

RESOLUTION 003

SPECIAL TIE-IN AND RESCISSION RESOLUTION

CAC1(11)003(except USA) Expiry: Indefinite
CAC2(11)003
CAC3(11)003(except Australia) Type: B

RESOLVED that, notwithstanding Resolution 001:

1. the following Resolutions shall become and remain effective only if all such Resolutions become and remain effective:

CAC1(11)003(except USA)
CAC2(11)003
CAC3(11)003(except Australia)
CAC1(11)803(except USA)
CAC2(11)803
CAC3(11)803(except Australia)
CAC1(11)803d(except USA)
CAC2(11)803d
CAC3(11)803d(except Australia)
CAC1(11)803e(except USA)
CAC2(11)803e
CAC3(11)803e(except Australia)

2. if, in any country where the Resolutions listed in Paragraph 1 hereof have been implemented, any of such Resolutions is disapproved, rescinded, or the Government approval is withdrawn, all these Resolutions shall simultaneously be voided or rescinded, as the case may require, in that country; provided that such action shall not affect the validity of any such Resolutions in respect of other countries where they have been, or may become, implemented.

3. upon the Resolutions listed in Paragraph 1 hereof being implemented in a country Resolutions:

CAC1(01)801(except USA)(amended) and
CAC1(01)811(except USA)(amended), or
CAC2(01)801(amended) and CAC2(01)811(amended),
or
CAC3(01)801(amended) and CAC3(01)811(amended),

as applicable, shall be suspended with respect to such country; provided that if the Resolutions listed in Paragraph 1 hereof subsequently expire, or are voided or rescinded pursuant to Paragraph 2 hereof, the Resolutions listed in this Paragraph shall be reinstated and the status quo ante restored.

RESOLUTION 801

CARGO AGENCY RULES

CAC1(33)801(except USA) Expiry: Indefinite
(amending)
CAC2(33)801 (amending)
CAC3(33)801 (amending) Type: B

△ WHEREAS, it is the purpose of this Resolution to encourage the promotion, sale and handling of international air cargo transportation by Members through their Agents in an orderly manner and to establish and maintain ethical standards of business practice in interest of Members, their Agents and the general public, it is,

RESOLVED that, the following rules and regulations are adopted:

Section 1 — Qualifications for Registration and Retention

The requirements and exclusions set forth in this Section and any detailed provisions derived therefrom published in the Handbook pursuant to Subparagraph 1.5 of this Section shall equally apply to the registration of applicants and the retention of Agents (in which event the term 'applicant' where used in this Section shall be intended to include a registered Agent). When the Agency Administrator has reasons to believe that an Agent no longer meets the provisions of this Section, he shall initiate a review of the Agent by the Agency Commissioner.

1.1 QUALIFICATIONS

any Person may be registered as an Agent and be entered on the Cargo Agency List for a country by submitting an application in the form prescribed by the Conference to the Agency Administrator and by meeting the following requirements:

1.1.1 Promotion and Selling

the applicant must in such country:

1.1.1.1 maintain and operate at least one office (or a department of such an office) actively and principally engaged in the promotion and sale to the general public of international air cargo transportation over the lines of Members, and the handling of consignments therein,

1.1.1.2 have been so engaged for a period of at least six months prior to the date of application,

1.1.1.3 have adequate insurance to cover its liability for loss of or damage to shippers' cargo;

1.1.2 Processing and Handling

the applicant must offer the public the premises, staff and equipment necessary for the performance of the following functions as a minimum:

1.1.2.1 quoting Members' rates, charges and conditions pertaining to such rates and charges,

1.1.2.2 assisting customers in completing the required formalities for the transportation of cargo by air, including reservation services,

1.1.2.3 adhering to security control measures as prescribed by the responsible authority(ies), and supplemented from time to time by the Member. The Agency Administrator may, on his own initiative or at the request of a Member conduct an examination of Agent(s), to determine that such security control measures prescribed by the authorities are applied,

1.1.2.4 delivering (or arranging for delivery of) consignments to a Member at any Airport designated by the Member for general acceptance of all consignments ready for carriage,

1.1.2.5 accepting for carriage and delivering (or arranging for delivery) to a Member Dangerous Goods in accordance with the applicable Dangerous Goods regulations,

1.1.2.6 collecting charges from customers, and remitting monies due to carriers;

1.1.3 Minimum Staff Requirement

△ **1.1.3.1** the applicant shall employ a minimum two full time competent persons qualified to provide the services and handling functions described in Subparagraph 1.1.2;

△ **1.1.3.2** a minimum of one such competent person who also holds certification in respect of Dangerous Goods Handling described in Subparagraph 1.1.3.2(b) of this Resolution is present at all places where air cargo is made ready for carriage whenever such places are open for business, and the applicant must supply evidence that:

1.1.3.2(a) two such persons hold the IATA/FIATA Introductory Course Diploma or have completed an equivalent course offered by an IATA Member, or any other course acceptable to the Agency Administrator offered by an airline, commercial organization, or training institute; provided that any Agent whose name was entered on the Cargo Agency List prior to 1 April 1987 which does not meet this requirement shall demonstrate that its staff includes at least two full-time competent persons with not less than 10 years' experience in providing the services and handling functions described in Subparagraph 1.1.2 of this Paragraph;

1.1.3.2(b) two such persons at the time of application and at all times subsequent to registration, hold a valid certificate, issued within the previous two years, or within such other period as may be specified by the competent local authority, attesting to the bearer's having followed a recognized training course in Dangerous Goods Handling and passed a written examination based on that course;

for the purpose of this Resolution, a recognized training course means:

1.1.3.2(b)(i) the IATA/FIATA Module 2 Course,

1.1.3.2(b)(ii) a Member's course of formal instruction in Dangerous Goods Handling,

1.1.3.2(b)(iii) a course of formal instruction offered by a training establishment which has been appraised and endorsed by the IATA Dangerous Goods Board;

1.1.3.2(c) provided, that all the above training courses shall, where required in the country of registration of the applicant, also be approved in advance by the governmental agency responsible for regulating Dangerous Goods matters in that country,

1.1.3.2(d) failure to renew the certificate of Dangerous Goods course of training by a date specified by the Agency Administrator, with the result that the Agent no longer fulfils the conditions of this Subparagraph, shall be grounds for the Agency Administrator to remove the Agent from the Agency List;

1.1.3.2(e) validation of the training described in 1.1.3.2(b)(i) shall be by an examination set and marked by IATA whose certificate shall be issued to each successful examination candidate;

1.1.3.2(f) validation of the training described in 1.1.3.2(b)(ii) shall be by; an examination set and marked by the Member, or by the Dangerous Goods regulatory authority of the country concerned, where required. Such examination shall, as a minimum, be to the standard required by the IATA Dangerous Goods Board or by the Dangerous Goods regulatory authority of the country concerned; provided that the Member may elect to use the IATA examination in which case an IATA certificate will be issued to each successful candidate;

1.1.3.2(g) validation of training described in 1.1.3.2(b)(iii) shall be by an examination set by the Dangerous Goods regulatory authority of the country concerned, where required. In other cases the examination shall be to the standard required by the IATA Dangerous Goods Board;

1.1.3.2(h) the following details shall be published in advance by the organizers of instructional courses in the handling of Dangerous Goods, where the resulting certificate is to be relied upon for purposes of qualifying under these Rules:

- course objectives,
- detailed description of course contents,
- training method used
- testing methods and pass levels applied to validate results;

1.1.3.3(a) the certificate awarded pursuant to Subparagraph 1.1.3.2(b) of this Paragraph shall include the name of the issuing authority and the date of issue, and shall confirm that:

1.1.3.3(a)(i) the trainee has taken the examinations on the contents of the course, and has met the minimum standard required by the examination body,

1.1.3.3(a)(ii) the certificate is valid for two years from the date of issue, or such other period as may be specified by the competent local authority;

1.1.3.3(b) it being understood that, where the applicant's staff at such places is limited to two such persons, both shall meet the requirements set forth in Subparagraph 1.1.3 of this Paragraph.

1.1.4/1.1.4.1 Financial Standing

1.1.4.1(a)(i) the applicant must be able to provide accredited accounts showing satisfactory financial standing and ability to remain solvent and pay bills. The following will be taken into account when assessing the applicant's financial standing:

1.1.4.1(a)(i)(aa) availability of adequate liquid funds to meet normal trading commitments,

1.1.4.1(a)(i)(bb) paid-up capital required to be commensurate with fixed assets,

1.1.4.1(a)(i)(cc) the existence of preferential claims on the assets and contingent liabilities.

1.1.4.1(a)(ii) the applicant may be required to provide further information or additional financial support in the form of recapitalisation, bank or insurance bonds or guarantees. Failure on the part of an Agent to renew, before their expiry dates, any such bank or insurance bonds or guarantees shall constitute grounds for the Agency Administrator to place the Agent on a Cash Basis and to initiate a review of the Agent by the Agency Commissioner. In such event, the Agency Administrator shall so notify the Agent, all Members and where applicable, the ISS Management. If, prior to the review, the Agency Administrator receives evidence that such bank or insurance bonds or guarantees have been renewed as required, he shall terminate the review proceeding and the Cash Basis status and so notify the Agent, all Members and, where applicable, the ISS Management.

1.1.4.1(b) the Agency Administrator may, on his own initiative or at the request of a Member, conduct examinations of the financial standing of Agents. In addition he may, from time to time and not more than once annually, conduct examinations of the financial standing of all Agents in a country/area. He may request and the Agent concerned shall be under obligation to furnish, by the date specified in the Agency Administrator's letter of request, the documents deemed necessary by the Agency Administrator to conduct such examination. Failure by the Agent to submit such documents as prescribed shall be grounds for the Agency Administrator to place the Agent on a Cash Basis and initiate review of the Agent by the Agency Commissioner,

1.1.4.1(c) when the Agency Administrator determines that an Agent may no longer satisfy the financial criteria incorporated in the Handbook, he may, if circumstances so warrant, prescribe in writing such conditions as he deems appropriate to be complied with by the Agent within 60 days of the date of such written prescription. The Agency Administrator shall determine if such conditions have been met. On finding that the Agent failed to comply, the Agency Administrator shall place the Agent on a Cash Basis and initiate review of the Agent by the Agency Commissioner. The Agency Administrator shall notify the Agent, all Members and, where applicable, the ISS Management accordingly,

1.1.4.1(d) if subsequent to the action taken under Subparagraphs 1.1.4.1(b) and 1.1.4.1(c) above, but prior to the decision of the Agency Commissioner, the Agent satisfies the Agency Administrator that the prescribed conditions have been met, the Agency Administrator shall terminate the review proceeding and the cash basis status and notify the Agent, all Members and, where applicable, the ISS Management accordingly;

1.1.4.2 when the financial position of an Agent is subject to review by the Agency Commissioner, and the Agent is unable to meet the financial criteria of the Handbook, the Agency Commissioner shall take normal business fluctuations into account and provide the Agent with a reasonable period of time to meet those criteria;

1.1.5 Licence to Trade

where officially required, the applicant must be in possession of a valid licence to trade. Suspension or withdrawal of this licence shall constitute grounds for the Agency Administrator to place the Agent on Cash Basis and to initiate a review of the Agent by the Agency Commissioner.

1.2 OTHER REQUIREMENTS

1.2.1(a) the applicant must not have a name which is

1.2.1(a)(i) the same as, or misleadingly similar to that of an IATA Member or IATA, or

1.2.1(a)(ii) the same as that of another IATA Cargo Agent in the same country; provided that this prohibition shall not apply to Persons entered on the Cargo Agency List prior to 1 April 1984,

1.2.1(b) the place of business must not be identified as an office of a Member,

1.2.2 the applicant must have a satisfactory record for adherence to ethical business practices. This includes any of the applicant's managerial staff or of its principal stockholders, directors or officers;

1.2.3 all material statements made in the Application shall be accurate, complete and not misleading;

1.3 EXCLUSIONS

1.3.1 no Person shall be registered or retained as an Agent for or in a specific country if, in such country:

1.3.1.1 a substantial portion of the air transportation which such Person sells and/or handles is in relation to goods owned by such Person;

1.3.1.2 anyone who is a director of or who holds a financial interest or a position of general management in the applicant, is also holding or has held similar positions in an Agent which:

1.3.1.2(a) is currently under notice of default and has outstanding debts still owing to Members or its debts have been, or are being met, solely or in part by recourse to a financial bond or guarantee, or

1.3.1.2(b) has been removed from the Agency List and has outstanding debts still owing to Members or its debts were met solely or in part by recourse to a financial bond or guarantee, provided that the applicant may nevertheless be approved if the Agency Administrator is satisfied that such Person did not participate in the acts or omissions that caused such removal or default or if it is satisfied that the applicant can be relied upon to comply with the terms of the Agency Agreement, these Rules and other Resolutions of the Conference.

1.4 IATA CARGO ADVISORY PANEL (ICAP)

1.4.1 the Agency Administrator may, on advice from a Member, establish an IATA Cargo Advisory Panel (ICAP) in a country or group of countries;

1.4.1.1 the Agency Administrator shall invite each Member having its own sales organization in the country concerned to nominate from management personnel in its employment

a person of appropriate seniority to serve as such Member's representative on the IATA Cargo Advisory Panel. The Agency Administrator shall maintain a list of all such nominees;

1.4.1.2 each ICAP shall consist of not more than nine such representatives selected by the Agency Administrator from the nominations received. In selecting such representatives the Agency Administrator shall endeavour to ensure that the membership is composed of persons having expertise in the areas of cargo handling, sales and financial control;

1.4.1.3 to assist the Agency Administrator in processing applications for registration and retention of Agents, each ICAP shall make recommendations to the Cargo Agency Conference for the establishment of local criteria that take into account market conditions, with respect to:

1.4.1.3(a) financial standing,

1.4.1.3(b) personnel qualifications,

1.4.1.3(c) premises,

1.4.1.3(d) equipment;

1.4.1.4 ICAP representatives at the request of the Agency Administrator may conduct inspections and submit reports with respect to qualifications of applicants;

1.4.1.5 each ICAP may request the Agency Administrator to conduct reviews of Agents located in the country or group of countries under the purview of the ICAP;

1.4.1.6 ICAPs may, subject to prior notice to the Agency Administrator, participate in dialogue meetings with representatives of national cargo agents' associations. The Agency Administrator or his authorised representative shall attend all such meetings;

1.4.1.7 dialogue meetings provided for in Subparagraph 1.4.1.6 of this Paragraph may consider all items that are within the terms of reference of the Cargo Agency Conference, in the country or group of countries under the purview of the ICAP concerned, and make recommendations to the Agency Administrator for submission to the Conference.

1.4.1.8 persons included on the list maintained by the Agency Administrator, pursuant to Subparagraph 1.4.1.1 of this Paragraph, who are not selected as members of the ICAP, may attend meetings thereof as observers;

1.4.1.9 except as specifically provided herein, each ICAP shall determine its own procedures from guidelines supplied to that effect by the Agency Administrator and shall meet as required.

1.5 CARGO AGENT'S HANDBOOK

the criteria for registration and retention of IATA Cargo Agents shall be included in an appendix to the IATA Cargo Agent's Handbook.

Section 2 — Procedures

Upon request, the Agency Administrator shall supply each prospective applicant with an application form and a copy of the IATA Cargo Agent's Handbook (at a nominal charge) containing these Rules and other relevant information and guidance.

2.1 APPLICATION FOR REGISTRATION

an applicant which wishes to be included on the Cargo Agency List shall apply to the Agency Administrator who is empowered to register the applicant or to reject the application:

2.1.1 such application shall request registration of the applicant in respect of its operations within one country for delivery of consignments for transportation from airports within that country or from named airports within immediately adjacent countries;

2.1.2 an Agent duly registered under these Rules may, at any time, by submitting a request accompanied by settlement of the appropriate fee(s), be authorised by the Agency Administrator to deliver consignments for transportation from (a) named Airport(s) in country(ies) immediately adjacent to the country for which the Agent is registered. The Agency Administrator shall amend the Cargo Agency List accordingly and request the Director General to reflect such authorisation on the Agent's Cargo Agency Agreement.

2.2 FORM OF APPLICATION — PROCESSING

2.2.1 the applicant must complete the application form prescribed in Attachment C to these Rules. The submitted application shall be accompanied by such financial and other documents as set forth in the Handbook and fees covering the following:

2.2.1.1 application fee which is non-refundable, and

2.2.1.2 registration fee, and

2.2.1.3 the first annual agency fee;

2.2.2 upon receipt, the Agency Administrator shall promptly consider whether such application is complete. If any of the required information or fees have not been included with the application the Agency Administrator shall so inform the applicant;

2.2.3 if the Agency Administrator finds the application is complete, he shall publish promptly to Members in a listing that such application has been received. Such listing shall be published not less than monthly;

2.2.4 any Member may, within 30 days of publication of such listing, file evidence with the Agency Administrator indicating the grounds why, in that Member's opinion, the applicant does not meet the qualifications to become an Agent. The Agency Administrator shall inform the applicant that such a protest has been made and invite response;

2.2.5 the Agency Administrator shall arrange for at least one independent inspection report to assist him in determining whether the applicant meets the qualifications necessary to become an Agent;

2.2.6 the Agency Administrator shall consider each application and supporting information and any other information brought to his attention and decide within 45 days of date of publication of the application listing if the applicant meets the qualifications to become an Agent;

2.2.7 the applicant shall be notified promptly in writing of the Agency Administrator's action and in the event of rejection shall be given clear reasons why the application failed;

2.2.8 a rejected applicant may, within 30 calendar days of the date of the Agency Administrator's notice, request reconsideration of the decision by the Agency Administrator or may invoke the procedures for review of the Agency Administrator's action by the Agency Commissioner;

2.2.9 a Member filing evidence pursuant to Subparagraph 2.2.4 of this Paragraph may, if the applicant concerned is registered, request consideration of the decision by the Agency Administrator or may request a review of the Agent on the grounds specified in the protest made under Subparagraph 2.2.4 of this Paragraph. In the latter instance, the Agency Administrator shall initiate a review by the Agency Commissioner. The Agency Administrator shall notify the Agent of the initiation of the review and the grounds upon which it shall be based and shall invite the Agent to submit rebuttal or supplementary information to the Agency Commissioner, with copy to the Agency Administrator, bearing on the allegations upon which the protest was filed.

2.3 ACTION FOLLOWING REGISTRATION OF APPLICANT

2.3.1 if the Agency Administrator determines that the applicant has shown that it meets the qualifications, he shall enter it on the Cargo Agency List;

2.3.2 the Director General, acting on behalf of Members desiring to appoint an Agent shall execute a Cargo Agency Agreement with each Person registered as an Agent in accordance with these Rules. The Agency Administrator shall promptly notify all Members of the names of parties executing Cargo Agency Agreements and the dates of such Agreements;

2.3.3 the Agency Administrator shall maintain, publish and circulate from time to time, a Cargo Agency List of all Persons with whom the Director General has entered into a Cargo Agency Agreement in accordance with Subparagraph 2.3.2 of this Paragraph which will contain the following minimum information:

2.3.3.1 name of Agent,

△ **2.3.3.2** legal or registered address,
address of operational premises,
mailing address,
e-mail address,
branch location address(es) where applicable,

2.3.3.3 date of registration,

△ **2.3.3.4** IATA numeric code and location identifier(s),

2.3.3.5 named Airport(s) in adjacent country(ies), if applicable;

2.3.4 for the purpose of these Rules, a Person's name shall be deemed to be included on the Cargo Agency List from the date when such Agreement is entered into until the date when it is terminated.

2.4 APPOINTMENT OF AGENT

2.4.1 Manner of Appointment

2.4.1.1 a Member may appoint an Agent which is on the Cargo Agency List in the following manner:

2.4.1.1(a) by depositing with the Agency Administrator a statement of general concurrence for the appointment of all Agents. The Agency Administrator shall from time to time publish in the IATA Cargo Agents' Handbook, a list of Members having deposited such a statement of general concurrence,

2.4.1.1(b) alternatively, a Member may inform such Agent, in writing with copy to the Agency Administrator, that such Member specifically concurs in its appointment as an Agent;

2.4.2 Effective Date

2.4.2.1 such appointment(s) shall be effective as follows:

2.4.2.1(a) as to those Members who have deposited a statement of general concurrence, immediately upon inclusion of the Agent on the Cargo Agency List, or as from the date the statement is deposited if such date is subsequent to that of the Agent's inclusion on the Cargo Agency List,

2.4.2.1(b) as to any other Member, as of the date stated as the effective date in such Member's specific concurrence which shall not be earlier than the date when the Agent was included on the Cargo Agency List.

2.5 TERMINATION OF INDIVIDUAL APPOINTMENT

any Member having appointed an Agent may cancel such appointment by so notifying the Agent in writing with copy to the Agency Administrator.

2.6 DELIVERY OF AIR WAYBILLS BY MEMBERS

the provision of Air Waybills shall be at the option of the Member. The Member may, also at its option, authorise the Agent to issue on the Member's behalf, Neutral Air Waybills in conformity with the provisions of Resolution 600a.

2.7 CAPACITY AND INDEMNITY

the Director General, the Agency Administrator and the ISS Management, in performing any action pursuant to these Rules, to Resolutions 851, 853 and their Attachments, and to any other applicable Resolutions, act not as principals but as agents for the Members concerned. Members appointing Agents undertake to indemnify IATA, its officers, employees and other appointees against any liability (including liability for legal costs) for any action taken or omitted in good faith in the performance of their functions under these Rules (other than functions performed pursuant to Section 2 of Resolution 801r). Members participating in a Cargo Accounts Settlement System (CASS-Export) or in a Cargo Accounts Settlement System — Charges Collectable at Destination (CASS-Import) undertake to indemnify IATA, its officers, employees and other appointees against liability (including liability for legal costs) for any action taken or omitted in good faith in the performance of their functions with respect to such system under Resolutions 851, 853 and their Attachments, and under Section 2 of Resolution 801r, as applicable.

Section 3 — Commission

No Member shall pay any commission for the sale and handling of international air cargo transportation except as follows:

3.1 FORM OF COMMISSION

Commission paid to an IATA Cargo Agent in accordance with this Resolution shall be as may be authorised from time to time by the Member.

3.2 BASIS OF COMMISSION — ON-LINE AND INTERLINE

3.2.1 the commission shall be calculated only on the carrier's charge for air transportation (including valuation charges) and shall not be calculated on other charges, such as insurance, and taxes;

3.2.2 the amount of charge on which the commission shall be computed may include interline cargo transportation performed by other Members or other air carriers with which the issuing carrier has an interline traffic agreement.

3.3 PAYMENT OF COMMISSION

The commission shall be payable only to Agents appointed by the paying Member in accordance with Section 2 hereof.

3.4 DUTIES OF AGENT

Such remuneration shall be paid only if the Agent performs at least the following duties:

3.4.1 accepts the goods from the shipper (or arranges for such acceptance); and

3.4.2 provides the Air Waybill in accordance with the provisions and format set forth in Resolution 600a, accurate and complete in all respects, including the completion of the charges box and the checking of weights, measurements and nature of goods. Disbursement amounts if any and applicable charges shall be entered on the Air Waybill in accordance with Resolution 509. Not more than the following parts shall be removed from the Air Waybill set by the Agent:

3.4.2.1 original 3 (for shipper)

3.4.2.2 copy 8 (for Agent)

3.4.2.3 original 1 (for issuing carrier) where required by the Member whose Air Waybill is issued;

3.4.3 delivers consignment to a Member at any location designated by such Member for general acceptance of consignments (or arranges for such delivery), ready for carriage; provided that the Agent is registered for the country of Airport of departure (or for such Airport when the Agent is registered in an immediately adjacent country), except that in the case of combined sea/air transportation, where the first section is by sea, the Agent must be registered in the country of origin of such combined transportation, but need not be registered in the country where the first air sector commences;

3.4.4 collects and accepts payment of prepaid transportation and other charges; provided that this shall not prevent payment of commission on transportation charges which are not prepaid; so long as all other requirements of this Paragraph are complied with.

3.5 PROVISIONS OF FACILITIES BY IATA MEMBERS

Notwithstanding Paragraph 3.4 of this Resolution, in any instances where a Member provides personnel, facilities, or services to enable or assist an Agent to perform the functions described in such Paragraph, commission may be paid, provided that a charge, per consignment, of USD 2 (or equivalent) or the applicable commission, whichever is less, shall be assessed against such Agent.

3.6 AGENT IN COUNTRY OF DESTINATION

Where the Agent is located and registered in the country of destination of consignment, he may be paid commission on such consignment, but only if he arranges for the performance of all of the duties in Paragraph 3.4 of this Section, by a person other than a Member, and further establishes his right to commission by having his name inserted in the appropriate box of the Air Waybill by written instructions of the shipper in respect of each individual consignment prior to air carriage. However, when such a consignment is delivered to a Member by another Agent who is registered for the country of Airport of departure (or for such Airport when such other Agent is registered in an immediately adjacent country) and who has issued the Air Waybill and inserted his name thereon as the issuing carrier's Agent and has additionally performed the functions set forth in Paragraph 3.4 of this Section, commission shall be paid only to such latter Agent.

3.7 CHARTER TRANSPORTATION

Notwithstanding anything to the contrary, Agents shall be eligible for a commission on the sale of international air cargo charter transportation, if such transportation meets the requirements of the Members' charter tariffs and the Agent performs the duties specified in Paragraph 3.4 of this Section, except that the Member may set its own requirements in respect to ready for carriage acceptance; provided that when payment is made by cheque, the Agent has forwarded to the Member a cheque for the entire charter price drawn by a person other than such Agent to the Member as payee, together with written certification by the charterer that the Agent effected the sale.

3.8 RETROACTIVE PAYMENT OF COMMISSION

Notwithstanding anything to the contrary, the Agency Administrator, at the time of approving the application of an Agent, may authorise payment of commission on international air cargo transportation sold and handled by such Agent beginning with the date of receipt by the Agency Administrator of such Agent's successful application. However, this shall not be deemed to authorise any person to perform any act as agent for a Member before such person is registered in accordance with this Resolution.

3.9 DISBURSEMENT OF COMMISSION

An IATA Cargo Agent may disburse all or part of the authorised commission to another IATA Cargo Agent or to a person other than a shipper and/or consignee, so long as such disbursement does not directly or indirectly result in rebating any portion of the charges shown on any Air Waybill to a shipper and/or consignee.

3.10 GOVERNMENT TRANSPORTATION

No commission shall be paid to, claimed or withheld by an Agent for transportation sold to a Government:

3.10.1 at a Government discount; or

3.10.2 where payments for such transportation are wholly or partly made directly to a Member or are paid by a Government transportation request, unless such request is drawn in favour of the Agent who cashes it and remits the proceeds to the Member; provided that this shall not prevent the payment of commission for international air cargo transportation not subject to a Government discount paid by a Government bill of lading when the Agent performs the duties in Paragraph 3.4 of this Section.

3.11 REFUND OF TRANSPORTATION CHARGES

In the event a refund is made of all or any part of the charge for transportation, the commission payable to the Agent shall be recomputed on the unrefunded charge, and if the commission on such transportation has already been paid, such Agent shall be obliged to return any amount in excess of the computed commission; provided that when the total refundable commission is not more than USD5 (or equivalent local currency rounded off to the nearest whole unit) such commission need not be returned.

Section 4 — Measures Affecting an Agent's Standing

4.1 WITHDRAWAL BY AGENT

4.1.1 an Agent may voluntarily relinquish its registered status at any time by giving advance notice in writing to the Agency Administrator who shall notify all Members. The notice will state an effective date of withdrawal, without prejudice to fulfilment by the Agent and each of the Members having the Agent under appointment, of all obligations accrued up to the date of withdrawal from the Cargo Agency List;

4.1.2 in the event an Agent voluntarily relinquishes any Member's appointment it shall so notify the Member in writing.

4.2 REMOVAL BY AGENCY ADMINISTRATOR

the Agency Administrator may, in accordance with the provisions of these Rules, remove for cause an Agent from the Cargo Agency List by giving notice in writing to the Agent to take effect in accordance with these Rules. Such removal shall be without prejudice to fulfilment by the Agent and each of the Members having the Agent under appointment of all obligations accrued up to the date of removal from the Cargo Agency List.

4.3 NOTICE OF SUSPENSION BY AGENCY ADMINISTRATOR

when an Agent is suspended for cause under the provisions of these Rules, the Agency Administrator shall give notice thereof in writing to the Agent. The suspension will take effect from the time specified in the written notice.

4.4 EFFECT OF REMOVAL OR SUSPENSION OR REPRIMAND

4.4.1 Removal

when notice has been served by the Agency Administrator that an Agent is to be removed from the Cargo Agency List:

4.4.1.1 the Agency Administrator shall by notice to the Agent terminate the Agent's Cargo Agency Agreement and so notify Members;

4.4.1.2 any authorisation given to the Agent to issue Neutral Air Waybills shall be withdrawn and an immediate accounting and settlement of monies due will be required;

4.4.1.3 Members not participating in the Cargo Accounts Settlement Systems shall revoke any authority for the Agent to execute Air Waybills on behalf of such Members and require an immediate accounting and settlement of monies due;

4.4.2 Suspension

when notice has been served by the Agency Administrator that an Agent is to be suspended:

4.4.2.1 the Agency Administrator shall so notify Members,

4.4.2.2 for the period of suspension, any authorisation given to the Agent to issue Neutral Air Waybills shall be withdrawn,

4.4.2.3 Members not participating in the Cargo Accounts Settlement Systems shall, for the period of suspension, revoke any authority for the Agent to execute Air Waybills on behalf of such Members,

4.4.2.4 during the period of suspension the Agent may continue to do business with Members on a non-commissionable Cash Basis,

4.4.2.5 in all other respects the provisions of these Rules and of other applicable Resolutions continue to apply to the Agent during the period of suspension;

4.4.3 Reprimand

when a reprimand is issued to an Agent under any of the provisions of these Rules, the Agency Administrator shall record it against the Agent and notify the Agent that this has been done.

4.5 LICENCE TO TRADE

in addition to actions affecting an Agent's IATA status which may be taken pursuant to these Rules, the application of the Cargo Agency Agreement to an Agent and the capacity of such Agent to do business with Members may be affected by termination, suspension or other condition relating to the Agent's licence to trade (where this is officially required) imposed by the government authorities of the place where the Agent is situated. In such case, the Agency Administrator shall promptly notify all Members, with copy to the Agent, of the effects of such government action.

Section 5 — Change of Ownership, Legal Status, Name or Address

5.1 NOTIFICATION OF CHANGES

notification with respect to changes of ownership, legal status, name or address of the Agent shall be given to the Agency Administrator prior to the change, and processed in accordance with the provisions of this Section; provided that when an Agent undergoes a change of ownership or status which also includes a change of name or address, all changes shall be notified by the Agent in a single notice of change and actioned by the Agency Administrator as one application.

5.2 PROCESSING OF CHANGES

5.2.1/5.2.1.1 the following changes of ownership shall require the execution of a new Cargo Agency Agreement, and shall be processed in accordance with Paragraph 5.3 of this Section:

5.2.1.1(a) in the case of a sole owner, partnership or other unincorporated firm:

5.2.1.1(a)(i) the transfer of an interest in the Agent which has the effect of transferring control of the Agent to a Person in whom it was not previously vested,

5.2.1.1(a)(ii) the admission or withdrawal of a partner,

5.2.1.1(b) in the case of a corporation, the disposal of the Agent's business and its acquisition by a Person who is not an Agent;

5.2.1.2 the following changes of ownership in a corporation shall not require the execution of a new Cargo Agency Agreement, and shall be processed in accordance with Paragraph 5.4 of this Section:

5.2.1.2(a) a reduction of capital,

5.2.1.2(b) the disposal or acquisition by any Person of stock representing 30% or more of the total issued share capital of the Agent,

5.2.1.2(c) any other transfer of stock that has the effect of vesting the control of the Agent in a Person in whom it was not previously vested, whether by means of a single transaction or as the result of a series of transactions, over a period of not more than three years.

5.2.2 the following changes of ownership and status shall require the execution of a new Cargo Agency Agreement, and shall be processed in accordance with Paragraph 5.3 of this Section:

5.2.2.1 in the case of a sole ownership, partnership or other unincorporated firm, the incorporation of the Agent;

5.2.2.2 in the case of a corporate body:

5.2.2.2(a) the transformation of the Agent into a partnership or other unincorporated firm,

5.2.2.2(b) any change which reduces the liability of any Person who was previously liable, directly or indirectly, for the debts of the corporation.

5.2.3 the following other changes shall be processed in accordance with the appropriate Paragraph of this Section as indicated:

5.2.3.1 death of sole owner or of a member of a partnership or other unincorporated firm — Paragraph 5.9;

5.2.3.2 death of stockholder — Paragraph 5.10;

5.2.3.3 change of name — Paragraph 5.11;

5.2.3.4 change of address — Paragraph 5.12.

5.3 CHANGES REQUIRING NEW AGREEMENT

when an Agent proposes to effect a change of ownership and/or status as described in Subparagraphs 5.2.1.1 or 5.2.2 of this Section:

5.3.1 the Agent ('the transferor') and the proposed new owner ('the transferee') shall jointly give the Agency Administrator notice of the proposed change in the form as prescribed by Attachment 'A' to these Rules at least 30 days before the change is to be effected. At the same time the transferee shall submit an application for approval and inclusion in the Cargo Agency List in accordance with Section 2 of these Rules and the application shall be considered and dealt with in accordance with the provisions of that Section;

5.3.2 on receipt of a notice of change and a duly completed application in time to enable the Agency Administrator to process the application, the Agency Administrator shall execute a provisional Cargo Agency Agreement with the transferee unless the application reveals or the Agency Administrator has reason to believe that the application should be disapproved because the transferee does not meet one or more of the requirements of Section 1 of these Rules. Nevertheless if prior to the final decision on the application the transferee eliminates the grounds for disapproval to the satisfaction of the Agency Administrator, the Agency Administrator shall execute a provisional Cargo Agency Agreement with the transferee;

5.3.3 the transferee's provisional Cargo Agency Agreement shall take effect from the date when the change of ownership and/or status takes place. The transferor's Cargo Agency Agreement shall terminate as of the date when the change of ownership and/or status takes place, without prejudice to the fulfilment of all obligations accrued prior to the date of termination;

5.3.4 a provisional Cargo Agency Agreement shall be in the same form and have the same effect as a Cargo Agency Agreement. The Agency Administrator shall notify all Members of the execution of the provisional agreement and on receipt of such notice Members may do business with the transferee as if he were an Agent.

5.4 CHANGES NOT REQUIRING A NEW AGREEMENT

when an Agent proposes to effect a change of ownership as described in Subparagraph 5.2.1.2 of this Section:

5.4.1(a) the Agent shall give the Agency Administrator notice of the proposed change in the form of Attachment 'A' to these Rules at least 30 days before the change is to

be effected. As soon as possible the Agent shall also provide a current financial statement. On receipt of the notice, the Agency Administrator shall:

5.4.1(a)(i) bill the Agent for a change of ownership fee as provided in Subparagraph 11.1.1.4 of Section 11 of these Rules, and

5.4.1(a)(ii) publish promptly to Members in a monthly listing that such a notice has been received;

5.4.1(b) any Member may within 30 days of publication of such information, file evidence with the Agency Administrator indicating the grounds why, in that Member's opinion, the Agent does not meet the qualifications to remain an Agent. The Agency Administrator shall inform the Agent that such protest has been made and invite response;

5.4.2 on receipt of a notice of change in time to enable the Agency Administrator to process the change, the Agency Administrator shall give provisional approval of the change unless the notice reveals or the Agency Administrator has reason to believe that the Agent should not be retained because it does not meet one or more of the requirements of Section 1 of these Rules. Nevertheless if prior to final decision on the change the Agent eliminates the grounds for disapproval to the satisfaction of the Agency Administrator, the Agency Administrator shall give provisional approval of the change;

5.4.3 the provisional approval of the change shall take effect from the date when the change takes place and the Agency Administrator shall notify all Members accordingly.

5.5 LACK OF PROVISIONAL AGREEMENT OR APPROVAL

when pursuant to Subparagraph 5.3.2 or 5.4.2 of this Section the Agency Administrator is unable to execute a provisional Cargo Agency Agreement or to give provisional approval as at the date of the change, the Agency Administrator shall notify all Members and the ISS Management accordingly. Members may continue to do business with the Agent on a commissionable Cash Basis until further notified by the Agency Administrator.

5.6 FINAL APPROVAL BY AGENCY ADMINISTRATOR

5.6.1 in addition to any action taken by the Agency Administrator under Paragraphs 5.3 and 5.4 of this Section he shall obtain from such source and in such manner as he may deem appropriate a report on the transferee or Agent, as the case may be, indicating whether the requirements set out in Section 1 of these Rules are satisfied;

5.6.2 if, the report shows that the said requirements are satisfied, and no protest has been received from a Member within 30 days following notice from the Agency Administrator of the proposed change, the Agency Administrator shall:

5.6.2.1 in cases of a change as described in Subparagraphs 5.2.1.1 or 5.2.2 of this Section, notify the transferee that the provisional Cargo Agency Agreement shall cease to be provisional and shall become a Cargo Agency Agreement,

5.6.2.2 in cases of a change as described in Subparagraph 5.2.1.2 of this Section, notify the Agent that the provisional approval of the change shall cease to be provisional and shall become a full approval; the Cargo Agency Agreement or the final approval of the change shall take effect 45 days from the date of the publication to Members of the intended change by the Agency Administrator or on the date the change takes place, whichever is the later. The Agency Administrator shall notify all Members accordingly and, when required, make any necessary amendment to the Cargo Agency List.

5.7 EFFECT OF DISAPPROVAL

5.7.1(a) if the Agency Administrator is unable to execute a Cargo Agency Agreement with a transferee or to give final approval of a change to an Agent, as the case may be, he shall promptly notify the transferee or Agent and shall, simultaneously:

5.7.1(a)(i) in cases of a change as described in Subparagraphs 5.2.1.1 or 5.2.2 of this Section, by notice to the transferor confirm that its Cargo Agency Agreement terminated on the date when the change of ownership took place, and by notice to the transferee, terminate the provisional Cargo Agency Agreement, if executed,

5.7.1(a)(ii) in cases of a change as described in Subparagraph 5.2.1.2 of this Section, by notice to the Agent withdraw a provisional approval that has been given and terminate the Agent's Cargo Agency Agreement;

5.7.1(b) in all such notices the Agency Administrator shall give the reasons for his action and notify all Members accordingly. A disapproved transferee or Agent may within 30 days of the Agency Administrator's notice request reconsideration of the decision by the Agency Administrator or invoke the procedures for review of the Agency Administrator's action by the Agency Commissioner;

5.7.2 upon request for reconsideration by the Agency Administrator or for review by the Agency Commissioner, the disapproval action shall be stayed and the status quo ante restored pending the result of the reconsideration or of the review. If the Agency Commissioner confirms the disapproval, the transferee or Agent may request review of such decision by arbitration pursuant to Section 10 of these Rules in which case the disapproval action shall continue to be stayed until notification of the arbitration award;

5.7.3 if the transferor or the Agent as the case may be notifies the Agency Administrator that the change of ownership has been revoked and the Agent restored in all respects to its previous ownership, the Agency Administrator shall reinstate the Agent's Cargo Agency Agreement and, when applicable, reinstate credit facilities and notify the Agent and all Members accordingly.

5.8 UNDERTAKING BY TRANSFEREE

except in cases of change described in Subparagraph 5.2.1.2 of this Section:

5.8.1 every application for approval shall be accompanied by an undertaking by the transferee to accept joint and several liability with the transferor for any outstanding obligations of the transferor under its Cargo Agency Agreement as of the date when the transfer of ownership takes place; and

5.8.2 in cases where the transferor is employed by or retains a financial or beneficial interest directly or indirectly in the Agent after the change of ownership, the application shall be accompanied by an undertaking by the transferee to accept responsibility for any violation by the transferor of its Cargo Agency Agreement which may have occurred within a period of two years immediately prior to the change of ownership as if such violation were a violation of the transferee's Cargo Agency Agreement.

5.9 DEATH OF A SOLE OWNER OR OF A MEMBER OF A PARTNERSHIP OR OTHER UNINCORPORATED FIRM

5.9.1 in the event of the death of the sole owner of an Agent, or of a member of a partnership or other unincorporated firm, the Agent shall promptly advise the Agency Administrator who shall place the Agent on a commissionable Cash Basis and notify the Agent and all Members. However, in order to preserve the goodwill of the Agent as far as possible, the Agency Administrator may, at the request of the person entitled to represent the decedent's estate (in the case of a sole ownership) or of the remaining member of the partnership or other unincorporated firm enter into a temporary Cargo Agency Agreement with the requesting party, reinstate credit facilities and advise Members accordingly. The temporary Cargo Agency Agreement shall be in the same form and have the same effect as a Cargo Agency Agreement except that:

5.9.1.1 if the Agency Administrator at any time has reason to believe that the financial situation of the estate, partnership or other unincorporated firm is unsatisfactory, he shall place the Agent on a commissionable Cash Basis, request a review of the Agent by the Agency Commissioner and notify the Agent and all Members accordingly,

5.9.1.2 if prior to the date of the review the estate or partnership or other unincorporated firm submits evidence of a satisfactory financial situation, the Agency Administrator shall withdraw his request for review and shall notify the Agent and all Members that credit may be reinstated,

5.9.1.3 if the matter proceeds to review and the Agency Commissioner finds that the financial situation of the estate, partnership or other unincorporated firm so warrants, he shall direct that the temporary Cargo Agency Agreement be terminated. The Agency Administrator shall remove the Agent from the Cargo Agency List and notify the Agent and all Members accordingly. Upon receipt of such notice, Members shall take the same action as required on removal of an Agent from the Cargo Agency List,

5.9.2 if the person entitled to represent the estate of the decedent proposes to transfer or to confirm the transfer of the decedent's interest in the Agent to an heir, legatee or other person, or notifies that the decedent's interest is withdrawn from the partnership or other unincorporated firm, such transfer or withdrawal shall be deemed a change of ownership for purposes of this Section. The signatory of the temporary Cargo Agency Agreement and the transferee shall jointly give notice to the Agency Administrator as required under Subparagraph 5.3.1 of this Section and thereafter the provisions of Paragraphs 5.3, 5.5, 5.6, 5.7 and 5.8 of this Section shall apply,

5.9.3 subject to earlier termination under the provisions of Subparagraph 5.9.1 or 5.9.2 of this Paragraph, a temporary Cargo Agency Agreement with the representative of the estate of a deceased sole owner shall terminate if such representative ceases to carry on the Agent's business at the address covered by the Agreement.

5.10 DEATH OF STOCKHOLDER

5.10.1 in the event of the death of a stockholder holding 30% or more of the total issued stock of a corporate body (or in whom control of the Agent is vested), the Agent shall promptly advise the Agency Administrator who shall notify all Members accordingly and request the Agent to submit current financial statements:

5.10.1.1 if the financial situation of the Agent is found to be satisfactory, the Agent may continue to do business with Members as a registered Agent;

5.10.1.2 if the financial situation of the Agent is found to be unsatisfactory, the Agency Administrator shall place the Agent on a commissionable Cash Basis, request a review of the Agent by the Agency Commissioner and notify the Agent and all Members accordingly;

5.10.2 if the person entitled to represent the decedent's estate proposes to transfer or to confirm the transfer of the decedent's interest in the Agent to an heir, legatee or other person, such transfer shall be deemed a change of ownership for purposes of this Section. The Agent shall give notice to the Agency Administrator as required under Subparagraph 5.4.1(a) of this Section and the provisions of Paragraphs 5.4, 5.5, 5.6 and 5.7 of this Section shall apply.

5.11 CHANGE OF NAME

when an Agent changes its name, such Agent shall notify promptly the Agency Administrator of the new name. The Agency Administrator shall ascertain whether the new name can be approved pursuant to the provisions of the Section 1, Subparagraph 1.2.1(a) of these Rules. If the name change is approved the Agency Administrator shall notify all Members of the new name and record the new name on the Cargo Agency List and in the Cargo Agency Agreement. If the Agency Administrator disapproves the application he shall initiate a review by the Agency Commissioner.

5.12 CHANGE OF ADDRESS

5.12.1 where an Agent changes its address from that shown on the Cargo Agency List, such Agent shall notify promptly the Agency Administrator who shall so advise all Members. Authority to act as an Agent shall continue to apply to the new address;

5.12.2 where an Agent moves from or ceases to operate at the sales office and/or handling facilities that were inspected in the course of processing its application for registration, such Agent, shall as far in advance as possible but in any case before effecting the move, notify the Agency Administrator of the new address. The Agency Administrator shall obtain an inspection report of the new premises and shall notify all Members of the proposed new address. If no protest is received from any Member within 30 days of such notice and if the inspection report is favourable, the new premises shall be deemed to be approved. If the change is protested by any Member within such period or if the investigation report is unfavourable, the new premises shall not be approved by the Agency Administrator and the matter shall be referred to the Agency Commissioner;

☐ **5.12.3** where an Agent opens, closes, or changes the address of a branch office, he shall advise the Agency Administrator so that he may amend the Cargo Agency List.

5.13 LATE NOTIFICATION OR ABSENCE OF NOTIFICATION OF CHANGE

5.13.1 if the notification and, when required, the completed application in respect of a change of ownership or status is not received by the Agency Administrator or is received after the change has taken place, the Agency Administrator shall place the Agent on a commissionable Cash Basis pending review by the Agency Commissioner. The application from the transferee, if any, shall be processed in accordance with the provisions of Section 2 of these Rules;

5.13.2 failure to notify the Agency Administrator of a change of name or address shall be grounds to place the Agent on a commissionable Cash Basis pending review by the Agency Commissioner.

Section 6 — Review by Agency Commissioner

The matters under the purview of the Agency Commissioner are set out in Resolution 801e, as are the procedures for conducting reviews.

Section 7 — Collection of Funds; Irregularities and Default (other than under Cargo Accounts Settlement System — CASS-Export)

The procedures regarding reporting and remitting directly to Members are set forth in Resolution 801r.

Section 8 — Air Waybill Transmittals, Billings, Remittances and Collections Defaults (under Cargo Accounts Settlement System — CASS-Export)

The procedures regarding reporting and remittance under the CASS - Export are set forth in Resolution 801r.

Section 9 — Consequences of Default

The procedures regarding the consequences of default are set forth in Resolution 801r.

Section 10 — Review by Arbitration at Agent's Request

10.1 RIGHT TO ARBITRATION REVIEW

any Agent which considers itself aggrieved by a decision of the Agency Commissioner ('the Commissioner') under Resolution 801e shall have the right to have the decision reviewed by arbitration in accordance with the following procedure (hereafter in this Section the term 'Agent' is used to designate both an aggrieved Agent and an applicant seeking review by arbitration, except where the context specifies otherwise).

10.2 APPLICATION PROCEDURE

the Agent shall send written notice to the Agency Administrator advising of its wish to have the decision reviewed by arbitration. The notice is to reach the Agency Administrator within 30 days of the date the decision was sent to the Agent. Thereafter the Agency Administrator shall dispatch to the Agent a form of Request for Arbitration and shall notify all Members that the Agent has requested arbitration.

10.3 SETTING UP OF ARBITRATION BOARD

10.3.1(a) the Agent may elect arbitration before:

10.3.1(a)(i) a sole arbitrator appointed by mutual agreement within 20 days of the date of dispatch to the Agent of the form of Request for Arbitration; (failing such agreement, the nomination shall be made by the President of the International Chamber of Commerce), or

10.3.1(a)(ii) a sole arbitrator appointed by the President of the International Chamber of Commerce, or

10.3.1(a)(iii) an Arbitration Board composed of three members as provided in Subparagraph 10.3.2 of this Paragraph;

10.3.1(b) in any event the Agent shall complete, sign and return the form of Request for Arbitration so as to reach the Agency Administrator within 30 days of its dispatch to the Agent. On such form the Agent shall indicate its choice of (i), (ii) or (iii) above. Where it chooses arbitration before a three-member Arbitration Board, the Agent shall enter the name of an arbitrator acceptable to it and willing to act as such; the form shall be accompanied by a certified cheque or banker's draft for USD750 (or the acceptable equivalent) where a sole arbitrator has been chosen, or for USD1,000 (or the acceptable equivalent) where a three-member Arbitration Board has been chosen, as deposit on account of any costs that may become payable by the Agent;

10.3.1(c) upon receipt of documentation from the Agent and IATA, and prior to holding the hearing, the Arbitrator(s) may require the Agent and IATA to post certified cheques in an amount determined by the Arbitrator(s), in US dollars or the acceptable equivalent, to cover the estimated costs of the arbitration. Upon notification of the Board's award, any monies so posted, and in excess of the arbitration costs, shall be refunded to one or other or both parties, as appropriate.

10.3.2 within 20 days of receipt by the Agency Administrator of the form of Request for Arbitration completed by the Agent electing arbitration before a three-member Board together with a certified cheque or banker's draft, the Agency Administrator shall nominate an arbitrator and the two arbitrators so nominated shall nominate a third who shall act as chairman of the Arbitration Board. If the third arbitrator has not been so nominated within 20 days after the nomination of the second arbitrator, the Agency Administrator shall request the President of the International Chamber of Commerce to nominate the third arbitrator;

10.3.3 the expression 'Arbitration Board' shall mean a sole arbitrator or a three-member Arbitration Board nominated pursuant to Subparagraphs 10.3.1 and 10.3.2 of this Paragraph.

10.4 SUBSTITUTION OF ARBITRATOR

in the event of the resignation or incapacity of an arbitrator, the persons appointing such arbitrator shall, within 30 days of the date when the Agency Administrator is notified of such resignation or incapacity, appoint a substitute.

10.5 CONDUCT OF PROCEEDINGS

10.5.1 the Arbitration Board shall unless otherwise agreed by the Agent and the Agency Administrator, hold the hearing in the country where the Agent is registered;

10.5.2 the Arbitration Board shall publish its award in writing not later than 60 days after appointment of the chairman or of the sole arbitrator, provided that this period may be extended by or with the agreement of the Agent and the Agency Administrator. If the Arbitration Board does not publish its award in writing within such period of 60 days, or within such extended period agreed by the Agent and the Agency Administrator, the Arbitration Board shall be deemed discharged without remuneration and the Agency Administrator shall request the President of the International Chamber of Commerce to appoint a sole arbitrator or another sole arbitrator (in place of the sole arbitrator discharged) who shall proceed in accordance with the provisions of Subparagraph 10.5.1 of this Paragraph and Paragraph 10.7 of this Section and shall publish his written award within 45 days of the date of his appointment;

10.5.3 the Arbitration Board shall reach its decision by a majority;

10.5.4 the Arbitration Board shall permit the parties to be heard either in person or by a representative and shall receive any relevant or material probative evidence bearing on the matter referred to it;

10.5.5 in all other respects the Arbitration Board shall settle its own procedures.

10.6 SCOPE OF REVIEW

10.6.1 review by the Arbitration Board shall be appellate and not de novo. The Board shall affirm the decision under review unless it finds and concludes that such decision is deficient in one or more of the following respects:

10.6.1.1 it is not supported by substantial evidence;

10.6.1.2 it contains error of applicable law;

10.6.1.3 it is arbitrary or capricious;

10.6.1.4 it is not in accordance with the terms of the Resolution under which it was taken;

10.6.1.5 the penalty is inappropriate, inadequate or excessive;

10.6.2 additionally, evidence may be considered which is available to the Arbitration Board but which for good cause could not be presented to the Commissioner.

10.7 AWARD

10.7.1 in the event the Arbitration Board does not affirm the decision under review, it shall either direct action upon the Agent in accordance with the Board's findings, or refer the matter to the Commissioner for action consistent with the Board's decision;

10.7.2 the Arbitration Board shall direct that costs of the Arbitration Board shall be borne by the Agent if the decision under review is affirmed, shall be borne by IATA if the Commissioner's decision is reversed, or shall be apportioned between the Agent and IATA in such manner as the Arbitration Board shall decide if the decision is modified. Nevertheless, if there are special circumstances warranting a different award as to such costs, the Arbitration Board shall be empowered to direct that they be borne by the parties in such manner as it considers equitable. Costs of legal representation shall be borne by the party incurring such costs.

10.8 EFFECT AND EFFECTIVE DATE OF THE AWARD

10.8.1 the award of the Arbitration Board shall be final and conclusively binding on the Agent, IATA and all Members and shall be complied with in accordance with its terms;

10.8.2 the Agency Administrator shall notify the Agent, all Members and the CASS Management of the award of the Arbitration Board, which shall take effect, unless the Arbitration Board directs otherwise, from a date the Agency Administrator shall specify in advance;

10.8.3 if the award requires the Agent to pay the costs of the Arbitration Board in whole or in part and the Agent has not paid such costs within 60 days of the date of notice given under Subparagraph 10.8.2 of this Paragraph, the Agency Administrator shall remove the Agent from the Cargo Agency List.

Section 11 — Agency Fees

11.1 TYPES OF FEES

11.1.1 the following agency fees, in the amounts to be determined by the Conference in consultation with the Director General, shall be payable:

11.1.1.1 Application Fees

a non-refundable application fee for each country of registration and for each named airport, if any, in each country adjacent to the country of registration;

11.1.1.2 Registration Fees

a registration fee for each country of registration and for each named airport, if any, in each country adjacent to the country of registration;

11.1.1.3 Annual Agency Fees

an annual agency fee for each country of registration and for each named airport, if any, in each country adjacent to the country of registration;

11.1.1.4 Fees for Changes

a fee for processing a change of ownership, name or address;

11.1.2 no application for entry as an Agent on the Cargo Agency List shall be considered unless the application fee, the registration fee and the first annual agency fee have been received. If the application is rejected, the registration and annual fees shall be returned to the applicant.

11.2 FIRST ANNUAL AGENCY FEE

the first annual agency fee shall be charged for the current year at the rate of 1/12th of such fee for each full calendar month from the time of entry on the Cargo Agency List to the end of such year.

11.3 INVOICING

except in respect of the first assessment upon application, annual agency fees for each calendar year shall be paid not later than 1 December of the preceding year in accordance with the instructions of the Agency Administrator. Invoices for such fees shall be sent out by the Agency Administrator not later than 1 November of each year.

11.4 NON-PAYMENT OF ANNUAL FEES

11.4.1(a) if any Agent fails to pay the annual agency fee by 1 December, the Director General shall promptly notify the Agent in writing that its Cargo Agency Agreement will be terminated if such fee is not received by 31 December. In the event of failure to make payment by such date, or to place in the hands of the Agency Administrator by such date acceptable evidence that the required legal authority for such payment has been sought but has not yet been received, the Director General shall promptly transmit to such Agent formal notice of termination, and the Agency Administrator shall remove such Agent's name from the

Cargo Agency List, and notify all Members. Thereafter all Members which have appointed such Agent shall immediately terminate their agreement with such Agent;

11.4.1(b) notwithstanding anything to the contrary, where an Agent has been removed from the Cargo Agency List pursuant to Subparagraph 11.4.1(a), the Agency Administrator, upon receipt of such overdue fee from the Agent by 1 March following the 31 December due date, shall reinstate such Agent on the Cargo Agency List, provided he is satisfied that such late payment was caused by events beyond the Agent's control. Where payment is received after 1 March the Agency Administrator, provided he is satisfied that such late payment was caused by events beyond the Agent's control, may at his discretion reinstate such Agent on the Cargo Agency List. In either event, such Agent shall execute a new Cargo Agency Agreement, and may be required to pay a new application fee and/or registration fee at the discretion of the Agency Administrator, and shall then be reinstated on the Cargo Agency List;

11.4.1(c) if an Agent is removed from the Cargo Agency List, refunds of annual agency fees paid by such Agent for the current year shall be made as follows:

Removal from Cargo Agency List between	Refund portion of agency fee
1 January and 31 March	3/4
1 April and 30 June	1/2
1 July and 30 September	1/4
1 October and 31 December	No Refund

11.4.2 Termination for failure to pay an annual agency fee shall not be arbitrable by the Agent.

11.5 USE OF AGENCY FEES

Agency fees collected by the Agency Administrator on behalf of IATA will be expended by the Director General in accordance with directives given by the Executive Committee of IATA to administer the IATA Agency Programme.

GOVERNMENT RESERVATIONS

ITALY

As far as the rules of Resolution 811 (now 801) are concerned, the extension Italy, on ground of the particular rules relating to such matter, is to be considered to cover also the territories of the Vatican City and the Republic of S. Marino.

ZAMBIA

Section 3, Subparagraph 3.4.2:

Any disbursement amounts to be entered on the Air Waybill for traffic to/from Zambia shall not be more than USD 100.



RESOLUTION 801

Attachment 'A'

TO:

Agency Administrator
International Air Transport Association

Full name, style, address and numeric code of registered
IATA Cargo Agent (Transferor)

NOTICE OF CHANGE

Pursuant to the provisions of Section 5 of the IATA Cargo Agency Rules we hereby give notice of the following change(s) in the legal or beneficial ownership of the above named IATA Cargo Agent (Transferor) as a consequence of contractual arrangements or negotiations and/or death: (Note: A separate Notice of Change must be completed in respect of each country in which an IATA Cargo Agent proposes to undergo a change in ownership)

	1. PRESENT STATUS	2. FUTURE STATUS
1. Sole Proprietorship/Partnership/ Corporation/other	.....	.....
2. Name(s) of owner/partners/ stockholders in case of unincorporated firm	.....	.....
3. If corporation list:		
a) issued share capital	.....	.....
	name/amount of shares/%	name/amount of shares/%
b) names of owners stock/shares and amount of stock owned by each	.....	.....
c) names of all officers and directors	.....	.....
4. Effective date of future status as shown above.		
5. Legal name, trading name and full address under new ownership.		
6. Will such change affect the premises that were investigated in the course of approving the Agent's application for registration?		
7. Will such change affect the management and staffing at such premises?		
8. Have any of the new owners, officers (directors), managers or any individual having authorization to act or sign on behalf of such firm been involved in bankruptcy or default proceedings? If so, give details.		

Pursuant to Section 5, Subparagraph 5.8.2, of the Cargo Agency Rules, where the Transferor is employed by, or retains a financial or beneficial interest, directly or indirectly, in the Agent following the change of ownership, the undersigned Transferee knows and hereby agrees to accept responsibility for any violation by the Transferor of his Cargo Agency Agreement which may have occurred within a period of two years immediately prior to the change of ownership as if such violation were a violation of the Transferee's Cargo Agency Agreement.

The Agent (Transferor) has also informed the Transferee of the need to comply with the provisions of Section 5 of the Cargo Agency Rules if the latter desires to obtain IATA registration and, further, that such registration may be granted only if the Transferee complies in all respects with the requirements of the Cargo Agency Rules.

The undersigned Agent (Transferor) and Transferee know and hereby agree that they are jointly and severally liable for any obligation to an IATA Member or IATA arising from the Agent's (Transferor's) Cargo Agency Agreement prior to the termination thereof or the date of receipt by the Agency Administrator of this notice, whichever is later.

.....	Name of Agent (Transferor)
.....	By:
.....	Authorized Signature for and on behalf of Agent (Transferor)
Witness	.....
.....	Name, title/capacity of person signing (in type or print)
.....	Date:
.....	Name of Transferee
.....	By:
.....	Authorized Signature for and on behalf of Transferee
Witness	.....
.....	Name, title/capacity of person signing (in type or print)
.....	Date:

RESOLUTION 801
Attachment 'B'

CARGO SALES INVOICE/ADJUSTMENT***						Invoice No/Date _____						
WORLD AIRLINES 999 CURRENCY _____						Page _____ of _____						
Address _____												
IATA Numeric Code _____						BILLING PERIOD _____						
Air Waybill Serial Number Origin Code	PREPAID CHARGES		CHARGES COLLECT		OTHER PREPAID CHARGES DUE AIRLINE**			Agent's Information				
	Weight* Charge	Other Charges Due Airline	Weight* Charge	Other Charges Due Agent	A	B	C					
(Optional)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Mandatory Columns					Optional Columns							
TOTALS												
RECAPITULATION												
Total prepaid charges due Airline (Cols. 2 + 3) _____												
Total remunerable sales (Cols. 2 + 4) CCY _____ at % _____												
Remuneration due Agent CCY _____												
Other charges due Agent CCY _____												
MCO amounts CCY _____												
NET DUE AIRLINE/AGENT _____												

****Adjustment to be used when listing on a separate sheet previously invoiced items which are being reversed and adjusted. One of the optional columns to be headed "Adjustment Reference".

**Columns A and B to specify predetermined charges, e.g. those occurring most frequently, column C to show other charges - listed vertically if more than one and identified by AWB codes set out in Resolution 600a.

* Including valuation charges

RESOLUTION 801

Attachment 'C'

APPLICATION FORM — IATA CARGO AGENT INTERNATIONAL AIR TRANSPORT ASSOCIATION INSTRUCTIONS

The information requested in this questionnaire is required for review by the International Air Transport Association (IATA), acting on behalf of Members of the Association.

Please complete all sections of the questionnaire and submit one original and three copies to the Agency Administrator for each country in which you wish to act as an IATA Cargo Agent, or for named airports, if any, in immediately adjacent countries. You may submit any additional information that you feel is relevant to your application.

Please note that your firm's eligibility for registration and retention as an IATA Cargo Agent in the IATA Cargo Agency List will be determined on the basis of your answers to the sections of the questionnaire marked with an asterisk (*), which are mandatory. The completion of the other sections is voluntary. A selection of information contained in completed questionnaires may be used by IATA for dissemination to third parties.

Only those applicants who have been listed and who continue to be listed may be accepted and retained as registered IATA Cargo Agents by Members of IATA.

If more space is needed to provide the information requested, please photocopy the pages concerned, fill in the appropriate sections and attach to your application.

Checklist of documents (copies only) that should accompany this application:

- Articles of Incorporation/Association/Organisation;
- Current financial statement and balance sheet certified by chartered accountant, certified public accountant or certified general accountant;
- Licence to trade or other special authority, if required;
- Evidence of courses completed by staff members handling cargo operations.

IDENTIFICATION

- 1.* Legal name of Firm
- 2.* Trade name(s) of Firm (if different from legal name)
- 3.* Full name and address (including post office box and zone numbers) and the trade name(s), if any, as you wish it to appear in official IATA Cargo Agency List and to which all communications from IATA can be addressed
Mailing address (if different)
- 4.* Name of individual owner, partner or officer to whom communications with respect to this application should be addressed
- 5.* Country for which this application is being made

OWNERSHIP

- 6a.* Applicant is the sole proprietor:
Name
Address
To what extent do you participate actively in the operation of the cargo agency business.
- 6b.* Applicant is a partnership
For each partner state:
Name
Nature of partnership
General partner
Limited partner
Percentage or extent to which partner participates in the operation of the business.
- 6c.* Applicant is a corporation, firm or company
Name
Date of incorporation
Name(s) of director(s)
Names of key officers
For each shareholder:
Name
Address
Percentage of capital owned
If nominee or trustee for someone else, for whom?
- 6d.* Applicant is an association
Name
Type
Location
Date association formed
Names of members, officers, managers
- 6e.* Applicant is another form of organisation (describe and state names of all officers)
- 7.* Does your firm intend to request authorisation to deliver consignments for transportation to air carrier(s) at airport(s) in any country(ies) adjacent to the country for which this application for registration is being made? If yes, list the airport(s) to be authorised and to be reflected on your Cargo Agency Agreement.
- 8.* Has your firm ever held an Air Cargo Agency Agreement executed by IATA?
If yes:
IATA Agency Numeric Code
Date issued
Name under which it was issued
Reason for cancellation
- 9.* Is your firm an approved IATA Passenger Sales Agent?
If yes:
Agency Numeric Code of your Head Office

- 10.* Does the air transportation which your firm sells/handles include goods owned by your firm?

If yes:

State the percentage of your gross monetary volume of yearly air cargo transportation business represented by the transportation of such goods:

Note: In countries/areas where Resolution 801, 807 or 809 applies, Question 10 is mandatory. Completion of this question is optional in countries/areas where Resolution 803 or 805 applies.

- 11.* Does your firm sell air cargo transportation to the general public?

If yes: What percentage of your sales is to the general public?

Note: In countries/areas where Resolution 801, 807 or 809 applies, Question 11 is mandatory. Completion of this question is optional in countries/areas where Resolution 803 or 805 applies.

12. Is your firm a General Sales and Service Agent (GSSA) for any air carrier(s)

If yes, list carrier(s)

- 13* If a sole proprietor

Have you:

or if a partnership

Has any partner or individual having been authorised to sign and act on behalf of the partnership:

or if a Corporation, firm or company

Has any officer, director or employee:

or if an Association

Has any individual having been authorised to sign and act on behalf of the Association:

- (a) Been found guilty of infringements of any shipping regulations?

- (b) Been involved in a bankruptcy proceedings, other than as a claimant?

If yes, are you fully and legally discharged of your obligations by the court involved?

- (c) Been a sole proprietor, shareholder, partner, officer, director or manager of employee(s) of a cargo agency which has been declared in default under the IATA rules and regulations?

- (d) Been director or had a financial interest or a position of management in an IATA Agent that was removed from the IATA Cargo Agency List or which was under notice of default and still has outstanding debts to IATA Members or in an IATA Agent whose debts to IATA Members were partially met by recourse to a financial bond or guarantee?

If yes:

State full name of such agent

Were all IATA Members fully repaid?

14. Is there any relationship between the ownership, management or profits of your business and the ownership, management or profits of a General Sales and Service Agent of an air carrier?

If yes, give full details:

15. Is your firm acting as an agent for a surface carrier? If yes, give full details:

Rail

Steamship

Trucking

16. Is your firm affiliated directly or indirectly with any shipper or consignee of air shipments?

If yes, provide details

- 17.* Give details of the parent business activities of your firm (customs house broker, ocean freight forwarder, travel agent, etc.)

- 18.* Does your firm now share or intend to share office or warehouse space or equipment with any other person or firm?

If yes, explain fully, stating name and business of other person or firm

19. Does your firm operate a cargo cartage service?

20. If yes does your firm use its own vehicles?

- 21.* Is your firm insured to cover its liability in the event of loss or damage to shipper's cargo while in your possession?

22. Is your firm a member of a national or international association of freight forwarders? If yes, give the name of the association(s)

23. Is your firm authorised to make customs declarations? If yes, list the names of staff members authorised to sign those declarations

FACILITIES

Please answer questions 24 — 41 for each:

- (a) service point you wish to be investigated by IATA Investigators, and

- (b) additional office, premises, or warehouse through which your firm conducts or intends to conduct air cargo business, including the preparation of consignments ready for carriage:

- 24.* Office (or office area if combined with warehouse)

- 25.* Type of premises — specify:

(a) Office to be investigated

(b) Additional office

(c) Warehouse to be investigated

(d) Additional warehouse

- 26.* Size

Total area

Area used for air freight

- 27.* Are consignments made ready for carriage at this service point?

28. Distance from nearest airport

29. Date on which this location was opened for business
By: applicant/owner
30. List airports serviced by this facility
31. If the office is leased, attach a copy of the lease and give the following details:
 - (a) Name of lessor
 - (b) Duration of lease
 - (c) Date lease expires
 - (d) Other pertinent details
32. Is the office open to the general public?
If yes, what are the normal business hours and days of the week that this location is open to the public?
- 33.* Give the following details of each trained staff member required by IATA training criteria:(attach photocopy of evidence of course(s) completed)

Name

Position

Experience in air cargo transportation business

 - (a) IATA/FIATA (or equivalent industry) introductory training courses completed
 - (b) Training course on IATA Dangerous Goods Regulations successfully completed

Name

Position

Experience in air cargo transportation business
34. Which of the following are available?

Telex (give number)

Teletype (give number)

Fax (give number)

Automated export accounting

Automated export documentation

Alarm system
35. Warehouse (or warehouse area if combined with office)
Type of premises — specify:
 - (a) Main office
 - (b) Additional/Branch office
 - (c) Warehouse
 - (d) Other (specify)

Distance from nearest office
36. If warehouse is leased, attach copy of lease and give the following details

Name of lessor

Duration of lease

Date lease expires
37. If warehouse is subcontracted, attach copy of agreement and give the following details

Name of sub-contractor

Duration of contract

Date agreement expires

38. Size

Total area

Area used for air freight

Dock areas

Ceiling height

Type

Accessibility to vehicles

Number of overhead doors
39. Is the warehouse open to the general public?
40. List warehouse equipment available for processing air cargo

Nbr. Type Max Wt

Scales

Forklifts

Other equipment
41. Is the warehouse fitted with

an alarm system?

a sprinkler system?

LEGAL

- 42.* Date of legal establishment of Firm
- 43.* Is the applicant a parent, subsidiary, affiliate, owner, officer, director, employee, partner, or stockholder of any other business concern(s)?
If yes, state the name(s) address(es) and nature of the business activities involved.
- 44.* Do the national or local authorities require a licence to trade or other special authority to perform the activities of a cargo or forwarding agent?
If yes indicate:
Type of licence (attach photocopy)
Date granted

FINANCIAL

Please complete the sections below and the Statement of Assets and Liabilities in Appendix 3a. to facilitate the financial evaluation of your application.

A copy of a current financial statement and balance sheet certified by a chartered accountant, certified public accountant or certified general accountant should also accompany your application.

- 45a.* What is the amount of your firm's capital?
- 45b.* (For corporations) What is the amount of your firm's paid-up capital?
- 46.* What is the lowest capital required by the national or local laws of your country?
- 47.* Please list 3 credit references, including the banks with whom the firm does business (Give bank address and account number)

SALES AND PROMOTION

- 48.* Give actual figures for the last 12 months for international export air cargo processed by your firm (attach a representative sampling of actual air waybills used):
 Total monetary value of freight charges
 Total weight in kilos
 Total number of consignments
- 49.* Give projected figures for the coming 12 months
 Total monetary value of freight charges
 Total weight in kilos
 Total number of consignments
50. Does your firm specialize in any particular type of traffic?
 (For each type of traffic, please provide details on category, number of consignments, tons, value, percentage)
 Dangerous goods
 Live animals
 Other
51. What volume of your traffic is destined for: (For each area please provide details on category, number of consignments, tons, value, percentage)
 Africa
 Far East
 Middle East
 Australia & S. Pacific
 Central America & Caribbean
 Europe
 South America
 USA/Canada

The applicant understands and agrees that any agency agreement between the applicant and an IATA Member shall be subject to the applicable IATA Cargo Agency Rules in (country).

The applicant hereby expressly renounces and waives any and all claims, causes of action or rights to recovery for itself, its heirs, successors, and assigns and agrees to indemnify and hold harmless IATA or any of its Members, their officers, employees, agents or servants for any loss, injury or damage based upon libel, slander or defamation of character by reason of any action taken in good faith pursuant to this application, including but not limited to a notice of disapproval stating the reasons therefor.

It is hereby agreed that the sections of this application marked with an asterisk (*) shall become a part of every IATA Cargo Agency Agreement signed with IATA Members for the sale and handling of international air cargo transportation and that the Agency Administrator shall be given prior notice of any changes to the information provided in those sections.

I hereby certify that the foregoing statements (including statements made in any Attachments hereto) are true and correct to the best of my knowledge and belief, and that I am authorized by the firm identified in the answer in Question 1 to make these statements and file this document.

Signatory

signature

Name
(type or print)

Title or capacity

Witness

signature

Name and address
(type or print)

STATEMENT/UNDERTAKING

(Please insert the appropriate amounts of the application fee(s), registration fee(s) and initial annual agency fee(s), to be determined by consultation with the IATA Agency Administrator).

The undersigned applies for inclusion on the official IATA Cargo Agency List for (country) and encloses herewith a remittance in the amount of, this being payment of the:

non-refundable application fee(s) registration fee(s) initial annual agency fee(s) Total

Upon registration as an IATA Cargo Agent, the undersigned undertakes to pay to IATA annually not later than 1 December the agency fee requested by IATA for each succeeding calendar year, it being understood that credit shall be allowed for any overpaid portion of the initial annual payment, and it being further understood that refunds of any agency fees in respect of any office for which registration has once been given shall be made as prescribed in the IATA Cargo Agency Rules.

If the application is disapproved, the registration fee(s) and initial annual agency fee(s) shall be returned to the applicant.

RESOLUTION 801

Attachment 'C'

Appendix 1

STATEMENT OF ASSETS AND LIABILITIES

Name of Agency

Other name used, if any

Address

Financial Statement of 19.....

ASSETS

Current Assets

Cash on hand

Cash in bank (specify banks)

Stocks and Bonds
(current value)

Owned by

Accounts receivable
(excluding doubtful items)

Officers & employees

Trade

Other current assets (specify)

TOTAL CURRENT ASSETS

Fixed assets

Notes receivable
(excluding doubtful items)

Land & buildings*
Less depreciation

Investments — related concerns
Other

Other assets (specify)

TOTAL ASSETS

LIABILITIES

Current Liabilities

Due Banks

Unsecured

Secured

Cash due carriers

Accounts payable

Loans and advances

from Officers

others

Taxes

Other current liabilities

Mortgages (due within 1 year)

real estate

TOTAL CURRENT LIABILITIES

Long Term Liabilities & Owner's Equity

Due Banks

Notes payable — trade acceptances

Due related concerns loans & advances

Contingent liabilities

Owner or shareholders equity

Preferred stock

Common Stock

Capital-paid in surplus

Earned surplus-retained earnings

Net worth (proprietors or partners only)

TOTAL LIABILITIES & CAPITAL

* real estate:
only if title is in the name of the corporation
and used exclusively for business
Address
Market value
Mortgage holder