

# Addendum to the Governing Travel Agency Agreements (GTAA)

## American Airlines, Inc. Addendum to the Governing Travel Agency Agreements for ARC Accredited Agents and their affiliates

For ARC accredited agencies and their affiliates, see the information on this page

[For all other agencies](#)

Your travel agency, including affiliated agency locations under common control that are accredited by Airlines Reporting Corporation (“ARC”) or the International Air Transport Association (“IATA”) (collectively “Agent”), has entered into the Agent Reporting Agreement (the “ARC Agreement”) with ARC with respect to travel agency location(s) in the United States and the IATA Passenger Sales Agency Agreement (the “IATA PSAA”) with respect to any travel agency locations outside the United States (collectively “Governing Travel Agency Agreements”). The instructions, terms and conditions governing the agent-principal relationship between Agent and American Airlines, Inc., including all affiliated airlines under common control of American Airlines Group Inc. such as US Airways, Inc., (collectively “American”) are set forth below and in the Governing Travel Agency Agreement applicable to each travel agency location and any other agreement entered into by American and Agent (such agreements, together with these instructions, being referred to collectively as the “Agreement”). American has appointed Agent to act as an agent for American in the sale of American’s products and services (“Agent’s Appointment” or “Appointment”). Agent acknowledges and affirms that it is an agent of American. As of the effective date set forth at the end of this addendum, compliance with these instructions, as well as the other terms and conditions of the Agreement and the Rules (defined in Section 3), are conditions to the continued Appointment of Agent. To the extent that Agent engages employee, sub-agents, services vendors or other third party contractors to support Agent’s activities within the scope of the Appointment, Agent will be responsible to American for their full compliance with the Agreement. The Agreement applies to any tickets issued using American’s ticket stock.

### **1. Appointment.**

American may independently review any of Agent's locations, including those under Agent’s common control, that are accredited by ARC or IATA (the “Agency Locations”). The review may include on-site inspection of any Agency Location to determine that Agent's operations comply with American's requirements for its agents in the sale of American products and services. In its sole discretion and at any time, American may, upon written notice to Agent, exercise its rights to suspend or limit Agent’s Appointment, including immediately terminating American’s appointment of any Agency Location or Agent's Appointment. If any Agency Location is terminated, Agent may not act in any agency capacity for the sale of American’s products and services from the terminated location. If Agent's Appointment is terminated, Agent may not act in any agency capacity whatsoever for the sale of American’s products and services from any location.

### **2. Commissions and Incentives.**

(a) Right to Modify Commission Policy. American does not currently pay base commissions to ARC-accredited agents for the sale of American's products and services. American, in its sole discretion, reserves the right to modify its commissions and other compensation policies for Agents at any time.

(b) Limitations on Any Commissions. If American chooses to pay any commissions for the sale of American's products and services, American will pay commissions to Agent only in accordance with its then-current policy and only for Agent's issuance of standard tickets that show American as the ticketing carrier and that are properly issued in accordance with this Agreement. Agent is not entitled to any commission for (1) tickets for which a full or partial refund is made, (2) late or unreported tickets, or (3) tickets issued to owners, officers, directors, stockholders, members, partners, or employees of either Agent or any person or entity which controls, is controlled by, or is under common control with Agent. Any commissions are based on the fare paid only; American does not pay any commissions on governmental or similar taxes, fees, and charges, or fees or charges collected by Agent for its own account or for the account of a third party.

(c) NDC Incentive Program. Agent has the option of participating in a NDC incentive program (the "NDC Incentive Program"). The NDC Incentive Program offers the following benefits to Agents who book and ticket American flights through a Qualified NDC Channel (defined below) under a TSA Arrangement (defined below):

- Agent will have access to the best published fares for American marketed flights made generally available to the public (e.g., through AA.com or a GDS), and all schedule information and seat availability related to such fares (the "Content Commitment").
- Agent will have the ability to sell specified ancillaries.
- Agent will be entitled to a commission of \$2.00 USD (or foreign currency equivalent, as determined by American) per flight segment (the "NDC Commission") on AA NDC Net Tickets. "AA NDC Net Tickets" means a confirmed and purchased passenger reservation (in the itinerary portion of a PNR) for transportation on an American marketed flight, and that has been confirmed, purchased and ticketed using American's 001 validation code through the Qualified NDC Channel, but not including any voided, canceled, refunded, re-issued or exchanged tickets.

**Agent's acceptance of the NDC Commission constitutes its agreement to operate under a TSA Arrangement. Agent is ineligible to participate in the NDC Incentive Program and receive NDC Commissions if Agent is party to a separate TSA Arrangement with American.** "TSA Arrangement" means the type of arrangement whereby each party bears its own distribution costs. For Agent, this means absorbing, paying or indemnifying American from (i) Agent's own costs associated with integrating directly with American's NDC-enabled connection into its reservations system ("NDC Connection") and (ii) costs charged to Agent or American by Agent's TSA Provider (e.g. booking fees charged by a GDS or aggregator) in connection with Agent making bookings or issuing tickets, processing associated transactions, or related to use of the TSA Provider's resources to connect to American's NDC Connection. American will absorb or pay for its own costs associated with operating the NDC Connection and for any internal development undertaken by American to facilitate integration by Agent or Agent's TSA Provider. "TSA Provider" means a third party technology company that provides a connection to American's NDC Connection (e.g. GDS or Aggregator).

American, in its sole discretion, reserves the right to modify, extend or terminate the NDC Incentive Program at any time, including by adding to or modifying the below requirements for participation in the NDC Incentive Program. However, if Agent issues an AA NDC Net Ticket prior to December 31, 2018, then American will not limit the scope of the Content Commitment or reduce the NDC Commission for Agent prior to December 31, 2020.

The NDC Commission will be a back-end payment settled through the existing ARC/BSP ACM (Credit Memo) or similar mechanism as determined by American. For clarity, the NDC Commission applies only to tickets issued for American marketed flights through a Qualified NDC Channel, is subject to Agent's indemnification obligations under the TSA Arrangement, and is in addition to any other commissions that may be in place for Agent in connection with the sale of other American products or services. Agent is not entitled to, and is prohibited from collecting, the NDC Commission for any booking that violates any of the terms or

conditions of the Agreement. American reserves the right to indefinitely suspend or to terminate Agent's participation in the NDC Incentive Program if Agent violates this Agreement or otherwise engages in fraudulent or abusive activity. In addition, nothing in this Section 2(c) is intended to supersede or limit in any manner any other term or condition of this Agreement, including, for clarity, American's rights and Agent's obligations set forth in Sections 1, 3 and 4 of this addendum.

Note, the Content Commitment (and related schedule information and seat availability) made available under the NDC Incentive Program does not extend to: (a) fares not made generally available to the public, such as negotiated corporate fares, tour operator fares, consolidator fares, wholesaler fares, targeted fares, net fares, off-tariff fares, group fares, meeting and incentive fares, or fares that require the purchase of another product or service; (b) opaque fares (e.g., offered for sale without disclosure of air carrier identity until after a commitment to purchase the particular air services has been made); or (c) short term promotional fares or discounts.

To participate in the NDC Incentive Program, Agents must comply with all of the following requirements:

- Agent must book and ticket American flights through a Qualified NDC Channel. "Qualified NDC Channel" means: (i) an American-approved channel established by the Agent, either itself or through a TSA Provider, that integrates directly with American's NDC Connection at a NDC 'Level 3' certification level, as such certification is defined by IATA; or (ii) the NDC website portal maintained by American. To request a list of TSA Providers currently available to provide a Qualified NDC Channel or for instructions on how to get access to the NDC website portal, please contact NDC@aa.com.
- Agent must comply with any instructions, policies and technical specifications governing use of the American's NDC Connection, as such instructions, policies and technical specification may be updated from time to time at American's sole discretion.

### **3. Compliance with American's Rules and Rates.**

(a) General. Agent will strictly adhere to American's current instructions, rules, regulations, requirements, conditions of sale or carriage, tariffs, and procedures (the "Rules") in booking any reservation or issuing, reissuing, selling, exchanging, refunding, canceling or reporting any ticket calling for transportation on American. Agent will ensure that its systems, processes and sales practices accurately display and convey all information relating to American's products and services as presented by American, including with respect to the display, offer, booking, ticketing or sale of American's products and services. Agent will also comply with all laws and regulations applicable to its activities under the Agreement. Failure to comply may subject Agent to debit memos from American for any deficiency or any loss incurred by American by reason of the violation and the suspension, limitation or termination of Agent's appointment. These instructions do not prohibit Agent from offering discounts off its own service charges or other fees to its customers or otherwise compensating its customers in connection with transportation on American. If Agent charges a service or other fee for the services that it provides to customers or compensates its customers, such charges, fees (including any discounts) and compensation shall be listed separately from American's fare information, so that the components and calculation of the final sale price is clear to the customer (e.g., the fare as published by American must always be separately displayed).

(b) Order of Precedence and Conflicts of Law. In the event of any conflicts between these instructions, the Governing Travel Agency Agreements, or applicable law or regulation, the conflict shall be resolved by giving priority as follows:

- (i) applicable law or regulation;
- (ii) these instructions;
- (iii) the Governing Travel Agency Agreements.

(c) AAdvantage<sup>®</sup>/Promotional Programs. Agent agrees to comply with all Rules governing the AAdvantage<sup>®</sup> Program and other promotional programs, including the issuance of promotional certificates and

tickets. Agent acknowledges that the purchase, sale, or barter of promotional or AAdvantage<sup>®</sup> awards, mileage, or tickets (other than a purchase from American) is strictly prohibited and that Agent's direct or indirect involvement in any of these activities subjects Agent to (i) debit memos, (ii) the suspension, limitation or termination of Agent's Appointment, and (iii) legal or equitable remedies. Agent further acknowledges and understands that any fraud or abuse concerning promotional programs or AAdvantage<sup>®</sup> awards, mileage, or tickets on the part of Agent or Agent's customers may subject Agent's customers to administrative and legal action by American, including the forfeiture of all (iv) award certificates, (v) tickets issued against award certificates, and (vi) accrued mileage in the customer's account, as well as suspension or cancellation of the account. Agent further understands that such promotional or AAdvantage<sup>®</sup> award tickets that have been purchased, sold, or bartered are void and that use of these tickets may result in the tickets being confiscated by American, the passenger's trip being stopped or interrupted, and the passenger being required to purchase a ticket to continue travel.

(d) Prohibition of Abusive Practices. Agent acknowledges that Hidden City/Point Beyond Ticketing, Back to Back Ticketing, Throwaway Ticketing, Duplicate and Impossible/Illogical Bookings and other Fraudulent, Fictitious, or Abusive Bookings, violate American's Rules. (See American's Conditions of Carriage for definitions of these types of bookings.) In addition, Agent acknowledges that "Sales Location Shifting" (i.e., making a booking or issuing a ticket from a sales location that is different than the one selected by the customer to circumvent availability, commissions, or other airline controls) violates American's Rules. It is the Agent's responsibility to ensure that ticketing or bookings done by Agent are not for and do not involve Hidden City/Point Beyond Ticketing, Back to Back Ticketing, Sales Location Shifting, Throwaway Ticketing, Duplicate and Impossible/Illogical Booking and other Fraudulent, Fictitious, or Abusive Booking purposes.

Circumventing journey controls or separating "married segments" to obtain otherwise unavailable inventory is also prohibited (this prohibition also applies to software or apps that facilitate such circumvention). American generally allows the use of passive segments, except in the case of satisfying productivity requirements of distribution intermediaries or to circumvent fare rules.

Furthermore, since American is not a participant in other carriers' private agreements and since American does not honor other airlines' discount codes, Agent agrees that other airline private or contracted fares or ticket designators may not be ticketed using American's ticket stock.

Agent acknowledges that if it engages in any of these practices, or sells or issues a ticket used for any of these purposes, Agent will be subject to (1) debit memos (2) the suspension, limitation or termination of Agent's Appointment, and (3) other remedies available to American.

(e) Fraud and Misrepresentations. Agent will not engage in any fraudulent activity, including altering flight coupons for non-qualifying discount travel, backdating tickets, or selling no-cash-value coupons, discounts, or upgrades. Fraudulent activity also includes (1) intentionally withholding or misrepresenting information regarding American products and services, such as information regarding availability and pricing, and (2) fraudulent advertising, including directly or indirectly using any automated, deceptive or fraudulent means to generate impressions, click-throughs, or any other actions in relation to advertisements or Internet promotions on an American web site or mobile app or in relation to advertisements or Internet promotions of American (or its products or services) on third party websites. Except for fares filed for bulk ticketing or unless otherwise agreed in writing, for all tickets issued using American's validation codes a) Agent must report such tickets through the applicable Billing and Settlement Plan or Area Settlement Plan with the same form of payment provided by the customer and b) Agent must not use a credit card which is issued in the name of the Agent, in the name of any of the Agent's personnel, or in the name of any third party, other than the customer, his or her employer or a representative of the customer, to issue such tickets. Additionally, with the exception of tickets for private or contracted fares that Agent is authorized to receive, Agent will ensure that American is the merchant of record for all transactions.

(f) Regulatory Compliance. All advertising and promotions by Agent for American's products and services will fully comply with all applicable laws, rules and regulations as well as any guidelines from the Department of Transportation (DOT) and other government regulators. For example, all print advertising will comply with all applicable disclosure requirements for codeshare or long-term aircraft wet-lease arrangements involved in

the markets being advertised and radio and television adverts will disclose the fact that some services may be provided by other airlines, as required by 14 CFR 257-5(d). In addition, Agent must comply with all rules and guidance from the DOT and other government regulators regarding advertising and promotions, including those pertaining to full fare advertising, price increases and ancillary services. Failure to comply subjects Agent to debit memos and the suspension, limitation or termination of the Agency Location or Agent's Appointment by American.

(g) No Biasing or Alterations. Agent's systems, processes and practices may automate a customer's preferences for air carrier, but must not otherwise involve any form of bias against American's products and services, or alter the information provided by American. Agent must not facilitate or encourage such biasing or alterations by others. Additionally, Agent will not impose service fees, or other fees (including, without limitation, ticketing fees or charges, paper ticket fees or charges, delivery fees or charges, booking fees or charges, incentives or other features) with respect to the display, offer, booking, ticketing or sale of American's products and services that are higher than those imposed for the display, offer, booking, ticketing or sale of any other carrier products and services. Similarly, if Agent offers discounts to its customers in connection with the offering or sale of carrier products and services, the Agent will not discriminate against American when setting such discounts. If Agent charges a customer a service or other fee for its services, such charge or fee shall be listed separately and the charge or fee for an American booking or other American product or service must be equal to the lowest fee imposed by Agent for other air carriers.

(h) Re-Distribution. Agent's Appointment is for purposes of the Agent marketing and selling American's products and services directly to customers for those products and services. Agent's Appointment is specific to Agent, and does not include any authority for Agent to act as an intermediary for distribution of American's products and services via third parties. Specifically and without limiting the previous sentence, Agent may only directly or indirectly redistribute American Data for use or display via third party websites or services (including, for example, through web sites or mobile platforms that are provided by Agent but re-branded for a third party so that it appears to be a service from a third party) if American is a party to any such distribution arrangement. In addition, if Agent uses or works with a non-accredited entity in making a booking, then Agent acknowledges and agrees that American reserves the right to reject the booking in American's sole discretion and that Agent nonetheless remains fully responsible to American in all respects for any bookings made by third parties and ticketed via Agent's Appointment.

(i) PNR Content. Complete information in a reservation is important to appropriately service customers during the course of travel and required for governmental compliance programs such as Secure Flight, therefore Agent must provide American with all the contact information offered by customers including but not limited to phone fields and emails as well as any other information required by governmental authorities. Agent may not substitute any contact information or provide Agent's contact information in lieu of such customer information without the consent of American and the customer. American will treat any "personally identifiable information" included in the PNR content received in accordance with American's privacy policy.

(j) Exceptions. To be valid, any exceptions to American's Rules in the booking of any reservation or the issuance, reissuance, or refund of any ticket calling for transportation on American must be documented by American in the applicable PNR.

#### **4. Use of American's Identification Plate.**

American's validation plate is American's sole property, and Agent will surrender it immediately upon demand by American, ARC or IATA. Agent shall not use American's validation codes to circumvent termination or in the absence of appointment by American or another airline, for example, by issuing electronic tickets or any other traffic documents for transportation on any airline that has refused to appoint, or has terminated its appointment of, Agent. Further, Agent will not issue tickets for transportation on American on behalf of any other travel agency location for which American has refused or terminated its appointment, including any of the Agency Locations. Agent will not use American's validation codes to issue tickets for transportation on carriers that do not maintain a ticketing and baggage interline agreement with American.

#### **5. Debit Memos.**

(a) Issuance of Debit Memos. If Agent issues a ticket in violation of this Agreement or is otherwise in violation of the Rules American has issued for travel agents, American may issue a debit memo to Agent for any deficiency or any loss incurred by American by reason of the violation, including, without limitation an amount equal to the cost of the ticket, the difference between the applicable fare and the fare actually used, CRS fees, lost revenue from spoiled inventory, or an administrative service charge, as American deems appropriate and may immediately suspend, limit or terminate the Agency Location or Agent's Appointment upon notice to Agent. Agent acknowledges that American's damages for Agent's failure to comply may be uncertain or difficult to ascertain or prove and that American's administrative service charges are a reasonable estimate of American's loss due to the Agent's improper acts in these situations. American also retains all rights and remedies available to it under this Agreement or at law or in equity.

(b) Payment of Debit Memos. Agent agrees to pay or reconcile all debit memos and debit memo fees issued by American within 30 days of the date of issuance. If Agent fails to do so, American reserves the right to assess, and Agent agrees to pay, interest on the past due amounts at a rate not to exceed one and one-half percent (1½%) per month, compounded monthly, or the maximum rate permitted by law, whichever is less, from the date due to the date of the payment.

(c) Administrative Processing Fees. American reserves the right to assess, and Agent agrees to pay, an administrative processing fee to be included as part of any debit memo issued to Agent. American also reserves the right to assess, and Agent agrees to pay, an additional administrative processing fee of at least \$300.00 to cover administrative expenses in connection with an audit or review of a request by Agent for reinstatement of Agent's Appointment following the suspension, limitation or termination for any reason by American. American's acceptance of any administrative fees does not obligate American to act, or refrain from taking any action, nor does it waive, release, amend, or modify this Agreement, or any rights or obligations of Agent or American.

#### **6. Agency Free and Reduced Travel.**

6. Agency Free and Reduced Travel. Agent will comply with American's Rules concerning agency free travel and reduced rate travel privileges. Failure to comply subjects Agent to debit memos and the suspension, limitation or termination of the Agency Location or Agent's Appointment.

#### **7. Agent Incentive, Promotional, and Override Programs.**

Agent will comply with American's Rules and any specific contractual requirements concerning agency incentives, promotions, or overrides with American in which Agent participates or has an interest. Failure to comply subjects Agent to (1) forfeiture and repayment to American of all sums paid by American to Agent or the value received by Agent, (2) the suspension, limitation or termination of Agent's right to participate in or receive all or a part of any agency incentives, promotions, or overrides, and (3) the suspension, limitation or termination of Agent's Appointment.

#### **8. Data Ownership and Use.**

(a) Background. The creation, development, collection, verification, formatting, organizing and maintenance of fares, schedule, inventory, merchandising and other pre-booking data about American's products, services and facilities requires extensive investment of time, money and specialized resources of American. For example, American expends significant amounts of time and money to (i) analyze markets and competition for air transportation and related products and services, (ii) analyze aircraft fleet types and utilization, (iii) analyze operating conditions at airports and air traffic control infrastructure, crew scheduling requirements and legal/regulatory requirements, (iv) develop, deploy and use proprietary algorithms, processes and techniques, many of which have taken years to develop and are critical to American's competitiveness, and (v) train its personnel to become skilled and knowledgeable about each of the foregoing. This investment in pre-booking data also results in post-booking data about American's products and services and the customers who purchase and consume them, and therefore American's post-booking data is similarly valuable and competitively sensitive. The integrity, value and availability of American's pre- and posting booking data can only be preserved if it is accessed and used in ways that have been authorized by American. Unauthorized access can

cause disruption and harm to American's systems, business and customers, and misuse of such data can lead to safety and security issues, as well as cause material commercial harm to American.

(b) American Data. Agent understands and agrees that as between American and Agent and as a consequence and condition of Agent's Appointment, any information or data, regardless of source or format, that (i) identifies American (e.g., American's trademarks), (ii) identifies or is reasonably identifiable to services or products provided by American, including all fare and inventory information, (iii) relates to a relationship between a customer and American (e.g., frequent flyer or club membership), (iv) relates to a transaction between a customer and American, including booking and payment data, (v) is passed by Agent to American through a PNR or similar booking/sale record, or (vi) is passed by or on behalf of American to Agent in connection with this Agreement, ((i) to (vi) collectively, "American Data"), is and will be owned by American and is Confidential Information of American. Any successors, equivalents, compilations or derivatives of the foregoing, whether now known or hereafter devised, and in any medium or format, are also American Data. Access and use of American Data by the Agent is solely for purposes of and is limited to those activities that are within the scope of the principal-agent relationship as defined and authorized by American for all of Agent's Locations.

(c) Examples of Unauthorized Activities. Any use of American Data beyond what is permitted in Section 8(b) above is unauthorized. As guidance, American provides the following examples of specific types of access, use, distribution and remarketing of American Data that are prohibited without prior written consent from American: (1) accessing AA.com by the use of any automated or electronic devices commonly known in the Internet industry as robots or spiders, or by the use of other electronic search devices; (2) soliciting, facilitating, encouraging or agreeing to provide access to or otherwise remarket or redistribute, or take affirmative steps to allow or permit such access to, or remarketing or redistribution of, any American Data to any third party, through any process, including screen scraping, spiders, web "bots" or other device, software or system; (3) licensing, selling, or otherwise providing to any person or entity any software or other device that is capable of accessing American Data from any source; or (4) editing, modifying, creating derivatives, combinations or compilations of, combining, associating, synthesizing, reverse engineering, reproducing, displaying, distributing, disclosing, or otherwise processing American Data; (5) engaging in any kind of commercialization, marketing, advertising, licensing or resale that is based on American Data (e.g., advertising credit card offers to consumers based on the American Marks or flight information) except as otherwise permitted by this Agreement; (6) facilitating structured posting of American Data to any third party electronic media, including without limitation Facebook, Twitter, online calendars; (7) accessing American Data from any unauthorized source which American may identify to Agent; and (8) assisting, aiding, or abetting in any way the unauthorized access, use, distribution or display of American Data, including American Data obtained or derived from an American website or mobile app or any other web site, mobile app or any other source, such as a Global Distribution System. Agent may not engage in any of the above examples, or any other unauthorized access, use, distribution or remarketing of American Data, without the prior written authorization of American. Agent is not authorized to agree to third party terms and conditions which would assign, transfer, or license American Data or American's proprietary rights in American Data to a third party or otherwise negatively impact American's proprietary rights to American Data. If Agent learns that any third party is accessing, distributing, remarketing or displaying American Data in any way obtained via Agent, including Agent's web site, without American's written authorization, Agent will promptly inform American and take all commercially reasonable measures, including commercial, technological, or legal measures, to prevent the unauthorized access, display, remarketing or distribution of American Data. Agent further agrees not to use, or authorize use of, American Data in any manner that is harmful to American.

(d) Other Data. The intent of this Section 8 is to maintain and protect the proprietary, commercial, competitive and confidential integrity of American Data. American recognizes that travel agents have separate relationships with their own customers, whether individual persons or companies, and have additional responsibilities with respect to security and use of customer-identifying data. In those separate relationships, travel agents may collect, have access to and rights in customer-identifying information: name, address, phone number(s), e-mail address(es) and IP address(es), as well as information specific solely to the travel agency and its products and services. In addition, American recognizes that customers have overlapping or separate

rights and interests in data that is processed on their behalf by Agent as part of the Agent's marketing, sale or delivery of American's products and services by Agent to customers and nothing in this Section 8 is intended to restrict the processing of such data so long as Agent is acting in accordance and within the scope of its principal-agent relationship with American and with the terms of the Agreement. However, Agent acknowledges and agrees that information that is specific to American's flights, products and services including fares, schedules, inventory, AA PNR data and AA TCN data, are unique to American's business, are not part of Agent's proprietary data and remain American Data even if such data elements are collected in the course of Agent's operations.

(e) Other Permitted Uses

(i) Agent is permitted to access post-booking data related to bookings not processed by Agent, if Agent has received express permission to access such post-booking data directly from the customer and obtained such post-booking data from an authorized source approved in writing by American, but solely for the purpose of displaying the itinerary to the customer and/or for providing the customer or the customer's employers with reporting or accounting support. Agent is not permitted to claim PNRs without American's express approval.

(ii) Agent, when acting in its role as a travel management company for a corporate customer of Agent and American, is permitted to:

a. Provide reporting to Agent's corporate customer based upon American Data associated with such corporate customer's travel on American;

b. Use American Data for internal business purposes but only to the extent necessary to fulfill Agent's obligations to its corporate customers or American;

c. Use American Data to provide Agent's corporate customer with benchmarking data without disclosing any American-identifying data; and

d. Provide American Data to a third party for use only to the extent necessary to fulfill Agent's obligations to its corporate customers or American, subject to American's preapproval of such third parties.

**9. Confidentiality, Privacy and Data Security.**

(a) Confidentiality. Agent will keep confidential and not disclose to any third party the following confidential information of American: (i) any fare programs and commission arrangements that may be agreed with American; (ii) any and all post-booking data, including all PNRs, that cover American products and services; and (iii) any other American Data that American designates as confidential or is otherwise reasonably identifiable as confidential or proprietary information ("Confidential Information"). However, American consents to Agent disclosing commission arrangements and payments to customers when this information is requested by the customer. Agent may also disclose American confidential information to Agent's directors, officers, employees or agents if such persons are bound by equivalent confidentiality commitments and have a legitimate need to know such information in order for the Agent to perform its obligations to American. In addition, this Section will not prohibit Agent from making disclosures required by law or judicial process after making reasonable efforts to resist disclosure and notify American. Agent acknowledges that American may disclose fare program and commission arrangements to American's alliance carriers including oneworld Alliance carriers. Agent further acknowledges that in many instances American Data is protected as a trade secret. This provision will survive the suspension, limitation or termination or expiration of Agent's Appointment.

(b) Privacy. For purposes of these instructions, "personally identifiable information" means information that identifies or could be used to identify a particular individual, such as name, mailing address, telephone number, email address, frequent flier number, Social Security number, credit card or other payment data, date of birth, driver's license number, account number or user ID, PIN, or password. Agent will cause all of the Agent's privacy policies to inform customers that their personally identifiable information will be disclosed to American (and third parties in accordance with American's privacy policy) and if they are located outside of the United States, that their personally identifiable information will be transferred to and processed overseas, including in the United States of America. The Agent shall give its customers notice, and if required under applicable law obtain the customer's consent, to such disclosure, transfer and processing of personally

identifiable information. American Data, including any personally identifiable information disclosed by the agent, will be handled by American pursuant to and in accordance with American's privacy policy. In all other respects, American, as the owner of American Data, can use and disclose American Data for any purpose in compliance with all applicable local laws and regulations. Agent will not adopt, apply or publish any privacy policy that conflicts with the requirements of these instructions, the Agreement or American's privacy policy.

(c) Data Security. Agent will establish, implement, maintain, and use reasonable physical, technical and administrative safeguards for American Data in Agent's possession or under Agent's control in order to protect the same from unauthorized disclosure, access, use, destruction, loss, damage or alteration. Such safeguards will be in compliance with all applicable laws and regulations, including any privacy or data protection statutes in the United States, United Kingdom and European Union, and will be no less rigorous than (i) industry standard practices in the transportation and related services industry, and (ii) reasonable security procedures and practices appropriate to the nature of such American Data (the "Security Requirements"). For the avoidance of doubt, such data safeguards must include: (i) compliance with the current Payment Card Industry Data Security Standard, and VISA, MasterCard and any other applicable credit card network bylaws and operating regulations and federal and state laws or regulations relating to credit card processing; (ii) encryption of all records and files that contain any personally identifiable information when Agent transmits such records and files across public networks or any wireless network or stores such records and files on laptops, thumb drives or other portable devices or transfers such records and files for storage; and (iii) compliance with any security standards required by local law or regulations, including the laws and regulations of the Member State in which the Agent is located if the Agent is based in the European Union. In addition, Agent shall require any of Agent's employees, agents or contractors with access to American Data to adhere to the Security Requirements, and certify that such employees, agents and contractors have not experienced any circumstances or events that are inconsistent with the Security Requirements during the last twenty-four months. Agent agrees that the controls used to safeguard American Data in Agents' possession will take into account the sensitivity of such information. Agent accepts responsibility for the security of payment card data, cardholder data, or sensitive authentication data processed on behalf of American. Agent represents and warrants ongoing compliance with the most current Payment Card Industry Data Security Standard and shall provide certification of compliance with this requirement upon request from American.

(d) Remediation. Following any Security Incident (defined as (i) the loss, misappropriation or misuse (by any means) of American Data; (ii) the inadvertent, unauthorized, and/or unlawful processing, distribution, alteration, corruption, sale, rental, or destruction of American Data; (iii) any other act or omission that compromises or threatens to compromise the security, confidentiality, or integrity of American Data, or (iv) any breach of American's security policies set forth herein), Agent must notify American within 24 hours. Agent and American will work in good faith regarding remediation efforts that may be necessary and reasonable. At American's sole discretion, Agent shall (i) either undertake remediation efforts for a Security Incident at its sole expense and in line with security best practices or reimburse American for American's reasonable costs and expenses in connection with taking remediation efforts for a Security Incident and (ii) provide assurances satisfactory to American that such Security Incidents will not recur. Agent shall indemnify and hold harmless American and its officers and employees from and against any and all allegations, claims, demands, costs, expenses (including attorneys' fees and disbursements), losses, liabilities, penalties, fines, settlements or damages arising out of or relating to any Security Incident that occurs in relation to American Data that was in the possession or control of Agent or Agent's employees or contractors at the time of the Security Incident.

## **10. American's Intellectual Property.**

(a) Background. American's intellectual property, including its famous trademarks, logos, livery, travel posters, web sites and advertising, are important and valuable assets of American. Who uses them and how they are used has an impact on their continuing value and fame.

(b) American Marks and Correct Use. American grants Agent a limited, royalty free, non-transferable, non-exclusive permission to use certain American intellectual property, specifically the trademarks ENVOY, FLAGSHIP, AMERICAN AIRLINES, AA, AMERICAN EAGLE, AMERICANCONNECTION,

AADVANTAGE, ADMIRALS CLUB and the American Airlines' trade dress (the "American Marks") solely for the purpose of identifying Agent as an authorized agent of American. In using the American Marks, Agent agrees that American owns the American Marks, and that Agent will not harm the American Marks or American's ownership of the American Marks or in any way contest or deny the validity of, or the right or title of American in or to, the American Marks. Agent acknowledges and understands that it has no right or permission to use the American Marks for any purpose not expressly stated in these instructions, and that any unauthorized use of the American Marks will constitute an infringement of American's rights. Agent understands that it has no right or permission pursuant to the Agreement to use any other intellectual property owned by American or its affiliated entities. Agent further agrees not to use any intellectual property confusingly similar to the American Marks. Agent agrees that it will comply with American's trademark usage guidelines found at <https://brand.aa.com>, or any replacement thereof, and will reproduce the design and appearance of the American Marks from reproduction art obtained from such web site. Agent further agrees that it will not purchase, use, or register any domain names or keywords or search terms that are identical or similar to, or contain (in whole or in part), any of the American Marks.

(c) No Implied or Other Rights. Agent understands that it has no rights in American's intellectual property, nor can continued use of any of American's intellectual property ever give Agent any rights in or to any of American's intellectual property. Agent acknowledges that a breach of this Section will cause American significant, irreparable injury and that American's legal remedies for a breach will be inadequate. Agent will obtain American's written authorization (e-mail will suffice) before any use of American's intellectual property.

#### **11. Right to Inspect and Audit.**

American has the right to enter any Agency Location upon reasonable advance notice to: (1) inspect Agent's books and records relating to sales of American's products and services and to ensure Agent's compliance with the provisions of the Agreement; and (2) audit Agent's books and records to detect or establish Agent's abuse of, or failure to comply with, any of American's Rules concerning sale of travel on American, agency free and reduced rate travel, agency incentives, promotional or override programs, or Agent ticket fraud. Agent agrees that American may use information obtained from ARC or IATA to evaluate the credit-worthiness of Agent and Agent's employees and owners.

#### **12. Miscellaneous.**

(a) Prior Agreements. This addendum supersedes all prior addenda to the Governing Travel Agency Agreements that American has presented via its websites (including any printed versions of such online addenda).

(b) Waiver. Any waiver or modification of any of the terms of the Agreement, including these instructions, must be in writing from American. American may amend or modify its policies and these instructions at any time. Agent agrees that failure of or delay by American to require strict performance or to enforce any provision of the Agreement, or a previous waiver or forbearance by American, will in no way be construed as, or constitute, a continuing waiver by American of any Rule or any provision of the Agreement.

(c) Severability. If any provision of these instructions conflicts with the law under which these instructions are to be construed or if any such provision is held invalid or unenforceable by a court with jurisdiction, such provision will be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law. The remaining provisions of these instructions and the application of the challenged provision to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby, and each such provision will be valid and enforceable to the full extent permitted by law.

(d) APPLICABLE LAW. THE LAWS OF THE STATE OF TEXAS AND THE UNITED STATES OF AMERICA WILL GOVERN THE ENTIRE RELATIONSHIP BETWEEN AMERICAN AND AGENT INCLUDING ALL DISPUTES THAT MAY ARISE BETWEEN AMERICAN AND AGENT REGARDING THE FORMATION, INTERPRETATION OR ENFORCEMENT OF THESE INSTRUCTIONS OR THE AGREEMENT. AGENT HEREBY SUBMITS AND CONSENTS TO THE EXCLUSIVE JURISDICTION

OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS AND THE COURTS OF THE STATE OF TEXAS FOR ALL THESE DISPUTES AND WAIVES ANY CLAIM OF LACK OF JURISDICTION OR FORUM NON CONVENIENS.

(e) It is acknowledged and agreed that any breach of the obligations set out in these instructions or the Agreement by Agent could cause irreparable injury and that monetary damages would not be an adequate remedy for such breach. In the event of a breach or threatened breach of any of the provisions of these instructions or the Agreement, American will, to the extent permitted under applicable law, be entitled to seek injunctive relief in any court of competent jurisdiction restraining the Agent from breaching the terms hereof without requirement of a bond or notice and Agent agrees not to object or defend against such action on the basis that monetary damages would provide an adequate remedy.

(f) No person who is not a party to the Agreement shall have the right to enforce any terms or conditions of the Agreement or these instructions (i.e., there are no intended third party beneficiaries).

Updated and Effective from June 23, 2017