**Framework for a Postal Service Agreement**

**between**

the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, an air transport company incorporated under the laws of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and having its principal place of business in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (hereinafter “Carrier”),

**and**

the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a designated operator of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (country) incorporated under the laws of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and having its principal place of business in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (hereinafter “Principal”),

(Hereinafter individually referred to as “Party” or collectively as “Parties”)

**The Postal Service Agreement is applicable to the transportation of international mail**

from (country/airports of Principal) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to destinations served by (Carrier) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Hereinafter the “Agreement”)

**PREAMBLE**

**WHEREAS** the Principal wishes to contract with a Carrier to ensure the air conveyance of postal items;

**WHEREAS** the Carrier agrees to provide the conveyance of postal items to the Principal, under the terms and conditions specified in this Agreement;

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# Part A ‒ General terms and conditions

# I. Definitions

## Article 1

Definitions

As used in this Agreement, the terms stated below are to be interpreted as follows:

1 Acceptance: Point of time at which the Carrier formally agrees to provide the service in accordance with this Agreement, confirmed by the proof of acceptance provided by the Carrier to the Principal or the designated operator (DO) of origin.

2 Acts of the UPU: The international treaties referred to in the UPU Constitution (including, without limita­tion, the Universal Postal Convention and its Regulations), which may be found at [www.upu.int/en/
Universal-Postal-Union/About-UPU/Acts](http://www.upu.int/en/Universal-Postal-Union/About-UPU/Acts)

3 Agent:

3.1 Representative of the Carrier, including the ground handler performing duty on behalf of the Carrier at the airport of destination and, if relevant, at the airport of transhipment.

3.2 Representative of the Principal at the airport of destination, as indicated by the Principal to the Carrier.

4 Airmail: Items conveyed by air with priority.

5 Airmail routeings: All routes and schedules for the transportation of mail by the Carrier.

6 Basic airmail conveyance rate (BACR): Rate applicable for the transportation of mail by Carriers on behalf of DOs in the absence of any specific agreement of the latter on a rate. The BACR is calculated yearly by the UPU International Bureau and approved by the UPU Postal Operations Council. It is based on International Airline Financial Statistics prepared by the International Civil Aviation Organization (ICAO).

7 CARDIT: EDI message sent from a DO originating a consignment to a Carrier that is going to transport that consignment.

8 Consignment: A set of one or more receptacles of a particular mail category, using a common transport on a particular occasion, from a specific place of loading to a specific place of final destination.

9 Critical handover time: The latest time at origin the mail has to be handed over to the Carrier or the latest time at destination the mail has to be delivered to the DO in the country of destination.

10 Dangerous goods: The articles covered by the “Recommendations on the Transport of Dangerous Goods” drawn up by the United Nations, with the exception of certain dangerous goods provided for in the existing UPU Regulations, the ICAO Technical Instructions, and the International Air Transport Association (IATA) Dangerous Goods Regulations shall be considered as dangerous goods.

11 Days: Full calendar days, including legal rest days and public holidays.

12 Delivery: Handover of mail at the destination, confirmed by the proof of delivery.

13 Designated operator (DO): Any governmental or non-governmental entity officially designated by the member country to operate postal services and to fulfil the related obligations arising from the Acts of the UPU on its territory.

14 Destination: Location, normally inside the airport, where the mail is handed over to the DO of destination by the Carrier.

15 Documents: Documents, including bag tags and labels, issued by the DO according to the UPU provi­sions and regulations (such as the CN 38 delivery bill for priority and EMS products, or the CN 41 delivery bill for surface airlifted mail products with deferred priority), which, *prima facie*, give evidence of the contract for the performance of services between the DO and the Carrier. The documents serve, inter alia, as manual proof of acceptance and delivery, as proof of transportation, and as a basis for final billing. If the Parties have agreed to paper-free transportation, all documents shall be replaced by EDI except for bag tags and labels.

16 Electronic data interchange (EDI): The exchange of information messages (e.g. CARDIT and RESDIT) as specified in the latest version of the UPU EDI Messaging Standards publication.

17 Express Mail Service (EMS): A postal express service for documents and merchandise, which whenever possible will be the quickest postal service by physical means. This service may be provided on the basis of the EMS Standard Multilateral Agreement or by bilateral agreement.

18 Handover: Transfer of control/custody of mail by one Party to another Party.

18.1 Accepted: Acceptance of the mail by the Carrier for transportation, which takes over its custody from the Principal.

18.2 Delivered: Delivery of the mail transported by the Carrier to the DO of the country of destination.

19 International Air Transport Association (IATA): A trade association for the world’s airlines, whose mis­sion is to represent, lead and serve the airline industry.

20 IATA season:

20.1 The IATA summer season starts on the last Sunday of March and ends on the last Saturday of October.

20.2 The IATA winter season starts on the last Sunday of October and ends on the last Saturday of March.

21 Mail: All postal receptacles as defined in the Universal Postal Convention. The mail transported shall be divided into priority mail or surface airlifted mail conveyed by air with reduced priority. Any articles lodged on the documents are classified as mail. Non-postal cargo or goods which are referred to in the Chicago Convention 1944, Warsaw Convention 1929, Montreal Convention 1999 or any related Protocol or Convention are excluded. Mails are classed as:

21.1 “Airmails” which are conveyed by air with priority. Airmails may contain airmail items and priority items.

21.2 “Priority mails” which are conveyed by surface but which have the same priority as airmails. Priority mails may contain priority items and airmail items.

21.3 “Surface airlifted (S.A.L.) mails” which contain S.A.L. items and non-priority items.

21.4 “Surface mails” which contain surface Mail and non-priority items.

22 Non-priority item: Item for which the sender has chosen a lower rate, implying a longer delivery time.

23 Origin: The place of dispatch of the mail, where the Carrier accepts the mail from the Principal to provide the services.

24 Postal item: Generic term referring to anything dispatched by a DO (letter post, parcel post, money orders, etc.).

25 Priority item: Item conveyed by the quickest route (air or surface) with priority.

26 Proof of acceptance (“POA”): A positive check of all mail received by the Carrier by positive data cap­turing of mail receptacle identifiers enclosed in the proper EDI messages generated by the Carrier, and/or by the signature of the documents, or by other agreed data exchange. Proof of acceptance is subject to the critical handover time specified by the Carrier for a specified tonnage of mail.

27 Proof of delivery (“POD”): A positive check of all mail received by the DO at destination or by its agent by positive data capturing of receptacle identifiers enclosed in the proper EDI messages generated by the Carrier, and/or by the signature of the documents, or by other agreed data exchange. Proof of delivery is subject to the critical handover time specified by the Carrier for a specified tonnage of mail, and to the local DO’s availability to sign or exchange a POD.

28 Receptacle: A unit of a dispatch and of a consignment. The receptacle is typically a bag or a tray con­taining postal items. Receptacles are a physical entity handled by carriers such as airlines. When air transport is involved, a receptacle can also be an airline container with loose-loaded parcels, or a pallet of mail. An individual parcel or EMS item too large to fit in a mailbag can also be a receptacle. Each receptacle has a standard 29-character barcoded receptacle ID. The receptacle ID is used by carriers, as well as by DOs. The applicable UPU standard for receptacle ID is S9.

29 Rates: Service fee as stated Annex 1 in this Agreement.

30 RESDIT: The message sent by a Carrier to the DO. A RESDIT message is normally sent in response to a CARDIT. However, if no CARDIT is received, a RESDIT message can also be sent if a suitable message standard is used between a DO and a Carrier. There can be several RESDIT messages for a single CARDIT as the receptacles in a consignment are transported along the supply chain from origin to destination.

31 Routeing plan: The list of airmail routeings that shall be used for the service as agreed between the Carrier and the Principal, as specified in Annex 8.

32 S.A.L. (surface airlifted) item: Any surface item conveyed by air with reduced priority.

33 Special Drawing Right (SDR): The SDR is an international reserve asset created by the International Monetary Fund in 1969 as a supplement to existing reserve assets. Its value is based on a basket of currencies whose weight is adjusted at regular intervals. The SDR is used by the UPU and several other international organizations as an accounting unit.

34 Services: All services related to the transportation of mail, such as loading, unloading, ground handling, security, transportation, distribution and documentation.

35 Tonnage: The tonnage of mail in a consignment handed over by the Principal in accordance with the estimated tonnage and/or accepted by the Carrier for the service. For the purposes of this Agreement, “tonnage” shall refer to the measure of weight in kilos and be deemed as equivalent to the term “vol­umes” as used throughout the Acts of the Union.

36 Transportation: The actual transport and physical movement by air, sea or road, as the case may be.

37 Universal Postal Union (UPU): The intergovernmental organization and specialized agency of the United Nations whose aim is to secure the organization and improvement of the postal services and to promote in this sphere the development of international collaboration.

38 Universal Postal Convention: International treaty containing the rules applicable throughout the interna­tional postal service.

# II. Objectives and scope of the Agreement

## Article 2

Objectives and scope of the Agreement

1 This Agreement describes the conditions pursuant to which the Carrier shall provide services to the Principal from the point of origin to the point(s) of destination in conformity with applicable rates, the routeing plan and the estimated tonnages as mentioned in the Annexes (see List of Annexes).

2 This Agreement applies to the provision of the services relating to the following categories of mail men­tioned in the Universal Postal Convention, in strict accordance with the relevant provisions of the Acts of the UPU:

2.1 EMS;

2.2 Priority mail: airmail (letter post, parcel post, money orders);

2.3 Non-priority mail: S.A.L. items (letter post and parcel post);

2.4 Empty bags (SV).

# III. The Carrier’s obligations

## Article 3

Service

1 The Carrier shall provide the services for the Principal in accordance with this Agreement.

## Article 4

Integrity of mail

1 The Carrier shall handle the mail as specified in this Agreement in accordance with the levels of perfor­mance detailed in Annex 3.

2 The Carrier shall, to the best of its abilities and as far as may reasonably be expected, provide necessary protection for all mail in its possession from weather, dust, damage, loss or theft while in its custody.

## Article 5

Custody of the mail

1 Mail shall be considered to be in the custody of the Carrier, from the proof of acceptance of the mail until proof of delivery.

2 Without limitation, proof of acceptance and proof of delivery may be provided either in writing (by signing the documents) or by an electronic acknowledgement of receipt. The availability of manual proof of acceptance or delivery is subject to local conditions that apply to the Carrier and/or the Principal. Where EDI messaging is used, the Principal and the Carrier shall agree on the scope, timing and source location of such messages in accordance with ‎article 17 of the present Agreement.

## Article 6

Handover[[1]](#footnote-2)

1 Subject to ‎article 9, the Carrier shall accept for transportation any mail whose contents are neither listed in article 17 nor Annex 4 and which complies with the packaging and labelling requirements laid down.

2 The Carrier shall check the mail and documents at handover. From the moment the Carrier accepts the consignment, the mail shall be considered to be in the custody of the Carrier until its handover at destination or at the airport of transhipment.

3 Where a Carrier has accepted the mail within the agreed time limits, the Carrier shall check the mail against the documents or the EDI message. Where there is a discrepancy, the staff of the Principal or the Carrier shall prepare documents and/or provide EDI messages to cover the discrepancy accordingly. The Parties shall agree and sign the new documents and/or confirm the updated EDI message.

4 The Carrier is authorized to examine (screen) the receptacles, without opening them, visually or using technology – e.g. X-ray, explosive trace detection (ETD) – for the purposes of clearing the articles for uplift under aviation security regulations and if allowed by national legislation.

5 After accepting the mail and before forwarding it, the Carrier may, at its own expense, correct any pack­aging and labelling irregularities discovered at its premises. Otherwise, the Carrier shall inform the Principal as soon as practicable for instructions regarding the items.

6 Where the Carrier has elected to withhold mail in cases of suspected damage, pilferage or tampering, the Carrier shall forward the remainder of the consignment that is not affected and amend the documents accordingly. The Carrier shall inform the Principal as soon as practicable for instructions in regard to the item suspected of pilferage or tampering, and allow on request, inspection of the mail at the premises of the Carrier. The Carrier shall make a record concerning affected mail and give a copy of it to the Principal.

7 In the event that the mail is returned or held by the Carrier, the Carrier shall notify the Principal of the details within 24 hours.

8 Subject to the above paragraphs of this article, the mail shall be held by the Carrier if the transport of such mail constitutes a danger to other mail, goods or equipment belonging to the Carrier, its employees or third parties. The costs of such storage or subsequent disposal shall be borne by the Principal. Alternatively, the Carrier shall hand over such mail to the authorities.

9 The Principal shall provide consignment security declaration information to the Carrier in conformity with UPU standards and regulations.

## Article 7

Critical handover times

1 The critical handover time at origin and at destination which the Parties have agreed shall be as shown in Annex 3.

2 For performance measurement purposes, should the DO of destination be unable or unprepared to accept handover of the Principal’s mail at the time when the Carrier arrives at the DO of destination’s facility and is prepared to perform the handover, the Carrier shall be entitled to record and report the delivery time of the mail to be the time the Carrier was prepared to effect the handover and without accounting for delays incurred resulting for any reason from the DO of destination being unable to accept the mail at the time when the Carrier first attempted handover.

3 The Carrier’s performance shall be measured against the above service criteria.

## Article 8

Handover failure

1 In the event of handover failure by the Principal, the Carrier shall use reasonable endeavours to uplift, in whole or in part, the mail on the planned flight, but cannot guarantee to transport it without delay. If the mail cannot be uplifted, the Carrier shall contact the Principal as soon as practical for further instructions.

## Article 9

Refusal of handover

1 The Carrier may refuse to accept handover of the mail (handover failure), including under the following example circumstances:

1.1 Mail placed in damaged bags or receptacles;

1.2 Mailbags or individual receptacles weighing more than \_\_\_ kg, prior to delivery to the Carrier;

1.3 Loose parcels weighing more than \_\_\_ kg or measuring more than (\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) metres for the sum of the length and greatest circumference measured in a direction other than that of the length;

1.4 Receptacles with unreadable or poorly attached labels;

1.5 Handover of the mail after the agreed time and/or at a location different from the one agreed, subject to the Agreement;

1.6 Mail tendered in excess of the agreed allocation, subject to article ‎23.1 of the Agreement.

2 The Carrier has the right to refuse the handover of mail at origin or to hand over the mail at destination and shall return such mail at the Principal’s expense, or hold such mail at any point, at its discretion, in the cases mentioned below. In all cases, the Carrier shall notify the Principal of the reasons for refusal:

2.1 The Carrier has objective and reasonable reasons to perceive its contents to be illegal, or of a dangerous nature or otherwise, and that its contents are likely, in the sole judgement of the Carrier, to damage or affect other mail, goods or equipment belonging to the Carrier, its employees or third parties;

2.2 A visual inspection indicates that the mail to be uplifted appears to be improperly packed, wrapped or labelled or is in a condition indicating suspected damage, tampering or pilferage at the moment of hand­over and before proof of acceptance from the Carrier. In this case, the Carrier shall provide the Principal with the opportunity to correct the defects when the handover and handling time allows;

2.3 The Principal fails to meet or is likely not to meet its financial obligations stipulated under this Agreement.

3 The Carrier should not refuse to hand over mail at destination because of an accounting dispute or any other type of dispute between the Principal and the Carrier.

## Article 10

Routeing

1 The Carrier shall provide to the Principal the new airmail routeings, including the specification of the restrictions of the mail load capacity per flight, at least (\_\_\_\_\_\_\_\_\_\_) before the start of the new IATA season so as to enable the latter to provide a routeing plan and estimated tonnages per flight to the Carrier in accord­ance with ‎article 15 of the present Agreement.

2 The Carrier shall notify the Principal, as soon as possible and ideally a week before the implementation date, of any schedule changes to its flights or any other known issues that are relevant to the smooth perfor­mance of the services. When possible, revised flight schedules should be provided to the Principal 30 days before the publication of the seasonal timetables.

## Article 11

Performance

1 The Carrier shall use its best efforts to uplift mail accepted for transportation to the destination without delay.

2 If the transportation chain is interrupted through the fault of the Carrier, the Carrier shall be responsible for the return of the mail to origin or for its storage until the transportation is resumed. If the transportation chain is interrupted through no fault of the Carrier, the Carrier shall immediately contact the Principal for further instructions.

3 The Carrier shall provide the services for the Principal’s mail for the agreed quantities set out in Annex 2.

4 The Carrier shall ensure that the services meet the following level of performance:

4.1 The Carrier shall achieve the agreed percentage performance success level specified for each mail category in Annex 3, which can be defined as the ratio of the contracted tonnages for each consignment accepted by the Carrier at origin and handed over before the critical handover time at destination, over a period of six months or whatever different time period is agreed between the Parties.

5 The Principal and the Carrier shall meet at agreed intervals to review and discuss all issues arising from the performance of this Agreement. Each Party shall provide the other Party with information/data concerning the carriage of mail under this Agreement, as and when requested, to review each Party’s performance. Upon notification by one Party to the other that it is not performing according to the agreed levels, the non-performing Party shall provide the other Party with an action plan to remedy any performance deficiency within a specified timeframe.

6 The Principal and the Carrier shall establish contingency plans to take account of possible unplanned events or circumstances, such as those listed in Annex 9.

## Article 12

Subcontractors

1 The Carrier is authorized to use other carriers or non-carrier subcontractors if necessary to provide the services and guarantee the required performance success level under this Agreement. It is the Carrier’s responsibility to inform the Principal and manage the performance of such subcontractors to the performance levels stipulated in this Agreement.

## Article 13

Access of the Principal to the Carrier’s premises

1 Subject to the Carrier’s policy and aviation security requirements, the Carrier or its agent may provide the Principal with access to the Carrier’s premises and aircraft with a view to exercising control over the security of receptacles during their transport. The Carrier shall be informed as far in advance as possible of the number and identity of any of the DO’s staff accessing airline premises and aircraft. The Principal’s staff may need to be accompanied by the Carrier’s staff.

## Article 14

Delivery failure and possible remedy

1 In the event that the mail cannot be delivered to the agreed location at destination, it shall be stored, subject to local regulations, at the Carrier’s mail handling unit, and the DO of destination shall be contacted for an alternative handover location. The Principal shall be notified of the measures taken thereon within 24 hours and shall bear the additional costs incurred by the Carrier, except in the case of delivery failure attributable to the Carrier.

2 The Carrier shall notify the situation to the Principal within 24 hours and comply with any reasonable instructions from the Principal, if the DO of destination:

2.1 refuses or fails to take possession of the mail;

2.2 refuses or fails to deliver proof of delivery after its arrival at the place of delivery.

3 In the absence of instructions from the DO of destination or if such instructions cannot reasonably be complied with, the Carrier shall inform the Principal and have the right to return such mail to the Principal at the Principal’s expense, after having notified such event to the Principal within \_\_\_\_ business days.

# IV. The Principal’s obligations

## Article 15

Operational aspects

1 The Principal shall give an estimate by route, flight and day of the week, of the tonnages of mail that it wishes to be transported by the Carrier. This estimate shall be provided by the Principal no later than \_\_\_\_\_ days/weeks in advance of the needed schedule/capacity and agreed by the Parties.

2 The Principal shall provide the Carrier with a mail routeing plan, not later than two weeks after the publication of the Carrier’s timetable for the new IATA season applicable for cargo and mail, but in any case before the change of the current schedule.

3 The Principal shall ensure that all mail is packed and labelled before it is handed over to the Carrier.

4 The Principal shall sort the mail by flight number (1st leg) for handover to the Carrier.

5 The Principal shall provide the Carrier with planned handover and delivery points and times in CARDIT.

## Article 16

Documentation

1 The handover of all mail to the Carrier shall be accompanied by proper airmail documentation:

1.1 Priority mail: CN 38 delivery;

1.2 Non-priority mail: CN 41 delivery bill;

1.3 Empty mailbag: CN 47 delivery bill;

1.4 Any other transport-related forms as prescribed by the Acts of the UPU;

1.5 Consignments shall always be shipped with a minimum of six copies of the delivery bills.

2 The writing on all documents, forms and labels furnished by the Principal shall be readable and unam­biguous, and in a language whose script is recognized internationally.

# V. Obligations common to both Parties

## Article 17

Dangerous goods and UPU wrongly admitted articles

1 The Parties shall comply with the limitations on the transport of dangerous goods.

2 The services may only be provided in respect of mail as defined under the relevant provisions of the Acts of the UPU, as well as, subsidiarily, any other relevant rules set forth by the International Civil Aviation Organization and the International Air Transport Association.

3 With respect to 17.1 and 17.2 herein, the Parties shall take all reasonable measures accordingly. They shall not subject their performance hereunder to safety and security measures other than those provided by local legislation, the requirements of the civil aviation authority and the Acts of the UPU. Specific measures and specific tasks related to the transport of dangerous goods that each Party is responsible for are specified in Annex 4 to this Agreement.

4 The Parties shall observe the following prohibitions in all categories of postal items:

4.1 The insertion of the following articles shall be prohibited in all categories of items: narcotics and psycho­tropic substances, as defined by the International Narcotics Control Board, or other illicit drugs which are prohibited in the country of destination.

4.2 The insertion of explosive, flammable or other dangerous goods as well as radioactive materials shall be prohibited in all categories of items.

4.3 The insertion of replica and inert explosive devices and military ordnance, including replica and inert grenades, inert shells and the like, shall be prohibited in all categories of items.

5 The Parties shall ensure that protocols for alarm resolution are in place.

## Article 18

EDI messaging

1 In case of use of CARDIT/RESDIT messaging between the Parties:

1.1 The Principal shall transmit a CARDIT message, in conformity with UPU EDI messaging standards, to the Carrier for every consignment handed over;

1.2 The Carrier shall transmit RESDIT messages, in conformity with UPU EDI messaging standards, to the Principal;

1.3 The technical arrangements, as well as the events and locations covered for CARDIT/RESDIT, shall be agreed between the Parties and shall be documented separately in accordance with the established principles.

# VI. Rates

## Article 19

Rates

1 The Principal shall pay for the services according to the rates which have been agreed between the Parties, and set out in Annex 1 of this Agreement.

2 Rates are set on an origin–destination basis (from the agreed handover location at the airport of origin to the agreed handover location at the airport of destination). If a destination is not mentioned in Annex 1, the applicable basic airmail conveyance rate shall be applied. The distance for the origin–destination pair con­cerned shall be calculated according to the applicable procedure for calculating airmail distances contained in the List of Airmail Distances published by the UPU International Bureau in collaboration with IATA, or any other official publication if the distance data is not covered in this List.

3 In the event that the Principal uses a flight segment for which the Carrier did not give prior confirmation of acceptance, the Carrier has no obligation to carry the mail. In cases where mail is uplifted, the Carrier reserves the right to charge the applicable basic airmail conveyance rate calculated on the applicable airmail distance or the rates defined in Annex 1.

4 Rates are expressed and paid in a currency agreed between the Parties, on an origin–destination basis for the various categories of mail involved. See Annex 1.

5 If services of other carriers are used as explicitly laid out in the airmail routeings, the rates include the charges of the services of those other carriers.

# VII. Terms of payment

## Article 20

Invoice

1 The Carrier shall invoice the Principal for the services rendered under this Agreement on a (\_\_\_\_\_\_\_\_\_\_\_) basis.

2 All invoices shall be based on the applicable UPU airmail documents submitted to the Carrier by the Principal upon acceptance of the mail, and shall be submitted by the Carrier to the Principal in duplicate or in electronic format.

3 The Carrier shall have the following billing options:

3.1 On the physically captured document accompanying the mail consignment.

3.2 On the Carrier’s own (substitute) documents, either obtained manually, or from positive data capturing of the receptacle identifiers enclosed in proper EDI messages.

## Article 21

Payment

1 The payment as per invoice is due within (\_\_\_\_\_\_\_\_\_\_\_) business days following the date of receipt of the invoice.

2 In the event of a discrepancy, the Principal may withhold the payment of the disputed amount only.

3 In such case, the Principal shall inform the Carrier within (\_\_\_\_\_\_\_\_\_\_\_) business days specifying which items it disputes, by returning the invoice to the Carrier accompanied by its attachments or any other means to that effect.

4 The undisputed amount stated on the invoice is to be paid as stipulated in ‎21.1.

## Article 22

Billing dispute

1 By failure to comply with its obligation under ‎article 20, the Principal waives its right to withhold payment.

2 The Carrier may notify the Principal of its official reply concerning the acceptance or rejection of the discrepancy within (\_\_\_\_\_\_\_\_\_\_\_) business days following receipt of the disputed invoice.

3 If the Carrier does not accept the discrepancy, it shall send a supplementary invoice, including proof of carriage or service, which has to be settled within (\_\_\_\_\_\_\_\_\_\_\_) business days. The Carrier may present such undisputable proof of physical carriage or service by means of:

3.1 A substitute delivery bill established by the Carrier, with appropriate signature by the destination DO, containing the full details of a mail consignment as specified on CN documentation;

3.2 An EDI scanning track record established by the Carrier at the airport of destination containing the full details of a mail.

4 Both proof of carriage or service described in ‎22.3.1 and ‎22.3.2, when presented together, shall unconditionally overrule any third party carrier’s payment claim for the same mail consignment, on the basis of the original documents only.

5 In the circumstances provided for in ‎22.3.1 and ‎22.3.2, and considering article ‎21.4, the Principal shall settle the invoice with the Carrier delivering proof of carriage or service.

6 If payment has not been made within a maximum of (\_\_\_\_\_\_\_\_\_\_\_) business days following the date of acceptance of the invoice, the Principal shall be obliged to pay the interest due on the amount, in accordance with the amount specified in Annex 1 to this Agreement.

7 If payment has not been made within the period stipulated in ‎22.6, the Carrier shall have the right to refuse and suspend all transportation of mail, without being in breach of the Agreement, until all overdue debts are paid.

# VIII. Irregularities

## Article 23

Irregularities

1 If the daily tonnage of the mail exceeds (\_\_\_\_\_\_\_\_\_\_\_) percent of the estimated daily tonnage as set out in Annex 2, the Principal shall contact the Carrier in the shortest possible time in advance in order to enable the Carrier to try to accommodate the transportation of such extra tonnage.

2 In the event that the tonnage by route, flight and day of the week is over (\_\_\_\_\_\_\_\_\_\_\_) percent less than the estimated tonnage, the Principal shall inform the Carrier as early as possible unless otherwise agreed.

3 The Principal shall always notify the Carrier as soon as possible of any irregularities that could endanger the proper transportation of mail under this Agreement.

4 At the point of origin, in the event of a failure to uplift mail or in case of anticipated delays, the Carrier shall notify the Principal as soon possible before the scheduled flight departure so that further instructions may be given. Where the routeing plan already provides for alternative routes, they should be used.

5 The Carrier shall always notify the Principal within 24 hours of any irregularities, such as delay, loss or theft of, or damage to, mail discovered during transportation under this Agreement.

6 The Carrier shall always notify the Principal within 24 hours when postal items face events which prevent the continuation of conveyance, such as when wrongly admitted items are discovered at an intermediate loca­tion. Upon notification of a retained item, the Principal shall provide specific instructions for resolving the inci­dent. An initial response shall be made within one working day following receipt of the report. The initial response from the Principal may not necessarily resolve the reported event, but rather serve as an acknowledgement that it has been reported and that further investigation is under way. Updated reports shall be provided by the Principal every 72 hours until resolution of the event. These guidelines for the timeframe are based in terms of normal business days and take account of holidays, time zone differences and weekends.

7 In the event that the mail cannot be delivered to the designated destination, the Carrier shall advise the Principal and request advice as to what action the Principal requires the Carrier to take. Subject to the reasons for non-delivery, the Parties shall agree on the cost of remedying the situation.

8 Each Party shall send notice of irregularity to the other Party in writing, by mail, fax or e-mail, accompa­nied by available copies of the applicable mail documents and attachments, such as proof of damage or mis­routeing by the Principal. Such notice shall be addressed to the Carrier’s or the Principal’s responsible depart­ment (whose contact details are provided in Annexes 6 and 7 respectively). No action is to be taken in the case of any irregularity regarding mail unless a prior complaint is made to the Carrier or the Principal, as applicable.

9 In the event that dangerous goods or prohibited, inadmissible or wrongly admitted items are discovered in a receptacle in transhipment, the carrier should refer to the “Alarm Resolution”, which refers to occurrences during conveyance that raise suspicion in the supply chain wherein the article cannot advance until it is resolved. In cases of transhipment, the carrier at the intermediate site should independently manage the situation and make earnest efforts to resolve the alarm. As a final resort, the alarm incident should be reported to the DO of the intermediate location, which may then render assistance as needed – such as contacting the responsible DO of origin to coordinate a resolution. Final dispositions (such as disposal, return to transport stream, or release of custody to the DO of the intermediate location) may vary according to the circumstances.

## Article 24

Complaints

1 In case of damage to the mail, the Principal shall make a complaint to the Carrier forthwith after discov­ery of the damage, and at the latest, within 14 days from the date of handover at destination. In the case of delay in the carriage of the mail, the Principal shall make a complaint to the Carrier forthwith, and at the latest, within 21 days from the date of handover at destination.

2 All complaints shall be made in writing.

3 Unless a complaint is made within the period specified in ‎24.1, no action may be brought against the Carrier, save in the case of fraud or other wilful misconduct on its part.

4 The Principal’s right to complain shall be extinguished if an action is not brought within a period of two years from the date of handover at destination or from the date on which the carriage stopped.

5 The method of calculating the period set out in ‎24.4 shall be determined by the relevant jurisdiction of the member country seized of the case.

# IX. Liability

## Article 25

Liability of the Carrier

1 Subject to the liability limitations and exemptions set forth in articles 28 and 29, while mail is in custody of the Carrier during the services provided under this Agreement, the Carrier shall be liable to the Principal for:

1.1 Any material breach by the Carrier of any of its obligations under this Agreement which remains unsolved \_\_\_ days after receipt of written notice from the Principal;

1.2 Any loss or theft of, or damage to mail;

1.3 Any injuries to persons or damage to property of any kind on or at the Carrier’s premises which arise from the negligence or wrongful act or omission by the Carrier.

2 Subject to articles 5 and 17, if the Carrier fails to uplift the mail on the scheduled transportation, the Principal shall have the right to use an alternative means of transportation or carrier. Except in the case of a force majeure event (defined in article 34) or when the Carrier has notified the DO of a flight cancellation or change of aircraft within \_\_\_\_ hours before departure, the Carrier shall reimburse the Principal for the actual costs incurred in dispatching mail by alternative carriers up to the rates the Carrier would have charged had it performed the Services for the scheduled transportation. Supporting documentary evidence shall be provided to the Carrier if available.

3 Subject to articles 5 and 17, the Carrier shall be liable for reasonable storage costs if it fails to hand over or accept compliant mail for transportation at the time and place agreed.

4 In cases of misrouteing of any category of mail, the Carrier shall refund the reasonable transportation costs claimed by the Principal concerned, provided that such misrouteing is not caused by the Principal.

5 When mail is in transit and cannot be delivered by the Carrier to the original destination, the Carrier shall inform the Principal and bilaterally agree on a solution.

## Article 26

Liability of the Principal

1 The Principal shall be liable to the Carrier for any disruption or actual damage caused by any mail handed over to the Carrier by the Principal under this Agreement in accordance with the applicable laws. The Principal shall indemnify the Carrier against any legal liability for claims or suits, including costs and expenses incidental thereto, covering, without limitation, damage or loss to the Carrier’s aircraft. The carrier shall present the Principal with all relevant documentation to prove and account for damage quantification.

2 The Principal shall be liable for all the expenses and costs resulting from failure by the DO of destination to take over delivery of the mail, provided that the Carrier has duly performed its obligations under this Agreement.

3 The Principal shall be liable for all the expenses resulting from the discovery in transit by the Carrier and/or competent authorities of prohibited goods such as, but not limited to, hidden dangerous goods, illegal or misdeclared goods. The Carrier shall present the Principal with all relevant documentation to prove and account for such expenses.

## Article 27

Liability of both Principal and Carrier

1 Each Party shall assume the same contractual liability towards the other Party for the acts of its servants, employees or agents as for its own performance under this Agreement.

## Article 28

Limitation of liability

1 The liability of the Parties towards each other shall be as follows:

1.1 The liability of the Carrier towards the Principal for claims of third parties shall be limited to \_\_\_ monetary units per item;

1.2 The liability of the Carrier for all losses in any manner arising out of, relating to, or occurring in connection with this Agreement shall not exceed \_\_\_\_\_.

2 The limitations of liability set out in ‎28.1.1 and ‎28.1.2 shall not apply to losses caused by the wilful misconduct or gross negligence of a Party or its agents, liability for which shall be unlimited unless otherwise specifically excluded or limited by applicable national law, and then only to the extent of such exclusion or limitation.

3 Notwithstanding ‎28.2 and unless otherwise provided for by national law, neither Party shall be liable to the other for any indirect, consequential, punitive or special damages, loss of goodwill, loss of profits, loss of anticipated savings, or claims from third parties.

## Article 29

Exemption of liability

1 In the event that the Principal/the DO at destination (or its nominated agents) refuse or fail to hand over the mail/take possession of the mail and/or refuse to sign for acceptance of the mail, the Carrier shall not incur any liability for failure or delay if:

1.1 It has complied with the agreed handover procedure as specified in the annexes, which includes hand­over at the agreed location at the stipulated processing times with the complete and proper documents, and/or EDI transmission; and

1.2 It has provided the Principal with proper notification, in the shortest possible lead time, including the date and time of attempted handover/delivery, where applicable and supported if available by a confir­mation of the DO at destination, confirming refusal and/or providing reasons for refusal to take posses­sion of the mail.

2 In the circumstances described in ‎29.1, the Principal shall be liable for any additional costs incurred for the additional handling performed by the Carrier. Supporting documentary evidence shall be pro­vided if requested.

3 Neither Party shall be liable towards the other Party for any delays or failure in the performance of its obligations owing to any reason beyond its control or the control of its agents, so long as such Party continues to be affected by such events of force majeure as defined in ‎article 34.

4 A Party seeking to rely on the provisions of this clause shall promptly give notice thereof to the other Party, and shall endeavour to perform its obligations as soon as possible.

5 If any event of force majeure prevents a Party from fulfilling its obligations for a continuous period exceeding one month, the other Party shall have the right to terminate this Agreement with immediate effect following receipt of written notification by the other Party.

6 The Carrier shall not be liable under any circumstances for the delay, loss or theft of, or damage to, or destruction of, mail or any other property caused by, or resulting from:

6.1 Inherent defect, quality or vice of its content;

6.2 Defective packing of the mail;

6.3 An act of war or armed conflict;

6.4 An act of public authority carried out in connection with the entry, exit or transhipment of the mail.

# X. Duration and termination of the Agreement

## Article 30

Entry into force and duration of the Agreement

1 This Agreement shall enter into force on (starting date) and shall expire on (ending date) unless termi­nated earlier pursuant to ‎article 31 hereof. The Parties may agree on an extension of this Agreement at least (\_\_\_\_\_\_\_\_\_\_\_) days before the date of expiry.

## Article 31

Termination of the Agreement

1 The Agreement may be terminated, in whole or in part, by either Party before the expiry date of the contract by giving written termination notice to the other Party at least (\_\_\_\_\_\_\_\_\_\_\_) days before such termi­nation takes effect.

2 If, for a specific destination, the Carrier does not meet the agreed performance level or has changed its schedule so that the Principal’s requirements are not fulfilled, the Agreement may be partially terminated for that specific destination.

3 If a Party is in material breach of any of its obligations stated in the Agreement and this breach is not remedied within (\_\_\_\_\_\_\_\_\_) days upon receipt of written notification thereof, the non-breaching Party may terminate this Agreement immediately by notifying the other Party in writing, without observance of any notice period.

4 Without prejudice to the other provisions of this Agreement, each Party is empowered to terminate this Agreement with immediate effect, without any further establishment of default in the event of and at the time when:

4.1 The other Party applies for suspension of payments;

4.2 The other Party has filed for bankruptcy, insolvency or similar proceeding, or is declared bankrupt;

4.3 The other Party is a body corporate and is dissolved.

# XI. Disputes

## Article 32

Governing law and jurisdiction

1 This Agreement is governed and construed in accordance with the laws of \_\_\_\_\_\_\_\_\_, without regard to principles of conflict of laws.

2 All disputes or disagreements arising from this Agreement should be negotiated and settled between the Parties in a constructive and reasonable manner.

3 Any disputes or disagreements that cannot be settled amicably shall be referred to the competent tribu­nal in (country \_\_\_\_\_\_\_\_\_\_\_\_\_) or, at the discretion of the Parties, shall be settled by arbitration.

# XII. Final provisions

## Article 33

Confidential information

1 The Parties shall recognize that this Agreement contains commercially sensitive information, and shall agree to treat the entire contents of this Agreement, its annexes and any information provided hereunder as strictly confidential. They shall refrain from disclosing any such information to third parties, unless prior written consent is obtained from the other Party. This shall be subject to the laws applicable in (country \_\_\_\_\_\_\_\_\_\_\_\_\_).

2 The Carrier shall comply with its obligations regarding postal secrecy as published in the UPU Acts.

3 If the carrier has screened the mail for the purpose of clearing the receptacles for uplift under security regulations the images may only be used for this purpose and must not be saved for a longer period than required by national legislation.

## Article 34

Force majeure

1 Neither Party shall be liable towards the other Party for any delays or defect in the performance of its obligations or duties owing to any unforeseen reason, including but not limited to acts of God, fires, floods, riots, epidemics, quarantine restrictions, government acts, political uprising, freight embargoes, or any other such causes beyond such Party’s control.

## Article 35

Amendments

1 This Agreement represents the entire understanding between the Parties and may only be amended if such amendments are made in writing and signed by both Parties to the Agreement.

2 All annexes to this Agreement form an integral part thereof.

## Article 36

Severability

1 Should any provision of this Agreement be held invalid, or prohibited, such provision shall be ineffective only to the extent of such invalidity or prohibition and shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

Signatures

As agreed and signed in duplicate on:

|  |  |
| --- | --- |
| For the Carrier:Place and date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NameTitle  | For the Principal:Place and date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NameTitle |
|  |  |
| Place and date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NameTitle  | Place and date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NameTitle |

List of Annexes

| *Name* | *File name* | *Version No. and date* | *Digital copy* |
| --- | --- | --- | --- |
| Annex 1: Rates |  |  |  |
| Annex 2: Estimated tonnages |  |  |  |
| Annex 3: Performance success level |  |  |  |
| Annex 4: Safety and security |  |  |  |
| Annex 5: Special provisions |  |  |  |
| Annex 6: Contact list – Principal |  |  |  |
| Annex 7: Contact list – Carrier |  |  |  |
| Annex 8: Routeing plan |  |  |  |
| Annex 9: Contingency plans  |  |  |  |

1. Handover (acceptance and delivery) may be facilitated by a mail registration device (MRD) that allows for quick and simple registration of mail handovers from and to postal operators at postal facilities situated in airports. [↑](#footnote-ref-2)