

**RESOLUTION 851**

**Appendix ‘C’**

**COUNTERINDEMNITY AGREEMENT**

**Relating to the Operation of CASS-Export/CASS-Import Bank Accounts by IATA  
 (“Single Counterindemnity – CASS”)**

Agreement entered into:

between .....

having its registered office at .....

(Name of Airline) .....

(full address) .....

hereinafter called “the CASS-Export/CASS-Import Airline”

and

the International Air Transport Association (IATA), a non-profit corporation under Canadian Law, having its registered office at 800 Place Victoria, IATA Building, Montreal, Quebec, H4Z 1M1, hereinafter called “IATA”.

**WHEREAS** the CASS-Export/CASS-Import Airline, jointly with other CASS-Export/CASS-Import Airlines participating in the same respective Cargo Accounts Settlement System or Cargo Accounts Settlement System – Charges Collectable at Destination (“CASS-Export/CASS-Import”), has considered it desirable that IATA operates and maintains certain CASS-Export/CASS-Import bank accounts (including a “Hinge Account” for clearing services) on its behalf, and

**WHEREAS** IATA has agreed to provide such service subject to the CASS-Export/CASS-Import Airline and other such airlines providing a Counterindemnity relating to the risks arising therefrom.

**IT IS THEREFORE AGREED AS FOLLOWS:**

**1.a. Definitions**

For the purposes of this Agreement, the term “Hinge Account” shall mean the bank account into which Agents’/Associates’/Recipients’ remittances are paid and from which monies are distributed to CASS-Export/CASS-Import Airlines;

**1.b. Applicability**

This Agreement applies to all bank accounts established and operated in the name of IATA on behalf of a CASS-Export/CASS-Import for the purpose of operating through the Settlement Bank clearing services or administrative or other associated services, for the benefit of the CASS-Export/CASS-Import Airline and other carriers participating in the respective CASS-Export/CASS-Import.

**2. Indemnity**

The undersigned CASS-Export/CASS-Import Airline will indemnify IATA, its officers and employees, against any liability and costs, for any action taken or omitted in good faith in the performance of the operation of the Clearing (Hinge) Account or other accounts mentioned in Paragraph 1 above, or arising in any other way from the operation of these accounts. Such liability may include, inter alia, shortfalls caused by under-remittance or non-remittance by Agents/Associates/Recipients in cases where the Settlement Bank has credited the CASS-Export/CASS-Import Airlines, in anticipation of full and timely remittance by the Agents/Associates/Recipients. In case of such under-remittance or non-remittance, the undersigned CASS-Export/CASS-Import Airline, when so requested by the CASS Manager, undertakes to immediately refund the corresponding amount(s) remitted to it to the CASS-Export/CASS-Import Hinge Account, and herewith acknowledges and agrees that IATA and ISS Management may take all such action, including legal action, as deemed required in this connection, both on behalf of IATA and the CASS-Export/CASS-Import and on behalf of the CASS-Export/CASS-Import Airlines concerned. In the event of a liability arising otherwise than by way of non-remittance or under-remittance, the undersigned CASS-Export/CASS-Import Airline undertakes to pay the amount of the obligation under this Agreement within 15 days of it being called upon to do so.



**3. Preliminary Joint Indemnification**

If it cannot be established immediately for which CASS-Export/CASS-Import Airline(s) a transaction not supported by a full Agent/Associate/Recipient remittance was effected, the undersigned CASS-Export/CASS-Import Airline, jointly with the other CASS-Export/CASS-Import Airlines having signed an identical agreement, shall forthwith reimburse and indemnify IATA for any shortfalls, which shall be deemed to be CASS-Export/CASS-Import operating costs and expenses. Such cost of reimbursement shall be reapportioned as soon as it has been established for which CASS-Export/CASS-Import Airline(s) the respective remittance has been effected, in proportion to each of the undersigned CASS-Export/CASS-Import Airline's share in the respective remittance.

**4. Collective Binding Agreement**

Upon signature, the present document, in conjunction with identical documents signed by other CASS-Export/CASS-Import Airlines and IATA, shall constitute a collective binding Agreement, which shall continue in full force and effect for as long as IATA operates any bank accounts as referred to in Paragraph 1 above, provided that if any CASS-Export/CASS-Import Airline withdraws from a CASS-Export/CASS-Import, it shall cease to be a party to the Agreement with respect to that CASS-Export/CASS-Import. The undersigned CASS-Export/CASS-Import Airline shall nevertheless remain liable in respect of any of its liabilities arising prior to withdrawal from the respective CASS-Export/CASS-Import or termination of IATA's operation of respective bank accounts as referred to in Paragraph 1 above.

**IN WITNESS WHEREOF**, this Agreement has been executed on behalf of the Parties hereto by their duly authorised officers in duplicate, on the day and year that appears below:

For and on behalf of .....  
(full name of Airline)

For and on behalf of:  
**International Air Transport Association**

Signature .....  
(full name of person signing)

Signature .....  
(full name of person signing)

(title of person signing) .....

Agency Administrator .....  
(title of person signing)

.....  
(place, date)

.....  
(place, date)

**Note:** In accordance with the EXCOM decision (EXCOM/157, 28 May 1993), this Single Counterindemnity Agreement is to be signed by all airlines participating in a CASS-Export and/or CASS-Import. This one Agreement relates to all CASS-Export/CASS-Import operations in which the Airline participates.