

RESOLUTION 813zz

Latin American Air Cargo Programme Rules

△ CAC1(MV C092, C093, C110, C114, CAC/51, CAC/52, CAC/53)813zz (except USA) (amended)	Expiry: Indefinite Type: B
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WHEREAS it is recognized that the relationship between Airlines, Agents and Forwarders within the cargo industry has significantly evolved since the creation of the original IATA Cargo Agency Programme.

WHEREAS the cargo industry recognizes the particular changing needs and circumstances evolving in the Latin American Area, (comprising all Latin American countries of the Latin American region where CASS applies so added to this programme by request to and authorized by the Conference.

WHEREAS it is recognized that Forwarders and Agents (collectively "Intermediaries") and Airlines work together to provide a seamless, on-demand choice of products and services which enables shippers and producers to freely move cargo from and throughout such Latin American Area.

WHEREAS it is recognized the need to accommodate, (i) the transactions of an Intermediary acting as the agent of the airline and (ii) those transactions flowing from an Intermediary acting in the capacity as an air freight forwarder, dealing directly with the shipper.

WHEREAS it is recognized that, in the course of everyday business, an Intermediary may routinely handle both types of transactions in its relationship with Airlines.

WHEREAS it is acknowledged, by Airlines and intermediaries alike, that an industry distribution system provides significant efficiencies and valuable standards that benefit all participants and their customers.

1. IT IS RESOLVED THAT:

1.1 The Latin American Air Cargo Programme (LAACP), covering cargo intermediary accreditation, is hereby established by the Cargo Agency Conference, to be implemented wherever there is a CASS in the Latin American region, directed jointly, as hereinafter provided, by representatives of IATA Member airlines and representatives of air freight forwarders and administered by IATA;

1.2 the LAACP seeks to secure the aims outlined in the Preamble;

1.3 each IATA Member airline shall automatically become a participant in the LAACP, once implemented, unless any Member officially notifies IATA to the contrary. Upon implementation of the LAACP, the IATA Cargo Agency Programme shall simultaneously be discontinued in the area of application;

1.4 all IATA Cargo Agents in the area covered by this Resolution automatically qualify to join the LAACP, and do so by executing the LAACP Cargo Intermediary Agreement with IATA Member airlines. That Agreement is in the form set out in Attachment 'A' to this Resolution.

Upon execution of the Agreement, the signatory entity will be designated an IATA Cargo Intermediary;

1.5 an Agent that does not elect to join LAACP shall cease to be an IATA Cargo Agent in the area covered by this Resolution, as of the implementation date of the LAACP;

1.6 a freight forwarder who is not an IATA Cargo Agent and who wishes to become an IATA Cargo Intermediary may apply to be so designated, in accordance with the procedures and requirements set out in the LAACP Handbook, as amended from time to time by the Latin American Air Cargo Programme Joint Council ('the Joint Council'), by executing the Cargo Intermediary Agreement.

2. LATIN AMERICAN AIR CARGO PROGRAMME— JOINT COUNCIL ('THE JOINT COUNCIL')

2.1 control of the LAACP is assigned to the Joint Council, and composed of:

2.1(i) Cargo Agency Conference Accredited Representatives or the Airline Members' designated alternates;

2.1(ii) one representative designated by each association recognized as a national forwarders association, in each country covered by this Resolution (where appropriate) or a combination of such recognized forwarders associations;

2.1(iii) ex-officio, non-voting members, the IATA Head of Cargo, the Chairperson, FIATA-Airfreight Institute and the Director General of ALACAT, or the designated representative(s) of those members;

2.1(iv) in respect to (i) and (ii) above, a reasonable and equitable balance of representation should be sought, together with reasonable and practical Latin American Area geographic coverage;

2.1(v) the Council shall nominate its own Chairperson. The position of Chairperson shall be non-voting. In the event the Chairperson is elected from voting members, an alternate voting member shall be nominated to take the voting seat vacated by the Chairperson;

2.2 the Joint Council sets its rules and procedures; provided that the quorum necessary to take action shall be not less than five members of each of its two constituencies. The Chairperson may authorize the presence of observers, where they deem it advantageous to the expeditious dispatch of business;

2.3 the Joint Council actions are in the form of decisions made by a majority present of each of the two constituencies;

2.4 the Joint Council shall normally hold meetings with members physically present, not less than twice annually; provided that other meetings, including meetings conducted via telecommunications, shall be permissible;

2.5 IATA shall provide adequate Secretariat support for meetings of the Joint Council, and shall ensure that all agendas and reports are circulated to all Cargo Agency Conference Accredited Representatives;

2.6 to facilitate its work, the Joint Council shall be empowered to set up such temporary and permanent groups, as it deems appropriate.

3. JOINT COUNCIL RESPONSIBILITIES

The Joint Council shall be responsible for developing, managing and marketing of the LAACP.

3.1 The Joint Council shall determine objective criteria for the registration of Intermediaries in the Latin American Area. This shall include, but not be limited to:

- financial standing
- standards of staff competence, experience and knowledge of air cargo products
- suitability of premises
- suitability of cargo handling and processing equipment
- products and services

3.2 The Joint Council shall publish the LAACP Handbook, which shall contain the working procedures, rules and standards for maintaining an integrated distribution system, applicable to all participants in the LAACP.

3.3 The contents of the Handbook shall incorporate relevant Resolutions applicable to Intermediaries, supplemented by such other material, as the Joint Council considers necessary and desirable, in the light of industry developments.

3.4 The Joint Council is not authorised to change or ignore Resolutions.

3.5 The Joint Council may consider all other aspects of the LAACP in the Latin American Area and accordingly make proposals to the Conference.

3.6 The Joint Council shall ensure that it discusses in advance any changes to CAC Resolutions which could directly affect the programme and interest of Intermediaries in its country/region. The resulting views shall be sent to the IFCC, which when appropriate shall send its views on the proposed changes to the CAC.

3.7 In the event that no objective criteria for the registration of intermediaries in the LAACP, or other matters within the terms of reference of the Joint Council, can be achieved after consultation at a Joint Council within 24 months (including any event where the Joint Council was convened without a quorum) or 4 consecutive meetings where a quorum was met, any Joint Council member or group of members may make proposals directly to the Cargo Agency Conference;

3.8 The Joint Council shall determine the LAACP participant's fees, in consultation with the Director General. The LAACP shall be self-funding and not-for-profit.

3.9 The Joint Council shall nominate an LAACP Ombudsman in accordance with the procedures contained within the Handbook, and the Ombudsman shall be appointed in accordance with IATA's procedures applicable for appointment of the Cargo Agency Commissioner.

4. LATIN AMERICAN AIR CARGO PROGRAMME DIRECTORY

4.1 The Agency Administrator shall compile, publish and keep current, the Latin American Air Cargo Programme Directory ('The Directory'), listing all participant IATA Air Freight Forwarders and Airlines, with all relevant and useful particulars of those listed, as decided by the Joint Council.

4.2 The Directory shall be used as a means of actively promoting the interests of the participants listed in it and to the shipping public at large.

5. IMPLEMENTATION OF THE LATIN AMERICAN AIR CARGO PROGRAMME

5.1 The Joint Council shall be responsible for the implementation of the LAACP throughout the Latin American Area.

6. RULES AND PROCEDURES

The relationship between Members and IATA Cargo Intermediaries is governed by the rules and procedures adopted by the Conference and published in the Attachments and Appendices to this Resolution.

Attachment 'A'

CARGO INTERMEDIARY AGREEMENT

RESOLVED that, the following form of Cargo Intermediary Agreement is adopted for use by participants in the Latin American Air Cargo Programme, with an implementation date to be announced by the Agency Administrator:

LATIN AMERICAN AIR CARGO PROGRAMME—FORM OF INTERMEDIARY AGREEMENT

AN AGREEMENT made this day of 20

BETWEEN each IATA Member airline ('the Carrier'), represented by the Director General of IATA ('the Director General') acting for and on behalf of the Carrier,

AND ('the Agent' in Part I, 'the Forwarder' in Part II, and 'the Intermediary' in Part III of this Agreement), having its principal office at with respect to the promotion of global logistic services, the sale of international air cargo transportation ('airfreight') and/or the handling and delivery to the Carrier of cargo consignments.

WHEREAS:

The commercial environment in which both cargo agents and freight forwarders operate in Latin America is one that requires an agreement form reflecting an increased role for freight forwarders;

the Parties recognise the need for an agreement that reflects the characteristics of the Latin America air cargo market;

the Carrier and the Intermediary (sometimes jointly called 'the Parties') undertake to give a high priority to applying electronic commerce in accordance with IATA standards and procedures. Such electronic commerce will facilitate the identification of consignments, and the tracking, tracing and settlement requirements of the Parties and accelerate the introduction of necessary procedures with other competent entities to the benefit of the mutual customers;

the Director General has provided the Parties with a copy of the LAACP Handbook (herein after called 'the Handbook'). It contains the rules, regulations, IATA Conference Resolutions, instructions and procedures applicable to the Parties' actions under the present Agreement. Amendments to the Handbook shall be provided to the Parties. The date of effect of such amendments shall be determined by the Cargo Agency Conference or the Joint Council, as applicable, but not earlier than 30 days after their dispatch from IATA. The amendments shall

be deemed to be incorporated herein. The provisions of the Resolutions, and other material as determined by the Joint Council, contained in the Handbook are binding upon the Parties and each current release of the Handbook shall be incorporated by reference into this Agreement and forms an integral part of this Agreement;

the Parties acknowledge that they have received a copy of the current edition of the Handbook and have acquainted themselves with the contents thereof;

this Agreement does not prevent either of the Parties from using other distribution channels or methods, either with carriers or intermediaries or with shippers directly and does not purport to impose exclusivity of dealings on the Parties.

WHEREBY IT IS AGREED AS FOLLOWS:

Definitions of Terms used in this Agreement

Air Waybill: the document of carriage as defined in Resolution 823. For the purpose of this agreement, references to Air Waybill shall also include electronic shipment record.

Latin American Air Cargo Programme ('LAACP'): the Latin American air cargo distribution system managed by IATA in support of the present Agreement.

Latin American Air Cargo Programme Directory ('the Directory'): is the official list of all Intermediaries participating in the LAACP.

Latin American Air Cargo Programme Joint Council ('Joint Council'): is the body composed of airline and airfreight forwarder nominees, charged with the overall responsibility for running the LAACP, pursuant to IATA CAC Resolution 813zz.

Latin American Air Cargo Programme Operations Handbook ('the Handbook'): the manual published under the auspices of the LAACP by the Joint Council. It contains the rules, regulations, IATA Conference Resolutions, instructions and procedures applicable to the Parties' actions under the present Agreement and is revised and reissued as required.

Agent: in the context of this agreement, an Intermediary who acts on behalf of a Carrier in the conducting of Air Waybill transactions in accordance with Part I of the Agreement.

Forwarder: in the context of this agreement, an Intermediary which issues air waybills on a principal to principal basis, in accordance with Part 2 of this agreement, and which reflects its LAACP registered company name in both the Shipper and Agent boxes on the air waybill. Such designation within the LAACP does not imply compliance with national government licensing requirements.

Intermediary: in the context of this Agreement, a generic term for both Agent and/or Forwarder.

PART I. AGENCY RELATIONSHIP

Purpose of this Part I of the Agreement

The purpose of this Part I of the Agreement is to set out the contractual terms, which are specific to the Carrier/Agent relationship. The provisions of this Agreement shall apply to all Air Waybills completed by the Intermediary in its capacity as agent for the Carrier ('Agent').

1. EXECUTION

1.1 The terms of this Agreement, including any amendments hereto, shall have the same force and effect on the relationship between the Carrier and the Agent, once created, as though both were named herein and both had subscribed their names as Parties hereto;

1.2 this Agreement shall become effective between the Agent and a Carrier upon appointment of the Agent by such Carrier in accordance with the provisions of the Handbook. A Carrier may appoint the Agent by means of individual appointment or by general concurrence.

2. AGENT'S AUTHORITY

2.1 The authority of the Agent to represent the Carrier and its products and services under this Agreement shall be specifically limited to that expressly granted herein;

2.2 subject to the provisions of this Agreement, the Agent shall represent the Carrier in the sale of airfreight, other than mail, over the services of the Carrier and when authorised by the Carrier, over the services of other air carriers with which the Carrier has an interline agreement;

2.3 with respect to the Carrier's aircraft or route by which any consignment is to be transported and as to any service to be furnished by the Carrier, the Agent shall make only such representations as are authorised in this Agreement or as may thereafter be authorised by the Carrier in writing;

2.4 the Agent may represent itself on letterheads, advertising, telephone listings and classifications, office signs, and otherwise as an 'Agent', 'Cargo Agent', or 'IATA Cargo Agent', representing the Carrier, but shall not use any other designation which would indicate or imply in any way that its office is an office of the Carrier.

2.5 In the event that an Agent seeks to purchase air cargo transportation service from the Carrier on behalf of a third party and tender a shipment to the Carrier as the shipper's agent for such third party appearing as "Shipper" on the air waybill or electronic shipment record, Carrier and Agent shall agree bilaterally on the terms and indemnities applicable to such shipments. Absent such agreement, Agent hereby accepts all terms and conditions previously agreed with Carrier when Agent is shipping in its own name as Shipper for such shipments including all obligations of Shipper under Carrier's Conditions of Carriage and applicable liability conventions.

3. OBLIGATIONS OF AGENT TOWARDS THE CARRIER

3.1 The Agent shall make known and shall promote the services of the Carrier in every way reasonably practicable, including the use of display, promotional or publicity material that the Carrier may supply;

3.2 if the Agent accepts goods for carriage by air without the Carrier(s) being specified, the Agent shall be liable for loss of or damage to such goods until they have been delivered to and accepted by the Carrier.

4. OBLIGATIONS OF CARRIER TOWARDS THE AGENT

The Carrier shall furnish the necessary information and documentation to enable the Agent to fulfil its undertaking, that the completion of Carrier's Air Waybills and handling of consignments performed under this Agreement by the Agent, or by its officers or employees, shall be in strict compliance with the rates, rules and conditions applicable to such cargo transportation, as published in the Carrier's Conditions of Carriage or in its tariffs, timetables, notices, instructions or elsewhere unless otherwise agreed in writing between the Parties.

PART II. AIRFREIGHT FORWARDER RELATIONSHIP

Purpose of this Part II of the Agreement and Effectiveness

The purpose of this Part II of the Agreement is to set out the mutually-agreed framework of working relations between the Carrier and the Forwarder, so they may provide the shipper with a complete and integrated service. A contractual relationship between the Forwarder and the Carrier is hereby created.

Furthermore, the provisions of this Agreement shall apply to the Intermediary acting as Forwarder. Upon coming into effect, this Agreement, including any amendments thereto, shall have the same force and effect between the Carrier and the Intermediary acting as Forwarder as though they were both named herein and had both subscribed their names as parties hereto.

1. SCOPE OF MUTUAL REPRESENTATION

This Part II covers those airfreight transactions where the Parties contract with each other as between principals. In such transactions, the Forwarder's name appears in both the Shipper box and the Agent box of the Air Waybill and the Forwarder does not act as agent for the Carrier.

2. FORWARDER'S AUTHORITY

2.1 Subject to the provisions of this Agreement, the Airfreight Forwarder shall be entitled to tender goods to any Carrier from whom it has received air waybills or air waybill serial numbers, provided the freight is documented and Ready for Carriage, in accordance with the Handbook or the Carrier's specific instructions;

2.2 the Forwarder may represent itself as a Forwarder, Cargo Forwarder, or IATA Cargo Forwarder authorised to use the services of the Carrier, but shall not indicate or imply in any way that its office is an office of the Carrier;

2.3 the Forwarder may consolidate consignments on behalf of a number of different shippers and tender them to the carrier as one single consignment.

2.4 In the event that a Forwarder seeks to tender cargo to the Carrier as an agent on behalf of another entity appearing as "Shipper" on the air waybill or electronic shipment record, Carrier and Forwarder shall agree bilaterally on the terms and indemnities applicable to such shipments. Absent such agreement, Forwarder hereby accepts all terms and conditions previously agreed with Carrier when Forwarder is shipping in its own name as Shipper for such shipments including all obligations of Shipper under Carrier's Conditions of Carriage and applicable liability conventions.

PART III. GENERAL PROVISIONS

Purpose of this Part III of the Agreement

The purpose of this Part III of the Agreement is to set out the general provisions applicable to both Agent and Forwarder as intermediaries (generally called "Intermediary") as specified in Parts I and II of this Agreement.

1. RULES, RESOLUTIONS AND PROVISIONS INCORPORATED IN THIS AGREEMENT

1.1 The terms and conditions governing the relationship between the Parties, as set out herein, are to be understood in the context of the contents of the LAACP Handbook, which are incorporated by reference into this Agreement and made part hereof;

1.2 if not defined herein, the terms and expressions used in this Agreement shall, unless the context otherwise requires, have the meanings respectively provided in the Handbook. In the event of any conflict, contradiction or inconsistency between specific provisions of this Agreement and any provisions incorporated by reference, the specific provisions of this Agreement shall prevail;

1.3 the Parties shall observe all laws and regulations applicable to acts performed by them under this Agreement.

2. SECURITY MEASURES

The Parties shall adhere to security control measures as prescribed by the responsible authority(ies), and shall adhere to any other measures that may be required under the applicable IATA Resolutions.

3. DANGEROUS GOODS

The Intermediary shall not accept for delivery to a Carrier, or tender to the Carrier a shipment consisting of or containing a commodity classified as a Dangerous Goods (as defined in the current IATA Dangerous Goods Regulations), unless the commodity is properly described by name and is packed, marked and labelled and is in proper condition for carriage by air according to those Regulations, and is accompanied by a Certificate in the IATA agreed form stating that the commodity is properly described by name and is packed, marked and labelled and is in proper condition for carriage by air. The Certificate shall be signed by the person responsible for packing, marking and labelling. The Intermediary or the staff employed by the Intermediary may sign such declaration if they have been authorised by the shipper to act on their behalf to undertake shipper's responsibilities in the preparation, packing, marking and labeling of the consignment and has been trained as required in subsection 1.5 of the applicable IATA Dangerous Goods Regulations.

4. THE AIR WAYBILL

4.1 The Carrier may supply Air Waybills or Air Waybill serial numbers for neutral issuing systems to the Intermediary;

4.2 where the Carrier authorises the Intermediary to execute Air Waybills supplied by it in connection with the sale of airfreight offered by any other air carrier, the Carrier shall provide such authorisation to the Intermediary in writing;

4.3 when issuing the Carrier's Air Waybills, electronic shipment records and related documents, the Intermediary undertakes that the information entered by the Intermediary is correct;

4.4 the Intermediary shall be responsible for the safe custody and care of Air Waybills and Air Waybill serial numbers supplied to the Intermediary for use in an electronic environment, which the Intermediary may use for the sale of airfreight under this Agreement while they are in the Intermediary's possession, and shall be responsible to the Carrier for any damage, loss or expenses suffered by the Carrier as a result of the use or misuse of such Air Waybills or Air Waybill serial numbers by the Intermediary;

4.5 the Intermediary acknowledges that Carrier's Air Waybills and Air Waybill serial numbers supplied to the Intermediary for use in an electronic environment are and remain the sole property of the Carrier during the period that they are in the custody of the Intermediary, and the Intermediary acknowledges and agrees that it has no proprietary right to such documents or Air Waybill serial numbers. The Carrier may at any time at its sole discretion require that the Intermediary return such Air Waybills and Air Waybill serial numbers and the Intermediary agrees to surrender them forthwith to the Carrier, furthermore, the Carrier may, at any time at its sole discretion, require the Intermediary to cease and desist from issuing Neutral Air Waybills in the Carrier's name;

4.6 the Intermediary shall not execute an Air Waybill until having received the complete consignment to be transported under such Air Waybill;

4.7 the Intermediary shall not execute an Air Waybill supplied by the Carrier in connection with the sale of airfreight offered by any other air carrier unless the Carrier has so authorised the Intermediary in writing;

4.8 after acceptance of the consignment, the Carrier shall not in any manner vary or modify the terms and conditions of the underlying Conditions of Contract in respect of the consignment.

5. OPERATIONAL PROCESSES

5.1 the Carrier shall advise the Intermediary of the locations designated by it for general acceptance or airfreight;

5.2 the Intermediary undertakes that the completion of the Carrier's Air Waybills and handling of consignments performed under this Agreement by the Intermediary or by its officers or employees, shall be in strict compliance with the rates, rules and conditions applicable to such transportation, as published in the Carrier's Conditions of Carriage or in its tariffs, timetables, notices, instructions or elsewhere, unless otherwise agreed in writing between the Parties;

5.3 the Intermediary shall not in any manner, vary or modify the terms and conditions set forth in any documents or instructions of the Carrier;

5.4 if the Intermediary, when acting as a Cargo Agent, accepts goods for carriage by air without the carrier(s) being specified, the Intermediary shall be liable for loss of or damage to such goods until they have been delivered to the Carrier;

5.5 the Carrier shall, upon presentation of its Air Waybills, properly executed by the Intermediary, and upon surrender of the Carrier's copies of such Air Waybills, accept the consignments therein described for transportation by the Carrier. The Carrier undertakes to

provide or arrange for transportation of such consignments to the destination, as indicated on the Air Waybill, in the most effective manner.

6. READY FOR CARRIAGE

6.1 The Intermediary shall ensure that consignments are delivered to the Carrier at any location designated by the Carrier for general acceptance of all consignments, properly packed, marked, documented, addressed and labelled, in accordance with the Carriers specific instructions and the applicable IATA Traffic Conference Resolutions, so as to be Ready for Carriage;

6.2 the Intermediary shall transmit to the Carrier such specific requests or in connection with each consignment, as may be proper to enable the Carrier to render efficient service to its customers; provided that any such requests or particulars transmitted by electronic means shall be in conformity with industry standards and procedures as determined and published by IATA;

6.3 all shipments tendered by the Intermediary to the Carrier, unless otherwise agreed, shall be tendered subject to the Conditions of Carriage of the Carrier or Carriers concerned applicable to such transportation and to the tariffs, rules, regulations and instructions governing the sale and use of such transportation in force at the time of tender and presentment for carriage as published in the Carrier's tariffs, timetables, notices and elsewhere, or as otherwise agreed;

6.4 the Intermediary shall request reservation of cargo space only as required by the applicable tariffs and other instructions provided from time to time by the Carrier. If so instructed by the Carrier, the Intermediary shall secure confirmation from the Carrier that a definite reservation has been made before preparing an Air Waybill for carriage over the routes of the Carrier or of other air carriers;

6.5 the Intermediary shall conduct its activities in all of its offices only under the name as set forth in this Agreement, as registered with IATA and as it appears in the Directory. The Intermediary shall abide by the terms, representations and conditions in any application or undertaking made by it to IATA for the purpose of causing IATA to list or publicly endorse it. The Intermediary shall notify, in a timely manner, IATA on behalf of the Carrier of any change in material information supplied in the application or undertaking;

6.6 the Intermediary undertakes to maintain at all places where it makes airfreight Ready for Carriage the premises, staff and equipment required, as specified in the Handbook.

7. MONIES DUE BY THE INTERMEDIARY TO THE CARRIER—REMITTANCE AND FINANCIAL CRITERIA

7.1 The Intermediary shall be obliged to pay to the Carrier monies due to the Carrier, whether or not the Intermediary has been paid such monies;

7.2 the Carrier may, subject to applicable currency regulations, designate the currencies in which remittances are to be made;

7.3 the Intermediary shall remit to the Carrier such monies, in accordance with the provisions in the Handbook. Unless otherwise instructed in writing by the Carrier, the Intermediary shall be entitled to deduct from remittances the applicable commission/remuneration to which it is entitled hereunder;

7.4 the Parties shall refrain from providing CASS data that is proprietary information of the other Party to any Person not participating in that CASS, without prior authorisation from the

Director General. Where it is authorised that data may be made available to third parties, but only in such a manner that data specific to the Intermediary and/or the Carrier cannot be identified, unless the Parties agree to such identification.

8. COMMISSION/REMUNERATION

Commission and/or Remuneration for business conducted under Part I and Part II of this Agreement, is a matter arranged bilaterally between the Parties.

9. INSURANCE

9.1 The Carrier shall maintain adequate insurance arrangements, where available, to cover its legal liabilities under this Agreement;

9.2 The Intermediary shall maintain adequate insurance, where available, to cover its legal liability under this Agreement.

10. DISPUTES AND ARBITRATION

Any dispute arising between the Intermediary and the Carrier involving the interpretation of this Agreement or mutual performance there under by the Parties may be referred to binding arbitration for resolution, in accordance with the arbitration procedures referred to in the Handbook. If any matter is to be reviewed by arbitration pursuant to the provisions in the Handbook, the Parties hereby submit to arbitration in accordance with such rules and agree to observe the procedures therein provided and to abide by any arbitration award made there under.

11. CLAIMS

11.1 The Carrier shall expeditiously process claims raised by the Intermediary, in accordance with the Carrier's Conditions of Carriage, National Law and the Warsaw Convention or Montreal Convention as applicable.

11.2 in order to protect any right of the Carrier to defend against any claim for damage, loss or delay of cargo:

11.2(a) since a claim received by the Intermediary, when acting as Agent, is deemed to be received by the Carrier when received by the Agent, the Intermediary must immediately notify the Carrier in writing of such claim, or as soon as reasonably practicable, in accordance with the timeframes as may be published in the Carrier's Conditions of Carriage or its Tariffs;

11.2(b) the Intermediary, when acting as Forwarder, shall immediately notify the Carrier in writing of such claim. For claims received by the Intermediary when acting as Forwarder, within the timeframes detailed below:

11.2(b)(i) for visible damage or other damage to goods, fourteen (14) days from receipt of the goods by the person entitled to receipt;

11.2(b)(ii) for delay of goods, within twenty-one (21) days from the date of goods are placed at the disposal of the person entitled to receipt;

11.2(b)(iii) for non-delivery of goods, within one hundred and twenty (120) days from the date of the issue of the air waybill; the Carrier will accept notice from the Forwarder within

seventy-two (72) hours following these timeframes, and will be deemed to have received such claim within the above-mentioned timeframes;

11.3 where the Carrier has appointed a subcontractor to perform one or more of the Carrier's obligations hereunder, it shall be fully liable for all actions taken by such subcontractor on behalf of the Carrier and the Carrier hereby agrees that the subcontractor's place of business is the place of jurisdiction in respect of any claims by the Intermediary against the Carrier.

12. GENERAL INDEMNITIES AND WAIVER

12.1 The Intermediary recognises that the Carrier, and IATA, are required under the Latin American Air Cargo Programme to issue notices, give directions, and take other action under the Programme, including in the circumstances therein provided, giving notices of irregularity and default, notices of alleged violations, and notices of grounds for removing an Intermediary from the Directory or for reprimanding an Intermediary. The Intermediary hereby waives any and all claims and causes of action against the Carrier and IATA, and against any of their officers and employees for any loss, injury or damage (including damages for libel, slander, or defamation of character) arising from any act done or omitted in good faith in connection with the performance of any of their duties or functions under the Latin American Air Cargo Programme and indemnifies them against any such claims by the Intermediary's officers or employees;

12.2 the Carrier agrees to indemnify and hold harmless the Intermediary, when acting as Agent, its officers and employees from liability for any injury, loss or damage arising in the course of transportation or other ancillary services provided by the Carrier pursuant to a sale made by the Intermediary hereunder or arising from the failure of the Carrier to provide such transportation or services, except to the extent that such injury, loss or damage is caused or contributed to by the Intermediary, its officers or employees;

12.3 the Intermediary when acting as Agent, agrees to indemnify and hold harmless the Carrier, its officers and employees from liability for any loss, injury, or damage arising from any negligent act or omission, or willful misconduct of the Intermediary, its officers or employees, in performing or in breach of this Agreement, except to the extent that such injury, loss or damage is caused or contributed to by the Carrier, its officers or employees.

13. PROGRAMME FEES

The Parties shall pay to IATA, programme fees in the amount and within the time prescribed by the Joint Council, in accordance with the Latin American Air Cargo Programme.

Notwithstanding the above, an annual amount of USD15 per each IATA Accredited cargo agent shall be provided to FIATA/AFI for the purpose of supporting the global IATA/FIATA dialogue process.

14. TRANSFER, ASSIGNMENT, CHANGE OF LEGAL STATUS, OWNERSHIP, NAME OR ADDRESS

14.1 This Agreement, and the right to any remuneration payable hereunder shall not be assigned or otherwise transferred, in whole or in part, by the Intermediary to any other Person;

14.2 in the event that the Intermediary proposes to effect any change(s) in its legal status, ownership, name and/or address (within the meaning of these expressions as used in the

Handbook), the Intermediary undertakes to comply with the procedures as set forth in the Handbook.

15. NOTICES

15.1 All notices to be sent under this Agreement from the Carrier or from the Director General to the Intermediary or from the Intermediary to the Carrier, or to the Director General, shall be sufficient if sent by any means that provides proof of dispatch or receipt, addressed, as appropriate to;

15.1.1 the Chief Executive Officer at the principal office of the Intermediary;

15.1.2 the Accredited Representative at the head office of the Carrier;

15.1.3 the Director General at the address shown in this Agreement, which address may be changed by notice given in writing to the Intermediary by the Director General.

16. APPLICABLE LAW

This Agreement shall in all respects be governed by and interpreted in accordance with the law of the [country to be inserted] ("the Specified Country"). In the event of conflict between the contents of any provision of this Agreement and such law, the law of the Specified Country shall prevail.

17. TERMINATION

17.1 This Agreement may be terminated without prejudice to fulfillment by the Parties of all obligations accrued prior to the date of termination;

17.1.1 at any time by not less than 15 days notice in writing by either of the Parties to the other;

17.1.2 immediately, in the event the Intermediary is removed from the Directory in accordance with the provisions in the Handbook.

18. ACTION TO BE TAKEN CONSEQUENT TERMINATION

Upon termination of the Agreement, the Intermediary shall immediately return all unused Air Waybills held and cease using all Air Waybill serial numbers assigned, and effect immediate settlement of all monies due and payable under the terms of this Agreement, substantiated by complete and satisfactory accounting therefore. The Intermediary shall be liable for any loss or damage suffered by the Carrier arising out of the loss or misuse by the Intermediary of such Air Waybills, or the misuse by the Intermediary of any Air Waybill serial numbers supplied to the Intermediary for use in an electronic environment, which were in the possession of the Intermediary at the termination of the Agreement and were not duly surrendered.

19. SEVERABILITY

If any provision of this Agreement is held to be illegal or invalid, this shall not have the effect of invalidating the other provisions, which shall accordingly remain binding and effective between the Parties.

20. OTHER AGREEMENTS SUPERSEDED

This Agreement shall supersede any and all prior similar agreements between the Parties, without prejudice to such rights and liability as may exist at the date hereof.

21. DURATION

This Agreement shall be of indefinite duration and may be terminated in accordance with the relevant provisions set out herein.

SIGNED BY
Director General of the International Air Transport Association, acting as agent for the Carriers referred to in the preamble hereto.
<i>By</i>
<i>(Authorised Representative)</i>
<i>(Signature)</i>
<i>(Name, typed or printed)</i>
SIGNED BY
The Authorised Person on behalf of the Intermediary Name & Address
<i>By</i>
<i>(Authorised Representative)</i>
<i>(Signature)</i>
<i>(Name, typed or printed)</i>
<i>(Capacity)</i>
WITNESS
<i>(Signature)</i>
<i>(Name, typed or printed)</i>

Note:

When in accordance with local law, execution of this Agreement requires the signatures of the parties to be witnessed, or notarised, such formalities must be accomplished. The space below may be used for that purpose.

RESOLUTION 813zz**Attachment 'B'****Section 1—Criteria for Registration and Retention**

Any Person in possession of the appropriate official licenses, where required, may become an IATA Cargo Intermediary in the country where such Person conducts business by making an application to the Agency Administrator and by meeting the requirements and criteria set forth in the Latin American Air Cargo Programme Handbook. Such requirements and criteria must continue to be met to ensure retention as an IATA Cargo Intermediary (in which event, the term 'applicant' where used in this Section shall be understood to include an IATA Cargo Intermediary). When there are reasons to believe that an IATA Cargo Intermediary does not continue to meet such requirements and criteria, the Agency Administrator shall on their own initiative, or may, at the request of any Member, initiate a review of the Intermediary by the LAACP Ombudsman.

1.1 MINIMUM STAFF REQUIREMENTS WHERE AIR CARGO IS MADE READY FOR CARRIAGE

Where a competency-based training and assessment approach in respect of dangerous goods is implemented and accepted within the national regulatory framework of a country, the following provisions will apply in respect of the Intermediary and personnel who process, accept and/or handle cargo.

The employer of personnel that perform functions aimed at ensuring that dangerous goods are transported in accordance with all applicable regulations, including IATA Dangerous Goods Regulations (DGR), ICAO requirements and those of national governmental agencies, must establish and maintain a dangerous goods training program.

The provision of such dangerous goods training should be commensurate with the operational functions of individuals and their tasks, regardless of job titles. It must ensure all personnel have the appropriate level of competence training and proficiency to perform the functions for which they are responsible in a specific operational setting and to be in compliance with domestic and international regulatory requirements that apply to those operations. For persons to maintain an appropriate level, DGR competence training and assessment of proficiency shall be recurrent at least every 24 months.

The applicant shall employ full-time persons competent and qualified to provide the services and handling functions described in the Latin American Air Cargo Programme Handbook so that a minimum of one person is present at all places where air cargo is made ready for carriage whenever such places are open for business. The applicant must supply evidence that a minimum of two persons meet the Dangerous Goods and General Cargo training requirements and that such persons:

1.1.1 hold the IATA Introductory Course Diploma or have completed an equivalent course offered by an IATA Member, a FIATA member whose course has been accredited by FIATA or any other course acceptable to the Council offered by an airline, commercial organisation,

or training institute; provided that any Intermediary which does not meet this requirement shall demonstrate that its staff includes at least two full-time competent persons with not less than 2 years' experience in providing air cargo services.

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

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

1.1.2(a)(i) an IATA Dangerous Goods Course;

1.1.2(a)(ii) a Member's course of formal instruction in Dangerous Goods Acceptance;

1.1.2(a)(iii) a course of formal instruction in Dangerous Goods Acceptance offered by a training establishment, which has been appraised and endorsed by IATA as an Accredited Training School (ATS) and/or Competency-Based Training Assessment (CBTA) Center,

△ **1.1.2(a)(iv)** a course of formal instruction offered by a training organization or other establishment which has been endorsed, or meets the criteria established by the regulatory authority responsible for Dangerous Goods in the specified country. In countries where the national Civil Aviation Authority does not publicly list the authorized training organizations, certificates must either specifically indicate, or be accompanied by a letter issued by the training provider that the course is approved by the national aviation authority in the specified country or that the course complies with the national aviation regulations of that country.

1.1.2(a)(v) the ICAO-FIATA Dangerous Goods by Air training program;

1.1.2(b) 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 local competent authority responsible for regulating Dangerous Goods matters in that country;

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

1.1.3 in addition to the stated Dangerous Goods Acceptance training requirements for the competent and qualified staff of the applicant described above, all other persons assigned by the applicant to process consignments and/or make them ready for carriage shall have completed a Dangerous Goods General Cargo Accepting and Processing training in accordance with national governmental agency and/or ICAO requirements. Persons responsible for handling consignments, including loading consignments onto unit load devices shall have completed a Dangerous Goods course for Personnel Responsible for Handling Cargo in a Warehouse, Loading and Unloading Unit Load Devices and Loading and Unloading Aircraft Cargo Compartments in accordance with national governmental agency and/or ICAO requirements.

1.1.4 Notwithstanding Paragraphs 1.1 through 1.1.2(c) an applicant may apply to be registered as an IATA Intermediary (non-Dangerous Goods Handler) provided it complies with all other accreditation criteria including provision of dangerous goods training to applicable persons in accordance with 1.1.3, above, and has submitted declaration Attachment 'B' Appendix 2 confirming that it shall not accept nor make ready for carriage any consignment containing Dangerous Goods.

1.2 FINANCIAL REQUIREMENTS

△

1.2.1 Financial Standing

Applicants shall submit financial statements which shall consist of a most recent certified Profit and Loss Statement and Balance Sheet, that are currently available, independently produced and prepared in accordance with local accounting practices. IATA will review the financial standing of the Applicant as outlined in the Financial Criteria as published in the Latin America Air Cargo Program Handbook.

The financial position of an Intermediary shall be subject to annual review by the Agency Administrator and the Intermediary may be required to:

1. Furnish documents specified in the Handbook, deemed necessary to conduct such review
2. Renew by the expiry date any financial guarantee or bond
3. Adjust the level of any financial guarantee or bond

The late submission or failure by an Intermediary to submit its financial statements as required in accordance with any of the provisions of these Rules, or applicable Local Financial Criteria, and/or following a specific request and deadline received from IATA, shall be grounds to require the Intermediary to promptly provide a financial security. In addition, the Intermediary may be subject to further measures for such late submission or continued noncompliance, as described in these provisions, including administrative charges.

Failure to comply with the above and/or with the financial requirements contained within the Handbook shall constitute grounds for IATA to give the Intermediary 30 days to comply. Failure by the Intermediary to comply within 30 days shall be grounds for IATA to request a financial security from the Intermediary. Failure by the Intermediary to comply within 30 days shall be grounds for IATA to give the Intermediary written notice of termination, provided that if the Intermediary submits the required financial security, or renews or adjusts its bank guarantee or bond prior to the removal date the termination shall not take effect. Where the Agency Administrator gives notice of termination under this provision, the notice shall specify the date at which it will be effective, which shall not be before the date specified in the termination clause of the Cargo Intermediary Agreement.

1.2.2 notwithstanding the provisions contained within paragraphs 1.2.1, an Intermediary may satisfy the requirement to provide additional financial support through the provision of any type of security accepted by the Agency Administrator from time to time.

1.3 PROMOTION, SELLING AND/OR HANDLING

the applicant must meet the requirements published in the Handbook regarding office location and liability insurance.

1.4 PROCESSING OF CONSIGNMENTS

the applicant must have premises, staff and equipment meeting the criteria established by the Council and published in the Handbook, for the performance of the operational functions.

1.5 LICENSE TO TRADE AND OTHER NATIONAL LEGAL REQUIREMENTS

where officially required, the applicant must be in possession of a valid license to trade and meet any other national legal requirements in the country of operation. Suspension or withdrawal of this license shall constitute grounds for the Agency Administrator to suspend the Intermediary from CASS and to initiate a review by the Ombudsman.

1.6 NAME

restrictions on an applicant's business name, if any, will be contained in the Handbook. However, the applicant must not have a name which is the same as, or misleadingly similar to that of an IATA Member or IATA, nor should its place of business be identified as an office of an airline.

1.7 ETHICAL BUSINESS PRACTICES

the applicant, its managerial staff or its principal stock-holders (or persons for whom they act as nominees), directors or officers or managers shall not have been found guilty of willful violations of fiduciary obligations incurred in the course of business, nor be undischarged bankrupts. Further requirements, if introduced by the Latin American Joint Council, will be published in the Handbook.

1.8 PRIOR DEFAULT

Restrictions regarding an applicant who has previously been or is currently associated with a defaulting Agent, Associate or Intermediary will be published in the Handbook.

However, no person shall be registered or retained as an Intermediary if anyone who is a Director 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 Intermediary which:

1. currently under notice of default and has outstanding debts still owing to Members or its debts have been met solely or in part by recourse to a financial bond or guarantee, or
2. has been removed from the Agency List and has outstanding debts still owing to Members, or its debts have been met solely or in part by recourse to a financial bond or guarantee,
3. 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 they are satisfied that the applicant can be relieved upon to comply with the terms of the Cargo Intermediary Agreement, these Rules and other Resolutions of the Conference.

1.9 REGULATORY AND LEGAL COMPLIANCE

1.9.1 the applicant must provide any documentation required by IATA in order to comply with applicable anti-money laundering, sanctions, or other regulatory or legal requirements.

1.9.2 the application may not be approved if IATA considers that it is prohibited from doing business with the applicant or that doing so would pose an undue risk to IATA under applicable regulatory or legal requirements.

Section 2—Procedures

Upon request, the Agency Administrator shall supply each prospective applicant with an application form and a copy of the Latin American Air Cargo Programme 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 in the Latin American Air Cargo Programme Directory shall apply to the Agency Administrator who is empowered to register the applicant or to reject the application in accordance with the registration criteria agreed by the Joint Council and published in the Handbook.

2.2 FORM OF APPLICATION—PROCESSING

2.2.1 The submitted application shall be accompanied by such financial and other documents together with appropriate fees as set forth in the Handbook:

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 complete, they shall notify Members and publish details of the Intermediary;

2.2.4 the Agency Administrator may arrange for an independent inspection report to assist them in determining whether the applicant meets the qualifications necessary to become an IATA Cargo Intermediary;

2.2.5 the Agency Administrator shall consider each application and supporting information and any other information brought to their attention and decide if the applicant meets the qualifications to become an IATA Cargo Intermediary;

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

2.2.7 a rejected applicant may request reconsideration of the decision by the Agency Administrator or may invoke the procedures for review of the Agency Administrator's action by the Ombudsman;

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, they shall enter it in the Latin American Air Cargo Programme Directory;

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

2.3.3 the Agency Administrator shall maintain, publish and circulate from time to time, a Latin American Air Cargo Programme Directory of all Persons with whom the Director General has entered into a Cargo Intermediary Agreement in accordance with Subparagraph

2.3.2 of this Paragraph. The contents and information contained within the Directory will be determined by the Latin American Air Cargo Programme Joint Council.

2.4 APPOINTMENT OF INTERMEDIARY

2.4.1 Manner of Appointment

a Member may appoint an Intermediary, which is in the Latin American Air Cargo Programme Directory in the following manner:

2.4.1.1 by depositing with the Agency Administrator a statement of general concurrence for the appointment of all Intermediaries. The Agency Administrator shall from time to time publish in the Latin American Air Cargo Programme Handbook, a list of Members having deposited such a statement of general concurrence;

2.4.1.2 alternatively, a Member may inform such Intermediary, in writing with copy to the Agency Administrator, that such Member specifically concurs in its appointment as an Intermediary;

2.4.2 Effective Date

such appointment(s) shall be effective as follows:

2.4.2.1 as to those Members who have deposited a statement of general concurrence, immediately upon inclusion of the Intermediary in the Latin American Air Cargo Programme Directory, or as from the date the statement is deposited if such date is subsequent to that of the Intermediary's inclusion in the Latin American Air Cargo Programme Directory,

2.4.2.2 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 Intermediary was included in the Latin American Air Cargo Programme Directory.

2.5 TERMINATION OF INDIVIDUAL APPOINTMENT

any Member having appointed an Intermediary may cancel such appointment by so notifying the Intermediary 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 Intermediary to issue on the Member's behalf, Neutral Air Waybills in conformity with the provisions of Resolution 600a.

2.7 REVIEW OF MEMBER'S INDIVIDUAL DECISION

2.7.1 notwithstanding the provisions of Paragraphs 2.4, 2.5 and 2.6 of this Section, an Intermediary which considers itself aggrieved by the decision of a Member:

2.7.1.1 To refuse to appoint such Intermediary, or

2.7.1.2 to withdraw its appointment of such Intermediary, or

2.7.1.3 to refuse to:

2.7.1.3(a) supply the Intermediary with stock of its Air Waybills, or

2.7.1.3(b) authorise the Intermediary to issue Neutral Air Waybills on its behalf, or

2.7.1.4 to withdraw:

2.7.1.4(a) its Air Waybill stock from the Intermediary, or

2.7.1.4(b) its authorisation to the Intermediary to issue Neutral Air Waybills on its behalf.

2.7.2 with the result that such Intermediary's commercial interests are adversely affected to the point of placing its business in jeopardy, shall have the right to obtain such Member's criteria for appointing Intermediaries or reasons for refusal or withdrawal. If the Intermediary believes such justification is unreasonable then the Intermediary shall, in the first instance, seek clarification and satisfaction from the Member. If the issue is not thereby resolved, the Intermediary shall have the right to have the Member's decision reviewed by the Ombudsman; provided that when the Member's decision to withdraw its appointment, stock of Air Waybills or authorization to issue Neutral Air Waybills from the Intermediary was made in application of the collective provisions of these Rules, the Intermediary's right for review shall not be exercised against the Member individually but as set forth in the particular provisions concerned and in Resolution 811e (the Handbook).

2.8 CAPACITY AND INDEMNITY

the Director General, the Agency Administrator and the CASS 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 Intermediaries undertake to indemnify IATA, its officers, employees, Cargo Agency Commissioner, Ombudsman 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 Resolution 801r). Members participating in Cargo Accounts Settlement System (CASS-Export) or in CASS-Import and Terminal Charges (CASS-ITC) undertake to indemnify IATA, its officers, employees, Cargo Agency Commissioner, Ombudsman 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 underof Resolution 801r, as applicable.

Section 3—Conditions for Payment of Commission

3.1 AUTHORISATION AND CALCULATION OF COMMISSION

Remuneration for the sale and handling of international air cargo transportation shall be agreed bilaterally between the parties.

Section 4—Measures Affecting an Intermediary's Standing

4.1 WITHDRAWAL BY INTERMEDIARY

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

4.1.2 in the event an Intermediary 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 Intermediary from the Latin American Air Cargo Programme Directory by giving notice in writing to the Intermediary to take effect in accordance with these Rules. Such removal shall be without prejudice to fulfillment by the Intermediary and each of the Members having the Intermediary under appointment of all obligations accrued up to the date of removal from the Latin American Air Cargo Programme Directory.

4.3 NOTICE OF SUSPENSION BY AGENCY ADMINISTRATOR

when an Intermediary is suspended for cause under the provisions of these Rules, the Agency Administrator shall give notice thereof in writing to the Intermediary. 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 the Agency Administrator has served notice that an Intermediary is to be removed from the Latin American Air Cargo Programme Directory:

4.4.1.1 the Agency Administrator shall by notice to the Intermediary terminate the Intermediary's Cargo Intermediary Agreement and so notify Airlines,

□ **4.4.1.2** In the event the Intermediary is removed from the Directory in accordance with any of provisions of these Rules, IATA may withdraw the termination of the Intermediary to the Directory within the following 60 days of its termination, provided that the following requirements are met:

- (a) The cause for termination action is cleared and the Intermediary is compliant with Accreditation/Registration requirements;
- (b) When applicable, the Financial Security held prior to the termination is re-issued and valid in accordance with Resolution 817;
- (c) All Accountable Transactions due at current moment are settled;
- (d) The Intermediary was not declared in Default during last 12 consecutive months.

4.4.2 Suspension

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

4.4.2.1 the Agency Administrator shall so notify Airlines,

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

4.4.3 Reprimand

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

4.5 LICENSE TO TRADE

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

4.6 FORCE MAJEURE

The Intermediary shall not be liable for delay or failure to comply with the terms of the Cargo Intermediary Agreement to the extent that such delay or failure (i) is caused by any act of God, war, natural disaster, strike, lockout, labor dispute, work stoppage, fire, third-party criminal act, quarantine restriction, act of government, or any other cause, whether similar or dissimilar, beyond the reasonable control of the Agent, and (ii) is not the result of the Agent's lack of reasonable diligence (an 'Excusable Delay'). In the event an Excusable Delay continues for seven days or longer, the Agency Administrator shall have the right, at its option, to terminate this Agreement by giving the Agent whose performance has failed or been delayed by the Excusable Delay at least thirty days' prior written notice of such election to terminate.

4.7 REGULATORY AND LEGAL COMPLIANCE

if IATA considers that it is prohibited from doing business with an Intermediary or that doing so would pose an undue risk to IATA under applicable regulatory or legal requirements, it shall suspend or remove the Intermediary from the Latin American Air Cargo Programme Directory.

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 Intermediary 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 Intermediary undergoes a change of ownership or status which also includes a change of name or address, all changes shall be notified by the Intermediary 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 Intermediary 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 Intermediary which has the effect of transferring control of the Intermediary 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 Intermediary's business and its acquisition by a Person who is not an Intermediary;

5.2.1.2 the following changes of ownership in a corporation shall not require the execution of a new Cargo Intermediary 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 Intermediary,

5.2.1.2(c) any other transfer of stock that has the effect of vesting the control of the Intermediary 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 legal status shall require the execution of a new Cargo Intermediary 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 Intermediary;

5.2.2.2 in the case of a corporation:

5.2.2.2(a) the transformation of the Intermediary 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 Intermediary proposes to effect a change of ownership and/or legal status as described in Subparagraph 5.2.1.1 or Paragraph 5.2.2 of this Section:

5.3.1 the Intermediary ('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 Appendix 1 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 Latin American Air Cargo Programme Directory 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 Intermediary 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 Intermediary Agreement with the transferee;

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

5.3.4 a provisional Cargo Intermediary Agreement shall be in the same form and have the same effect as a Cargo Intermediary 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 they were an Intermediary.

5.4 CHANGES NOT REQUIRING A NEW AGREEMENT

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

5.4.1(a) the Intermediary shall give the Agency Administrator notice of the proposed change in the form of Appendix 1 to these Rules at least 30 days before the change is to be effected. As soon as possible the Intermediary shall also provide a current financial statement. On receipt of the notice, the Agency Administrator shall:

5.4.1(a)(i) bill the Intermediary for a change of ownership fee as provided in Section 7 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

Intermediary does not meet the qualifications to remain an Intermediary. The Agency Administrator shall inform the Intermediary 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 Intermediary 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 Intermediary 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 Intermediary Agreement or to give provisional approval as at the date of the change, the Agency Administrator shall notify all Members and, where applicable, the CASS Management accordingly and may suspend from CASS where applicable.

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 they shall obtain from such source and in such manner as they may deem appropriate a report on the transferee or Intermediary, 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 Intermediary Agreement shall cease to be provisional and shall become a Cargo Intermediary Agreement,

5.6.2.2 in cases of a change as described in Subparagraph 5.2.1.2 of this Section, notify the Intermediary that the provisional approval of the change shall cease to be provisional and shall become a full approval; the Cargo Intermediary 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 Latin American Air Cargo Programme Directory.

5.7 EFFECT OF DISAPPROVAL

5.7.1(a) if the Agency Administrator is unable to execute a Cargo Intermediary Agreement with a transferee or to give final approval of a change to an Intermediary, as the case may be, they shall promptly notify the transferee or Intermediary 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 Intermediary Agreement terminated on the date when the change of ownership took place, and by notice to the transferee, terminate the provisional Cargo Intermediary 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 Intermediary withdraw a provisional approval that has been given and terminate the Intermediary's Cargo Intermediary Agreement;

5.7.1(b) in all such notices the Agency Administrator shall give the reasons for their action and notify all Members accordingly. A disapproved transferee or Intermediary may request reconsideration of the decision by the Agency Administrator or invoke the procedures for review of the Agency Administrator's action by the Ombudsman;

5.7.2 upon request for reconsideration by the Agency Administrator or for review by the Ombudsman, the disapproval action shall be stayed and the status quo ante restored pending the result of the reconsideration or of the review. If the Ombudsman confirms the disapproval, the transferee or Intermediary may request review of such decision by arbitration pursuant to Section 6 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 Intermediary as the case may be notifies the Agency Administrator that the change of ownership has been revoked and the Intermediary restored in all respects to its previous ownership, the Agency Administrator shall reinstate the Intermediary's Cargo Intermediary Agreement and, when applicable, reinstate credit facilities and notify the Intermediary and all Members accordingly.

5.8 UNDERTAKING BY TRANSFEREE

except in case 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 Intermediary 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 Intermediary 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 Intermediary 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 Intermediary 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 Intermediary, or of a member of a partnership or other unincorporated firm, the Intermediary shall promptly advise the Agency Administrator who, in order to preserve the goodwill of the Intermediary as far as possible, 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 Intermediary Agreement with the requesting party, reinstate credit facilities and advise Members accordingly. The temporary Cargo Intermediary

Agreement shall be in the same form and have the same effect as a Cargo Intermediary 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, they shall place the Intermediary under review by the Ombudsman and notify the Intermediary 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 their request for review and shall notify the Intermediary and all Members that credit may be reinstated,

5.9.1.3 if the matter proceeds to review and the Ombudsman finds that the financial situation of the estate, partnership or other unincorporated firm so warrants, they shall direct that the temporary Cargo Intermediary Agreement be terminated. The Agency Administrator shall remove the Intermediary from the Latin American Air Cargo Programme Directory and notify the Intermediary and all Members accordingly. Upon receipt of such notice, Members shall take the same action as required on removal of an Intermediary from the Latin American Air Cargo Programme Directory;

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 Intermediary 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 Intermediary 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 Intermediary Agreement with the representative of the estate of a deceased sole owner shall terminate if such representative ceases to carry on the Intermediary'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 corporation (or in whom control of the Intermediary is vested), the Intermediary shall promptly advise the Agency Administrator who shall notify all Members accordingly and request the Intermediary to submit current financial statements:

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

5.10.1.2 if the financial situation of the Intermediary is found to be unsatisfactory, the Agency Administrator shall request a review of the Intermediary by the Ombudsman and notify the Intermediary 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 Intermediary to an heir, legatee or other person, such transfer shall be deemed a change of ownership for purposes of this Section. The Intermediary 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 Intermediary changes its name, such Intermediary shall notify promptly the Agency Administrator of the new name and remit the fee as provided in Section 7 of these Rules. The Agency Administrator shall ascertain whether the new name can be approved pursuant to the provisions of Section 1 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 in the Latin American Air Cargo Programme Directory and in the Cargo Intermediary Agreement. If the Agency Administrator disapproves the application they shall initiate a review by the Ombudsman.

5.12 CHANGE OF ADDRESS

5.12.1 where an Intermediary changes its address from that shown in the Latin American Air Cargo Programme Directory, such Intermediary shall notify promptly the Agency Administrator who shall so advise all Members. Authority to act as an Intermediary shall continue to apply to the new address;

5.12.2 where an Intermediary 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 Intermediary shall as far in advance as possible but in any case before effecting the move, notify the Agency Administrator of the new address and remit the fee as in Section 7 of these Rules. The Agency Administrator may obtain an inspection report of the new premises and shall notify all Members of the proposed new address. If the inspection report is favourable, the new premises shall be deemed to be approved. 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 Ombudsman.

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 legal status is not received by the Agency Administrator or is received after the change has taken place, the Agency Administrator shall place the Intermediary under review by the Ombudsman. 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 within 30 days of such change being made shall be grounds to initiate a review of the Intermediary by the Ombudsman.

5.14 INTERMEDIARIES LOCATED IN A CASS-EXPORT AREA

if any of the changes described in this Section are to be effected by an Intermediary located in the area of a CASS-Export, the Agency Administrator when giving any notice to Members required under the foregoing provisions of this Section shall give a copy of that notice to the CASS Management.

Section 6—Review by Arbitration

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6.1 AGREEMENT TO ARBITRATE

6.1.1 Any applicant or Agent which considers itself aggrieved by a decision of the Agency Commissioner (“the Commissioner”) under Resolution 811e shall have the right to have the decision reviewed by arbitration under the rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more Arbitrators appointed in accordance with such Rules.

6.1.2 Unless otherwise agreed by the parties, the language of the arbitration will be in English, but at the request of a party, documents and testimony will be translated in the native language of the requesting party.

6.1.3 The place of the arbitration will be in the jurisdiction where the applicant or Agent is located or the location specified in the application submitting the decision to review by arbitration, as the case may be, unless otherwise agreed by the parties.

6.1.4 The award of the arbitrator(s) shall be accompanied by a statement of the reasons upon which the award is based.

6.1.5 The award will be final and conclusively binding on the parties and will be complied with in accordance with its terms.

6.2 COMMENCEMENT OF ARBITRATION

Arbitration pursuant to this section will be commenced no later than thirty (30) calendar days from the date of the Commissioner's decision.

Section 7—Intermediary Fees

7.1 FEES

Intermediary fees, in the amounts determined by the Latin American Air Cargo Programme Joint Council in consultation with the Director General, shall be published by the Agency Administrator and payable by Intermediaries:

The types of fees and conditions under which they are payable are described within the Handbook. In the event an Intermediary fails to remit the correct level of any administration or change fee when due, then IATA shall promptly notify the Intermediary in writing that its Agreement shall be terminated. The notice shall specify the date at which termination will be effective pursuant to the termination clause specified in the Agreement. Termination for failure to pay an Intermediary fee shall not be subject to arbitration by the Intermediary.

7.2 INVOICING

Annual Intermediary fees for each calendar year shall be paid not later than 1 December of the preceding year in accordance with the procedures agreed by the Joint Council and 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.

7.3 USE OF INTERMEDIARY FEES

Intermediary 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 Latin American Air Cargo Programme.

Notwithstanding the above, an annual amount of USD15 per each IATA Accredited cargo agent shall be provided to FIATA/AFI for the purpose of supporting the global IATA/FIATA dialogue process.

Section 8—Air Waybill Transmittals, Billings, Remittances and Collections, Irregularities

The procedures regarding reporting and remittance, and irregularities are set forth in Resolution 801r.

Attachment ‘B’ Appendix 1

TO:	
Agency Administrator	Intermediary's name, address and numeric code
International Air Transport Association	

NOTICE OF CHANGE

Pursuant to the provisions of Section 5 of the Latin American Air Cargo Programme Rules we hereby give notice of the following change(s) in the legal status or ownership of the above named IATA Cargo Intermediary (Transferor) as a consequence of contractual arrangements or negotiations:				
			1. PRESENT STATUS	2. FUTURE STATUS
1.	Sole Proprietorship/Partnership/Corporation/other (specify)			
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.	If the answer to 5 above represents a change of name or address or both, please give details.
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.
The Transferor has informed the Transferee of the need to comply with the Latin American Air Cargo Programme Rules if the Transferee wishes to be entered in the Latin American Air Cargo Directory as a Registered Intermediary.	
In accordance with one of the requirements of the Latin American Air Cargo Programme Rules, the Transferee hereby undertakes to accept joint and several liability with the Transferor for any outstanding obligations of the Transferor under its Cargo Intermediary Agreement as at the date of the transfer of ownership takes place.	
Where the Transferor is employed by, or retains a financial or beneficial interest, directly or indirectly, in the Intermediary following the change of ownership, the undersigned Transferee knows and hereby agrees to accept responsibility for any violation by the Transferor of their Cargo Intermediary 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 Intermediary Agreement.	
Witness	Authorised signature of Intermediary (Transferor)
Witness	Authorised signature of Transferee

Attachment 'B' Appendix 2

TO:	IATA Cargo Intermediary:
Agency Administrator	(Name)
International Air	(Address)
Transport Association	(Numeric Code)

DANGEROUS GOODS: NON HANDLING DECLARATION

Pursuant to the provisions of Section 1, paragraph 1.1.4 of the Latin American Air Cargo Programme Rules we hereby confirm that the above named IATA Cargo Intermediary elects not to accept nor make ready for carriage any consignment containing Dangerous Goods.

It is further acknowledged that failure to comply with this declaration will result in the termination of the IATA Intermediary Agreement in accordance with Paragraph 17 of that Agreement.

SIGNED BY

The Authorized Person on behalf of the Intermediary

By

(Authorised Representative)

(Signature)

(Name, typed or printed)

(Capacity)

WITNESS

(Signature)

(Name, typed or printed)

Note:

When, in accordance with local law, execution of this declaration requires the signature of the parties to be witnessed or notarized, such formalities must be accomplished. The space below may be used for that purpose.