

Guidelines for using the Framework for a Service Agreement

Introduction

The framework agreement between an airline and a designated postal operator is a living document, which is updated periodically.

A first version of the framework agreement was drawn up in 2003. It has been undergoing revisions since 2007.

In 2018, the UPU Postal Operations Council (POC) approved a new version of the framework agreement prepared jointly by members of the POC Transport Group and the International Air Transport Association (IATA), through the IATA–UPU Contact Committee.

The competent body of IATA, the Cargo Services Conference (CSC), also adopted the framework agreement as Recommended Practice 1677. As such, it was included in the CSC Resolutions Manual.

Scope and purpose of the framework agreement

The framework agreement is thus the result of negotiations between members of the UPU and IATA. Certain compromises were necessary on both sides to achieve a balanced document that respected the parties' interests. Some issues were the subject of particularly intense discussions and negotiations, in particular the liability of designated operators towards airlines in the event of damage caused by a postal item during air transport, and the limits of the liability of parties to the agreement, in particular with regard to indirect or consequential damage.

The transport of postal items is expressly excluded from international agreements governing freight transport. There is no international instrument governing questions of liability between designated operators and air carriers. Relations between designated operators and airlines are covered only very fleetingly by the UPU Acts, which are concerned solely with relations between designated operators and have no authority over their partners such as airlines.

The lack of a normative framework, and the practice of certain designated operators and airlines of not signing agreements, lead to uncertainty about the conditions under which any disputes would be resolved. The framework agreement is thus aimed at guiding designated operators and airlines confronted by this lack of a legal framework and encouraging them to formalize their bilateral relationships on a contractual basis.

Use of the framework agreement

The framework agreement is in no way obligatory: it is a reference document designed to serve as a model for agreements signed between designated operators and airlines for the transport of international mail. It contains most of the points on which the parties will need to agree before entering into a relationship. This model can be adapted by the parties according to their needs and practices, and their specific national laws.

As the framework agreement is the result of negotiations, and therefore compromise, with IATA, the designated operator or airline engaged in the bilateral negotiation may seek to negotiate a more favourable clause on a particular point. The parties should, however, exercise caution when departing from this text, which reflects the provisions of the UPU Acts and the applicable IATA rules. The framework agreement also takes account of the operational processes applied by Posts and airlines.

Annex

The annexed document aims to provide supplementary information on the provisions of the framework agreement in order to help designated operators better understand and utilize the provisions. It should thus be read in parallel with and in conjunction with the framework agreement. It cites the text of the various articles of the UPU Acts on which the articles of the framework agreement are based, in order to highlight the mandatory nature of certain articles of the framework agreement. It also contains some practical examples and additional information. This document will be regularly updated to reflect changes made to the Acts of the Union.

Additional information concerning the content of the framework service agreement

Part A – General terms and conditions

I. Definitions

Article 1 Definitions

1.1 Acceptance

If it has been agreed that “acceptance” is based on EDI messaging, the following definition of “acceptance of the service”, which has been approved by the UPU Standards Board in the context of UPU EDI messaging standard M39, could be used:

Acceptance for Service: RESDIT “6” (BOOKED) confirms the mail is assigned to (a) flight(s) on a route. This information establishes which of the receptacles taken into possession are accepted for service and confirmed “booked” based on agreed service requirements in CARDIT (handover time/location origin, weight, flight(s), handover time/location destination). RESDIT “7” (STAGED) confirms the mail is not booked as requested by CARDIT and is staged awaiting assignment to another flight.

1.3 Airmail

For letter post, the definition is taken from article 17-114.1.1 of the UPU Regulations to the Convention.

For parcel post, the terminology used is either “airmail” or “air parcel”.

1.4 Airmail routeings

See articles 17-132/17-226 (Routeing of mails), 17-133 (Direct transshipment of airmails and of surface airlifted (S.A.L.) mails) and 17-227 (Direct transshipment of air parcels and of surface airlifted (S.A.L.) parcels) of the Regulations to the Convention.

1.5 Basic airmail conveyance rate (BACR)

The BACR is defined in article 33 of the UPU Convention (Basic rates and provisions concerning air conveyance dues) and articles 33-101 (Formula for calculating the basic rate and calculation of air conveyance dues for closed mails) and 33-201 (Calculation of air conveyance dues) of the Regulations to the Convention.

1.6 CARDIT

There are four versions of CARDIT messages: CARDIT V1.1, V2.0, V1.2 and V2.1 (see the respective UPU EDI messaging standards M18, M20, M47 and M48). CARDIT V1.1, V2.0 and V1.2 have been superseded by CARDIT V2.1; therefore it is recommended to use CARDIT V2.1.

The Principal is to send a CARDIT message to the Carrier. The Carrier is then the party responsible for transmitting the necessary information to its subcontractors.

1.7 Consignment

Please note that IATA has developed the following definition of “Consignment”:

IATA CSC Resolution 660 Attachment A Interline Traffic Agreement – Cargo; Article 1 – Definitions

Consignment:

Is equivalent to the term “shipment”, means one or more pieces of goods accepted by the airline from one shipper at one time and at one address, receipted for in one lot, and moving on one air waybill or one shipment record to one consignee at one destination address.

IATA has also proposed the term “postal consignment” (reference POC C 4 SB IATA/UPU 2009.3–Doc 8), used in the context of postal air waybills:

POSTAL CONSIGNMENT: means one or more receptacles of mail accepted by the airline from one postal operator at one time and at one address, receipted for in one lot, and moving on one postal air waybill number to one consignee at one destination address.

The term “consignment” has a number of contexts in UPU regulations. In this instance it is in the context of articles 17-135 and 17-233 of the Regulations to the Convention.

1.9 Critical handover time

Please note that article 17-113.3 of the Regulations to the Convention recommends a handover time of preferably one hour to two hours maximum.

1.10 Dangerous goods

This definition is in accordance with article 19-008 of the Regulations to the Convention (Dangerous goods prohibited from insertion in letter-post items and parcels).

Article 19.3 of the UPU Convention and its commentary provide additional details regarding dangerous goods prohibited from conveyance by post, exemptions and safety of staff involved in handling items presumed to be dangerous.

1.13 Designated operator

Definition taken from articles 1 and 2 of the UPU Convention.

1.15 Documents

See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails) and the CN 38 (Delivery bill. Airmails) and CN 41 (Delivery bill. S.A.L. mails) forms.

1.16 Electronic data interchange (EDI)

Please refer to articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails) for the use of EDI with air carriers.

1.17 EMS

Definition taken from article 36.1.1 of the UPU Convention and article 36-001(EMS) of the Regulations to the Convention.

1.22 Non-priority item

Definition taken from article 17-101.2.2 of the Regulations to the Convention.

1.24 Postal item

Please refer to article II.1.6 of the Ninth Additional Protocol to the Constitution.

1.25 Priority item

Definition taken from article 17-101.2.1 of the Regulations to the Convention.

1.26 Proof of acceptance ("POA")

See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails) and UPU standard M39 for the concept of “proof of acceptance” for CARDIT and RESDIT messages.

1.27 *Proof of Delivery ("POD")*

See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails) and UPU EDI Messaging standard M39 for the concept of "proof of delivery" for CARDIT and RESDIT messages.

1.30 *RESDIT*

There are two versions of the RESDIT message: RESDIT V1.0 and V1.1 (see the respective UPU EDI messaging standards M22 and M49). RESDIT V1.0 is used in conjunction with CARDIT V1.1; RESDIT V1.1 is used in conjunction with CARDIT V1.2 and CARDIT V2.1. As RESDIT V1.1 has superseded RESDIT V1.0, it is recommended to use RESDIT V1.1.

1.31 *Routeing plan*

See articles 17-132/17-226 (Routeing of mails) and 17-134/17-232 (Preparation of trial notes) of the Regulations to the Convention. See the definition of "Airmail routeings" in the Agreement.

1.32 *S.A.L. (Surface airlifted) item*

Please refer to article 17-114.1.3 of the Regulations to the Convention.

1.33 *Special drawing right (SDR)*

See the official definition given by the International Monetary Fund (www.imf.org/external/np/exr/facts/sdr.htm) and article 17-001 of the Regulations to the Convention (Monetary unit) and its commentary.

1.36 *Universal Postal Union*

See article 1 of the UPU Constitution.

II. Objectives and scope of the Agreement

Article 2

Objectives and scope of the Agreement

2.1 Transit procedures are not described in the Agreement, but in the Regulations to the Convention. See articles 17-133 (Direct transshipment of airmails and of surface airlifted (S.A.L.) mails) and 17-227 (Direct transshipment of air parcels and of surface airlifted (S.A.L.) parcels) and their commentary.

It is recommended that agreements cover the whole transport stretch "from the point of origin to the point(s) of destination". One consequence is that if something happens at the transit point as the result of a fault by the Carrier, and the Principal receives an invoice for the second leg of the journey and transit handling, these invoices will be forwarded to the Carrier.

A process should be set up according to which, if the Carrier experiences any problem at the point of transit, he will contact the Principal. Contact details are to be included in the relevant annex.

Regarding the estimated volumes, see the commentary to article 17-113 of the Regulations to the Convention (Priority treatment of priority items and airmail items).

2.2 For letter post, the categories of mail listed reflect article 17-114 of the Regulations to the Convention (Mails).

III. The Carrier's obligations

Article 3

Service

Article 4 **Integrity of mail**

- 4.1 Performance measurements can include indicators such as on-time delivery, scanning performance, response time to requests, volumes uplifted compared to estimates, quality of estimates, etc. It is important not only to state what is to be measured, but also to describe how it is measured and to define the period over which it is measured and the targets.
- 4.2 The Carrier's duty to provide protection for the mail in his custody reflects the obligation of the DO towards the sender of the item according to article 22 of the UPU Convention (Liability of designated operators. Indemnities).

Please note that liability is excluded in the event of force majeure (articles 26.3 and 31 of the Agreement).

The following measures are recommended to ensure protection of the mail from weather, dust, damage, loss or theft:

- the mail should be carried to and stored in a warehouse as soon as it has been unloaded;
- the mail should be stored in a place where it can be locked up or can be kept under surveillance either by staff, security cameras or some other effective means.

Article 5 **Custody of the mail**

- 5.2 The EDI standard for messaging between the Carrier and the Principal, if used, shall be CARDIT/RESBIT.

Articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails) provide more details regarding the electronic transmission of CN 38 or CN 41 forms.

Article 6 **Handover**

Handover (Acceptance and delivery) may be facilitated by a mail registration device (MRD) that allows a quick and simple registration of mail handovers from and to postal operators at postal facilities situated in airports.

- 6.1 See articles 17-119 (Make-up of mails), 17-129 (Labelling of mails) and 17-221 (Transmission in closed mails) of the Regulations to the Convention for the requirements regarding packaging and labelling of postal items, and articles 17-144 (Return of empty receptacles) and 17-241 (Return of empty receptacles) for the packaging and labelling for the return of empty bags.
- 6.3 See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails).
- 6.6 See article 9.2.2 of the Agreement: the Carrier is authorized to withhold mail at origin (before the proof of acceptance) suspected to be damaged, pilfered or tampered with.
- 6.9 If agreed, the Principle shall provide the Carrier with a consignment security declaration for the consignments. It must be agreed whether this shall be done electronically as part of the CARDIT message or in paper format (CN 70).

Article 7 **Critical handover times**

Please note that article 17-113.3 of the Regulations to the Convention recommends a handover time of preferably one hour to two hours maximum.

Article 8

Handover failure

Please note that “handover failure” on the part of the Carrier is defined in article 9 of the Agreement as the situation in which “the Carrier may refuse to accept handover of the Mail”.

In the context of article 8 of the Agreement, “handover failure” by the Principal means the situation in which the Principal does not meet the agreed handover time and/or place at origin.

Article 9

Refusal of handover

9.1.2 The weight limit for each receptacle containing letter post laid down in article 17-119.2.10 of the Regulations to the Convention is 30 kg maximum (except in the case of reservations).

The weight limit for each receptacle containing parcel post laid down in article 17-221.11 of the Regulations to the Convention is 32 kg maximum (except in the case of reservations).

9.1.3 The weight limit for parcels is laid down in article 17-203 of the Regulations to the Convention (Special conditions relating to limits of weights).

The size limits for parcels are laid down in article 17-204 of the Regulations to the Convention (Limits of size).

9.2.1 Please note that article 6.8 of the Agreement provides more details regarding the required procedure in the event of mail constituting a danger to other mail, goods or equipment. Such mail shall not be forwarded or returned.

Article 19.8 of the UPU Convention also stipulates that dangerous goods “shall in no circumstances be forwarded to their destination, delivered to the addressees or returned to origin”. In the case that they are “discovered during transit, such items shall be handled in accordance with the national legislation of the country of transit”.

If the Carrier discovers dangerous goods during transit, it is recommended that he contact the Principal and agree with it what to do.

9.2.2 Please note that article 6.6 of the Agreement provides more details regarding the required procedure for handling mail where damage, pilferage or tampering is suspected.

Article 10

Routeing

See the definition of airmail routeing in article 1 of the Agreement and articles 17-132/17-226 (Routeing of mails) of the Regulations to the Convention.

It is advisable to use direct flights as much as possible and not to use carriers that had irregularities in the past such as missing receptacles or delayed delivery to the designated operator of destination.

Annex 1 (routeing plan) might be updated by the parties when there is a change of season (winter/summer).

Article 11

Performance

11.2 See articles 17-133 (Direct transshipment of airmails and of surface airlifted (S.A.L.) mails) and 17-227 (Direct transshipment of air parcels and of surface airlifted (S.A.L.) parcels) of the Regulations to the Convention.

It is recommended to set a procedure whereby, in the event of an interruption in the transportation chain, the Carrier shall forward the mail as soon as possible and inform the Principal.

- 11.4 A typical achievable target for conveyance would normally be 90–98%, depending on capacities, etc. Performance should be measurable, and may be based on RFID or CAPE data, on CARDIT/RESBIT messaging, or on returned CN 38 forms bearing the handover time/dates.

The scanning performance can be used as a performance indicator. It can be measured as the number of receptacles scanned compared to the total number of receptacles transported within a given period.

Response times can be used as another indicator (how many requests are answered within the agreed maximum response time).

Periodic meetings between the Carrier and the Principal shall be held to review performance and agree improvement actions, if necessary.

Please note articles 17-113.3 and 17-113.4 of the Regulations to the Convention regarding handover time.

- 11.5 An action plan to remedy performance deficiencies could contain the following information: detailed description, objective, deadline and party responsible.

It should be kept in mind that the improvement of quality is a common project which is essential for designated operators and carriers. It is therefore the responsibility of both parties to ensure that the best possible performance is achieved.

- 11.6 It is recommended that the parties agree on contingency plans to take into account possible unplanned events or circumstances.

A contingency plan should describe who does what when something happens, and the actions to take when the situation has returned to normal.

Article 12 Subcontractors

A subcontractor might perform carriage, storage, loading and unloading of the mail at or around the airport in cases where the office of exchange is located outside the airport.

Article 13 Access of the Principal to the Carrier's premises

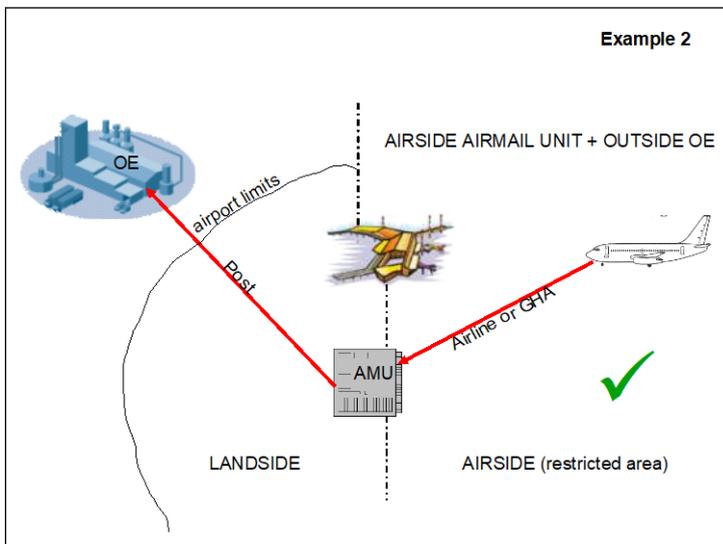
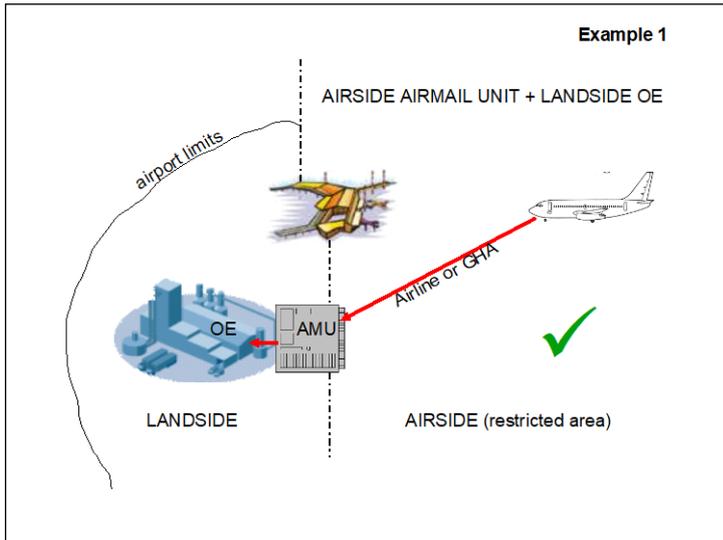
Access to the Carrier's premises for operational auditing purposes, for example, should be authorized when the Carrier has significant or repeated irregularities.

Access to the Carrier's premises might also be used to get a better understanding of the process (e.g. loading the flight). This can help to improve activities carried out in common.

Article 14 Delivery failure and possible remedy

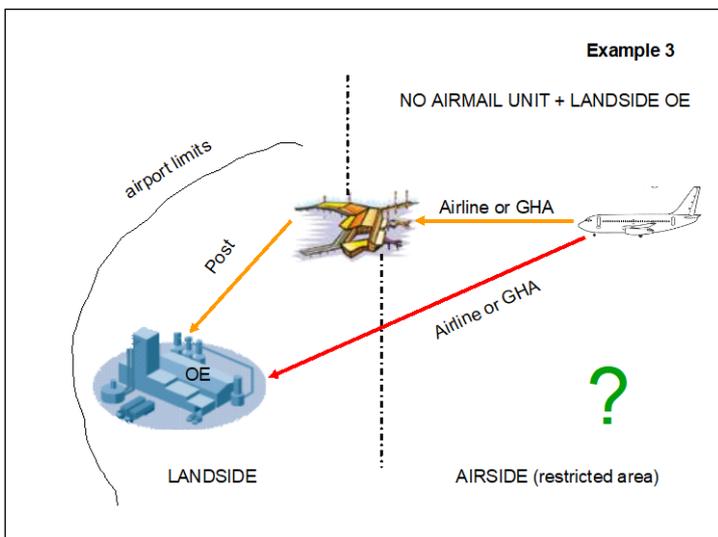
Designated operators often experience irregularities in which mailbags are lost during handling by the Carrier or considerable delays occur in delivery to the designated operator of destination because the Carrier inadvertently left the mail in its warehouse at the airport. This might have the following negative consequences for designated operators: inquiries, complaints, loss of future business, etc.

Please note that there are several possible scenarios for handover at destination:



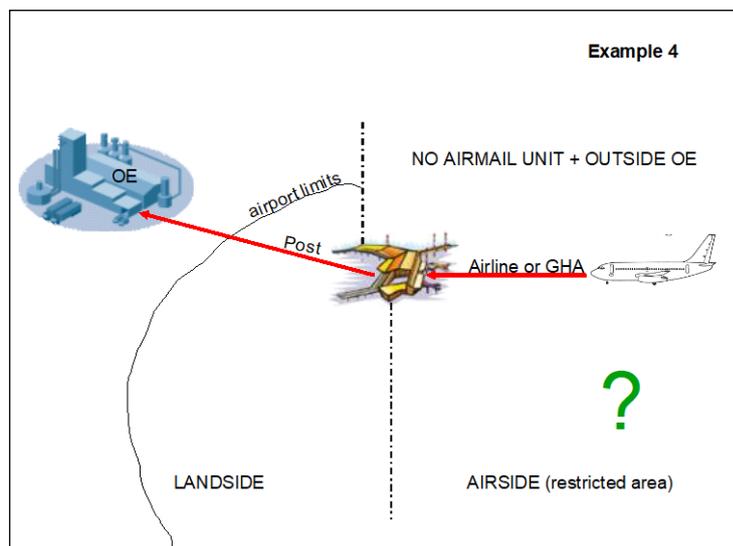
Comments on examples 1 and 2:

- Destination Post bears the cost of the airmail unit.
- Usually no intermediate storage between aircraft and AMU (airmail unit), although not always direct delivery from aircraft.
- The location of the OE (office of exchange), at the airport or outside, has no bearing on this issue.



Comments on example 3:

- Destination Post has no AMU cost.
- Destination Post would still expect the mail to be delivered to its airport OE.
- Post of origin expects the mail to be delivered to the destination Post, based on general specification in its agreement with the airline.
- No customs issue if OE is a qualified postal clearing centre.
- Airline might claim increased delivery cost and prefer to deliver to airside handling agent.



Comments on example 4:

- Destination Post has no AMU cost.
- Destination Post would not expect the mail to be delivered to its OE if located outside the airport.
- Not knowing the detailed set-up at destination, the Post of origin expects the mail to be delivered to the destination Post, based on the general specification in its agreement with the airline.
- No customs issue if OE is a qualified postal clearing centre.
- Airline has to deliver to airside handling agent.
- Destination Post usually collects from the handling agent.

In the postal business model, the split of responsibilities between the DOs of origin and destination is at handover at destination from the DO of origin to the destination DO. When the mail is delivered by air, the handover is done at the door of the destination DO's airmail unit (AMU) or at an agreed location at the airport when there is no AMU.

To do this, DOs typically contract air carriers to pick up the mail from the door of their office of exchange (OE) or airmail unit (AMU) and deliver it to the destination DO at the door of their OE or AMU.

The IATA Airport Handling Manual (AHM) includes sections dedicated to airmail, allowing airlines and ground handling agents to provide the services that airmail requires.

The IATA Standard Ground Handling Agreement (SGHA) also includes a dedicated sub-section which allows airlines to contract the specific services required for airmail, including delivery to the postal facility. The SGHA reflects that the handover to the DO of destination is performed by the ground handling agent on behalf of the airline.

In a normal situation, DOs of origin have global contracts with their airlines, where all details of the destination airport and post configurations are not mentioned.

The DO of origin expects the airlines to arrange for all ground handling operations at origin and destination and to cover their cost (as it is included in the rate quoted to the DO of origin), up to the location where the mail is handed over to the destination DO.

In most locations around the world, airlines are able to contract airmail handling services according to their own agreements with the DOs, according to the postal business model. Posts are seeking to establish uniform processes to avoid exceptions causing additional cost, uncertain liability transfer and possible loss of quality.

Please note the indications given in the definitions of Destination and Services in article 1 of the Agreement regarding the place of handover at destination and the scope of the services:

- 1.14 Destination: Location, normally inside the airport, where the mail is handed over to the DO of destination by the Carrier.
- 1.34 Services: All services related to the transportation of mail, such as loading, unloading, ground handling, security, transportation, distribution and documentation.

IV. Obligations of the Principal

Article 15 Operational aspects

- 15.1 The Principal should provide the information to the Carrier at least two weeks, and normally one month, before any flight schedule changes (normally at the end of March and the end of October). The Carrier will confirm to the Principal on which flight the mail will be carried. At least two weeks, and normally one month, prior to any exceptional period (such as Christmas) when mail volumes may vary more than 20% from normal, the Principal shall liaise to agree additional allocation of cargo space.

Regarding the estimated volumes, please note the commentary to article 26-002 of the Regulations to the Convention.

- 15.3 See articles 17-119 (Make-up of mails), 17-129 (Labelling of mails) and 17-221 (Transmission in closed mails) of the Regulations to the Convention for the requirements regarding packaging and labelling of postal items, and articles 17-144 (Return of empty receptacles) and 17-241 (Return of empty receptacles) for the packaging and labelling for the return of empty bags.

For letter post: in accordance with article 17-129.3.7, and to enable tracking of receptacles, the label shall include a barcoded receptacle identifier in compliance with UPU Technical Standard S9.

For parcels: in accordance with article 17-214.17, all designated operators shall include a barcoded identifier complying with UPU Technical Standard S9 on their receptacle labels.

The International Bureau maintains a user guide on the website to assist in using standard S9.

- 15.5 In order to ensure the process and performance, it is important that the parties agree on a planned handover and delivery point and time. The handover and delivery times are to be inserted in the CARDIT message.

Article 16 Documentation

- 16.1 See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails).
- 16.2 See articles 17-136/17-228 and 17-129 of the Regulations to the Convention for the CN 38 and CN 35 respectively, and article 17-221 of the Regulations to the Convention for the CP 84.
- 16.3 See articles 17-136/17-228 and 17-129 of the Regulations to the Convention for the CN 41 and CN 36 respectively, and article 17-221 of the Regulations to the Convention for the CP 83.

- 16.4 See articles 17-144 (Return of empty receptacles) and 17-241 (Return of empty receptacles) of the Regulations to the Convention.
- 16.5 Difficulties experienced regarding labelling might include unclearly printed labels or unscannable bar-codes.

V. Obligations common to both parties

Article 17

Dangerous goods and UPU wrongly admitted articles

See article 19-008 of the Regulations to the Convention (Dangerous goods prohibited from insertion in letter-post items and parcels), as well as articles 19.3 and 19.8 of the UPU Convention regarding the transport of dangerous goods by the post and the treatment of such items.

As in many other cases, there is a need for good, clear dialogue between the Principal and the Carrier. Together they must identify solutions to actual situations.

Article 18

EDI messaging

See articles 17-135 and 17-233 of the Regulations to the Convention (Transfer of mails).

Please note that article 18.1.3 of the Agreement invites the Parties to further detail the conditions of their EDI exchanges in a separate Agreement.

Elements to be agreed in advance by the parties exchanging CARDIT/RESBIT messaging can be:

- moment at which the messages have to be sent (e.g. one hour before scheduled flight departure);
- which RESBIT events are to be sent from the carrier and from which location point(s) in the supply chain (this depends on the local situation at each station);
- what are the RESBIT messages based on (usually positive data capturing by scanning the receptacle ID);
- what will the parties use the EDI messages for (e.g. quality follow-up).

It is recommended to include contact details for EDI issues in Annexes 5 and 6.

VI. Rates

Article 19

Rates

19.2 The calculation of the airmail distances between two points served by a line is established on the basis of the great-circle distance plus 2.5% (for the calculation: $\times 1.025$) to cover intermediate stops. The rate of increase represents the difference, for the whole route, between the great-circle distance from end to end and the sum of the great-circle distances from stop to stop on the shortest line. The distances thus obtained are rounded up to the nearest hundred when the last two figures are equal to or exceed 50.

The rates should include all costs, including all ground handling operations costs at origin and destination.

See article 33 of the UPU Convention and articles 33-101 (Formula for calculating the basic rate and calculation of air conveyance dues for closed mails) and 33-201 (Calculation of air conveyance dues) of the Regulations to the Convention regarding the BACR.

VII. Terms of payment

Article 20 Invoice

- 20.1 Please indicate the time frame for the invoicing of the services ("monthly" for example).
- 20.2 Please note UPU Congress resolution C 54/2008 regarding the use of postal air waybill numbers, which "Invites designated operators to use postal air waybill numbers combined with the postal product code with a view to improving traceability of postal flows".

Please also note that the preparation and adoption of guidelines for the postal air waybill is under discussion with IATA.

- 20.3 By EDI messaging most typically using CARDIT/RESBIT.
- Some of the most common irregularities regarding invoicing are wrong weight or wrong rate. They are usually corrected based on a dialogue between the parties. It is therefore important to also include the contact details of the accounting departments of both parties in Annexes 5 and 6.

Article 21 Payment

The time frame most commonly used for payment is 30 business days.

Article 22 Billing dispute

- 22.3.1 According to the UPU Regulations, the substitute delivery bill is established on a CN 46. See articles 17-137/17-229 (Missing CN 37, CN 38, CN 41 or CN 47 delivery bill), the CN 46 form and the guidelines for the use of the CN 46 substitute delivery bill.

VIII. Irregularities and liability

Article 23 Irregularities

- 23.1 The parties should state in Annex 3 (Estimated tonnage) whether the estimates are per year and/or per day. One possibility is to give a yearly estimate when entering into the contract and then to provide daily estimates during the contract period. The threshold related to the daily estimate depends on the local situation.

Example:

- Estimates below 300 kg per flight: 50 kg;
- Estimates of 300 kg or more per flight: 10%.

- 23.2 If the volume does not meet the volume forecast, the Principal should inform the Carrier as early as possible, in order to release allocated space back to the latter.

- 23.7 See articles 17-139.4 (Verification notes) and 17-137/17-229 (Missing CN 37, CN 38, CN 41 or CN 47 delivery bill) of the Regulations to the Convention.

Article 24

Liability

24.1 See articles 26-001 (Recovery from air carriers of indemnities paid), 33-109 (Air conveyance dues for mail lost or destroyed) and 33-203 (Air conveyance dues for lost or destroyed air parcels) of the Regulations to the Convention.

24.3 Please note that the liability of the Principal towards the Carrier in this clause should be passed on to the sender who is responsible for the content of the item according to article 24-001 (Establishment of sender's liability) of the Regulations to the Convention. According to articles 23.2.3, 23.2.4 and 24 of the UPU Convention, DOs are not responsible for the content of postal items.

24.5 The Principal could recover the indemnities that it had paid to the Carrier from the DO of transit or of destination who failed to take delivery of the mail. In such a case, the DO of transit has breached its obligation related to the freedom of transit principle according to article 4 of the UPU Convention and/or the DO of destination has breached its obligation to deliver letter-post items and parcels according to article 17 of the UPU Convention.

The recovery from the DO of transit or destination of the indemnities paid to the Carrier can only be requested in cases where the designated operator of transit or of destination can be held liable for having failed to take custody of the mail.

24.7 See articles 33-108 (Air conveyance dues for diverted or missent mails or receptacles) and 33-204 (Air conveyance dues for diverted or missent mails or bags) of the Regulations to the Convention.

24.9 See articles 17-139.4 (Verification notes) and 17-137/17-229 (Missing CN 37, CN 38, CN 41 or CN 47 delivery bill) of the Regulations to the Convention, and form CN 43.

The time frames mentioned are only indicative; they can be extended for reasons such as the fact that it may take some time to receive the documents from the destination Post.

24.10 In the event of a complaint or claim by the Principal to the Carrier for the loss or theft of mail based on article 24.1 of this Agreement, the Principal shall provide documentation to substantiate its claim.

Such evidence of the Carrier's liability may be documented by a copy of the CN 38 or CN 41 delivery bill, duly countersigned by the airline confirming handover at origin, together with the 29-character S9 receptacle identifier that was on the receptacle label (e.g. CN 35), identifying the dispatch and the receptacle in which the item was tendered to the Carrier.

This information is typically available in the Principal's database or in a central database. If possible, the Principal will do a receptacle-level track-and-trace query to collect as much information as possible from EDI messages concerning the receptacle, and will provide this information to the Carrier.

The Principal and the Carrier will mutually agree on the details of the process.

Article 25

Limitation of liability

25.1.1 See article 22 of the UPU Convention (Liability of designated operators. Indemnities), especially for the Principal's liability towards its customer.

Article 26

Exemption of liability

26.3 See articles 22.1.4, 23.2.1 and 23.2.2 of the UPU Convention and article 22-001 of the Regulations to the Convention (Application of the liability of designated operators).

IX. Duration and termination of the Agreement

Article 27

Entry into force and duration of the Agreement

Examples of duration:

- one calendar or fiscal year, with provision for automatic renewal of the contract for another single year unless either the Principal or the Carrier expressly states otherwise by the agreed date;
- a set maximum overall duration (three years, for example).

Article 28

Termination of the Agreement

28.1 Example of a reasonable time frame for notice of termination: 90 calendar days.

28.3 Examples of material breach include consistent failure to uplift the mail as scheduled, failure to maintain the security of the mail, or failure to maintain the mail in good condition and protected from the weather.

Example of a reasonable time frame to rectify the breach: 30 days.

28.3 and 28.4: Please note that article 26.5 of the Agreement specifies that an event of force majeure preventing a party from fulfilling its obligations for a continuous period exceeding one month is also a cause for termination with immediate effect.

X. Disputes

Article 29

Governing law and jurisdiction

XI. Final provisions

Article 30

Confidential information

Article 31

Force majeure

See article 23.2.1 of the UPU Convention.

Article 32

Amendments

Article 33

Severability