(1) Subject to the provisions of this notice, any carrier may pay to any other carrier with which that first-mentioned carrier has an interline agreement, in respect of travel on the services of that first-mentioned carrier arranged by that other carrier, a commission of not more than 9 percent of the lawful fare for that travel.

(2) No commission shall be paid under subclause (1) of this clause—

- (a) Unless—
  - (i) The lawful charge or fare for the travel concerned; or
  - (ii) That charge or fare reduced by the amount of that commission,—
 has been paid to the carrier on whose services that travel is arranged: