GENERAL SALES AGENCY AGREEMENT FOR PASSENGER SALES

Between

M/s AIR INDIA LIMITED

AND

M/s _____

THIS GENERAL SALES AGENCY AGREEMENT FOR PASSENGER SALES (hereinafter referred to as **"Agreement**") is made at New Delhi on the _____ (hereinafter referred to as the **"Execution Date**").

BETWEEN

Air India Limited (with trade name as **Air India** and operating **AI** code flights), a company registered under The Companies Act, 1956 having its Registered Office at Airlines House, 113, Gurudwara Rakabganj Road, New Delhi (hereinafter called **"The Principal**" or **"Air India**" which expression shall, unless repugnant to the context or meaning thereof include its successors and assignees) of the **One Part**;

AND

M/s_____, a firm **registered as per the Commercial Laws of _____**and having its Registered Office for passenger sales at _____(hereinafter referred to as **"GSA**" or the **"General Sales Agent**" which expressions shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) of the **Other Part**.

WHEREAS

A. Air India is engaged in the business of providing passenger air transport service.

B. Air India is desirous of appointing General Sales Agent in the territory of Iraq for handling air passenger transportation services for which a Tender was floated on the Air India website in December 2018.

C. The General Sales Agent mentioned herein-above has applied to the aforesaid tender and has been found technically suitable and qualified as L1 on the basis of the tender conditions. The General Sales Agent has represented to Air India that it has adequate infrastructure and manpower in handling air Passenger services and thereby offers its services for the same.

D. Relying upon the representation made by the General Sales Agent, and after due verification of facts and M/s _____being selected as L1, Air India has consented to appoint M/s _____as its General Sales Agent for passenger Sales on terms and conditions stated hereunder:

For the purpose of the agreement following definitions are defined as under:

- "**Party**" means either the Principal or the General Sales Agent individually, and "**Parties**" means the Principal and the General Sales Agent collectively.

- **Requirements of Law** : "**Requirements of Law**" means, with respect to any person, all laws, statutes, treaties, rules, regulations, determinations, orders, writs, processes, decrees, injunctions, judgments, or awards of an arbitrator, a court or any other Governmental

Authority, and all Governmental Authorizations binding upon or applicable to such person or to any of its properties or assets.

- **Governmental Authorization**: "**Governmental Authorization**" means any authorization, approval, consent, no objections, license, covenant, order, ruling, permit, certification, exemption or similar right or actions by, or filing or registration with, any Governmental Authority.

- **Governmental Authority** : "**Governmental Authority**" means any nation or government, any state, province, local bodies or other political subdivision thereof, and any governmental, executive, legislative, judicial, administrative or regulatory agency, department, authority, instrumentality, commission, board or statutory corporation of, or any corporation or other entity (including a trust), owned or controlled directly or indirectly by, any of the foregoing or any similar body and includes, without limitation, the Directorate General of Civil Aviation (DGCA), Ministry of Civil Aviation (MCA), Directorate General of Foreign Trade (DGFT) and the Reserve Bank of India (RBI) in India.

- **Control** : "**Control"** shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management polices of a person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise.

- **Taxes** : "**Taxes**" means all present and future taxes, levies, imposts, duties, withholdings, fees or charges of any nature whatsoever, and wheresoever imposed, including, without limitation, value added tax, consumption tax or any other tax in respect of added value or any income (including, without limitation, gross income, minimum, alternative minimum, capital gains income, gross receipts and net receipts), franchise, transfer, sales, use, business, occupation, excise, personal property, real property, stamp or other tax imposed by a taxing authority of any country, or governmental subdivision thereof or therein or by any international authority, together with any penalties, additions to tax, fines or interest with respect to any of the foregoing; and "Tax" and "Taxation" shall be construed accordingly.

NOW THIS AGREEMENT IS WITNESSETH AS UNDER:

1. EFFECTIVE DATE

The date on which the agreement would be signed would be the execution date of the agreement. Notwithstanding the above the "effective date" of the agreement shall be _____ provided that the GSA has forwarded the requisite Bank Guarantee in favour of the Principal or as advised by the Principal in writing,

2. APPOINTMENT, TERRITORY AND EXCLUSIVE REPRESENTATION:

i. Principal appoints **M/s** _____, as its General Sales Agent for the sale of air passenger transportation within the territory mentioned in **Schedule "A"** in accordance with the terms and conditions set out hereunder (hereinafter referred to as the **"Territory of Appointment**").

ii. If the General Sales Agent or his immediate family (parents/spouse/children) has in the Territory of Appointment, interest in the ownership management or profits of an IATA registered consolidator or an IATA approved passenger sales agent or if any interest in the ownership management or profits of the General Sales Agent is held by an IATA registered consolidator or an IATA approved passenger sales agent, the General Sales Agent shall disclose the nature and extent of such interest to the Principal.

iii. The General Sales Agent hereby represents that the General Sales Agent shall not act directly or indirectly as a General Sales Agent in the Territory of Appointment for sale of passenger transportation for any other airline which operates direct services (single flight number) including code share operations from that country/territory to India. In the event, the General Sales Agent accepts appointment as General Sales Agent /Marketing Sales Agent of a competitor airline without the consent of the Principal, the Principal shall have the right to forthwith terminate this Agreement with immediate effect without any compensation/damages.

iv. The General Sales Agent shall not be accredited, or have a location approved as an IATA Approved Location in the territory for which it is appointed by the Principal under this Agreement. In the event that the General Sales Agent applies for accreditation as an IATA Agent in that territory, it shall immediately notify the Principal. In the further event that it is subsequently accredited, the General Sales Agent shall relinquish its appointment under this Agreement forthwith.

3. FUNCTIONS AND OBLIGATIONS OF THE GENERAL SALES AGENT

General Sales Agent shall inter-alia perform on behalf of the Principal the following functions:

i. Sale of air passenger transportation on the regular air services (on AI code flights) of Principal. Providing and operating enquiry, reservations and booking of seats on the Airline's flights including issuing tickets, EMDs, refunds, provided by the Principal to the Passengers over the counter, by mail, web , telephone or any channel as deemed fit by the Airlines in city booking office and at the Airport

ii. Solicitation and promotion of sales on the regular air passenger transportation services of the Principal.

iii. Appoint persons as Sales Agents on its behalf within the territory to carry out functions and obligations effectively and efficiently within the Territory of Appointment.

iv. In the event the Principal is of the opinion that appointment of additional Sales Agent may be able to generate additional sales of air passenger transportation in the Territory of Appointment, it may request the General Sales Agent to appoint additional Sales Agents. Upon the Principal making such request, the General Sales Agent shall appoint such number of additional Sales Agents as may be requested by the Principal, in such areas within the Territory of Appointment as may be determined mutually by the General Sales Agent and the Principal.

v. The General Sales Agent shall, prior to entering into any legally binding agreement with the Sales Agent, provide execution copies of such agreements to the Principal. The General Sales Agent confirms and agrees that it will not enter into any agreements or arrangements unless it has obtained prior written approval from the Principal in respect of

the same. It is expressly clarified that such approval from the Principal shall not reduce or diminish any obligation of the General Sales Agent under or pursuant to the terms of this Agreement. General Sales Agent shall promptly inform the Principal of any agreements or arrangements made or entered into between the General Sales Agent and any Sales Agents and upon a request by the Principal, promptly furnish copies of any and all of the agreements or details of the arrangements so entered into.

vi. The General Sales Agent shall fully perform and shall cause the Sales Agent to fully perform the functions and obligations under the terms of this Agreement in compliance with the quality standards and policies specified by the Principal.

vii. The General Sales Agent shall at all times maintain a consolidated list of all Sales Agents and shall update such list on a monthly basis. Such list shall contain all such information (including without limitation, sale of air passenger transportation) relating to the Sales Agent as may be requested by the Principal from time to time.

viii. The General Sales Agent shall promptly and without any delay, inform the Principal if the Sales Agent(s) is in or is likely to be in, breach of its obligations (including any payment obligations) under or pursuant to its contractual arrangement with the General Sales Agent or if the continuation of its contractual arrangement with the Sales Agent may (i) prevent or adversely affect the General Sales Agent from discharging its obligations under or pursuant to this Agreement or (ii) may in any manner have an adverse effect on the operations or otherwise can bring the Principal into disrepute.

ix. If the Principal is of the opinion that any arrangement or agreement with any Sales Agent may adversely affect or is likely to adversely affect the Principal's reputation, operations or sales of air passenger transportation, the Principal may notify the General Sales Agent of the same, whereupon the General Sales Agent shall forthwith terminate, without any liability or recourse to the Principal, any or all of such agreements or arrangements entered into with such Sales Agents(s).

x. The General Sales Agent shall be:

a. Responsible for the services rendered by Sales Agents;

b. Supervise and issue instructions that would facilitate the functions of Sales Agents;

c. Shall help Sales Agents in carrying out their responsibility;

d. Supervision and settlement of accounts with Sales Agents in the territory;

e. Supervision, monitoring and settlement of accounts with Billing & Settlement Plan (hereinafter referred as "BSP") of IATA as and when introduced in the Territory of Appointment.

f. GSA will not be entitled for any ORC for sales generated by agents for which it doesn't undertake to cover defaults.

xi. General Sales Agent shall assume responsibility for the acts, omissions and defaults of its Sales Agents and indemnify and hold harmless at all times the Principal, its officers, employees and servants from all responsibility and liability for any injury, damage, expense or losses (including, without limitation, reasonable attorney's fees and other dispute resolution costs) and for such acts, omissions, short recovery and defaults of the Sales Agents and against all complaints, if any, against such Sales Agents by any party whatsoever and also against claims and demands, if any, of such Sales Agents against the Principal.

xii. Handling and administration of reservations for passenger transportation.

xiii. Make every effort to enhance the business reputation and goodwill of the Principal in the Territory of Appointment.

xiv. Represent and negotiate with appropriate authorities all matters relating to the operations and tariffs of the Principal.

xv. Provide and / or assist in the obtaining of data concerning the local laws, regulations, taxes and other information of like nature required by Principal. Compile and dispatch such statistics, returns and reports as may be required by Principal from time to time.

xvi. Distribute and display publicity materials provided by the Principal in accordance with the requirements of the Principal.

xvii. General Sales Agent shall:-

a. Provide a dedicated budget for the purpose of sales promotion, publicity and public relations, as set out in Schedule B. The same will be spent in consultation and association with the local Managers of the Principal;

b. Undertake special publicity and /or advertising campaigns as and when required by Principal. The cost of any such campaigns to be budgeted and paid for as mutually agreed between the parties.

xviii. The General Sales Agent shall at all times observe and comply with all rules, regulations, instructions and reasonable directions given to it by Principal or its authorized local representatives concerning the services to be provided under that terms of Agreement and

shall ensure that all its staff concerned shall be at all times familiar with all such rules, regulations, instructions, and directions as may be amended from time to time.

xix. Provide such other services, which may be required by the Principal under this Agreement.

xx. The General Sales Agent would provide assistance to Principal in obtaining better rates for airport charges, ground handling, supply of fuel, catering supplies, office space, manpower etc. as may be required by the Principal.

xxi. With respect to passenger transportation, provide passenger reservations facility to Sales Agents and the general public and handling agent, if required in the assigned territory.

xxii. The General Sales Agent shall provide whatever sureties that may be required by any organization in the Territory of Appointment for provision of the credit to Principal. In case Bank Guarantee is required by the principal, the GSA will provide the same. The funding of the BG and any related cost will be absorbed by the Principal. The General Sales Agent would make payment of all bills raised on Principal and certified by the Principal to the extent of the General Sales Agent own sales. Such expenditure made on behalf of Principal would be deducted from sales proceeds of the General Sales Agent. If the total expenditure exceeds the GSA's own sales, GSA will effect such payments only upon receipt of such excess amount from the Principal. It is hereby clarified that the Principal would not bear any costs or administrative fees in this regard.

xxiii. The General Sales Agent will be responsible for compliance of various local laws and levies/taxes as well as filing of various returns in this connection with the local authorities.

xxiv. The General Sales Agent will assist and represent the Principal in all legal matters that are arising in the Territory of Appointment, in the matters relating to the Passenger complaints / Business related / other issues involving court cases, consumer courts, etc. The cost of all such cases will be borne by the Principal.

xxv. The General Sales Agent will assist the Principal in changing the office set up, procedures, signage and any other related matters in compliance with the "Alliances" requirements, as and when Air India Limited joins any "Alliance"

xxvi. The General Sales Agent will ensure that the distribution channels in the Territory of Appointment including handling agent, if any are informed of the Principal's own "E-ticketing policy", "EMD (Electronic Multipurpose Document) Policy, "GDS (Global Distribution System) /CRS (Computerized Reservation System) Booking Policy" and

"ADM (Agency Debit Memo) Policy", and any other policy that is introduced by the Principal from time to time and assist in recovering ADMs from the Sales Agents.

xxvii. **Warranty:** The General Sales Agent shall not give any warranty in the name of the Principal except where the same shall have been authorized by the Principal.

xxviii. **Legal Proceedings:** The General Sales Agent shall not take legal proceedings in the name of the Principal without the consent in writing of the Principal nor shall it without such consent defend, settle, release, or discontinue any action or other legal proceedings or otherwise prejudicially affect the interests of the Principal.

xxix. **Confidentiality:** The Parties hereto shall take all practical measures to ensure that information concerning each others' business results and activities, and any data including relating to passengers, frequent flyers etc are not revealed to any third party without the consent of the party concerned.

xxx. **Acceptance of other Appointments:** The General Sales Agent shall not accept other appointments as General Sales Agent or Passenger General Sales Agent by any other carrier (especially competitor Airlines in "the Territory of Appointment" or in "India") without the prior written consent of the Principal, which consent shall not be withheld unreasonably.

4. INTEGRITY CLAUSE

The General Sales Agent agrees to uphold and abide, at all times, by the provision of the Integrity Provisions -Billing Settlement Plan (BSP) of IATA as and when introduced in the Territory of Appointment.

5. BSP AGENTS (AS AND WHEN APPLICABLE)

(i). For the purpose of this Agreement, all BSP Agents appointed in the territory assigned to the General Sales Agent, shall be deemed as agents appointed by General Sales Agent, except in the case of agents who are specifically identified by Principal as having been appointed by the Principal.

(ii). The General Sales Agent will be entirely responsible for full payment of dues to the Principal, irrespective of what payment is received from the BSP towards outstanding from defaulting agent appointed by the GSA.

(iii). The General Sales Agent will ensure safeguard of all monies which may be due to Air India from GSA appointed BSP Agents and to take all Legal action in the event of default by such agent/s at GSA's cost to recover all the monies due from them.

(iv). General Sales Agent shall perform BSP related administrative and accounting and other functions including but not limited to screening of documents, reconciliation of accounts, raising of ADMs, monitor ADM disputes and rejection for recovery, recovery of Post Billing Dispute, monitoring of sales and issuance of ACMs as authorized by the Principal and monitoring BSP raised ACMs, monitoring CC Sales and Charge back, if required.

(v). GSA will not be entitled for any ORC for sales generated by BSP agents for which it doesn't undertake to cover defaults.

6 SCOPE OF GENERAL SALES AGENT'S AUTHORITY

(i) The authority of General Sales Agent to represent the "Principal" shall be specifically limited to the authority expressly granted under this Agreement.

(ii) The authority of the General Sales Agent to represent the Principal granted by this agreement is limited to the territory of Iraq (herein-after referred to as the said **"territory**".)

iii) General Sales Agent shall maintain for the sale of such air passenger transportation on the office or offices in the Territory of Appointment as shown in **Schedule A** attached to this Agreement. Any existing or subsequently established branch/offices of the General Sales Agent within the Territory of Appointment shall be subject to all the terms and conditions of this agreement. The General Sales Agent shall keep the Principal advised of all locations in the Territory of Appointment at which it operates or opens offices.

7. REPRESENTATIONS OF PRINCIPAL AND GENERAL SALES AGENT:

A. Both Parties represent that

1) they are duly incorporated and validly existing under the laws of its respective jurisdiction and have all necessary corporate power, authority and capacity to enter into this Agreement and to undertake the obligations contemplated herein.

2) that the execution of this Agreement has been duly authorized and constitutes a valid and legally binding obligation on the Parties and is enforceable in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally) and the performance hereof does not:

   (i) Violate any provision of the organization or governance documents of the party.

   (ii) Conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute or (with notice or lapse of time or both) will constitute default under, any provision of any agreement or other instrument to which the Party may be bound.

   (iii) Violate any order, judgment or decree against, or binding upon the Party or upon its respective, properties or businesses; or violate any Applicable Laws.

B. The Principal agrees not to appoint any other person, firm, company or corporation as its General Sales Agent to carry out similar services as described herein and undertaken by the General Sales Agent in the said territory.

C. The General Sales Agent represents that there are no legal proceedings, including appeals and applications for review, in progress, pending against or relating to the Party or its Affiliates or any of the assets or properties of the Party that could materially adversely affect its ability to perform its obligations under this Agreement.

D. Notwithstanding the above, Principal shall be entitled to establish and maintain its own representation within the Territory of Appointment for sales, promotion and supervision of the services to be rendered and facilities to be provided by General Sales Agent.

E. Principal reserves the right to appoint at its sole discretion other agents including but not limited to passenger sales agents in the territory and the General Sales Agent would have no objection whatsoever to such appointment by the Principal. Such representation shall be rendered with all possible assistance and co-operation by General Sales Agent.

F. The General Sales Agent may represent itself on letterhead advertisement, telephone listing and classifications. Office signs and otherwise as a General Sales Agents representing the Principal, but shall not use any other designation without the prior approval of the Principal in writing.

G. The trade word mark(s), logo(s) or any other commercial inscription(s) including those as may be amended or added, used by the Principal while carrying on business in the said territory shall remain the property of the Principal. The General Sales Agent shall only on the express consent of the Principal use such trade word marks, logos and other commercial inscriptions belonging to the Principal during its tenure as the General Sales Agent for the Principal in the said territory.

H. The General Sales Agent shall cease to use the trade word mark(s), logo(s) or any other commercial inscription(s) belonging to the Principal on the termination of the Agreement.

I. The General Sales Agent shall render all necessary assistance to the Principal to register any intellectual property, including but not limited to any trade mark(s), logo(s) or any other commercial inscription(s), belonging to the Principal in the Territory of Appointment in its capacity as the nominee of the Principal and shall not have any right or make any claim over the same at any point of time. The ownership of any new intellectual property that might be created by General Sales Agent in

pursuance of the performance of its obligations under this Agreement shall vest in the Principal. The General Sales Agent agrees and undertakes not to make any claims in respect of the same. Notwithstanding anything contained herein, this Agreement neither transfers nor assigns any intellectual property rights whatsoever belonging to the Principal and such intellectual property rights shall remain and continue to vest in the Principal.

J. The General Sales Agent shall inform the Principal immediately about any infringement or threatened infringement of such trade trade word mark(s), logo(s) or any other commercial inscription(s) belonging to the Principal and shall extend the best possible cooperation to stop the same.

K. Nothing herein contained shall be deemed to create or constitute any agency, a partnership or joint venture between the parties hereto and the relationship between the Principal and the General Sales Agent shall be on principal-to-principal basis. General Sales Agent shall not represent that it is authorized to bind the Principal in any manner to any agreement or contract or undertake or create any liability on behalf of the Principal, without express prior written consent, and General Sales Agent shall not hold out itself as an agent of the Principal. General Sales Agent shall be solely responsible for its own actions and those of its employees, agents and representatives, and no joint liability is or shall be deemed to be created hereunder.

L. The General Sales Agent shall comply with all Requirements of Law in connection with the performance of its obligations under this Agreement.

M. All Governmental Authorizations, consents, registrations and notifications required by the General Sales Agent in connection with the entry into, performance, validity and enforceability of, this Agreement have been obtained or effected (as appropriate) and are and will continue to be in full force and effect.

N. The General Sales Agent is not an IATA accredited travel agent.

O. The General Sales Agent has not breached the provisions of the Integrity Pact entered into with the Principal.

P. The General Sales Agent is subject to civil commercial law with respect to its obligations under this Agreement and neither the General Sales Agent nor any of its assets is entitled to any right of immunity and the entry into and performance of this Agreement by the General Sales Agent constitute private and commercial acts.

Q. The rights and remedies of the Principal in relation to any misrepresentation or breach of warranty on the part of the General Sales Agent shall not be prejudiced by any investigation by the Principal into the affairs of the General Sales Agent.

R. The representations and warranties contained in Clause 7 are given and made on and as of the execution of this Agreement, shall survive the execution and delivery of this Agreement and shall be deemed to have been repeated on each day this Agreement continues in force, as though made on and as of such date and shall be true and accurate until the expiry of the term of this Agreement or prior termination of this Agreement.

8. SALE OF TRANSPORTATION, COMPLIANCE WITH TARIFFS, RULES, REGULATIONS AND INSTRUCTIONS.

(i) All transportation sold by General Sales Agent or by Sales Agents under the provisions of this Agreement shall be subject to the conditions of carriage of Principal applicable to such transportation and to the tariffs, rules, regulations and instructions governing the sale and use of such transportation in force from time to time as published in Principal tariff time table, notices and elsewhere. General Sales Agent shall transmit to Principal such specific instructions, requests or particulars in connection with such client as may be proper to enable Principal to render efficient service to its clients.

(ii) No Passenger ticket issued on fares other than that fixed by Principal either directly or indirectly by the General Sales Agent nor shall the General Sales Agent sell or issue

tickets, exchange voucher / order or any forms, or documents covering air passenger transportation offered by Principal which has not been authorized by Principal.

(iii) Tickets issued under market arrangements shall be issued as per the guidelines advised under the marketing arrangements.

(iv) No sale of transportation shall be deemed to have been made unless and until space has been reserved by the Principal, except that passenger tickets or miscellaneous charges orders / EMDs (Electronic Multipurpose Documents), may be issued where no reservations have been made, provided that such tickets or miscellaneous charges orders / EMDs are not issued for transportation by a particular service and are plainly marked on the face Open date, and/or in all other respects conform to the Principal's ticketing instructions.

(v) Advice to passengers concerning Passport, Health, Currency, Immigration and other regulations in force in countries to and through which they are to travel and ensuring as far as practicable that such regulations are observed by all such passengers. In case the Principal is charged any deportation fees for non-adherence of such regulations on documents issued by the GSA, then the Principal reserves the right to recover such fees from the GSA.

(vi) General Sales Agent or Sales Agent appointed by the General Sales Agent shall make only such representations as to Principal, aircraft or route by which any passenger is to be transported or as to any service to be furnished by Principal as are herein authorized or may hereafter be authorized by Principal.

(vii) This Agreement shall be subject to and General Sales Agent agreeing to and accepting to observe, all laws, rules and regulations as applicable in India to the sale of air transportation, subject, however, that such laws are not in conflict with the laws of the Territory of Appointment.

(viii) The General Sales Agent shall at all times comply with the reasonable directions and instructions given to it by the Principal or its authorized local representatives concerning the services to be provided under the terms hereof and shall ensure that all its staff concerned shall be at all times familiar with all such directions and instructions as may be amended from time to time. In providing the services required herein, the General Sales Agent shall observe and comply with all applicable laws and regulations and generally shall carry out its duties hereunder with all due efficiency and dispatch and to the standards required by the Principal.

(ix) The General Sales Agent shall perform the services set out in this Agreement only in the Territory of Appointment and shall not, without the prior written consent of the Principal, perform the services outside the Territory of Appointment.

(x) The General Sales Agent shall achieve (either directly or through Sales Agents appointed in accordance with the terms of the Agreement) the targets set in accordance with Clause 21 hereof to the satisfaction of the Principal.

(xi) The General Sales Agent shall comply with all applicable Requirements of Law (including, without limitation, all labour legislations), and obtain and maintain in full force and effect, all licenses, approvals and all other Governmental Authorizations.

(xii) The General Sales Agent shall upon the Principal's request, furnish to the Principal detailed statements of accounts with respect to the sales of passenger tickets for such period as may be requested by the Principal.

(xiii) The General Sales Agent shall keep proper books of record and account, in which full and accurate entries shall be made of all financial transactions and the assets and business of the General Sales Agent in accordance with applicable GAAP from time to time and with all Requirements of Law.

(xiv) GSA should report to principal all documents sold in his territory including Airport, in a computerized readable format within 5 days from the end of the reporting period as advised by the principal from time to time. Any manual documents issued should be provided in scanned version on a weekly basis with a report in excel format which will be shared by the principal.

9. COMMISSION/REMUNERATION

Subject to the terms and provisions of this Agreement, the Principal shall pay or allow to the General Sales Agent commission at such percentage of the net sales, i.e. sales net of incentives and refunds, effected by the General Sales Agent in the manner provided hereinafter, or as may be agreed to, from time to time.

(i) For all sales of Passenger transportation on the regular air transport services of Principal, including supplementary flights, effected by General Sales Agent or by Sales Agents appointed by the General Sales Agent within the territory, Principal shall pay General Sales Agent normal commission as decided from time to time by

Principal. The normal sales commission shall not be paid to General Sales Agent unless General Sales Agent collects and pays over to Principal the applicable fare or charge. The normal agency commission (if applicable in the territory of appointment) would be payable on Basic Fare component only (unless or otherwise specified specifically). Normal commission shall not be paid on sale of transportation of Excess baggage, Electronic Miscellaneous Documents (EMDs), Mail, Insurance, Taxes, Fuel Surcharge, GST, User Development charges, any other Govt. / Airport levies, TSC, non revenue tickets and Cost of deportee (C.O.D).

(ii) The Principal reserves the right to change the 'Remuneration pattern' in the Territory of Appointment as and when necessitated, by moving away from 'Commission based remuneration' to 'Transaction fee based remuneration'. In that event, the General Sales Agent or Sales Agents are at liberty to collect 'transaction fee' from their customers for various services rendered by them in concurrence with the Principal, when there is no commission paid by the Principal, however the transaction fee/service fee to be charged by the General Sales Agent would be decided by Country Manager of the Principal based on market practices and communicated to the General Sales Agent in writing. General Sales Agent to submit quarterly and annual statement of the service charges collected out of all locations from where Direct sales of Principal are being effected.

(iii) In addition to the commission/remuneration provided for in para 9(i) or 9(ii) above, Principal shall pay General Sales Agent **overriding commission of _____** on the net flown revenue on the services of the Principal in respect of all passenger sales made in the territory of appointment. The 'Overriding Commission' shall be computed on the net flown revenue as determined by the Principal. The General Sales Agent may however, withhold 80% percent(to be reviewed on yearly basis) of the ORC on net sales, net of all kinds of incentive, commission and refunds on authorized documents of the Principal for each reporting period . The final ORC will be calculated and settled on determination of the net flown revenue by the Principal.

(iv) The 'Over Riding Commission' to the GSA will be computed on the basic fare and fuel surcharge component only.

(v) No Overriding commission shall be paid on sale of transportation of Option town Sale, Non revenue tickets, TSC, Excess baggage, Mail, Electronic Miscellaneous Documents (EMDs), Insurance, Taxes, GST, User Development charges, any other Govt. / Airport levies, C.O.D, embassy sales and Air India web/mobile-app sales. However, ORC will be payable for the document originally issued by the station /GSA but reissued at other station on ADC collected .However , documents reissued by the GSA will not be eligible for ORC .

(vi) If Principal for any reason shall make or allow a refund of the whole or part of any fare or charge for transportation sold by General Sales Agent or by Sales Agents appointed by the General Sales Agent pursuant to this Agreement, no commission and / or overriding commission shall be payable to General Sales Agent upon any sum so refunded and General Sales Agent shall reimburse Principal for any commission which shall in fact have been paid in respect of any sum so refunded.

(vii) With respect to charters, the commission and / or overriding commission to be paid by Principal shall be agreed on case to case basis.

(viii) The General Sales Agent shall not be entitled for Over Riding Commission (hereinafter referred as **"ORC**" on sale of tickets / coupons in the said territory which are endorsed / closed for carriage on other airlines services. However, the General Sales Agent shall be entitled for ORC on sale of tickets /coupons of other airlines in the said territory which are flown on the services of the Principal and Code share partners.

(viii) Notwithstanding sub-para 9(i) and (ii) above General Sales Agent will not be entitled for overriding commission on the following:

(a) Transportation sold at all fare levels to Government of India/State government of India;

(b) Transportation sold and paid for directly by Government to Principal.

(ix) Any change in commission level / remuneration pattern shall be effected by giving at least 30 days of notice to the General Sales Agent.

(x) The Principal shall be entitled to set-off, adjust, net-off any amount payable by it to the General Sales Agent against any monies owing to the Principal by the General Sales Agent.

(xi) The proceeds of the sale of passenger tickets and any other monies (such as any charges collected towards cancellation of passenger tickets, etc.) which are paid by the customer pursuant to the conditions governing the sale and/or issue of passenger tickets referred to in Clause 8 shall become due to the Principal upon the General Sales Agent selling (either by itself or through a Sales Agent) each passenger ticket.

(xii) GSA will not be entitled for any ORC for sales generated by agents for which it doesn't undertake to cover defaults.

10. OTHER BUSINESS TERMS AND CONDITIONS:

Provisions with regard to the Staff, Infrastructure, Administration and Representation, Data and Voice Communication, Advertising and Publicity Budget, Remittance, Bank Guarantee, Commission, and Exclusivity are provided in detail in **Schedule B** attached to this Agreement.

11. OTHER EXPENSES

Principal may reimburse General Sales Agent for expenditures which are normally rechargeable to Principal or which are of an exceptional nature provided however, that such expenditures are evidenced through sufficient proof of their incurrence by the General Sales Agent.

12. BANK GUARANTEE

(i) The General Sales Agent would provide **Non Transferable** Bank Guarantee (hereinafter referred to as **"BG")** for an amount of USD 400,000/- (US Dollar Four

Hundred Thousand Only) in the format provided or in such other format covering all the clauses which is acceptable to the Principal for an amount as requested by the Principal. This BG amount has been calculated keeping in mind that BSP Remittances will be directly credited to AI's bank account. The amount of Bank Guarantee may be reviewed after six months of operation.

(ii) General Sales Agent shall procure BG from a Scheduled Bank or a bank of repute and acceptable to the principal in favour of the Principal and shall ensure that the said BG does not lapse or is otherwise rendered unenforceable on account of non-renewal after the expiry of the period mentioned in the BG during the currency of this Agreement.

(iii) It is agreed by the General Sales Agent that the amount of BG may be revised (increased or decreased) at any time during the currency of the Agreement at the sole discretion of the Principal. In such an event, General Sales Agent shall within 30 days of the intimation in writing, of the increase or decrease of the BG by the Principal, as the case may be, provide the revised BG to the Principal.

(iv) In the event General Sales Agent permits the BG to lapse as provided for in clause 12.(ii) above and / or fails to provide the revised BG as demanded by Principal in terms of clause 12.(iii) above, then Principal shall have the right to terminate the Agreement forthwith without any compensation or damages to the General Sales Agent.

13. REMITTANCE

(i) General Sales Agent shall remit to Principal the monies due for the transportation (Passenger) sold hereunder, under such conditions and in accordance with the accounts procedure, as Principal may prescribe from time to time in writing.

(ii) All financial settlements under this Agreement shall be in the local currency of the Territory of Appointment, unless specified otherwise.

(iii) All monies collected by General Sales Agent for transportation sold hereunder including any commission withheld by General Sales Agent pursuant to clause 9 hereof are the property of Principal and shall be retained by General Sales Agent as the property of Principal until satisfactorily accounted for to Principal. General Sales Agent shall not use such monies to engage directly or indirectly in any transactions

which are intended to obtain for General Sales Agent any monetary advantage additional to his commission.

(iv) Sales for each remittance cycle would be accounted for and remitted by General Sales Agent to the Principal. Remittance of the sale proceeds for each remittance cycle shall be made by the General Sales Agent, in an account designated by the Principal on the dates as specified in **Schedule B** Clause D (i) and (ii) attached to and forming part of this Agreement.

14. COMMUNICATION

The GSA will pay the communication charges as specified in Schedule 'B' of the agreement.

15. PROMOTIONAL EXPENSES

Principal will not assume or pay any local telephone, mailing, printing or other advertising or promotional expenses of General Sales Agent for any purpose, unless expressly agreed to in advance.

16. ADVERTISING AND PUBLICIZING THE PRINCIPAL SERVICES

(i) General Sales Agent shall make known the services of Principal in every way reasonably practicable. General Sales Agent shall display in its offices, posters, circulars or other promotional or publicity material supplied by Principal free of charge to General Sales Agent. Any such material of a permanent or valuable character and so designated by Principal shall remain the property of Principal.

(ii) All advertising matter issued by and at the expense of General Sales Agent in which reference is made to Principal must be approved by Principal.

(iii) Designation of Agency: The Agent shall be entitled to describe itself as Agent of the Principal at its places of business and on commercial documents, advertisements, notices, publications, letterheads and similar items but shall in all cases qualify such description by the words Passenger General Sales Agent.

(iv) Directory Insertion and Publicity**:** The General Sales Agent shall arrange for the insertion in appropriate telephone and other directories, of the name of the Principal and the local address of the General Sales Agent and showing its own name as General Sales Agent, if it so wishes.

17. TRANSFER, ASSIGNMENT, CHANGE OF NAME, OWNERSHIP OR ADDRESS.

(i) General Sales Agent shall not assign, transfer, or delegate his right and obligations under this agreement to any company, organization or other person without the prior written consent of Principal.

(ii) The name(s) under which activities of General Sales Agent are conducted or under which any of its offices are operated shall be only such as are set forth herein. Neither such names nor the location of General Sales Agent's office(s) as specified in **Schedule 'A**' attached to nor forming part of this Agreement, shall be changed without the prior written consent of Principal.

(iii) The General Sales Agent shall not assign this Agreement or its obligations there under to any party without prior written consent of the Principal. Any transfer or transfers in all amounting to more than 50 % of the present share holding of the General Sales Agent or of the controlling interest of the General Sales Agent during the subsistence of this agreement including any renewal thereof, shall be deemed to be an assignment for the purpose of this article.

(iv) **No action contrary to Law:** Nothing contained herein shall require the General Sales Agent to take any action contrary to law or contrary to any rule, resolution, regulation or agreement of the IATA.

(v) **Prohibited Dealings:** In matters arising out of this Agreement, the General Sales Agent shall not give credit to or deal with any person, firm or company to who the Principal shall, from time to time, instruct it not to give credit or to deal.

18. CUSTODY AND ISSUANCE OF TICKETS

(i) Principal shall furnish General Sales Agent free of charge with e-ticket stock inventory and other necessary manual documents for use in connection with business transacted under this Agreement, and such documents shall remain the property of Principal. General Sales Agent shall issue such e-tickets / other manual documents for transportation services of Principal as specified in clause 8 of this Agreement. General Sales Agent shall follow the procedure with regard to custody, issuance and accounting of such documents as may be intimated to General Sales Agent by Principal in writing from time to time.

(ii) General Sales Agent shall be responsible for the safe custody and care of such documents while in its possession and shall be liable to Principal for the value of any such documents.

(iii) General Sales Agent shall not sell or issue tickets and other documents supplied by Principal in connection with the sale of air transportation offered by any other air carrier unless Principal has so authorized General Sales Agent in writing.

(iv) General Sales Agent shall not in any manner vary or modify the terms and conditions set forth in any documents or instructions of Principal.

19. LIABILITY

(i) Subject to the application of the principles of contributory negligence, Principal hereby agrees to indemnify and hold harmless General Sales Agent, its officers, agents, employees and servants from all responsibility and liability for any injury, damage, expense or loss sustained by any person or property caused by or arising from any negligent act, omission or willful misconduct of Principal, its officers, agents, employees and servants and related directly or indirectly to any transportation sold by General Sales Agent pursuant to this Agreement.

(ii) The General Sales Agent shall indemnify and hold harmless the Principal from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, awards, suits, costs, expenses or disbursements of any kind or nature whatsoever, that may be imposed on, incurred by, or asserted against the Principal in any way relating to, arising out of or in connection with this Agreement or the services provided by the General Sales Agent (or its Sales Agent) pursuant hereto or the transactions contemplated herein (including any liabilities, losses, etc in respect of lost, stolen or fraudulent passenger tickets, claims of employees of the General Sales

Agent or any claims of sub-agents) and including any and all out-of-pocket expenses, the reasonable costs and expenses of counsel, which the Principal may incur or suffer or is likely to incur or suffer as a result of having entered into this Agreement or the performance of its obligations hereunder. It is expressly clarified that any act or omission of a Sales Agent shall be deemed to be an act or omission of the General Sales Agent.

(iii) Principal reserves the right to appoint at its sole discretion other agents (hereinafter "**Passenger Sales Agents**") in General Sales Agent's territory subject to the condition that Principal will be responsible for their activities including obtaining payments from Passenger Sales Agents. The General Sales Agent would receive the overriding commission on sales generated by such agents.

(iv) The General Sales Agent will cover all liabilities concerning sales in the market for GSA appointed BSP agents who are holding Principal Carrier Identification Plates (CIPs) / having Ticketing Authority Process (TAP) under BSP programme of IATA, of the Principal (AI) whenever applicale.

(v) The General Sales Agent will supervise and review the sales performance of all the existing BSP Agents in Iraq and if found necessary due to poor sales performance, or their poor financial position, or bad reputation in the market, to take suitable action for withdrawal of CIP (Carrier Identification Plates) / removal of TAP (Ticketing Authority Process) from such agents.

(vi) The General Sales Agent will cover all liabilities concerning sales in the market for GSA appointed sales agents who are holding Principal ticketing authority.

(vii) GSA will not be entitled for any ORC for sales generated by agents for which it doesn't undertake to cover defaults.

20. REFUNDS

General Sales Agent shall make refunds in accordance with the tariffs, rules, regulations and instructions issued by Principal.

21. Performance Monitoring

General Sales Agent will be advised the revenue target to be achieved from time to time by Principal, in writing and performance will be reviewed periodically. These targets will be specified for Economy/Business/First Class and 6th Freedom traffic. The achievement of set

annual revenue targets and performance in the Territory of Appointment will be reckoned, for continuing the services as General Sales Agent for the Principal.

- Once the agreement becomes effective the General Sales Agent would be advised the annual revenue target to be achieved for the first year.
- The revenue targets assigned would be based on the Principals level of operations to that territory.
- Targets would be revised, only if there is a major increase or decrease in the operations by the Principal in the territory of appointment.
- The General Sales agent would be required to submit various reports as per the formats provided to him by the principal from time to time.

In the event of non achievement of the target the GSA would be given an opportunity of 90 days to come upto the expectations of Air India and his performance would be monitored. If the GSA is not able to perform in the said time frame Air India reserves full right to terminate the contract.

22. TERMINATION OR SUSPENSION

(i) If General Sales Agent shall at any time default in observing and performing any of the provisions of this Agreement or there shall be a transfer of 50% of the present share holding of the General Sales Agent or of the controlling interest of the General Sales Agent as contemplated in the article 17 sub clause (iii), or the General Sales Agent shall become bankrupt or make any assignment for the benefit of or enter into any agreement or composition with its creditors or go into liquidation or suffer due to any of its goods being taken in the execution or if it ceases to be in business as an agent for sale of air passenger transportation, this Agreement may at the sole discretion of Principal be terminated or its operation suspended forthwith and for such period as Principal may decide. Principal may without prejudice to any of its right under this Agreement take possession of any documents and property belonging to Principal.

(ii) The Principal may, at its option, terminate the Agreement with forthwith effect upon the occurrence of any of the following termination events (each a "**Termination Event**"):

a. If the General Sales Agent defaults at any time in observing or performing any of its obligations under this Agreement and shall fail to remedy such default within 30 days of receiving notice from the Principal in this regard, the Principal shall be entitled to terminate this Agreement forthwith on expiry of the 30 days;

b. If the General Sales Agent convenes a meeting of its creditors, takes any corporate action to authorize, proposes or makes any scheme or arrangement or composition with, or any assignment for the benefit of, its creditors, or convenes a meeting for the purpose of considering a resolution for the liquidation or winding up of its business or a resolution for the making of a petition for liquidation, reorganization or other relief under any bankruptcy, reorganization, compromise, arrangement, insolvency, readjustment of debt, suspension of payments, dissolution, liquidation or similar law, whether now or hereafter in effect;

c. If the General Sales Agent suspends or ceases or threatens to suspend or cease to carry on its business;

d. If the General Sales Agent threatens to dispose or takes any action to dispose of all or a substantial part of its assets, whether by one or a series of transactions, related or not;

e. If the bank guarantee furnished by the General Sales Agent ceases to be in full force and effect;

f. If the General Sales Agent defaults in making payment as per schedule;

g. if the General Sales Agent is or becomes insolvent or is unable to pay its debts as they fall due, shall admit its inability to pay its debts as they fall due or shall be deemed for the purpose of any law to be insolvent or unable to pay its debts;

h. If there is a direct or indirect change in the Control of the General Sales Agent for whatever reason without the prior written consent of the Principal;

i. If any of the representations or warranties made by the General Sales Agent under this Agreement is found to be false or incorrect, either fully or partially;

j. If in the opinion of the Principal, the continuation of this Agreement shall adversely affect the reputation, goodwill or sales of the passenger tickets or the operations, in the Territory of Appointment; or

k. If the General Sales Agent fails to furnish the bank guarantee in accordance with Clause 12 of this Agreement.

(iii) This Agreement may be terminated or suspended between General Sales Agent and Principal at any time by 90 days notice in writing from either side. Such notice shall take effect immediately upon its receipt or as otherwise provided herein subject to the fulfillment by each of all the obligations accrued prior to the receipt of such notice. Upon suspension or termination of Agreement, all unused documents of Principal shall immediately be returned by General Sales Agent to Principal together with all moneys due and payable to Principal hereunder and a complete and satisfactory accounting shall be rendered. The bank guarantee provided by the GSA would be returned only after the final settlement of accounts. In case the Bank Guarantee expires prior to settlement of accounts, the GSA would be required to extend the same till the settlement of accounts. In case the GSA fails to extend the BG, principal would be at a liberty to invoke the same.

(iv) In the event that substantial performance of this Agreement is rendered impossible by reason of any action, order or reservation of any air transportation body or organization of which either the General Sales Agent or the Principal is a member or by an act of God (force majeure), this Agreement shall stand terminated forthwith and either party shall not be entitled to any damages, compensation or costs, but without prejudice to the liabilities/obligations incurred prior thereto.

(v) If the General Sales Agent is not able to achieve targets set in accordance with Clause 21 of this Agreement, the Principal shall be entitled to terminate this agreement forthwith by giving 90 days notice in writing.

(vi) Any termination of this Agreement by the Principal shall be without prejudice to the accrued rights of the Principal.

(vii) Upon termination of this Agreement by the Principal, the General Sales Agent shall promptly deliver to the Principal all intellectual property of the Principal, customer data, records showing sales of passenger tickets, accounts statements (as may be required by the Principal), brochures, marketing material, banners, flight schedules, all the Principal stationary, letter heads and all other documents provided by or proprietary to the Principal to the General Sales Agent

(viii) Upon termination, the General Sales Agent shall forthwith (a) pay all monies accrued to the Principal pursuant to this Agreement; (b) stop providing the services and shall remove the name and the corporate insignia of the Principal from its stationary and office premises, and (c) issue notice to all Sales Agents notifying them of the termination of this Agreement.

(ix) The Parties hereby agree that upon termination, any and all dues between the Parties shall be settled in the manner provided under this Agreement. The General Sales Agent

further agrees that it shall not make any claims nor demand the payment of any dues, costs, damages or other moneys unless it is expressly provided for in this Agreement

23. Grossing up of Taxes:

(i) General Sales Agent shall pay and discharge or cause to be paid or discharged, within the period for payment permitted by law (and shall, if requested by Principal, produce to Principal evidence of the payment and discharge thereof) and indemnify Principal and keep Principal fully indemnified at all times from and against all Taxes levied in connection with the execution, delivery and performance of this Agreement or in respect of any transaction contemplated by this Agreement.

(ii) General Sales Agent shall ensure that all payments to be made by General Sales Agent under or pursuant to this Agreement shall be made in full without any deduction or withholding, whether in respect of set-off, net-off, counterclaim, duties, Taxes, charges or otherwise, unless such deduction or withholding is required by law, in which event General Sales Agent shall:

(a) ensure that any deduction or withholding by it does not exceed the minimum amount legally required;

(b) on the due date for such payment pay to Principal such additional amount as shall result in the net amount received by Principal being equal to that amount which would have been received by Principal had no such deduction or withholding been made;

(c) pay to the applicable taxation or other authorities within the period for payment permitted by law the full amount of the deduction or withholding legally required to be paid by it (including, but without prejudice to the generality of the foregoing, the full amount of any deduction or withholding from any additional amount paid pursuant to this sub-clause); and

(d) furnish to Principal, within thirty days of payment of such Taxes by it either (i) an official receipt of the applicable taxation or other authorities for all amounts deducted or withheld as aforesaid or (ii) if such receipts are not issued by the taxation or other authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or other evidence of the relevant deduction or withholding reasonably acceptable to Principal.

24. **Confidentiality and Non-Disclosure:**

(i) The General Sales Agent shall maintain in strict confidence, and agrees not to disclose to any third party, except as necessary for the performance of this Agreement when authorized by the Principal in writing, Confidential Information that the General Sales Agent receives from the Principal or its affiliates. "**Confidential Information**" means: all non-public information of a competitively sensitive nature concerning the Principal or its affiliates, including, but not limited to, this Agreement; any information regarding identifiable individuals, including without limitation, customer or employee, which information has been collected by or on behalf of the Principal or its affiliates; trade secrets, as defined by any applicable law; and any other non-public information (whether in writing or retained as mental impressions) concerning research and development; present and future projections; operational costs and processes; pricing, cost or profit factors; quality programs; annual and long-range business plans; marketing plans and methods; customers or suppliers; contracts and bids; products or services; and personnel.

(ii) Confidential Information does not include information: that is, or subsequently may become within the knowledge of the public generally through no fault of the General Sales Agent; that the General Sales Agent can show was previously known to it as a matter of record at the time of receipt; that the General Sales Agent may subsequently obtain lawfully from a third party who has lawfully obtained the information free of any confidentiality obligations; or that the General Sales Agent may subsequently develop as a matter of record, independently of disclosure by the Principal.

(iii) As between the Principal and the General Sales Agent, Principal shall own all right title and interest in and to Confidential Information.

(iv) General Sales Agent shall comply with the provisions of all applicable data protection and privacy laws. In connection therewith, General Sales Agent shall be obligated to take appropriate security measures in respect of the personal data of customers of the Principal (including without limitation, credit card details or personal banking information) stored and processed and to ensure that personal data is not disclosed to any third parties without the express written permission of Principal and the consent of the customer(s) concerned. It is expressly agreed between the Parties that this Clause shall survive the termination of this Agreement and shall continue to bind the General Sales Agent.

(v) Notwithstanding the restrictions in this Clause, the General Sales Agent may disclose Confidential Information or trade secrets to the extent required by an order of any court or other Governmental Authority, but only after the General Sales Agent has notified the Principal and Principal has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.

25. NOTICES

All notices to the respective parties hereunder, if not personally delivered shall be sufficient, if sent by fax/email followed by registered/couriered letter addressed

In the case of notices to the **Principal** to:

Executive Director - Commercial
Air India Limited
Airlines House,
113, Gurudwara Rakabganj Road,
New Delhi – 110001
with a copy to the Country Manager and the Regional Manager of the Principal.
And in the case of notices to the **General Sales Agent** to:

CEO

_____

Such fax/email messages if followed by registered/couriered letter as aforesaid, shall be deemed to be effected from the date of receipt of the fax/email.

26. INSPECTION

All records of General Sales Agent such as books, vouchers, tickets, exchange orders, reservation information relating to the sale of air transportation offered by Principal shall be open to inspection by Principal. General Sales Agent shall furnish to Principal adequate opportunity to interview and obtain information from any officer or employee of General Sales Agent whom Principal has reason to believe is or might be in possession of information related to the complaint or other matter under investigation.

27. APPLICABLE LAW

This Agreement shall be construed in accordance with, and all rights and obligations of the Parties hereto shall be governed by the laws of Republic of India.

28. ARBITRATION

(i) Any dispute, violation, controversy, contest or claim(s) arising out of or relating to this Agreement or the breach, termination or validity thereof shall be resolved amicably in the first instance within 60 days of occurrence of such dispute(s). All unresolved disputes or differences after the aforesaid date shall be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactment thereof for the time being in force and the award made in pursuance thereof shall be final and binding upon the Parties.

(ii) Arbitration shall be referred to a sole Arbitrator to be mutually appointed by the Parties to this Agreement.

(iii) All proceedings in such Arbitration shall be conducted in English. The Arbitration shall take place in _Delhi, India.

29. VALIDITY AND CONTINUATION:

This Agreement shall unless earlier terminated, be valid for a period of five years from the 'effective date' (i.e., date of receipt of Bank Guarantee by AIR INDIA LIMITED), provided, however, that the continuance of this Agreement after the first year shall be subject to the General Sales Agent having met the performance targets laid down by the Principal during the first year. In the event of such targets not having been duly performed, and the Principal having consequently decided not to continue this General Sales Agent Agreement for subsequent years, the Principal shall give to the General Sales Agent at least 90 days notice in writing of its intention not to so continue the Agreement. It is hereby clarified and agreed that the General Sales Agent shall not be entitled to any form of compensation on termination.

30. JURISDICTION

Subject to Clause 28, the Parties irrevocably and unconditionally agree that the courts at Delhi, India shall have exclusive jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes, which may arise out of or in connection with this Agreement. The Parties irrevocably submit to the jurisdiction of the courts of Delhi and waive any objection to the laying of proceedings in the courts of Delhi on grounds of inconvenient forum or otherwise. Nothing in this Clause shall limit the right of the Principal to bring proceedings against the General Sales Agent in connection with this Agreement in any other court of competent jurisdiction or concurrently in more than one jurisdiction.

31. MODIFICATIONS / AMENDMENTS:

Modifications of, or additions to this Agreement must be accepted in writing by the responsible official of both parties and shall, thereafter, be attached to this Agreement as 'Amendments'. However, if any IATA resolutions binding upon either or both of the Parties of this Agreement are in conflict with any provision of this Agreement or otherwise require an amendment to this Agreement, then the Parties shall negotiate in good faith to amend this Agreement in a manner which most nearly reflects the intent of the Parties and that restores this Agreement as nearly as possible to its original intent and effect

32. OTHER AGREEMENTS / AMENDMENTS SUPERSEDED:

This Agreement shall supersede any and all prior General Sales Agency Agreement and its amendments, schedules, MOUs, side letters, if any, between the Parties hereto concerning the sale of air transportation offered by the Principal, under this Agreement except with respect to such rights and liabilities as may otherwise exist at the date hereof.

IN THE WITNESS WHEREOF the Parties hereto get their hands unto this Agreement.

In the presence of Witness: AGENT:

1._____ Signed, sealed and delivered on

(Signature) behalf of

(Affix rubber stamp of Attester) (Signature of executor)

_____ (_____)

(NAME)

_____ _____

(Full Address) (Signature)

2._____

(Signature) (M/s_____)

_____

(Name)

_____ _____

(Full Address) (Affix rubber stamp of Agency)

In the presence of witness : **Air India Limited:**

1._____ Signed, sealed and delivered on

(Affix rubber stamp of Attester) (Signature of executor)

(Signature) behalf of AIR INDIA LIMITED

(Name in block letters)

_____ _____

(Full Address) (Signature of the Authorized Officer of AIR INDIA LIMITED)

2. _____

(Signature) (SS Uberoi)

Director - Commercial

(Name in Block Letters)

_____ _____

(Full Address) (Affix rubber stamp of the authorized officer of AIR INDIA LIMITED)

On this ---- day of -----,2019 ,Mr. ---------- appeared before me and being first duly sworn and stated that he is the ----------of M/s ----------, that being duly authorized to do so, he executed the foregoing agreement on behalf of M/s. ----------and that it is his signature which appears above.

_____

(Signature)

(Affix rubber stamp of Attester)

(Signature of executor)

_____

(Affix rubber stamp of attester)

_____

Note: If attester is a Notary Public, notary stamp(s) of appropriate value must be affixed.

SCHEDULE "A"

ATTACHMENT TO GENERAL SALES AGENCY AGREEMENT

EXECUTED ON _____

(Affix rubber stamp of Attester)

(Signature of executor)

EFFECTIVE FROM- _____ or the date advised by

Air India in writing.

Name of Agency - M/s

Territory of Appointment - Iraq

Place of office (s) including - Iraq

_____ _____

Air India Ltd: **AGENT**:

_____ _____

(Signature) (Signature)

SS Uberoi _____

(Name in Block Letters) (Name in Block Letters)

(Affix rubber stamp of Attester) (Signature of executor)

(Title)

(Title)

_____

_____

(Affix rubber stamp)

(Affix rubber stamp)

_____

(Affix rubber stamp Attester)

(Affix rubber stamp of Attester)

(Signature of executor)

SCHEDULE "B"

ATTACHMENT TO GENERAL SALES AGENCY AGREEMENT

EXECUTED ON - _____

EFFECTIVE FROM- _____or the date advised by Air India in writing.

Other Terms and Conditions

The General Sales Agent will provide the following facilities:

A. INFRASTRUCTURE, ADMINISTRATION AND REPRESENTATION.

(i) **Dedicated City/Town Office premises for AI**: Air India would select office space for various functions like Reservation & Ticketing, Sales, Marketing & Finance etc. at a prominent place. The GSA would enter into a contract for lease of such space with the third party. The rental for such unfurnished space (Bare-Shell) would be reimbursed to the GSA by Air India as per actuals. Cost of furnishing the Air India office would be borne by the GSA. The GSA shall provide at its own cost all facilities and infrastructure (telephone/fax/ high speed internet/office stationery/ mobile, etc) including electricity, water charges, facility maintenance charges etc. for the Air India office as per the requirements of Air India. Interiors and facilities shall be befitting the status of Airline of repute.

(ii) The GSA has also agreed to open additional Satellite offices as per market requirement in consultation and approval of Air India. The rent of unfurnished office space and manpower cost will be reimbursed by Air India as per actuals. All other expenses shall be borne by the GSA.

(iii) All offices would have separate specific branding and distinct space allocation for Air India.

(iv) The offices would be fully furnished and equipped with Stationery, photocopier, scanner, telephones, Fax, PCs, Printers Internet and other communication facilities as may be required by Airline and of a standard satisfactory to Principal. These offices would be clearly identifiable as Air India office by Sign - Board, Neon-signs, window displays, flyers, with Air India information, Back drops of work areas with Air India advertisements or information, etc.

(v) The GSA has agreed to provide high speed internet line /Wi-fi for Air India offices.

(vi) All printing expenses, cleaning, repairs and maintenance of the property and equipment owned/provided by the General Sales Agent will be borne by the General Sales Agent.

(vii) The General Sales Agent would provide assistance to the Principal in obtaining better rates for ground handling, supply of fuel, catering supplies, office space, manpower etc.

(viii) Uniform cloth and stitching charges for the dedicated staff of the General Sales Agent would be provided by Air India once in two years.

(ix) The General Sales Agent agrees to provide all assistance for arranging Custom clearance of Air India stationery, Publicity material, CVDs and other material sent by Air India.

(x) Any Airport related expenses in Iraq would be borne by the General Sales Agent on behalf of the Principal to the extent of Air India's collection with the GSA, on rechargeable basis.

(xi) The skilled staff required for various functions viz. reservation /ticketing /sales/accounts functions, in Iraq will be selected by Air India at the time of appointment as per the requirements of Air India. The GSA would hire the staff selected by Air India on its pay roll. The salary payable to such staff will be reimbursed to the GSA by Air India as per actuals.

(xii) GSA will bear all employment related incidental expenses including conveyance, overtime, travelling allowance, etc. payable to the staff provided by the GSA.

(xiii) In case of implementation of BSP in Iraq and in case Principal decides to join the Bank Settlement Plan Programme in Iraq, The General Sales Agent will cover all liabilities concerning sales in the market for agents whose CIPs are controlled by the GSA. However, as and when the Principal decides to join BSP in Iraq, the modalities and arrangements would be worked out on mutually agreed terms.

B. DATA AND VOICE COMMUNICATION

(i) Connection to Principal's computerized reservation system will be provided at dedicated offices of Air India. The local line rental for the city office will be paid by Principal to the concerned local authority directly.

(ii) Cost of any equipment or replacement of equipment installed at city dedicated office which is owned by the Principal will be paid by Principal.

(iii) All local charges and their other related expenses including, procurement Installation / maintenance / replacement / rental etc. pertaining to local telephones/fax/internet/PC/Printers/Scanners/Photocopier etc and recurring cost associated with it which are installed at city office and owned/provided by the GSA, will be borne by General Sales Agent.

(iv) Charges towards ISD Fax and International calls on the telephones under the exclusive use of Principal personnel at Airport, City offices will be borne by the Principal.

C. ADVERTISING AND PUBLICITY BUDGET

(i) In the beginning of each financial year, the General Sales Agent would allocate dedicated annual advertising and sales budget of __% (This figure will be discussed and informed at the time of signing of the Agreement) of the ORC earned for Air India. The said amount would be given to Air India through a credit note at the beginning of each Financial year. In the first year, it will be IQD (This figure will be discussed and informed at the time of signing of the Agreement)..

(ii) This subject amount shall be spent in consultation and association with the local Managers of the Principal.

(iii) The General Sales Agent will be required to furnish complete details, bills and receipts for the amount spent from the advertisement and publicity budget to the Country Manager, Air India for ratification.

(iv) In addition to the above for undertaking special publicity and advertising campaign, as and when required and as decided by Principal, the expenditure towards such special publicity and advertisement campaign shall be as per the mutually agreed terms between the parties.

(v) The General Sales Agent would provide adequate exposure for Air India's promotion and services through their web portal free of cost.

D. REMITTANCE

(i) The monies due for transportation sold by the General Sales Agent for each week, shall be remitted by the General Sales Agent to the Principal. Remittance by the GSA for sale proceeds of each week shall be made on the dates detailed (tentative) below directly to Air India Account.

Sales for the period	Payments to be made on
01st to 07th of the Month	10th of the same Month
08th to 15th of the Month	18th of the same Month
16th to 23rd of the Month	26th of the same Month
24th to the last day of the Calendar Month	03rd of the next Month

(ii) The General Sales Agent will remit the entire proceeds after deducting applicable over riding commission for sales made by the General Sales Agent and the Sales/BSP Agent certified by the Principal and payments made on behalf of airline less refunds. All payments from BSP Agents with respect of BSP Sales (as and when applicable) would be remitted directly to Air India account. The General Sales Agent will continue to be entirely responsible for full payment of dues to Air India irrespective of what payment is received from BSP/Sales agents towards outstanding from defaulting agents appointed by the General Sales Agent. GSA shall also be responsible for recovering of all valid ADMs raised for direct sales channels of the GSA. The amount of Over Riding Commission as deducted by the GSA would be settled once in six months and finally on the basis of Audited flown revenue statement as provided by Principal after adjusting pending dues if any. In case the

General Sales Agent has deducted less or excess ORC for the previous month the same would be adjusted at the time of Final settlement.

(iii) GSA not to deduct any amounts including bank charges for remittance from AI's collections /remittances except expenses preapproved by AI, without prior written Approval of Air India.

E. BANK GUARANTEE

i) The General Sales Agent would prior to the execution and as a condition for enforceability of the General Sales Agency Agreement, provide Air India with a Bank Guarantee for an amount of USD 400,000/- (US Dollar Four Hundred Thousand Only) with a validity period of one year and a claim period of **three months** from the expiry of the Bank Guarantee. The amount of Bank Guarantee may be reviewed after six months of operation and would be provided by General Sales Agent, on demand.

ii) Any agreement signed shall be deemed to terminate immediately upon first request by Principal to the Bank, for remittance under the Bank Guarantee and/or if General Sales Agent fails to provide a replacement for an expired Bank Guarantee and/or if General Sales Agent does not provide Bank Guarantee as demanded by Principal.

iii) The GSA shall deposit USD 10,000/- (US Dollar Ten Thousand Only) as Security deposit on the day of signing of GSA Agreement, which shall be forfeited in full in case GSA fails to operationalize the agreement within 45 days of signing of this agreement. This security deposit shall be refunded once GSA agreement is in force, the requisite Bank Guarantee as per Clause E (i) of the Schedule B of this agreement, performance security deposit and Advertising fund provided to the Principal.

(iv) All Payments shall be remitted to the following bank account:

BENEFICIARY NAME : AIR INDIA LIMITED
USD ACCOUNT NO. : 00065007
NAME OF THE BANK : CITIBANK N.A
Address : 111 WALL STREET
City : NEW YORK, NY

Postal code / Location	: NEW YORK, NY 10043
Country	: UNITED STATES OF AMERICA
SWIFT CODE	: CITIUS33
ABA#	: 021000089

F. COMMISSION/REMUNERATION:

(i) If the remuneration pattern in the Territory of Appointment is Commission basis, then the General Sales Agent shall be paid a normal agency sales commission (hereinafter referred to as Normal Commission) at a percentage equivalent to that offered to the BSP/Sales agent, on the sale of tickets on Principal documents issued by the General Sales Agent on published, special and/or commissionable market fares for domestic and international sectors. The normal agency commission (if applicable in the territory) would be payable on the Basic Fare component only (unless or otherwise specified specifically).

(ii) Depending on the market demand, Principal may from time to time, offer net fares to the General Sales Agent. In such a case the General Sales Agent would not be paid normal commission on the net fares. General Sales Agent shall and pay to Principal all taxes, levy and/or charges applicable from time to time.

(iii) The General Sales agent would be paid _____ Over Riding Commission (ORC) on the entire sales effected in the territory of appointment and flown on the services of the Principal including Code Share flights. The ORC would be applicable on flown revenue (Basic fare + fuel Surcharge) realized for the entire sales effected in the territory of appointment and flown on the services of the Principal including code share flights. No Overriding commission shall be paid on sale of transportation of Non revenue tickets, TSC, Normal commission, Incentives, Excess baggage, Electronic Miscellaneous Documents (EMDs), Mail, Insurance, Taxes, GST, User Development charges, any other Govt. / Airport levies, and C.O.D, embassy sales and Air India web sales or option town sales.

(iv) No overriding commission shall be payable to the GSA on non revenue tickets.

(v) ORC would be payable on the net flown revenue. The net flown revenue means - Ticket wise flown revenue less all kinds of incentives including Corporate/PLB/ Boarding incentives less normal agency commission.

(vi) With respect to charters, the commission and / or overriding commission to be paid by Principal shall be agreed on case to case basis.

(vii) The Principal reserves the right to change the 'Remuneration pattern' in the Territory of Appointment as and when necessitated, by moving away from 'Commission based remuneration' to 'Transaction fee based remuneration'. In that event, the General Sales Agent or Sales Agents are at liberty to collect 'transaction fee' from their customers for various services rendered by them in concurrence with the Principal, when there is no commission paid by the Principal, however the transaction fee/service fee to be charged by the General Sales Agent would be decided by Country Manager of the Principal based on market practices and communicated to the General Sales Agent in writing.

(viii) Any change in commission level / remuneration pattern shall be effected by giving at least 30 days of notice to the General Sales Agent.

(ix) Refund Administration Fee (RAF) will be fully reimbursable to the Principal.

G. **Other conditions.**

(i) This Agreement is being entered between the General Sales Agent and the Principal on the basis of the details provided by him as per the GSA Tender Process of the Principal. If at any point of time it is found that the GSA has misrepresented the facts /figures/documents submitted by him, the Principal can terminate the Agreement with immediate effect and claim compensation thereof from the General Sales Agent.

(ii) The GSA has agreed to bear legal costs of defending any action by the incumbent GSA and bear the cost of compensation if any, awarded as a result of terminating the incumbent GSA.

(iii) The GSA has agreed to provide soft as well as hard copy of the Sales Report and Statement of Accounts in the prescribed format as advised by the Principal. The GSA will provide information/reports as required by Finance.

(iv) The GSA will carry out the payments made by the GSA on behalf of the Principal after due verification and scrutiny of bills. The same would be certified by the Country Manager of the Principal.

(v) The GSA will register manual documents issued at the station (if any) into the SITA system. Principal would provide necessary/suitable training on the same. GSA agrees to provide scanned copy of manual documents as mandated by Audit/vigilance on weekly basis along with reports in the prescribed format to be uploaded on AI/GSA server.

(vi) Targets would be assigned to the GSA based on the saleable capacity and will be adjusted from time to time in case of any increase or decrease in capacity deployed by the Principal in the said territory. The targets assigned to the GSA would be monitored as per the clause 21 of the main agreement.

(vii) GSA will be responsible for accounting, timely remittances & maintaining proper record of the Airport Collections by way of Sale of EBs, EMDs, CODs, LOMs, and Wheel Chairs etc. in coordination with GHA for AI.

(viii) Excess Baggage Remittances: In case excess baggage remittances are collected by GSA, same would be remitted immediately along with weekly/fortnightly remittance.

(ix) Scope of work/listing of activities that will be carried out by Accounts Manager in addition to regular accounting functions will be intimated by AI from time to time.

(x) GSA will provide sufficient space to maintain accounting record as required by Local as well as Indian Laws.

(xi) GSA Accounts staff will pass Accounting entries in Principals Accounting System. Principal will provide necessary training to GSA Accounts Team.

H. **Review of facilities**

The above arrangements to be provided by the GSA vide clauses A to G above will be subject to review/change by mutual agreement, in the event of increase/decrease in capacity deployed by the Principal in the territory of appointment.

I. EXCLUSIVITY

The General Sales Agent agrees not to function as the General Sales Agent /PSA of any private Airline operating in India / Competitor Airlines that would involve a conflict of interest with the Principal.

Air India Ltd.	**General Sales Agent**
_____	_____
(Signature)	(Signature)
_____	_____
(Name in block letters)	(Name in block letters)
(Title)	(Title)
_____	
_____	
(Affix Rubber Stamp)	(Affix Rubber Stamp)
_____	
(Affix Rubber Stamp of Attester)	

Witness

(Affix rubber stamp of Attester)

(Signature of executor)

1._____ 1._____

2._____ 2._____

(Affix rubber stamp of Attester)

(Signature of executor)