



**SUPPLEMENTARY AGREEMENT
COVERING A NEW INDEPENDENT CENTRALIZED SERVICE LOCATION (CSL)
AND CSL BRANCH LOCATIONS**

This Supplementary Agreement Covering a New Independent Centralized Service Location (CSL) and CSL Branch Office Locations (herein referred to as the ("CSL Supplementary Agreement") is entered into by the Airlines Reporting Corporation (hereinafter referred to as "ARC"), a close corporation chartered in the state of Delaware with its principal place of business at 1530 Wilson Boulevard, Arlington, Virginia, 22209-2448, on its own behalf and on behalf of the carriers which have executed, or hereinafter will execute, the ARC Carrier Services Agreement (hereinafter referred to as "carrier" or "carriers"), and

_____ with its
(legal name as shown on CSL application)

main office at _____
(headquarters address as shown on CSL application)

(hereinafter referred to as "Agent" for purposes of identification in this agreement).

If the entity identified above is an ARC-accredited Agent on the agency list, this Supplementary Agreement to the ARA shall become effective on or upon such date as evidenced by written notification from ARC to the Agent that the Application for a CSL branch has been approved and that such CSL has been included on the list of ARC Agents.

If the entity identified above is applying for approval of a New Independent Centralized Service Location, the ARC Agent Reporting Agreement ("ARA"), and this Supplementary Agreement to the ARA, shall become effective only on or upon such date as evidenced by written notification from ARC to the Agent that the Agent's Application for a New Independent CSL has been approved and that such CSL has been included on the list of ARC Agents.

Agent has submitted or will submit an application for ARC approval of a New Independent Centralized Service Location (CSL), and/or has submitted or may submit an application for a CSL Branch office location and seeks to have such location(s) included on the ARC agency list.

This agreement supplements the ARA entered into by ARC and Agent, including any and all amendments or revisions thereto. Moreover, except as provided for herein, the provisions of the ARA, including any and all amendments or revisions thereto, are incorporated into this Supplementary Agreement by reference. Further this supplementary agreement shall apply to each of the Agent's accredited CSL locations which may be added to the ARC Agency List after the effective date of this agreement and will apply to all of Agent's accredited CSL locations regardless of approval date, as of the effective date of this agreement.

For purposes of this Supplementary Agreement, the following definitions shall apply –

A CENTRALIZED SERVICE LOCATION ("CSL") is an authorized independent or branch office location whose primary purpose is to allow Agent to directly provide, or to utilize another ARC-accredited travel agent (referred to herein as a "servicing agency") to provide, travel services to a specified corporate account or website account at an approved centralized location. The CSL shall not serve the general public, and the office or space where the CSL is located shall not be open and accessible to the general public and it shall not be identified as a retail travel agency.

OUTSOURCE or OUTSOURCED means to use a Servicing Agency to perform or provide travel services (e.g., reservations, sales, ticket issuance, sales reporting, etc.) for the corporate account or website account at the approved CSL location.

SERVICING AGENCY is the ARC-accredited agency identified in the CSL application that may provide or perform some or all of the travel services for the Agent's corporate account or website account at the approved CSL location. The CSL staff may be employed by the Agent or by the Servicing Agency.



The parties to this Supplementary Agreement state that –

1. Agent wishes to centralize certain travel services (e.g., reservations, sales, ticket issuance, sales reporting, etc.) for a specified corporate account or website account at a specified, authorized CSL independent or branch location.
2. Agent affirms the representations made in any and all CSL applications to ARC, which are hereby incorporated into this Supplementary Agreement by reference.
3. ARC finds that, subject to the terms and conditions of the ARA and the terms and conditions described in this Supplementary Agreement, Agent should be provided an opportunity to operate a CSL at the location described in a CSL application which has been approved, in writing, by ARC.

In consideration thereof, the parties agree as follows:

4. The Agent's CSL location(s) shall comply with all of the terms, obligations and requirements of the Agent Reporting Agreement for an independent or branch office location, except as otherwise noted in this Supplementary Agreement. Notices concerning amendments and revisions to this Supplementary Agreement shall be provided to the Agent in accordance with the ARA and concurrence therein by the Agent shall be in accordance with the terms of the ARA.
5. Each approved CSL location shall service a specified corporate account or a specified website account, and each such CSL shall be: (1) assigned a separate, individual agency code number; (2) separately listed on the ARC Agency list; and (3) in the case of a CSL branch, cross-referenced to the Agent's home office agency location.
6. No more than twenty (20) CSLs, total, (independent and branch locations) may be located at a common centralized location (i.e., the same physical address or office suite; for example, a common room or area in which the CSLs are not separated by walls or lockable areas). This common location must be under the exclusive control of the Agent (i.e., the entity applying for approval of the CSL independent or branch location), or the ARC-accredited Agent which is providing the outsourced travel services for the CSL (i.e., the servicing agency).
7. If there is more than one CSL located at a common centralized location, the Agent may store the on-premises quantity of traffic documents allowed for each of its individual CSLs under section VI.A of Attachment B of the ARA, in one common container which meets the requirements of section VI.C of Attachment B of the ARA. The amount of the allowable inventory over and above that which each CSL branch, individually, may keep on the premises, may be stored in one common off-site storage facility which meets the requirements of section VII of Attachment B. Agent may also seek written approval from ARC to store all traffic documents for all of its CSLs which share a common centralized location, at said location in a container or room which meets the requirements of Section VIII of Attachment B of the ARA. [Note: Except as noted in this section, each individual CSL location, (including those which share a common centralized location with other CSLs) is subject to the ticket security rules of Attachment B, including those rules concerning the quantities of traffic documents which may be ordered and stored by an authorized location.]

[NOTE: ARC recognizes that as printer technology develops, a single ticket printer may be able to print tickets and other documents issued by multiple CSL locations, whether part of the same legal entity or representing multiple legal entities. Once this capability is technologically available, and ARC's systems and the System Providers' systems are able to support such technology, ARC will notify Agents.]

8. If the Agent has one or more approved CSLs at a common centralized location, the Agent shall ensure that such location is closed, locked or otherwise secured when the location is not attended by authorized personnel.



9. Each CSL location shall meet the personnel requirements of section IV.B.1 (managing qualifier) and IV.B.2.B (Certified ARC Specialist, CAS) of the ARA. However, if there is more than one approved CSL independent or branch located at an approved, common centralized location, only one manager (meeting the requirements of section IV.B.1) and one CAS (meeting the requirements of IV.B.2.b) are required to qualify all of the CSL independent and branch offices at that location. The person or persons who meet these requirements must be employed by the Agent, or by the Servicing Agency, that is providing the outsourced travel services for the CSL locations.
10. The Servicing Agency must be an ARC-accredited Agent on the list of ARC agencies. However, ARC does not warrant, or make any representation about the competency, integrity, or financial fitness of any Servicing Agency. The Agent signatory to this Supplementary Agreement assumes full legal and financial responsibility, for the administration, liability, staff, maintenance and operations of all of its CSL locations. The Agent is required to immediately notify ARC's Accreditation and Database Management (ADM) Department at ARC's headquarters location, in writing, if the Servicing Agency's Agent Reporting Agreement is terminated for any reason, or if the Agent elects to change or cease utilizing its Servicing Agency for any reason.
11. ARC traffic documents (both paper and electronic format) which may be used by the Agent's CSL locations will be supplied in trust to the Agent and such will be delivered to the Agent at its headquarters location, the CSL location, or at another one of the Agent's accredited locations, as designated by the Agent (but not, another CSL, Satellite Ticket Printer location (STP), Ticket Fulfillment Location, Special Event Location (SEL), or on-site branch location.) Agent is responsible for safeguarding the ARC traffic documents (both paper and electronic format) entrusted to each of its CSL locations and Agent assumes full and absolute responsibility and liability for the ARC traffic documents in transit to and from the CSL location and the ARC traffic documents location at each CSL location.
12. Regardless of any security measures taken, Agent assumes full and absolute liability for any and all damage, expense or loss (including attorneys' fees) experienced by ARC or the carriers, their officers, representatives, agents or employees on account of the loss, misuse, misapplication, misdirection, theft or forgery of ARC traffic documents (both paper and electronic format) at the CSL independent and branch locations and ARC traffic documents in transit to and from the CSL independent and branch locations.
13. Agent agrees that all ARC traffic documents (both paper and electronic format) assigned to its CSL locations shall be issued in accordance with the terms of the ARA and that a separate sales report shall be prepared weekly in accordance with the ARA and submitted electronically utilizing ARC's Interactive Agent Reporting system – IAR, (also referred to in the ARA as Interactive Sales Reporting – ISR).
14. In accordance with the terms of the ARA, Agent agrees to permit, or to obtain authority to permit, access by authorized ARC representatives to the location identified in any CSL application incorporated by reference in this Supplementary Agreement, including the storage areas for the ARC traffic documents, in order for such representatives to determine compliance with this Supplementary Agreement and with all other applicable provisions of the ARA. The representatives of any carriers shall also be guaranteed access for the purposes provided for in the ARA. Inspections shall be made upon reasonable notice as circumstances warrant.
15. In the event of a termination of the ARA with the Agent's home office location for any reason, this Supplementary Agreement shall also automatically terminate, but in any event, termination of this Supplementary Agreement shall occur no later than the effective date of the termination of the ARA. Upon termination of this Supplementary Agreement, and/or the ARA, for any reason, Agent shall provide to ARC and the carriers a full, complete, and satisfactory accounting to ARC and the carriers, and shall fulfill all obligations accrued prior to the effective date of such termination.



- 16. In the event Agent wishes to temporarily close any of its CSL locations, Agent shall provide prior written notification to ARC in the form prescribed. Such notification shall be addressed to ARC's Accreditation and Database Management (ADM) Department at ARC's headquarters location, (attention: temporary closing section). If the Agent wishes to relocate any CSL location, ARC must be notified in writing in the form prescribed and prior written approval must be obtained. Such notification shall be addressed ARC's Accreditation and Database Management (ADM) Department at ARC's headquarters location (attention: Change of Agency Location section). The CSL Supplementary Agreement (and ACN) cannot be transferred or sold to a new owner unless it is transferred or sold in connection with an ARC-approved change of ownership of the Agent. The Agent must obtain prior written approval from ARC for all such transfers and changes of ownership.
- 17. This Supplementary Agreement may be terminated by either ARC or Agent, at any time, upon prior written notice to the other; however, obligations incurred prior to the effective date of termination shall not be discharged by the termination, and upon termination, each party shall fulfill any and all obligations accrued prior to the effective date of such termination.
- 18. Nothing herein shall affect the authority of any carrier to appoint or terminate its appointment of the Agent, or any specific location of the Agent. Such termination shall proceed in accordance with the applicable provisions of the ARA.
- 19. A breach of any provision of, or obligation under this Supplementary Agreement, shall constitute a breach of the ARA and shall be subject to the unilateral termination of this Supplementary Agreement by ARC (and the Agent Reporting Agreement as well if all of the Agent's locations are CSLs). The Agent may appeal such termination to the Travel Agent Arbiter in accordance with the terms of the ARA.
- 20. The Agent agrees to pay an annual administrative fee for each of its authorized CSL locations included on the ARC Agency List, in accordance with the provisions of the ARA.
- 21. Upon termination of this Supplementary Agreement, all unused ARC traffic documents and the airline identification plates shall be immediately returned to ARC, together with all monies due and payable to the carriers and ARC, and a complete and satisfactory accounting rendered.

In order to indicate their concurrence in the provisions contained in this CSL Supplementary Agreement, the parties sign their names, by their respective officials.

AIRLINES REPORTING CORPORATION

(Legal Name of Agent as shown in part 2.C of the CSL Application)

By: _____

Owner/Officer signature

Effective date: _____

Type name _____

Type title _____