

# Handbook



**pfc settlements**  
an **ach** service

**ach**  
Airlines Clearing House

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## Introduction to PFC Settlements

Thank you for your interest in PFC Settlements. PFC Settlements, a service provided by Airlines Clearing House (ACH), was created to streamline and simplify the PFC payment process between airlines and airports. PFC Settlements removes the need for airlines to send paper checks to airports and allows participating airports to receive their monthly PFC payments from airlines in a single aggregated deposit made directly into its U.S. Bank account. Non participating airports receive a single check for the total amount due from all participating airlines.

ACH participation is not required to enjoy the benefits of PFC Settlements. All airlines and PFC authorized airports are eligible to join.

This Handbook was designed to provide you with an overview of the PFC Settlements service and outline the steps you need to take in order to join. It also contains the PFC Settlement Agreement and Regulations; application for opening your U.S. Bank account; a User Guide to the PFC Settlements System; and a link to the Code of Federal Regulations for PFCs.

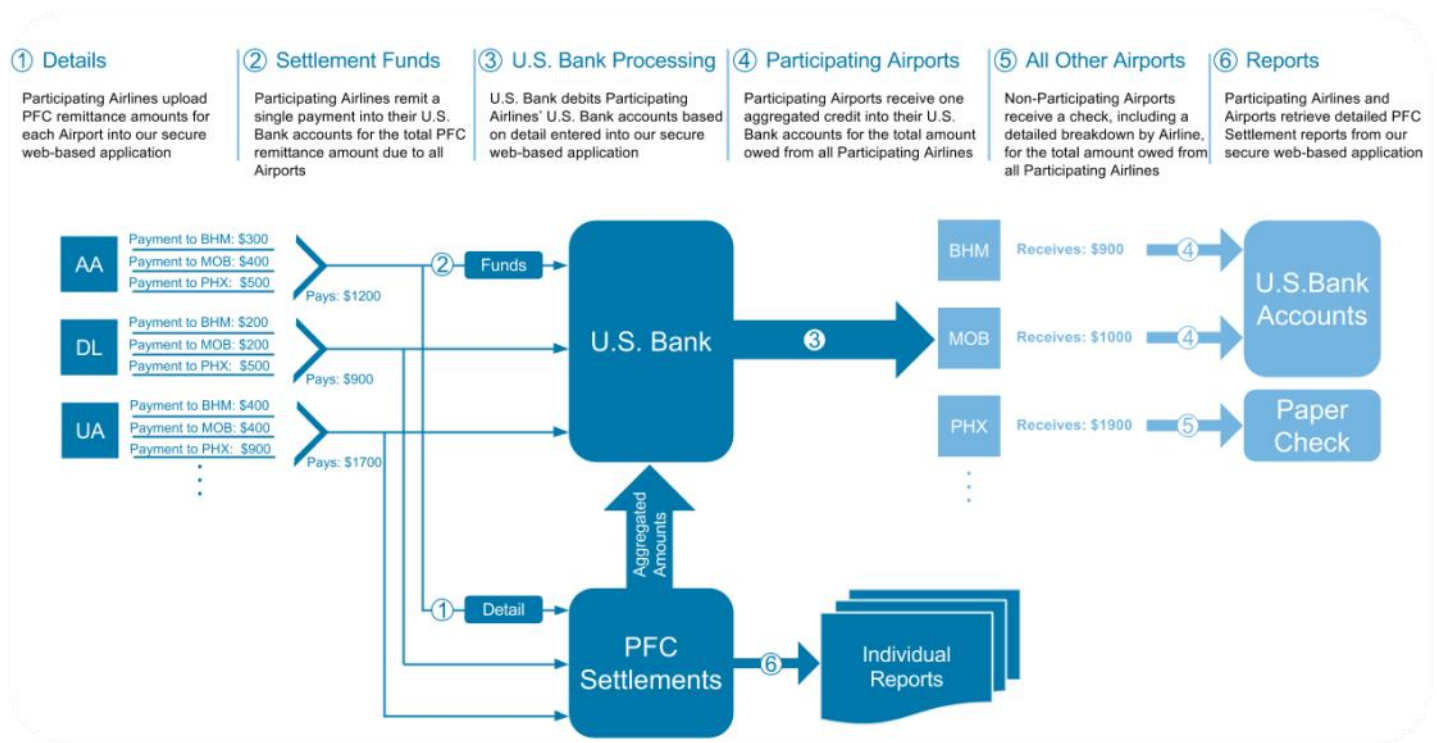
## Overview of PFC Settlements Process

- **Details:** Monthly, and in accordance with predetermined due dates, participating airlines enter PFC payment<sup>1</sup> amounts due to all airports into a secure web-based application
  - Alternatively, amounts may be entered through a single file upload in .csv format
- **Settlement Funds:** On settlement day<sup>2</sup>, each Airline deposits funds into its U.S. Bank account for its total amount due
- **U.S. Bank Processing:** U.S. Bank processes a single debit to each participating airline's U.S. Bank account, representing its total amount due for that sales period
- **Participating Airports:** Participating Airports' U.S. Bank accounts are credited for the total amount due to them
- **All Other Airports:** Non-participating airports receive a single check for the total amount due to them
- **Reports:** Participating airlines and airports have online access to detailed reports that provide a breakdown of the debit or credit amount. Non-participating airports receive a detailed report enclosed with the check that provides a breakdown of the amounts included for each airline
- **PFC payments:** Payment amounts are net of refunds and PFC collection compensation
- **Settlement day:** Usually the 24th of each month, but may be adjusted to accommodate weekends and holidays

<sup>1</sup> PFC payment amounts are net of refunds and PFC collection compensation

<sup>2</sup> Settlement day is usually the 24th of each month, but may be adjusted to accommodate weekends and holidays

## Flow Diagram of PFC Settlements



## Benefits

PFC Settlements allow airlines and airports to benefit from an efficient and inexpensive process that eliminates much of the administrative burden.

Participating Airports	Airlines
<ul style="list-style-type: none"> <li>✓ Quicker receipt of funds</li> <li>✓ Eliminates processing of paper checks</li> <li>✓ Eliminates risk of lost checks</li> <li>✓ Provides single deposit directly into bank account</li> <li>✓ Detailed reporting</li> <li>✓ Low bank fees</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reduced postage costs</li> <li>✓ Eliminates cost of issuing paper checks</li> <li>✓ Eliminate risk and headache of lost checks</li> <li>✓ Single debit from bank account</li> <li>✓ ACH is a known and trusted process</li> <li>✓ Low bank fees</li> <li>✓ All Airports included</li> </ul>

## U.S. Bank

All PFC Settlement participants are required to open and maintain a bank account<sup>4</sup> with U.S. Bank for use with PFC Settlements.

ACH contracts with U.S. Bank to perform the settlement, using a proprietary netting solution, enabling participants to minimize costs by aggregating amounts and processing a single debit or credit to each participant's U.S. Bank Account for the total amount. Non-participating Airports receive a single check for the total amount.

To assist ACH with its function as facilitator of PFC Settlements, ACH has access to view current day balances of participants' U.S. Bank Accounts. This enables ACH to ensure that debtors have adequate funds in their accounts prior to effecting the PFC Settlement.

## Check Processing

Non-Participating Airports receive a single check for each sales period for the combined total of all PFC amounts due from Participating Airlines.

The check includes a breakdown by airline and amount, of the total amount of the check.

Checks are sent to the address contained in the Airlines for America PFC Remittance Directory.

ACH will actively investigate any unpaid check beginning 60 days after issuance.

Data related to checks is maintained by ACH for no less than seven years after issue.

### Example Check

Airline Name	Remittance Amt
American	\$67,662.17
Delta Air Lines	\$64,469.71
Air Canada	\$92,107.32
United Airlines	\$50,155.82
Alaska Airlines	\$12,403.29
Volaris	\$47,954.93
US Airways	\$84,717.33
Jetstar Airways	\$41,314.28
Argentinas	\$57,975.61
Lan Airlines	\$30,132.57
TAP Portugal	\$25,471.55
Aer Lingus	\$12,992.09
Alitalia	\$42,568.60
Air France	\$14,616.36
Saudi Arabian	\$58,818.61
Ethiopian Air	\$60,831.89
KLM Royal Dutch	\$47,284.36
Iberia	\$61,204.78
Egyptair	\$99,437.17
Philippine	\$9,923.33
LOT Polish	\$86,856.07
Qantas Airways	\$34,850.45



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## Agreement

All participants in PFC Settlements must execute and comply with the terms contained in the Passenger Facility Charge Reporting and Remittance Agreement and PFC Settlement Regulations.

## Cost

The cost<sup>5</sup> to participate in PFC Settlements is \$125 per month. The monthly fee of \$125 will be billed by Airlines Clearing House and paid through the monthly PFC Settlement.

<sup>4</sup> ACH Participants may use their existing U.S. Bank account

<sup>5</sup> Cost does not include any applicable bank fees.

## Timing

The PFC Settlements Calendar will be distributed and published annually by no later than November 1<sup>st</sup> of each year. The PFC Settlements Calendar provides participants with the deadline dates for each monthly PFC Settlement period.

Sales Period	System Opens	System Closure	Final Settlement Reports	Settlement Date	Checks Mailed	PFC Reg Pymt Date
Jan-21	01/22/21	02/18/21	02/19/21	02/23/21	02/24/21	03/01/21
Feb-21	02/19/21	03/22/21	03/23/21	03/25/21	03/26/21	03/31/21
Mar-21	03/23/21	04/21/21	04/22/21	04/26/21	04/27/21	04/30/21
Apr-21	04/22/21	05/20/21	05/21/21	05/25/21	05/26/21	06/01/21
May-21	05/21/21	06/21/21	06/22/21	06/24/21	06/25/21	06/30/21
Jun-21	06/22/21	07/22/21	07/23/21	07/27/21	07/28/21	08/02/21
Jul-21	07/23/21	08/22/21	08/23/21	08/25/21	08/26/21	08/31/21
Aug-21	08/23/21	09/21/21	09/22/21	09/24/21	09/27/21	09/30/21
Sep-21	09/22/21	10/21/21	10/22/21	10/26/21	10/27/21	11/01/21
Oct-21	10/22/21	11/18/21	11/19/21	11/23/21	11/24/21	11/30/21
Nov-21	11/19/21	12/21/21	12/22/21	12/27/21	12/28/21	01/03/22
Dec-21	12/22/21	01/20/22	01/21/22	01/25/22	01/26/22	01/31/22

<b>Sales Period:</b>	The period beginning on the first day of a calendar month, through and including the last day of the same month, for which PFC remittances, less permitted deductions, are required to be made
<b>System Opens:</b>	At 00:00:01 AM, ET, on this date, payment information for the sales period may be entered or edited into the PFC Settlement System
<b>System Closes:</b>	At 23:59:59 PM, ET, this date, payment information for the sales period may no longer be entered or edited into the PFC Settlement System
<b>Final Settlement Reports:</b>	At 00:00:01 AM, ET, on this date, final Settlement Reports for the sales period are available
<b>PFC Settlement Date:</b>	Net debtors must deposit sufficient funds into their U.S. Bank Account by no later than 2:00 p.m. ET. U.S. Bank Accounts are credited and debited shortly thereafter
<b>Checks Mailed</b>	Checks to Non-Participating Airports are generated and mailed on this date

## New Participants

ACH notifies PFC Settlement participants each time a new participant joins the Service. Additionally, participants will be able to download a current listing of PFC Settlement participants from the website.

Airports will be assigned a unique code to be used in the settlements. The code will begin with the Airport's code, followed by XF (the tax code used for collection of PFCs).


## Website

[PFCSettlement.com](http://PFCSettlement.com) contains valuable and up-to-date information on the service.

## Settlement Reporting

PFC Settlements provides participants with detailed reporting for each settlement period, allowing each participant to reconcile the amount posted to its U.S. Bank Account. Reports are available in online view, PDF or a .csv download.

### Report Example


Page Help | Contact Us | Log Out

Home
Transactions
Reports

### Settlement Report

Review the information or [refine search](#).

**Net as of:** 07/30/2015 at 09:26:25 AM CT.

**Settlement date:** August 1, 2015

**Participant:** 001AA - American Airlines · **Sales period:** July 2015

**US Dollars (USD)** [Download PDF](#) · [Download CSV](#)

**Passenger Facility Charges**

Participant	Payables	Receivables	Net Amount
BDLXF - Bradley International	3,124,334.00	0.00	3,124,334.00
LAXXF - Los Angeles International	625,634.00	0.00	625,634.00
BOSXF - Logan International	203,178.00	0.00	203,178.00
RDUXF - Raleigh-Durham International	7,458,812.00	0.00	7,458,812.00
DTWXF - Detroit Metropolitan	157,246.00	0.00	157,246.00
<b>Total Passenger Facility Charges:</b>	<b>11,569,204.00</b>	<b>0.00</b>	<b>11,569,204.00</b>
<b>Total USD:</b>	<b>11,569,204.00</b>	<b>0.00</b>	<b>11,569,204.00</b>

[How Do I?](#) | [Terms](#) | [FAQs](#)

NOTE: Amounts and companies listed in Settlement Report Example are for illustrative purposes only and do not represent actual values.

## Quarterly Reporting

Effective with third quarter of 2016 PFC Settlements will also generate quarterly reporting to all Airports on behalf of its Participating Airlines. This service is at no additional cost and participation is voluntary.

Quarterly reports will be produced for each quarter and sent to the applicable Airport/Public Authority with copies emailed to the reporting Airline. Year to Date Quarterly summary reports will also be produced and sent to the Reporting Airline via email. Separate reports will be produced for each pairing of reporting Airline and Airport.

Reports will be sent to the Airports by no later than the last day of the reporting deadline dates:

First Quarter Reports sent by no later than April 30th  
Second Quarter Reports sent by no later than July 31st  
Third Quarter Reports sent by no later than October 31st  
Fourth Quarter Reports sent by no later than January 31st

To participate, Airlines must send a .csv formatted file directly to ACH at [ach@airlines.org](mailto:ach@airlines.org) (this is independent of the file uploaded to the PFC Settlements System of the remittance amounts) of its quarterly reporting data.

The file may be sent on a monthly or quarterly basis (containing three months of data), but in no case should the file for the last month of the quarter, i.e., sales from March, June, September or December, be sent to ACH later than the 21st calendar day of the following month.

Airlines will benefit from no longer having to mail quarterly reports to each of the airports.

Airports will benefit from receiving a standard report format with multiple airlines' reports contained in one distribution. ACH will work with the airports to distribute the reports electronically (via email attachment as a PDF) or via U.S.P.S. to the address they wish to receive hard copy reports (in the event this address differs from the address to which the airport authority wishes to receive its PFC remittances).



## Quarterly Reporting Input File Specifications

Field	Field Name	Field Description/Populate With
First	Reporting Airline	The three (3) digit Accounting Code of the Reporting Airline and two (2) digit Designator Code of the Airline, e.g., 027AS, 006DL, 3069K, etc.
Second	Airport Code	The three (3) character code of the airport for which PFC remittances, refunds and compensation are being reported, e.g., JFK, LGA, LAX, etc.
Third	Reporting Month	The month and year of sales, refunds and compensation being reported. Formatted as MMYYYY
Fourth	Total PFC Revenue Collected	The dollar amount of PFCs collected for the reporting month for the airport involved. Cents/decimals to be separated by dot ".". Example: 100000.00
Fifth	Number of PFCs Collected (optional)	The number of PFCs collected for the reporting month and airport involved. Numerics only. Example: 5000
Sixth	Total PFC Revenue Refunded	The dollar amount of PFCs refunded for the reporting month for the airport involved. Cents/decimals to be separated by dot ".". Example: 10000.50
Seventh	Number of PFCs Refunded (optional)	The number of PFCs refunded for the reporting month and airport involved. Numerics only. Example: 17
Eighth	Collection Compensation Withheld	The dollar amount of Collection Compensation Withheld for reimbursement of expenses for the airport involved
Ninth	Remittance Amount	The dollar amount of the net remittance amount for the reporting month and airport involved. Cents/decimals to be separated by dot ".". Example: 1005.77

### Notes:

1. File should be submitted in .csv format
2. Remittance amount should equal the sum of the Total PFC Revenue Collected less the Total PFC Revenue Refunded less the Collection Compensation Withheld.
3. File does not contain any header or trailer records
4. File may be submitted each month or at the end of a quarter (with three months of data)
5. When no data for a month for an airport (no collections or refunds) do not report that airport
6. When no activity for a specific field for an airport (you have sales, but no refunds) populate the applicable fields with 0 or 0.00 as the case may be
7. Files from reporting period of January 2016 (012016) and beyond will be accepted.
8. Fields five and seven are optional. Should you not wish to include this data, simply omit the fields from your file. (resultant file should have seven columns)

## Quarterly Reporting File Examples

### File Example with Fields 5 and 7 populated:

027AS,LAX,042016,662301.00,147178,65497.50,14555,16189.58,580613.92

027AS,LGA,042016,1197.00,266,54.00,12,29.26,1113.74

### File Example with Fields 5 and 7 omitted:

027AS,LGA,052016,1192.50,94.50,29.15,1068.85

027AS,LGA,062016,1197.00,54.00,29,26,1113.74

### Quarterly Report Example, with Fields 5 and 7 populated:

PFC Quarterly Report ERI - Erie International Airport							
Reporting Period	Total PFC Revenue Collected	Number of PFCs Collected	Total PFC Revenue Refunded	Number of PFCs Refunded	Collection Compensation Withheld	Remittance Amount	Remittance Date
2016-10	\$8,343.00	1,854	\$2,443.50	543	\$203.94	\$5,695.56	Nov 25, 2016
2016-11	\$4,675.50	1,039	\$976.50	217	\$114.29	\$3,584.71	Dec 27, 2016
2016-12	\$4,603.50	1,023	\$922.50	205	\$112.53	\$3,568.47	Jan 25, 2017
<b>2016 Q4</b>	<b>\$17,622.00</b>	<b>3,916</b>	<b>\$4,342.50</b>	<b>965</b>	<b>\$430.76</b>	<b>\$12,848.74</b>	

### Quarterly Report Example, with Fields 5 and 7 omitted:

PFC Quarterly Report ABE - Lehigh Valley International Airport					
Reporting Period	Total PFC Revenue Collected	Total PFC Revenue Refunded	Collection Compensation Withheld	Remittance Amount	Remittance Date
2016-07	\$17,676.58	\$1,822.50	\$432.19	\$15,421.89	Aug 25, 2016
2016-08	\$17,737.09	\$1,554.59	\$433.62	\$15,748.88	Sep 27, 2016
2016-09	\$16,005.73	\$1,489.50	\$391.27	\$14,124.96	Oct 25, 2016
<b>2016 Q3</b>	<b>\$51,419.40</b>	<b>\$4,866.59</b>	<b>\$1,257.08</b>	<b>\$45,295.73</b>	

## Year to Date Summary Report Example, with Fields 5 and 7 populated:

PFC Year to Date Report ABE - Lehigh Valley International Airport							
Reporting Period	Total PFC Revenue Collected	Number of PFCs Collected	Total PFC Revenue Refunded	Number of PFCs Refunded	Collection Compensation Withheld	Remittance Amount	Remittance Date
2016-01	\$34,560.00	7,680	\$7,299.00	1,622	\$844.80	\$26,416.20	Feb 25, 2016
2016-02	\$37,066.50	8,237	\$8,757.00	1,946	\$906.07	\$27,403.43	Mar 25, 2016
2016-03	\$41,886.00	9,308	\$6,075.00	1,350	\$1,023.88	\$34,787.12	Apr 26, 2016
<b>2016 Q1</b>	<b>\$113,512.50</b>	<b>25,225</b>	<b>\$22,131.00</b>	<b>4,918</b>	<b>\$2,774.75</b>	<b>\$88,606.75</b>	
2016-04	\$37,908.00	8,424	\$7,101.00	1,578	\$926.64	\$29,880.36	May 25, 2016
2016-05	\$33,826.50	7,517	\$6,367.50	1,415	\$826.87	\$26,632.13	Jun 27, 2016
2016-06	\$34,776.00	7,728	\$6,907.50	1,535	\$850.08	\$27,018.42	Jul 26, 2016

## Year to Date Summary Report Example, with Fields 5 and 7 omitted:

PFC Year to Date Report ABE - Lehigh Valley International Airport					
Reporting Period	Total PFC Revenue Collected	Total PFC Revenue Refunded	Collection Compensation Withheld	Remittance Amount	Remittance Date
2016-01	\$34,560.00	\$7,299.00	\$844.80	\$26,416.20	Feb 25, 2016
2016-02	\$37,066.50	\$8,757.00	\$906.07	\$27,403.43	Mar 25, 2016
2016-03	\$41,886.00	\$6,075.00	\$1,023.88	\$34,787.12	Apr 26, 2016
<b>2016 Q1</b>	<b>\$113,512.50</b>	<b>\$22,131.00</b>	<b>\$2,774.75</b>	<b>\$88,606.75</b>	
2016-04	\$37,908.00	\$7,101.00	\$926.64	\$29,880.36	May 25, 2016
2016-05	\$33,826.50	\$6,367.50	\$826.87	\$26,632.13	Jun 27, 2016
2016-06	\$34,776.00	\$6,907.50	\$850.08	\$27,018.42	Jul 26, 2016
<b>2016 Q2</b>	<b>\$106,510.50</b>	<b>\$20,376.00</b>	<b>\$2,603.59</b>	<b>\$83,530.91</b>	

## Quarterly Reporting Notes

1. Reporting Airline field will be populated with the full airline name. As an example, 027AS will be written to the report as: Alaska Airlines
2. Airport will be populated with the Airport Code followed by the Airport/Public Authority Name. As an example: LGA will be written to the report as: Port Authority of NY and NJ (LGA)
3. Remittance Date will be populated with the date of remittance through PFC Settlements, or as directed by Airline in the case of back-dated reporting

## Joining PFC Settlements

Joining PFC Settlements is easy. There are no start-up costs or anything to develop. Simply complete the three tasks below to get started.

### 1. Passenger Facility Charge Reporting and Remittance Agreement

Airline Clearing House (ACH) membership is not required to participate in PFC Settlements.

To participate in PFC Settlements, execute two originals of the Passengers Facility Charge Reporting and Remittance Agreement and send them to:

Airlines Clearing House, Inc.  
Attention: PFC Settlements  
1275 Pennsylvania Avenue, N.W., Suite 1300  
Washington, D.C. 20004

Or, scan and send to [ACH@airlines.org](mailto:ACH@airlines.org)

A countersigned Passengers Facility Charge Reporting and Remittance Agreement will be returned to you.

### 2. U.S. Bank Account

Participation in PFC Settlements requires that all participants maintain a bank account at U.S. Bank. It is recommended that participants maintain a \$1,000 minimum balance in their U.S. Bank Account. Participants work directly with U.S. Bank personnel to establish the bank account and related services.

As an added benefit, U.S. Bank has agreed to charge PFC Settlements' participants no more than the agreed to prices for many of the most commonly used services until October 2021.

### 3. PFC Settlements Application Forms

Complete the PFC Settlements Application Forms to establish access to the PFC Settlements secure online application for your users and provide ACH with your contact information.

### Activation

ACH will notify you when all documents have been received and U.S. Bank advises us that your account is open and available for use.

## General Questions

### Once I sign the Agreement, how long until I can participate in PFC Settlements?

**Answer:** As long as we receive notification from U.S. Bank that your account has been opened, PFC Settlements can occur within a few days.

### How will other PFC Settlement participants know that I've joined?

**Answer:** ACH will notify all PFC Settlement participants each time a new participant has joined. The notification will include the effective sales period for the new participant. Additionally, pfcsettlements.com will be updated with the new participant information as well as the PFC Settlements System.

### What happens if someone doesn't pay?

**Answer:** ACH provides numerous reminders to debtors to prevent that type of situation. In the unlikely event a debtor does not remit sufficient funds to its U.S. Bank account to satisfy its indebtedness amount, all payments from that debtor will be excluded from that settlement. However, if the debtor remits payment no later than 12:00 Noon, local time in New York City of the next business day, ACH may authorize U.S. Bank to perform a supplemental settlement to include payments from the delinquent participant.

### How do I adjust an amount from a closed sales period?

**Answer:** Provided the settlement for that sales period has not occurred, contact ACH by email at [ACH@airlines.org](mailto:ACH@airlines.org) or by phone at 202-626-4144. If the settlement has occurred, you must work directly with the other participant(s) to determine a solution.

### What about future enhancements?

**Answer:** A PFC Settlement Advisory Board, consisting of representatives from participating airlines and airports, will be formed. The Board will play an important role in helping ACH determine the need and benefit of enhancements to the system.

### Is this mandatory?

**Answer:** No. PFC Settlements is an optional service open to all airlines and PFC authorized airports.

## Airlines

### I only have refunds for a participating airport, can I submit that amount for settlement?

**Answer:** No. PFC Settlements is a remittance system, and is not intended to handle negative remittances.

### I'm already an ACH Participant, how is this different from my ACH Settlements?

**Answer:** SIS is not utilized, as there are no invoices. If you already have a user ID for CARC (the ACH Claims and Reports Center) you will use that same ID for PFC Settlements. ACH settlements will continue to be processed four times each month, whereas PFC Settlements are processed on a monthly basis only.

### What happens if I need assistance during an audit?

**Answer:** We're here to help. Your auditors may contact us at [ACH@airlines.org](mailto:ACH@airlines.org) for verification of amounts.

## Airports

### I'm a Non-Participating Airport. Why did I receive a check from you?

**Answer:** PFC Settlements aggregates payments from all participating airlines and sends you the single check you received. Contact us at [ACH@airlines.org](mailto:ACH@airlines.org) to learn more about the benefits of becoming a PFC Settlement Participant.

### Where did you obtain the addresses to send checks to?

**Answer:** Addresses are those contained in the PFC Remittance Directory as provided by Airlines for America until notified otherwise by the respective Airport.

Did we get one wrong? Please email [ACH@airlines.org](mailto:ACH@airlines.org) and we will correct it.

### Does this new system eliminate the quarterly reports submitted by airlines?

**Answer:** No. The PFC Settlements system is focused on streamlining payments. Airlines are still required to generate and send quarterly reports in accordance with Federal Regulations.

### Will the PFC Settlement Service enable the Participants to comply with the Code of Federal Regulations-14 CFR Part 158-Passenger Facility Charges?

**Answer:** Yes, the PFC Settlement Service is intended to enable the Participants to comply with the Code of Federal Regulations-14 CFR Part 158-Passenger Facility Charges.

### I have a question not listed here, what do I do?

**Answer:** Contact us by email at [ACH@airlines.org](mailto:ACH@airlines.org) or by phone at 202-626-4144. We are available to answer your questions.

## U.S. Bank

### Why do I have to open an account with U.S. Bank?

**Answer:** ACH Partners with U.S. Bank to preform the settlements through a proprietary solution that requires all Participants to use their U.S. Bank Accounts for the PFC Settlements.

### Can I instruct U.S. Bank to automatically transfer my creditor funds to my operating account elsewhere?

**Answer:** Yes. U.S. Bank will work with you to determine the best options for establishing your automated standing transfer order.

### I already have a U.S. Bank account, am I required to establish a new one for use in PFC Settlements?

**Answer:** No, provided the account was opened under the Airlines Clearing House relationship.

## About Airlines Clearing House

Airlines Clearing House, Inc. (ACH) is a financial clearinghouse that has, for over 70 years, provided net settlement services to the aviation industry. In 2014, over 350 airlines and other aviation related companies settled over \$13 billion in billings through ACH. ACH partners with U.S. Bank to provide the service, and through FDIC regulations, ensure that participants' funds are safe.

## Passenger Facility Charge Reporting and Remittance Agreement

This Passenger Facility Charge Reporting and Remittance Agreement is made and entered into by and between Airlines Clearing House, Inc., a Delaware corporation (the “**Clearing House**”), and the undersigned PFC Settlement Participant (sometimes hereinafter referred to as the “**Subscribing Participant**”). This Agreement is effective as of the date of its execution by the Clearing House, as shown on the signature page (the “**Effective Date**”). This is one of a series of substantially identical agreements entered into between the Clearing House and individual PFC Settlement Participants. Capitalized terms used and not otherwise defined in this Agreement have the meanings set forth in Section 1.

WHEREAS, federal law authorizes the Administrator of the Federal Aviation Administration ( the “**FAA**”) to grant authority to public agencies that control commercial service airports to require domestic and foreign air carriers to collect, report and remit approved passenger facility charges (“**PFCs**”) on passengers enplaned at such airports;

WHEREAS, as of September 2015 more than 150 air carriers are required to collect, report and remit PFCs for more than 350 airports;

WHEREAS, the Clearing House, a corporation formed in 1943 and not conducted for profit, and its Clearing Bank conduct settlements through which airlines and related entities report and settle their mutual obligations as often as four times per month (“**ACH Settlements**”);

WHEREAS, the Clearing House has agreed to and has made arrangements with the Clearing Bank to conduct separate settlements (“**PFC Settlements**”) to enable PFC Settlement Participants to benefit from the efficiencies and cost-savings associated with a centralized process for reporting and remitting PFCs, and the Subscribing Participant wishes to realize those efficiencies and cost-savings;

NOW, THEREFORE, the Clearing House and the Subscribing Participant agree as follows:

### 1. Definitions.

As used in this Agreement the following terms have the meanings set forth below:

“**Advisory Board**” has the meaning set forth in paragraph 5(a) of this Agreement.

“**Advisory Board By-Laws**” has the meaning set forth in paragraph 5(c) of this Agreement.

“**Airline Settlement Clearing Account**” has the meaning set forth in paragraph 2(c)(i) of this Agreement.

“**Airline Participant**” means each air carrier or foreign air carrier (each as defined in 14 C.F.R. § 1.1), including, without limitation, air carriers and foreign air carriers that participate in ACH Settlements and/or settlements through the International Air Transport Association (IATA) Clearing House, that is required to collect and remit PFCs and has entered into an agreement with the Clearing House corresponding to this Agreement.

“**Airport Authority**” means any public agency (as defined in 14 C.F.R. § 158.3) that controls one or more commercial service airports (as defined in 14 C.F.R. § 158.3) and is authorized to impose PFCs.

“**Airport Facility Agreement**” has the meaning set forth in paragraph 6(a)(v) of this Agreement.

“**Airport Participant**” means each Airport Authority that has entered into an agreement with the Clearing House corresponding to this Agreement.

“**Clearing Bank**” means U.S. Bank National Association or such other federally insured depository institution as may hereafter be designated by the Clearing House as the clearing bank for PFC Settlements, effective upon not less than six (6) months’ prior notice to all PFC Settlement Participants.

“**Delinquent PFC Settlement Participant**” has the meaning set forth in paragraph 2 (a)(iii) of this Agreement.

“**Designated Airline Participant**” has the meaning set forth in paragraph 2 (b)(ii) of this Agreement.

“**Designated Airport Authority**” has the meaning set forth in paragraph 2 (a)(ii) of this Agreement.

“**Designation Notice**” means a notice given to the Clearing House by a PFC Settlement Participant as provided in paragraph 2(a)(ii) or paragraph 2(b)(ii) of this Agreement (as applicable).

“**Effective Date**” has the meaning set forth in the preamble of this Agreement.

“**Force Majeure Event**” has the meaning set forth in paragraph 8 (a) of this Agreement.

“**Permitted Deductions**” has the meaning set forth in paragraph 2 (a)(i) of this Agreement.

“**PFC Clearing Account**” has the meaning set forth in paragraph 2 (c)(i) of this Agreement.

“**PFC Remittance Reports**” has the meaning set forth in paragraph 3 (a)(i) of this Agreement.

“**PFC Settlement Participant**” means each Airline Participant or Airport Participant, including the Subscribing Participant.

“**PFC Settlement Regulations**” means the Passenger Facility Charge Reporting and Remitting Regulations, as amended and updated from time to time, promulgated by the Clearing House and posted by the Clearing House on the PFC Settlements website or otherwise made readily available to PFC Settlement Participants by the Clearing House. The PFC Settlement Regulations contain data formats, settlement timetables, security procedures and other details governing participation in and implementation of PFC Settlements.

“**PFC Settlement Reports**” has the meaning set forth in paragraph 3 (c) of this Agreement.

“**PFC Settlements**” means the process of reporting and remitting PFCs, net of Permitted Deductions, by Airline Participants to Airport Authorities, as implemented by the Clearing House and the Clearing Bank in accordance with this Agreement and the PFC Settlement Regulations.



## 2. Participation In PFC Settlements.

(a) Airline Participants. If the Subscribing Participant is an Airline Participant –

(i) On a monthly basis or at such other intervals as may hereafter be required under FAA regulations, the Subscribing Participant will report and remit to each Airport Authority (other than any Airport Authority that the Subscribing Participant has identified as a Designated Airport Authority), through PFC Settlements, the aggregate amount of PFCs that the Subscribing Participant has collected for such Airport Authority, net of collection compensation (as authorized in 14 C.F.R. § 158.51), refunds and other credits permitted under applicable law (collectively, “Permitted Deductions”). The Subscribing Participant will receive on-line access to monthly and quarterly reports of collected PFCs and Permitted Deductions as provided in paragraphs 3(a)(iii) and 3(b)(iii) of this Agreement and in the PFC Settlement Regulations

(ii) The Subscribing Participant may elect not to utilize PFC Settlements for purposes of reporting and remitting PFCs to a specific Airport Authority by issuing a Designation Notice informing the Clearing House that the Subscribing Participant has elected not to utilize PFC Settlements for purposes of reporting and remitting PFCs to that Airport Authority (a “Designated Airport Authority”). If the Designated Airport Authority is an Airport Participant, the Subscribing Participant shall send a copy of its Designation Notice to the Designated Airport Authority. The election provided for in such a Designation Notice shall apply to PFC Settlements commencing with the first PFC Settlement that is scheduled to occur at least sixty (60) days after delivery of the Designation Notice, except that in the case of a Designation Notice that is delivered concurrently with the Subscribing Participant’s execution and delivery of this Agreement, the election provided for in the Designation Notice shall apply immediately. The Subscribing Participant may revoke a Designation Notice at any time by written notice to the Clearing House (with a copy to the Designated Airport Authority if it is an Airport Participant), such revocation to take effect commencing with the first PFC Settlement that is scheduled to occur at least sixty (60) days after delivery of the notice of revocation.

(iii) If as of 2:00 PM local time in New York City on the date of any scheduled PFC Settlement, the funds available for withdrawal from the Subscribing Participant’s PFC Clearing Account are insufficient to cover its net remittance obligations in such PFC Settlement, the Clearing House and the Clearing Bank will exclude from such settlement any and all PFC remittances (and Permitted Deductions) that otherwise would be included in determining the net remittance obligation of the Subscribing Participant (a “Delinquent PFC Settlement Participant”).

(iv) If as of 12:00 noon, local time in New York City on the next business day after a scheduled PFC Settlement from which its PFC remittances and/or Permitted Deductions have been excluded pursuant to paragraph 2(a)(iii), the Subscribing Participant (as a Delinquent PFC Settlement Participant) has made available in its PFC Clearing Account amounts sufficient to cover its net remittance obligations in such PFC Settlement and has so notified the Clearing House, the Clearing House shall arrange for the Clearing Bank to conduct an unscheduled supplemental settlement to clear such remittance obligations.

(v) If the Subscribing Participant, as a Delinquent PFC Settlement Participant, has not made sufficient funds available and so notified the Clearing House, by 12:00 noon, local time in New York City on the next business day after a scheduled PFC Settlement from which its PFC remittances (and Permitted Deductions) have been excluded pursuant to paragraph 2(a)(iii), the Subscribing Participant thereafter shall be precluded from clearing such PFC remittances (and Permitted Deductions) through any PFC Settlement.

(vi) If the Clearing Bank conducts an unscheduled supplemental settlement to clear remittance obligations of the Subscribing Participant (as a Delinquent PFC Settlement Participant), the Subscribing Participant shall pay the Clearing House the supplemental settlement fee specified in the PFC Settlement Regulations. The amount of such fee shall be subject to increase, as provided in the PFC Settlement Regulations, if the Subscribing Participant becomes a Delinquent PFC Settlement Participant more than once within a period of twelve (12) consecutive months.

(vii) If the Subscribing Participant becomes a Delinquent PFC Settlement Participant more than twice within a period of twelve (12) consecutive months, the Subscribing Participant shall automatically cease to be eligible to participate in further PFC Settlements, and this Agreement shall automatically terminate.

(b) Airport Participants. If the Subscribing Participant is an Airport Participant –

(i) The Subscribing Participant will receive Airline Participants' PFC remittances (net of Permitted Deductions) directly in its PFC Clearing Account through the PFC Settlements conducted by the Clearing House and the Clearing Bank and will receive on-line access to related monthly and quarterly reports of collected PFCs and Permitted Deductions as provided in paragraphs 3(a)(iv) and 3(b)(iii) of this Agreement and in the PFC Settlement Regulations.

(ii) The Subscribing Participant may elect not to utilize PFC Settlements for purposes of receiving PFC remittances and reports from a specific Airline Participant by issuing a Designation Notice informing the Clearing House, with a copy to the Airline Participant, that the Subscribing Participant has elected not to utilize PFC Settlements for purposes of receiving PFC remittances and reports from that Airline Participant (a "Designated Airline Participant"). The election provided for in such a Designation Notice shall apply to PFC Settlements commencing with the first PFC Settlement that is scheduled to occur at least sixty (60) days after delivery of the Designation Notice, except that in the case of a Designation Notice that is delivered concurrently with the Subscribing Participant's execution and delivery of this Agreement, the election provided for in the Designation Notice shall apply immediately. The Subscribing Participant may revoke a Designation Notice at any time by written notice to the Clearing House, with a copy to the Designated Airline Participant, such revocation to take effect commencing with the first PFC Settlement that is scheduled to occur at least sixty (60) days after delivery of the notice of revocation.

(c) Terms Applicable to All PFC Settlement Participants.

(i) The Subscribing Participant (whether it is an Airline Participant or an Airport Participant) shall establish and maintain at the Clearing Bank a dedicated clearing account (a "PFC Clearing Account") for purposes of making and/or receiving PFC remittances. If the Subscribing Participant is an Airline Participant and maintains a clearing account at the Clearing Bank for purposes of ACH Settlements or other recurring airline industry settlements (an "Airline Settlement Clearing Account"), the Subscribing Participant may, unless it becomes a "covered air carrier" as defined in 14 C.F.R. § 158.3, use such Airline Settlement Clearing Account as its PFC Clearing Account;

(ii) Prior to the deposit deadline for each PFC Settlement, as specified in the PFC Settlement Regulations, the Subscribing Participant shall make available in its PFC Clearing Account amounts sufficient to fund its net remittance obligations for such PFC Settlement, as reported by the Clearing House and the Clearing Bank;

(iii) The Subscribing Participant shall execute and deliver to the Clearing Bank such account documentation as it may reasonably require from time to time, including documentation confirming the Clearing Bank's authority to withdraw net remittance amounts from, or deposit such amounts to, the Subscribing Participant's PFC Clearing Account for purposes of effecting PFC Settlements;

(iv) The Subscribing Participant shall utilize and observe and comply with data formats, settlement timetables, security procedures and other rules and procedures governing participation in and implementation of PFC Settlements set forth in the PFC Settlement Regulations;

(v) Commencing at such time as the Clearing House has notified PFC Settlement Participants that quarterly reporting of PFCs and related information, as provided for under 14 C.F.R. § 158.63 and/or §158.65, is available through PFC Settlements, the Subscribing Participant shall report the required information in compliance with the PFC Settlement Regulations; and

(vi) The Subscribing Participant hereby designates and appoints the Clearing House as its agent, and authorizes the Clearing House to delegate to the Clearing Bank as its sub-agent, to perform the functions described in paragraph 3(a).

### 3. Clearing House/Clearing Bank Functions.

- (a) In connection with each PFC Settlement, the Clearing House shall, through the Clearing Bank:
- (i) Receive from all Airline Participants (including the Subscribing Participant, if it is an Airline Participant) their reports ("PFC Remittance Reports") of the amounts of their respective PFC remittance obligations to individual Airport Authorities, net of any Permitted Deductions from such remittances;
  - (ii) Aggregate, for each Airport Authority and for each commercial service airport operated by an Airport Authority that operates more than one such airport, the PFC remittance amounts reported for such Airport Authority or, if applicable, for each of its commercial service airports, by all Airline Participants;
  - (iii) Generate and make available to each Airline Participant a settlement report showing (A) the PFC remittance amounts reported by such Airline Participant for each Airport Authority and for each commercial service airport operated by an Airport Authority that operates more than one such airport; (B) the net remittance amount derived from aggregating all such reported PFC remittance amounts; (C) the applicable PFC Settlement fees payable by such Airline Participant to the Clearing House; and (D) the total amount owed by such Airline Participant in such PFC Settlement (i.e., the sum of the amounts referred to in clauses (B) and (C));
  - (iv) Generate and make available to each Airport Authority a settlement report showing for such Airport Authority and, if it operates more than one commercial service airport, for each such airport (A) the PFC remittance amounts, net of Permitted Deductions, reported by each Airline Participant that has reported PFCs for such Airport Authority; (B) the total of all such net remittance amounts; and (C) the applicable PFC Settlement fees payable to the Clearing House by such Airport Authority if it is an Airport Participant. In the case of an Airport Authority that is an Airport Participant, such settlement reports will be provided on line; and
  - (v) On the date of each PFC Settlement (i) withdraw from each Airline Participant's PFC Clearing Account the total amount owed by such Airline Participant in such PFC Settlement (as shown in the settlement report referred to in paragraph 3(a)(iii)); (ii) deposit in the PFC Clearing Account of each Airport Participant the total amount owed to such Airport Participant in such PFC Settlement, as reflected in the settlement report made available to such Airport Participant; (iii) remit the total amount owed to each Airport Authority that is not an Airport Participant, i.e., the total amount reflected in the settlement report made available to such Airport Authority, by check or in such other manner as the Airport Authority, the Clearing Bank and the Clearing House may agree; and (iv) credit applicable PFC Settlement fees to the account of the Clearing House.
- (b) The Clearing House also will –
- (i) Arrange for the Clearing Bank, subject to receipt of customary account documentation and payment of applicable account fees, to establish and maintain a PFC Clearing Account for any PFC Settlement Participant that does not maintain an Airline Settlement Clearing Account;
  - (ii) Maintain with the Clearing Bank a dedicated concentration/disbursement account in which PFC remittances received from Airline Participants will be held pending disbursement to Airport Authorities that are not Airport Participants;
  - (iii) Commencing at such time as the Clearing House has notified PFC Settlement Participants that quarterly reporting of PFCs, as provided for under 14 C.F.R. § 158.65, is available through PFC Settlements, make the information required for each PFC Settlement Participant's quarterly reports available to such PFC Settlement Participant on the PFC Settlement website or as otherwise provided in the PFC Settlement Regulations; provided, however, that such quarterly reporting information shall not be made available in any case in which the Airline Participant and an Airport Participant have, by joint written notice, informed the Clearing House and the Clearing Bank that they have elected to maintain separate quarterly reporting arrangements;

- (iv) Retain records of each PFC Settlement for not less than seven (7) years and make such records directly accessible to PFC Settlement Participants through the PFC Settlement website for not less than eleven (11) months after the date of such PFC Settlement; and
- (v) Maintain on its PFC Settlement website, or otherwise make readily accessible to PFC Settlement Participants at all times, (A) the PFC Settlement Regulations, and (B) listings of all Participating Airlines and all Participating Airports.
- (c) Details regarding the timing of PFC Settlements, the form, manner and timing of submission of PFC Remittance Reports, the preparation and availability of the settlement reports referred to in paragraphs 3 (a)(iii) and (iv) above (collectively, "PFC Settlement Reports") and withdrawal of settlement amounts from, and deposit of such amounts to, PFC Settlement Participants' Clearing Accounts are set forth in the PFC Settlement Regulations.
- (d) PFC Remittance Reports and PFC Settlement Reports pertaining to PFC remittances by the Subscribing Participant (if the Subscribing Participant is an Airline Participant) to any Airport Authority and the data contained in such reports shall be accessible only to the Subscribing Participant and such Airport Authority, to the Clearing House and to the Clearing Bank, and such reports and information shall under no circumstances be available to any other PFC Settlement Participant or Airport Authority.

#### 4. PFC Settlement Fees.

As compensation to the Clearing House for conducting PFC Settlements, the Subscribing Participant shall pay to the Clearing House the PFC settlement fees set forth in the fee schedule that is (i) appended to this Agreement, or (ii) following any modification of such fee schedule, set forth in the PFC Settlement Regulations. Commencing no earlier than January 1, 2018 the Clearing House may modify the fee schedule, effective upon not less than three (3) months' prior written notice to the Subscribing Participant (and all other PFC Settlement Participants); provided, however, that fees may not be increased more than once in any twelve-month period. The Subscribing Participant also shall pay any applicable maintenance, service, or other account fees charged from time to time by the Clearing Bank. Fees payable to the Clearing House shall be included in PFC Settlement Reports and paid through PFC Settlements.

#### 5. PFC Settlement Advisory Board.

- (a) A PFC Settlements advisory board (the "Advisory Board") will meet at least semi-annually (a) to evaluate the functioning of PFC Settlements as a cost-effective, centralized process for reporting and remitting PFCs; (b) to consult with the Clearing House (and with the Clearing Bank, as appropriate) on operational and cost issues (including proposed changes in PFC settlement fees) and any proposed enhancements; and (c) to consider any proposed amendment of the PFC Settlement Regulations proposed by an Advisory Board member.
- (b) No later than June 30, 2017 the Clearing House will organize and convene the first meeting of the Advisory Board, which will consist initially of the Secretary-Treasurer of the Clearing House and five (5) representatives chosen by Airline Participants. The number of seats on the Advisory Board will increase as and when Airport Authorities become Airport Participants. For every five (5) Airport Authorities that become Airport Participants, up to a maximum of twenty-five (25) Airport Participants, Airport Participants will be entitled to choose one Advisory Board representative, so that after there are twenty-five (25) Airport Participants the Advisory Board will be comprised of the Secretary-Treasurer of the Clearing House, five (5) representatives chosen by Airline Participants and five (5) representatives chosen by Airport Participants. No Airline Participant or Airport Participant or group of affiliated Airline Participants or Airport Participants will be permitted to have more than one representative on the Advisory Board.
- (c) Rules governing election of Advisory Board members and conduct of Advisory Board meetings will be set out in by-laws (the "Advisory Board By-Laws") developed by the Clearing House and subject to approval by the Advisory Board at its first meeting. The Advisory Board By-Laws will be subject to amendment by two-thirds (2/3) vote of the members of the Advisory Board, with the approval of the Board of Directors of the Clearing House. The Advisory Board By-Laws, together with a listing of the members of the Advisory Board (which shall be updated periodically by the Clearing House) will be made available to PFC Settlement Participants on the PFC Settlement website or as otherwise provided in the PFC Settlement Regulations.

## 6. Representations and Warranties; Covenants.

- (a) The Subscribing Participant hereby represents and warrants that:
- (i) It is duly organized, validity existing, and in good standing under the laws of the United States, a state, district, territory, or possession of the United States, or the country of its organization;
  - (ii) If it is an Airline Participant, it is an air carrier or foreign air carrier (each as defined in 14 C.F.R. § 1.1) that is required to collect and remit PFCs;
  - (iii) If it is an Airport Participant, it is authorized by the FAA to require air carriers to collect, report and remit PFCs;
  - (iv) It has all requisite right, power, authority, corporate or otherwise, to become a party to this Agreement and perform the obligations of an Airline Participant or Airport Participant, as applicable, under this Agreement and the PFC Settlement Regulations;
  - (v) Its execution, delivery, and performance of this Agreement and compliance with this Agreement and the PFC Settlement Regulations: (A) have been duly authorized by all necessary corporate actions on the part of the Subscribing Participant (none of which actions has been modified or rescinded, and all of which actions are in full force and effect); (B) will not contravene any applicable laws or regulations or any judgment, order or decree of any court or governmental agency to which the Airline Participant is party or by which it is bound; and (C) to the best of its knowledge will not contravene any other agreement to which it is party or by which it is bound, including, without limitation, any airport lease or use agreement or similar agreement pertaining to development, use or financing of airport facilities (an "Airport Facility Agreement"); and
  - (iv) This Agreement constitutes the valid and binding obligation of the Subscribing Participant, enforceable in accordance with its terms.
- (b) The Clearing House hereby represents and warrants that (i) it is duly organized, validity existing, and in good standing under the laws of the State of Delaware; (ii) it has all requisite right, power and corporate authority to execute and deliver and perform its obligations under this Agreement and the PFC Settlement Regulations; (iii) its execution, delivery, and performance of this Agreement and compliance with this Agreement and the PFC Settlement Regulations have been duly authorized by all necessary corporate actions, none of which actions has been modified or rescinded, and all of which actions are in full force and effect and will not contravene any applicable laws or regulations or any judgment, order or decree of any court or governmental agency to which the Clearing House is party or by which it is bound; and (iv) this Agreement constitutes the valid and binding obligation of the Clearing House, enforceable in accordance with its terms.
- (c) If the Subscribing Participant is an Airline Participant it will be solely responsible for the accuracy and completeness of its PFC Remittance Reports, including all PFC remittance amounts and Permitted Deductions set forth in such Reports.
- (d) The Subscribing Participant acknowledges and agrees that (i) it will bear sole responsibility for its own compliance with applicable FAA regulations and other laws and regulations pertaining to PFCs; (ii) any dispute concerning any reported PFC remittance amount or concerning any Permitted Deduction must be resolved between the Subscribing Participant and the affected Airline Participant or Airport Authority, as applicable; (iii) the sole responsibility of the Clearing House and the Clearing Bank with respect to the amounts of PFC remittances and Permitted Deductions set forth in PFC Remittance Reports is accurately to incorporate such amounts in the corresponding PFC Settlement Reports; and (iii) neither the Clearing House nor the Clearing Bank will have any responsibility or obligation with respect to collection or payment of amounts owed by or to any PFC Settlement Participant, other than the obligation to withdraw funds from Airline Participants' Clearing Accounts and to remit funds to Airport Authorities as provided in paragraph 3(a)(v) of this Agreement.

- (e) If it is an Airline Participant, the Subscribing Participant (i) covenants and agrees that its PFC Remittance Reports will not, and as of the date of submission of each PFC Remittance Report it represents and warrants that such PFC Remittance Report does not, contain any information or data that would permit identification of any individual or disclosure of any other information or data, retention, transmission or loss or destruction of which is subject to regulation under the laws of any jurisdiction in which the Subscribing Participant operates; (ii) covenants and agrees that all PFC Remittance Reports and related information or data that it transmits to the Clearing House, the Clearing Bank or the PFC Settlements website, will be scanned prior to transmission, using current, commercially available, industry-recognized antivirus software of a type that detects and disinfects viruses automatically, without the need for the Subscribing Participant to conduct manual virus scanning; and (iii) covenants and agrees to update its antivirus software and to take other commercially reasonable steps, consistent with industry standards, to minimize risks of (A) unauthorized access to PFC Remittance Reports, PFC Settlement Reports or related information or data transmitted to or maintained by the Clearing House or the Clearing Bank, or (B) damage to, corruption of or interference with software, data or communications pertaining to PFC Settlements.
- (f) Insofar as the Clearing House delegates to the Clearing Bank functions specified in paragraph 3 of this Agreement, the Subscribing Participant will cooperate with the Clearing House and the Clearing Bank to cause such functions to be carried out in a coordinated, effective and timely manner. Subject to such cooperation by the Subscribing Participant, the Clearing House will perform and/or cause the Clearing Bank to perform the functions described in paragraph 3 with promptness, diligence and in a professional manner, in accordance with the practices and professional standards used by, and consistent with levels of performance achieved by, well-managed operations performing similar functions, as reflected in the service levels specified in the PFC Settlement Regulations.
- (g) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, PFC SETTLEMENTS AND THE RELATED FUNCTIONS OF THE CLEARING HOUSE AND THE CLEARING BANK UNDER THIS AGREEMENT AND THE PFC SETTLEMENT REGULATIONS ARE SUBJECT TO NO WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AND ALL IMPLIED WARRANTIES OR CONDITIONS (INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OR CONDITIONS OF FITNESS FOR ANY PARTICULAR USE, MERCHANTABILITY OR NON-INFRINGEMENT) ARE HEREBY EXPRESSLY EXCLUDED. WITHOUT LIMITING THE FOREGOING, THE CLEARING HOUSE DOES NOT WARRANT THAT OPERATION OF THE PFC SETTLEMENT WEBSITE WILL BE UNINTERRUPTED OR ERROR-FREE. THE SUBSCRIBING PARTICIPANT IS RESPONSIBLE FOR TAKING APPROPRIATE PRECAUTIONS AGAINST DAMAGE TO ITS OPERATIONS THAT COULD BE CAUSED BY ANY INTERRUPTION OR MALFUNCTION AFFECTING THE PFC SETTLEMENT WEBSITE.
- (h) The liability of the Clearing House to the Subscribing Participant for any breach of this Agreement shall in no event exceed the aggregate amount of the fees received by the Clearing House from the Subscribing Participant under this Agreement during the twelve (12) months preceding the breach. In no event shall the Clearing House be liable to the Subscribing Participant, or shall the Subscribing Participant be liable to the Clearing House, or liable to any other PFC Settlement Participant, for any special, incidental, consequential, punitive or exemplary damages whatsoever (including, without limitation, damages for business interruption or other pecuniary loss), whether arising in contract or tort, arising out of or relating to this Agreement, the PFC Settlement Regulations, or any PFC Settlement, even if the party against which such damages might be asserted has been advised of the possibility of such damages.
- (i) Insofar as the Subscribing Participant and any other PFC Settlement Participant (other than any other PFC Settlement Participant that has identified the Subscribing Participant as a Designated Participant or has been so identified by the Subscribing Participant) are parties to any Airport Facility Agreement whose terms might be construed to require that PFCs be reported or remitted in a manner that is inconsistent with PFC Settlements, the Subscribing Participant (A) hereby waives such requirements and agrees that will be satisfied for all purposes by PFC reporting and remittance in compliance with this Agreement; and (B) covenants and agrees to cooperate with such other PFC Settlement Participant in assuring that any PFC auditing requirements of any such Airport Facility Agreement will be satisfied through use of the PFC Settlement Reports and related information provided under this Agreement.
- (j) The Clearing House agrees to use its commercially reasonable efforts to assist the Subscribing Participant and any other PFC Settlement Participant (other than any other PFC Settlement Participant that has identified the Subscribing Participant as a Designated Participant or has been so identified by the Subscribing Participant) in resolving any perceived or potential inconsistencies between (i) reporting and remitting PFCs through PFC Settlements and (ii) any requirements of any Airport Facility Agreements to which they are parties.

## 7. Term; Renewal; Termination.

- (a) Unless previously terminated, this Agreement shall remain in effect for an initial term expiring on the third anniversary of the Effective Date and thereafter shall be renewed automatically for successive terms of one (1) year each; provided, however, that (i) the Subscribing Participant may, by giving the Clearing House written notice of non-renewal not less than ninety (90) days prior to the expiration of the initial term or any renewal term, terminate this Agreement effective at the end of such term; and (ii) the Clearing House may, by giving written notice of non-renewal to the Subscribing Participant not less than ninety (90) days prior to the expiration of the initial term or any renewal term, terminate this Agreement effective at the end of such term.
- (b) Termination of this Agreement as it relates to either party shall not affect any rights or obligations of such party arising prior to the effectiveness of such termination.

## 8. Force Majeure.

- (a) Subject to paragraph 8(b) below, neither the Clearing House nor the Subscribing Participant shall be liable for any breach or delay in performance of its obligations under this Agreement if and to the extent that such breach or delay is directly caused by (i) fire, flood, earthquake or act of God; (ii) war, riot, rebellion, terrorism, civil disorder or revolution; (iii) epidemic or outbreak of disease; (iv) strikes, lockouts or other labor disputes; or (v) other causes similar to the above that are beyond the reasonable control of the party whose performance is affected (any such occurrence being hereinafter referred to as a "Force Majeure Event").
- (b) Upon the occurrence of a Force Majeure Event the non-performing party shall (i) immediately notify the other party of the occurrence of the Force Majeure Event, describing the circumstances in reasonable detail and giving an estimate of when performance will recommence; and (ii) use commercially reasonable efforts to perform or to recommence performing its obligations as soon as commercially reasonable.

## 9. Miscellaneous.

- (a) **Entire Agreement.** This Agreement, as supplemented by the PFC Settlement Regulations, constitutes the entire agreement between the Clearing House and the Subscribing Participant regarding PFC Settlements and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, pertaining to the subject matter hereof. In the event of any inconsistency between this Agreement and the PFC Settlement Regulations, the provisions of this Agreement shall govern.
- (b) **Assignment.** No party may assign, novate or otherwise transfer or dispose of any of its rights or obligations under this Agreement except to an affiliate of such party or to an entity that acquires all or substantially all of the business of such party, and in each case, such affiliate or entity executes an agreement setting forth its covenant and agreement to be bound by the provisions of this Agreement.
- (c) **Severability.** In the event that any of the provisions of this Agreement or the PFC Settlement Regulations, or the application thereof to any party or circumstances, shall be finally determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement and the PFC Settlement Regulations, or the application of such provision to the parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the full extent permitted by law.
- (d) **Notices.** All notices and other communications required or permitted to be given, served, or sent to the Subscribing Participant or to the Clearing House shall be given as provided in the PFC Settlement Regulations.
- (e) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws.
- (f) **Headings; CFR References.** Headings contained in this Agreement are included for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning of any of the provisions hereof. Citations in this Agreement to definitions and other provisions of the FAA Regulations codified at 14 C.F.R. Part 158, except the reference in paragraph 9 (g) below, refer to the version of such Regulations in effect on March 1, 2016.
- (g) **Compliance with FAA Regulations.** Nothing contained in this Agreement shall be construed to relieve the Subscribing Participant of any of its obligations under any current or future FAA Regulations or other laws or regulations governing collection or remittance of PFCs, including without limitation the regulations now codified at 14 C.F.R. Part 158. The Subscribing Participant is responsible for its own compliance with all such laws and regulations.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of Effective Date (as specified below).

Effective Date: \_\_\_\_\_

**AIRLINES CLEARING HOUSE, INC.,**

a Delaware corporation

By: \_\_\_\_\_

Lori J. Tully

Managing Director, Revenue Accounting and  
Secretary Treasurer

**SUBSCRIBING PARTICIPANT:**

\_\_\_\_\_

Name of entity

Type of Participant (check one):

Airline Participant

Airport Participant

By: \_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Until further notice as provided in the PFC Settlement  
Regulations, notices and other communications are  
to be addressed to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_



## PFC SETTLEMENTS CLEARING HOUSE FEE SCHEDULE

Fees as detailed below shall be payable to the Clearing House by each PFC Settlement Participant commencing the first month in which the PFC Settlement Participant reports and remits or receives PFCs through a PFC Settlement (such PFC Settlement Participant's "PFC Settlement Commencement Month"); provided, however, that for any PFC Settlement Participant that begins reporting and remitting, or receiving remittances of, PFCs through PFC Settlements prior to January 1, 2017, the fees that otherwise would be payable shall be waived for the PFC Settlement Commencement Month and the next five months thereafter (a total of six (6) months).

In the event the PFC Settlement Participant is an Airport Authority, such fee shall be applicable to each Airport for which the Airport Authority is enrolling in PFC Settlements.

Monthly Fee	Effective Date
\$125	March 1, 2016

# PFC Regulations

## 1. Objectives of PFC Settlements; Function of PFC Settlements Regulations; PFC Settlements Handbook

PFC Settlements managed under the auspices of Airlines Clearing House, Inc. (the “**Clearing House**”) offers a cost-effective, standardized and centralized process for reporting and remittance of approved passenger facility charges (as more fully defined in sub-paragraph 1.2.3 below, “**PFCs**”) payable by air carriers to airports throughout the United States. Air carriers and airports that have agreed to participate in PFC Settlements are parties to the Passenger Facility Charge Reporting and Remittance Agreement (as more fully defined in sub-paragraph 1.2.4 below the “**PFC Settlement Agreement**”). These PFC Settlement Regulations supplement and implement the PFC Settlement Agreement by addressing operational and technical matters in a manner that will permit prompt revision and updating. Background information and additional details concerning the PFC Settlements System are contained in the User Guide Section of the PFC Settlements Handbook available on the PFC Settlements Website.

### 1.1 Relationship to PFC Settlement Agreement

Nothing contained in these PFC Settlement Regulations may be construed to conflict with, or to alter the obligations of any party under, the PFC Settlement Agreement. In the event of any inconsistency between these PFC Settlement Regulations and the PFC Settlement Agreement, the terms of the PFC Settlement Agreement shall govern.

### 1.2 Definitions

As they are used in these PFC Settlement Regulations, the following terms have the meanings set forth below:

#### 1.2.1 Amended MSA

The Clearing Bank Master Services Agreement, as amended from time to time, between Clearing House and Clearing Bank.\

#### 1.2.2 Final Settlement Reports Date

The date in which Settlement Reports, when downloaded from the PFC Settlements System, are considered final and the values contained within are used by the Clearing House when conducting the PFC Settlement. PFC Settlement Reports downloaded prior to the Final Settlement Date for a given Sales Period are considered preliminary.

#### 1.2.3 PFC

A passenger facility charge imposed with the approval of the Federal Aviation Administration (the “FAA”), by a public agency on passengers enplaned at a commercial service airport it controls within the United States.

#### 1.2.4 PFC Settlement Agreement

The PFC Passenger Facility Charge Reporting and Remittance Agreement between the Clearing House and each PFC Settlement Participant. A copy of the Agreement is contained in the PFC Settlements Handbook.

#### 1.2.5 PFC Settlements Calendar

The calendar for PFC Settlements produced and published annually by the Clearing House. It contains deadline dates and times for each Sales Period.

#### 1.2.6 PFC Settlements Participant Roster

As defined in Paragraph 2 below.

#### 1.2.7 PFC Settlements Handbook

Contains a manual for the PFC Settlements System; the PFC Settlement Agreement and these Regulations; the application for opening a U.S. Bank account; a User Guide to the PFC Settlements System; and a link to the Code of Federal Regulations for PFCs.

## 1.2.8 PFC Settlements System

A web-based application that PFC Settlement Participants access for reporting of PFC remittances.

## 1.2.9 Sales Period

The period beginning on the first day of any calendar month, through and including the last day of the same month, for which PFC remittances, less permitted deductions, are required to be made by the last day of the following month (or, if applicable, the next succeeding business day) under C.F.R. § 158.51.

## 1.2.10 Secretary-Treasurer

The Secretary-Treasurer of the Clearing House.

## 1.2.11 SinglePoint

The Clearing Bank's online Treasury Management application.

## 1.2.12 System Closure

The scheduled date and time, as specified in the PFC Settlements Calendar, at which the PFC Settlements System will cease to be available to accept PFC Remittance Reports for a given Sales Period.

**Other Defined Terms; Internal References.** Capitalized terms used and not otherwise defined in these PFC Settlement Regulations have the same meanings as in the PFC Settlement Agreement. References to paragraphs of these PFC Settlement Regulations include their constituent subparagraphs. (For example, a reference to Paragraph 1 includes this sub-paragraph 1.2).

## 2. Participants in PFC Settlements: PFC Settlement Participant Roster

In conformity with Paragraph 3 (b)(v) of the PFC Settlement Agreement, the Clearing House maintains a listing (the "PFC Settlement Participant Roster") of all Airline Participants and Airport Participants that have become parties to the PFC Settlement Agreement. Additionally, it shall also include a listing of other Airports that are authorized to receive PFC remittances through PFC Settlements. The PFC Settlement Participant Roster is available for inspection on the PFC Settlements Website ([www.pfcsettlements.com](http://www.pfcsettlements.com)) maintained by the Clearing House.

The PFC Settlement Participant Roster includes for each PFC Settlement Participant:

Name and identification code of such PFC Settlement Participant (as described below), the current office address, e-mail address and phone number for the party to whom any notices to such PFC Settlement Participant should be directed.

Until and unless a PFC Settlement Participant requests otherwise, by written notice to the Clearing House, the notice/contact information for such PFC Settlement Participant, specified in the PFC Settlement Participant Roster, will be the information provided by the PFC Settlement Participant in its PFC Settlement Agreement.

Airports who have not chosen to become a PFC Settlement Participant will be listed in the PFC Settlement Participant Roster. Such listing will also contain the address at which PFC Remittance checks will be mailed. Addresses are those contained in the PFC Remittance Directory as provided by Airlines for America until notified otherwise by the respective Airport.

## 2.1 Identification Codes

Airports shall each be assigned a unique Identification Code consisting of 5 characters for use in the PFC Settlements System. Airline Participants' Identification Codes shall be their existing Designator and Accounting Codes.

## 3. Clearing Bank

The clearing and settlement function of each PFC Settlement is performed by U.S. Bank National Association, the “Clearing Bank”. The maintenance of PFC Clearing Accounts and the clearing and settlement function performed by the Clearing Bank are under the supervision of:

Ms. Debbie Dorsey  
Vice President and Manager  
Commercial Customer Service  
U.S. Bank  
5065 Wooster Pike  
Cincinnati, OH 45226  
Phone: 800-377-3053  
E-Mail: [deborah.m.dorsey@usbank.com](mailto:deborah.m.dorsey@usbank.com)

Ms. Rachael Phillips  
Officer | Operations Manager  
Commercial Customer Service  
U.S. Bank  
5065 Wooster Pike  
Cincinnati, OH 45226  
Phone: 800-377-3053  
[rachael.phillips@usbank.com](mailto:rachael.phillips@usbank.com)

PFC Settlements will be conducted on the Settlement Date for each month shown in the PFC Settlements Calendar. The Clearing Bank will debit the PFC Clearing Accounts of the Airline Participants that have net PFC remittance obligations and credit the PFC Clearing Accounts of the Airport Participants to which net PFC remittances are owed. Such net remittance amounts are shown in the applicable PFC Settlement Reports.

Amounts owed to Airport Authorities that have not chosen to become Airport Participants will be remitted by check, unless otherwise agreed among an Airport Authority, the Clearing House and the Clearing Bank. Any question regarding PFC remittance checks should be directed to:

Airlines Clearing House, Inc.  
1275 Pennsylvania Ave. NW, Suite 1300  
Washington, DC 20004  
Phone: 202-626-4144  
Email: [ach@airlines.org](mailto:ach@airlines.org)

Each PFC remittance made by check will be accompanied by a check stub or other record identifying the Sales Period to which the remittance relates, listing the name and remittance amount for each Airline Participant for which a remittance is included in the total amount of the check.

PFC remittances for each month that are issued by check will be mailed via USPS first class mail, on the date specified in the PFC Settlements Calendar, to the Airport Authority at the address contained in the PFC Settlement Participant Roster.

## 4. PFC Remittance Reports

An Airline Participant's PFC Remittance Report for each Sales Period for which it has PFC activity will contain the aggregate amount of PFCs to be reported, net of Permitted Deductions, to each Airport Authority to which any payments will be due with respect to that period. PFC Remittance Reports for each Sales Period must be submitted no later than the System Closure Date and time shown for such Sales Period in the PFC Settlements Calendar. Detailed information concerning the data elements and format for PFC Remittance Reports is contained in the User Guide Section of the PFC Settlements Handbook.

If, for any Airport Authority, the Permitted Deductions that an Airline Participant would be authorized to report and recover for any Sales Period exceed the aggregate amount of PFCs to be reported and remitted to such Airport Authority for the same period, the Airline Participant may report only the portion of the Permitted Deductions that can be set off currently against PFCs (without prejudice to its right subsequently to report and recover the balance of such Permitted Deductions).

### 4.1 No Reported PFC Activity

In an Airline Participant that previously has submitted PFC Remittance Reports has not submitted a PFC Remittance Report for a Sales Period by 12:00 Noon, local time in New York City, on the System Closure Date for such Sales Period, the Clearing House will attempt to contact the Airline Participant to confirm that no PFC Remittance Report for such Sales Period will be forthcoming from the Airline Participant.

### 4.2 Changes after a Sales Period has Closed

Between the time that an Airline Participant submits a PFC Remittance Report for a Sales Period and the scheduled Settlement Date for such Sales Period, changes to such PFC Remittance Report can only be made by the Clearing House. An Airline Participant that wishes to make such a change must contact the Clearing House at 202-626-4144 or [ach@airlines.org](mailto:ach@airlines.org) for assistance by no later than 12:00 Noon, local time in New York City, on the scheduled Settlement Date.

### 4.3 Quarterly Reporting

Commencing at such time as the Clearing House has notified all PFC Settlement Participants that quarterly reporting of PFCs is available through PFC Settlements, PFC Remittance Reports must contain, in addition to the other remittance amounts referred to in this Paragraph 5, for each Airport Authority, the total number of PFCs collected, the total dollar amount of PFCs collected, the total number of PFCs refunded, the total dollar amount of PFCs refunded and the total amount of collection compensation.

## 5. PFC Settlement Reports

For each Sales Period for which it has any reported PFC activity, each PFC Settlement Participant will receive a PFC Settlement Report containing (i) the applicable information summarized in Paragraph 5 (ii) any applicable PFC Settlements fees owed to the Clearing House; and (iii) the net amount owed to or owed by such PFC Settlement Participant for such Sales Period. The PFC Settlement Reports for each Sales Period will be made available on the Final Settlement Reports Date for such Sales Period, as specified in the PFC Settlements Calendar. Each PFC Settlement Participant will be able to access its PFC Settlement Report for any Sales Period on line through the PFC Settlements System for eleven (11) months following the Settlement Date for such Sales Period. Thereafter, a PFC Settlement Participant may, at any time within seven (7) years following the Settlement Date for a Sales Period, obtain its PFC Settlement Report for such Sales Period by sending a request to the Clearing House by email to [ach@airlines.org](mailto:ach@airlines.org).

### 5.1 Airport Participants

The PFC Settlement Report for each Airport Participant will contain the remittance amounts, net of Permitted Deductions, reported for the applicable Sales Period for such Airport Participant (and for each commercial service airport operated by an Airport participant that operates more than one such airport) by each Airline Participant.

### 5.2 Airline Participants

The PFC Settlement Report for each Airline Participant will contain the remittance amounts, net of Permitted Deductions, reported for the applicable Sales Period by such Airline Participant for each Airport (and for each commercial service airport operated by an Airport participant that operates more than one such airport).

## 6. PFC Settlements Calendar

The PFC Settlements Calendar specifies the deadline dates and times for the monthly PFC Settlements during each calendar year. The PFC Settlements Calendar for each year is issued by November 1st of the preceding year and is available on the PFC Settlements Website and in the Overview Section of the PFC Settlements Handbook (also available on the PFC Settlements Website).

## 7. Settlement Timing

Settlements for PFC remittances are conducted monthly on the Settlement Date shown in the PFC Settlements Calendar and will occur no later than 5:00 p.m., local time in New York City.

### 7.1 Notification of Amounts Due

Clearing House shall send notification of amounts due to each PFC Settlement Participant in which the PFC Settlement Participant has activity for the applicable Sales Period. Such notification shall be sent via e-mail to the representative(s) of each PFC Settlement Participant who is designated under Paragraph 14 of these PFC Settlement Regulations to receive notices.

PFC Settlement Participants may notify the Clearing House at [ach@airlines.org](mailto:ach@airlines.org) of any changes to its designated representative(s).

### 7.2 Creditors

No later than 5:00 p.m. local time in New York City, on each Settlement Date, the Clearing Bank will credit the PFC Clearing Account of each Airport Participant with the aggregate PFC remittance amount shown on the Airport Participant's PFC Settlement Report for the related Sales Period.

### 7.3 Debtors

Each Airline Participant whose PFC Settlement Report for a Sales Period shows that it owes a net remittance amount must ensure that funds at least sufficient to pay that amount, are available in its PFC Clearing Account by no later than 2:00 p.m. local time in New York City on the Settlement Date for such Sales Period specified in the PFC Settlements Calendar.

### 7.4 Debtors Funds Not Made Available

In the event funds are not available from a debtor, a Delinquent PFC Settlement Participant, by the date and time specified in the PFC Settlements Calendar, all transactions for that Sales Period, involving such Delinquent PFC Settlement Participant, shall be excluded from the PFC Settlement.

Clearing House shall notify all affected PFC Settlement Participants of such exclusion.

Settlement Reports shall be revised to exclude all amounts due or from such Delinquent PFC Settlement Participant.

### 7.5 Debtor Funds Made Available After Deadline

If the debtor makes funds available to satisfy all amounts due, including applicable penalties as specified in Paragraph 8.8, on or before 12:00 noon, local time in New York City, on the next business day following the scheduled PFC Settlement Date and so notifies the Clearing House, the Clearing House shall arrange for the Clearing Bank to conduct an unscheduled Supplemental Settlement to settle such remittance obligations.

Clearing House shall notify all affected PFC Settlement Participants of such Supplemental Settlement.

Settlement Reports shall be revised to include all amounts due or from such previously Delinquent PFC Settlement Participant.

### 7.6 Debtor Funds Not Made Available Before 12:00 Noon Next Business Day

If the Delinquent PFC Settlement Participant has not made sufficient funds available and so notified the Clearing House, by 12:00 noon, local time in New York City on the next business day following the scheduled PFC Settlement date, such PFC Settlement Participant shall be precluded from clearing such PFC remittances through any PFC Settlement.

## 7.7 Delinquent PFC Settlement Participants

If a PFC Settlement Participant becomes a Delinquent PFC Settlement Participant more than twice within a period of twelve (12) consecutive months, such PFC Settlement Participant shall automatically cease to be eligible to participate in further PFC Settlements.

## 7.8 Penalties

A penalty in the amount of \$500 shall be assessed to a Delinquent PFC Settlement Participant. Such penalty shall be deducted from the PFC Clearing Account of the Delinquent PFC Settlement Participant by the Clearing Bank and paid to the Clearing House.

## 8. Fees Payable to the Clearing House

The fees payable to the Clearing House by PFC Settlement Participants are governed by Paragraph 4 of the PFC Settlement Agreement. As of March 2, 2016 the fee schedule is as follows:

### PFC SETTLEMENTS CLEARING HOUSE FEE SCHEDULE

Fees as detailed below shall be payable to the Clearing House by each PFC Settlement Participant commencing the first month in which the PFC Settlement Participant reports and remits or receives PFCs through a PFC Settlement (such PFC Settlement Participant's "PFC Settlement Commencement Month"); provided, however, that for any PFC Settlement Participant that begins reporting and remitting, or receiving remittances of, PFCs through PFC Settlements prior to January 1, 2017, the fees that otherwise would be payable shall be waived for the PFC Settlement Commencement Month and the next five months thereafter (a total of six (6) months).

Monthly Fee	Effective Date
\$125	March 1, 2016

## 9. PFC Settlement Advisory Board

As provided in the PFC Settlement Agreement, the PFC Advisory Board will meet at least semi-annually (a) to evaluate the functioning of PFC Settlements as a cost-effective, centralized process for reporting and remitting PFCs; (b) to consult with the Clearing House (and with the Clearing Bank, as appropriate) on operational and cost issues (including proposed changes in PFC settlement fees) and any proposed enhancements; and (c) to consider any proposed amendment of the PFC Settlement Regulations proposed by an Advisory Board Member.

### 9.1 Composition of the Advisory Board

The Advisory Board will initially consist of five representatives elected by Airline Participants, and the Secretary-Treasurer of the Clearing House. The number of seats on the Advisory Board will increase as and when Airport Authorities become Airport Participants. For every five (5) Airport Authorities that become Airport Participants, up to a maximum of twenty-five (25) Airport Participants, Airport Participants will be entitled to choose one Advisory Board Representative, so that after there are twenty-five (25) Airport Participants the Advisory Board will be comprised of the Secretary-Treasurer of the Clearing House, five (5) representatives chosen by Airline Participants and five (5) representatives chosen by Airport Participants. No Airline Participant or Airport Participant or group of affiliated Airline Participants or Airport Participants will be permitted to have more than one representative on the Advisory Board.

### 9.2 Advisory Board Rules

Rules governing election of the Advisory Board Members, Officers, the meetings and conduct at such Advisory Board meetings will be set out in by-laws (the "Advisory Board By-Laws") developed by the Clearing House and subject to approval by the Advisory Board at its first meeting.



## 9.3 Advisory Board By-Laws

The Advisory Board By-Laws will be subject to amendment by two-thirds (2/3) vote of the Members of the Advisory Board, with the approval of the Board of Directors of the Clearing House. The Advisory Board By-Laws, together with a listing of the members of the Advisory Board will be made available to PFC Settlement Participants on the PFC Settlement website or as otherwise provided in the PFC Settlement Regulations.

## 9.4 First Meeting of the Advisory Board

No later than June 30, 2017 the Clearing House will organize and convene the first meeting of the Advisory Board.

## 9.5 PFC Settlement Advisory Board By-Laws Effective as of June 1<sup>st</sup>, 2017

**The representatives on the advisory board are as follows:**

Lori Tully - Airlines Clearing House, Managing Director, Revenue Accounting and Secretary Treasurer

Matt Wiley - American Airlines, Director, Revenue Accounting and Control

Jenny Benjamin - Alaska Airlines, Manager, Interline Accounting and Revenue Recognition

Heather Abbey - Frontier Airlines, Manager, Revenue Accounting

Vincent Handrahan - Cape Air, Accounting Manager

Michael Phemister - DFW, Vice President Treasury Management

**The approved by-laws are as follows:**

### ARTICLE I: Duties of the Advisory Board

1. The Advisory Board has been established pursuant to the Passenger Facility Charge Reporting and Remittance Agreement and is subject to that Agreement.
2. The Advisory Board shall evaluate the functioning of PFC Settlements as a cost-effective, centralized process for reporting and remitting PFCs.
3. The Advisory Board shall consult with the Clearing House on operational and cost issues, including proposed changes in PFC Settlement fees and any proposed enhancements.
4. The Advisory Board shall consider any proposed amendment to the PFC Settlement Regulations proposed by an Advisory Board Member.
5. The role of the Advisory Board shall be solely advisory in nature. In no event shall the Advisory Board have any authority to exercise any control over the daily management or operations of PFC Settlements.

### ARTICLE II: Membership

1. The Advisory Board will consist of:
  - a. Five (5) representatives chosen by Airline Participants, and
  - b. The number of seats on the Advisory Board will increase, as and when Airport Authorities become Airport Participants. For every five (5) Airport Authorities that become Airport Participants, up to a maximum of twenty-five (25) Airport Participants, Airport Participants will be entitled to choose one Advisory Board representative, and
  - c. The Secretary-Treasurer of the Airlines Clearing House, Inc. ("Secretary") will serve as an Adjunct Member.
2. The maximum number of Members on the Advisory Board shall be eleven (11), comprised of five (5) representatives from Airline Participants; five (5) representatives from Airport Participants; and the Secretary.
3. No Airline or Airport Participant or group of affiliated Airline Participants or Airport Participants shall be permitted to have more than one representative on the Advisory Board.
4. Any Member may resign at any time from the Advisory Board upon written notice to the Secretary.
5. Any Member representative may be removed from the Advisory Board for failure to attend two consecutive meetings. Such removal shall be at the sole discretion of the Clearing House Board of Directors.
6. If a membership position shall become vacant for any reason, the Clearing House Board of Directors may appoint an individual to fill such vacancy for the duration of such unexpired term, provided that a vacancy from an Airline Participant is filled with an Airline Participant and a vacancy from an Airport Participant is filled with an Airport Participant.

## 9.5 PFC Settlement Advisory Board By-Laws (Con't)

### ARTICLE III: Election of Members

1. Election of the Advisory Board Members shall be conducted via mail vote or e-mail vote once every two years beginning in 2017.
2. For each election year, the Secretary shall send a ballot to the specified contact for each PFC Settlement Participant. Each PFC Settlement Participant may designate a candidate for election to the Advisory Board.
3. In the event there are more candidates for Airline or Airport Advisory Board Members than there are positions available for Airline or Airport Advisory Board Members, a vote shall be conducted. Airline Members shall vote for Airline Members and Airport Members shall vote for Airport Members. The candidate securing the greatest number of votes shall fill the position that is the subject of the vote.

### ARTICLE IV: Term of Advisory Board

1. Subject to the provisions related to the resignation and removal of a Member, Members of the Advisory Board shall be appointed to two-year terms.
2. There are no limits to the number of consecutive terms a Member of the Advisory Board may serve.

### ARTICLE IV: Meetings

1. Meetings of the Advisory Board shall be held semi-annually.
2. Notice of Advisory Board Meetings shall be delivered, via e-mail, to Advisory Board Members at least 30 days prior to such meeting.
3. Meetings may be held face-to-face or via conference call.
4. The Secretary shall serve as the Chairperson until such time that the Advisory Board elects a Chairperson from the then active Advisory Board Members.
5. The Secretary shall record and distribute the minutes of each Advisory Board Meeting.
6. A Member of the Advisory Board may not elect a proxy to represent such Member during any Advisory Board Meeting.
7. Members of the Advisory Board shall not receive compensation or reimbursement for travel or other related expenses for participation on the Advisory Board.
8. A quorum for any meeting of the Advisory Board shall consist of the Secretary and a majority of the current Advisory Board Members at such Meeting.
9. Any action requiring a vote shall be considered approved if agreed to by two-thirds (2/3) of the Advisory Board Members.

### ARTICLE IV: Amendments of By-Laws

1. These By-Laws are subject to the approval by the Advisory Board at its first meeting.
2. These By-Laws may be amended by two-thirds (2/3) vote of the Members of the Advisory Board, with the approval of the Board of Directors of the Clearing House.

## 10. Amendment of PFC Settlements Regulations

Except as otherwise provided in this Paragraph 10, these PFC Settlement Regulations may be amended by vote of not less than two thirds of the members of the Advisory Board. No amendment approved by the Advisory Board shall take effect prior to three (3) months after all PFC Settlement Participants have been given notice of the amendment, including its effective date.

Paragraphs 1 and 2 of these PFC Settlement Regulations may be amended only to conform to amendments of the corresponding provisions of the PFC Settlement Agreement.

Paragraph 7 of these PFC Settlement Regulations may be amended only by the Clearing House after consultation with the Advisory Board. No amendment adopted by the Clearing House shall take effect prior to three (3) months after all PFC Settlement Participants have been given notice of the amendment, including its effective date.

## 11. Service Levels

Under the Amended MSA the Clearing Bank has agreed to the following standards for service availability:

SinglePoint shall be available, on a rolling annual average, at no less than 97% of all time to PFC Settlement Participants

[and]

The claims and reporting database shall be available, on a rolling annual average, at no less than 98% of all time to PFC Settlement Participants

The Clearing Bank also has agreed that –

The [Clearing] Bank and the Clearing House shall create and maintain a report card to measure the performance of the [Clearing] Bank in achieving the [levels of service specified above].

[and]

In the event the [Clearing] Bank has failed to meet the minimum levels of service [specified above], and has been notified in writing by Clearing House of such failure, the [Clearing] Bank shall have thirty (30) days to respond to Clearing House with a plan of action to correct the deficiency and comply with the minimum levels of service. Upon a failure to respond or other occurrence of the same deficiency within six (6) months, Clearing House may assess the [Clearing] Bank a monthly penalty equal to 10% of the then-applicable monthly service fee until such deficiency is adequately remedied.

The Clearing Bank also has agreed that its services under the Amended MSA are for the benefit of both the Clearing House and PFC Settlement Participants (among other parties settling accounts through the Clearing House). Accordingly, the Clearing House will make available to the Advisory Board the Clearing Bank report card information germane to PFC Settlements. In the event that such report card information indicates, or the Clearing House or a PFC Settlement Participant otherwise determines, that the Clearing Bank has failed to maintain the service levels required under the Amended MSA, the Clearing House will consult with the Advisory Board concerning reporting to the Clearing Bank, review of any corrective plan proposed by the Clearing Bank, assessment of any penalty, and sharing of the benefit of any assessed penalties (recognizing that any service failure by the Clearing Bank will affect not only PFC Settlement Participants but also other parties settling accounts through the Clearing House).

## 12. Disaster Recovery: Business Continuity

As of the effective date of the PFC Settlement Agreement, the Clearing House and the Clearing Bank are in the process of documenting a Disaster Recovery Plan and a Business Continuity Plan, consistent with the similar plans maintained by the Clearing Bank for other customers. Such plans are expected to provide for full functioning of Clearing Bank services within three (3) hours of switchover from Clearing Bank facilities to designated back-up facilities. When the Disaster Recovery Plan and Business Continuity Plan are complete, their terms will be described in detail in an amended version of this Paragraph 11.

## 13. Data Security; Access; Confidentiality

For its own protection and the protection of other PFC Settlement Participants and the Clearing House and the Clearing Bank, each PFC Settlement Participant will comply with the data security, access and confidentiality requirements promulgated from time to time by the Clearing Bank as part of its standard terms and conditions for business customers. Each PFC Settlement Participant will comply with such requirements as a "Customer" of the Clearing Bank. When the Clearing House receives notice of any change in such requirements made by the Clearing Bank, the Clearing House will promptly provide notice of such change to any PFC Settlement Participant that may not have received notice directly from the Clearing Bank. As of the effective date of the PFC Settlement Agreement, the Clearing Bank's data security, access and confidentiality requirements for business customers include the following provisions. Changes in such requirements will be reflected in amendments to this Paragraph 12.

**Security.** Customer agrees to use the Internet Services in accordance with the security procedures established by [Clearing] Bank. Without limiting the foregoing, Customer shall at all times use a Web browser that supports the level of encryption used by [Clearing] Bank as part of its security procedures. Due to emerging technologies and ensuing changes in security practices, [Clearing] Bank reserves the right to supplement or change its security procedures from time to time upon reasonable notice to Customer. Customer acknowledges and agrees that, notwithstanding anything to the contrary set forth in the Agreement, in matters of security, reasonable notice may be less than a day's notice or even, in some cases, notice after the fact. [Clearing] Bank reserves the right to reject any transaction or service request that is not made in accordance with its security procedures. Customer shall designate one or more System Administrator(s). The System Administrator shall be responsible for setting up Internet Services and for establishing internal security procedures related to such Internet Services, including, without limitation, accepting delivery of software, system-wide configuration of [Clearing] Bank accounts, establishing authority levels, establishing authorization requirements, and distributing and re-setting IDs, passwords and other internal security devices related to the Internet Services. Customer's designation of the System Administrator may be amended or revoked from time to time upon notice to [Clearing] Bank. [Clearing] Bank shall have a reasonable time to act on any such notice.

### Other Customer Responsibilities.

- a. **Equipment and Software.** Customer is responsible for obtaining (from [Clearing] Bank, in some instances), installing and maintaining the computer and communications equipment (including, without limitation, personal computers and modems), software, Web browsers, Internet access and communications services necessary to access and use the [Clearing Bank's] Internet Services . . . .
- b. **Use of Internet Services.** Customer shall use its access to [Clearing Bank's] Internet Services and Web sites operated by or on behalf of [Clearing] Bank only to conduct its business through or with [Clearing] Bank and agrees to limit access to those Agents who require access to [Clearing Bank's] Internet Services.
- c. **Antivirus Protection.** Customer agrees to run antivirus software before transmitting data to or through any [Clearing Bank] Web site. Customer may use any commercially available, industry recognized antivirus software of the type that detects and disinfects viruses automatically, without the need for the Customer to execute virus scanning for each file manually. Customer shall update its antivirus software on a regular basis and in no event less often than once every week.
- d. **Anti-malware Protection.** [Clearing] Bank may offer complimentary anti-malware software for use with certain Services that is designed to detect, deter or destroy different types of malware. Failure to install anti-malware software offered by [Clearing] Bank could substantially increase the likelihood of fraud and other losses. If Customer fails to install software offered by [Clearing] Bank, Customer agrees it will be precluded from asserting claims against [Clearing] Bank for any losses caused by malware which such software would have detected, deterred or destroyed. [Clearing] Bank will not be required to re-credit Customer's account or otherwise have any liability for such losses.
- e. **Network Security.** Customer agrees to install and utilize current industry-standard network security for its information technology systems that access [Clearing Bank's] Services via the Web. Network security protection includes, but is not limited to, firewalls and intrusion detection systems. For certain Services, [Clearing] Bank may require Customer maintain specific network security protection in order to access the Services.

**Access.** Customer shall be solely responsible for designating individuals authorized to access Services. Access to Services will be controlled through the use of user IDs, personal identification numbers, passwords, digital certificates/signatures, private keys or other security devices ("Codes"). Customer is solely responsible for maintaining its own internal security and agrees to use the utmost care in selecting any company or individual given access to use one or more of the Services. Codes that are assigned to individual Authorized Users shall not be shared with any other person, including other Authorized Users and Customer shall not disclose any information regarding the Services that an unauthorized user would find helpful to obtain access to all or part of any Service. Customer assumes all risk of accidental disclosure or inadvertent use of any Codes by any party, whether such disclosure or use is on account of Customer's negligent or deliberate acts or otherwise. If Customer or its Agents has reason to believe that any security procedures or Codes have or may become known by unauthorized persons (whether or not employed by Customer) or if Customer believes its network or computer systems have been compromised or its computers infected, Customer shall immediately notify [Clearing] Bank by telephone and confirm such verbal notification in writing to [Clearing] Bank within 24 hours. [Clearing] Bank will replace the security procedures and/or Codes in accordance with [Clearing] Bank's procedures. Customer shall be solely responsible for funds transfer instructions and other communications or transactions initiated before [Clearing] Bank received Customer's notice and had a reasonable time to act on such notice. Customer agrees to defend and indemnify [Clearing] Bank against any claims, losses, damages, costs, expenses, fines and other liabilities arising out of Customer's failure to maintain the security and confidentiality of the Codes or arising out of the unlawful use of any website or portal by Customer or any person who obtains access to a website or portal using the Codes.

**Confidentiality.** Customer and [Clearing] Bank represent, warrant and mutually agree that all confidential information concerning the other party or parties that comes into its possession in connection with any of the [Clearing Bank's] Services will be maintained in strictest confidence and shall not be used or divulged to any other party except as may be necessary or advisable for the due performance of any of the Services or as required by applicable law. [Clearing] Bank shall maintain physical, electronic, and procedural safeguards to keep Customer's confidential information secure. Customer's obligation to maintain the confidentiality of all security procedures shall survive the termination of any Clearing Bank Service . . . .

## 14. Notices

Any notice or other communication that may be or is required to be given to any PFC Settlement Participant or to the Clearing House pursuant to the PFC Settlement Agreement or these PFC Settlement Regulations shall be in writing and shall, unless otherwise specified in these PFC Settlement Regulations, be transmitted by e-mail or hand delivery (including delivery by courier), addressed as follows:

**If to a PFC Settlement Participant:** to the party and e-mail address, office address or fax number for such PFC Settlement Participant specified in the PFC Settlement Participant Roster; and

**If to the Clearing House:** to –  
Secretary-Treasurer  
Airlines Clearing House, Inc.  
1275 Pennsylvania Avenue NW, Suite 1300  
Washington, DC 20004  
E-mail: [ACH@airlines.org](mailto:ACH@airlines.org)  
Telephone: 202-626-4144

Any notice or other communication that is transmitted as described above will be deemed to have been given and received at such time as it is delivered to the addressee, with a delivery receipt (including an e-mail delivery receipt) or fax confirmation receipt being deemed conclusive (but not exclusive) evidence of such delivery, or at such time as delivery is refused by the addressee upon presentation.

# PFC User Guide

## PFC Settlements System User Guide

An up to date PFC Settlements System User Guide is also available at [PFCSettlement.com](http://PFCSettlement.com).

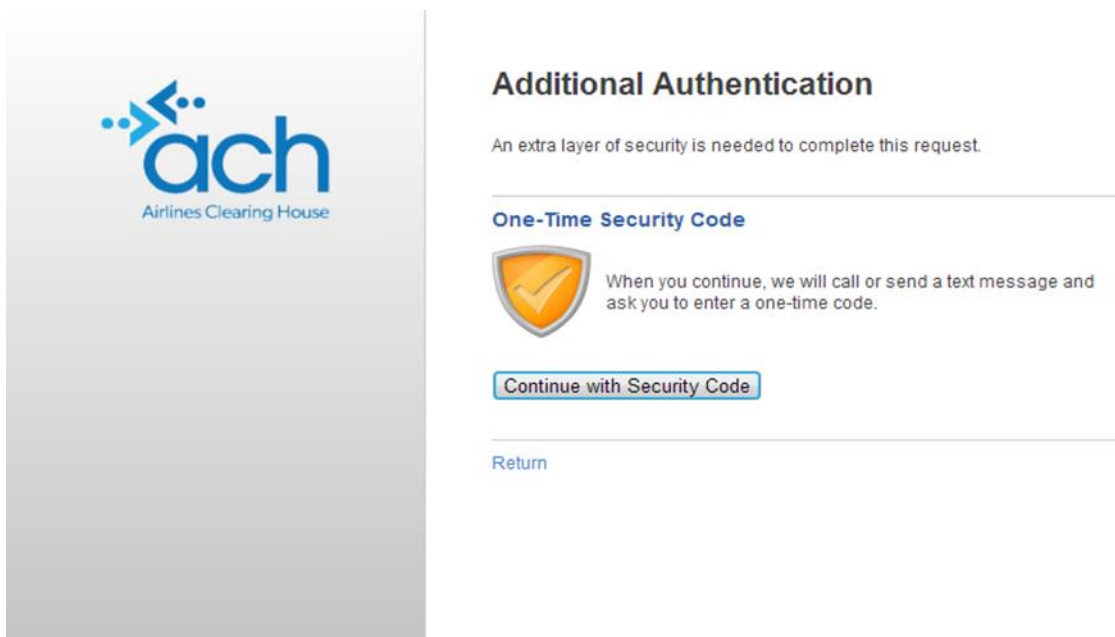
**Note:** The amounts and companies contained within the screenshots of this System User Guide are for illustrative purposes only.

## Logging in

A sequence of pages collects and authenticates each user's login credentials. Company and user ID are entered on the Login page; Password on the Enter Password page.

Log on to the PFC Settlements System at: <https://carc.solutions-corporate.com>

Company ID: 64043 (the same Company ID is used by all Participants)  
User ID: As assigned by ACH



1. Enter your company ID and user ID on the Login page and select **Continue**.
2. If this is your first time logging in, or the first time logging in from a device, you will be presented with the following screen. Select **Continue with Security Code**
3. You will then be asked if you would like a phone call or text message to use for authentication. Select the appropriate option and select Continue.



- a. If you chose to have a phone call, you will receive a phone call to the number contained in your PFC Settlements System Application, providing you with a one-time security code. Enter the five digit code on the One-Time Security Code screen and select **Phone Call Completed**.
- b. If you chose to have the system send you a text message, a window will pop up asking you to enter your phone number. Once you have done so, select **Send Text Message**.
  - i. You will be prompted to enter the phone number that matches what is currently on file.
  - ii. You will then receive a text message with a five digit code. Enter the code on the One-Time Security Code screen, select **Continue** and proceed to the next step.
4. The Enter Password page will be displayed. Enter your password and select **Login**.
5. The Home page will display when your login information has been validated.

**Note:** If this is your first login, you will be required to change your password and select and answer four security questions. These questions will be used to verify your identity if you forget your password. The answers are not case sensitive.

## Passwords and Access

Passwords for the PFC Settlement System must conform to the following standards:

Password	<ul style="list-style-type: none"> <li>• 8 - 20 characters in length.</li> <li>• Must contain at least one letter, one number and one special character.</li> <li>• Passwords are case sensitive.</li> <li>• Valid special characters include the pound sign (#), dollar sign (\$), at sign (@), exclamation point (!), period (.), and semicolon(;).</li> <li>• The same character may not be used 3 times in a row (e.g. 11177xyz, TTT888KK).</li> <li>• The password cannot match the user ID.</li> <li>• Cannot have been used previously within the last 90 days.</li> </ul>
Security questions	Questions and answers used to verify a user's identity during the 'forgot password' process.

Users will be prompted to change their passwords every 60 days.

## Permissions

Users are granted access to the following functions based on the company type:

### Airlines:

- Payments: Enter, edit or upload of payment information
- Reports: Display, export or print settlement reports

### Airports:

- Reports: Display, export or print settlement reports

**Note:** Changes to existing user permissions, adding users, and deleting users are handled through the Airlines Clearing House System Administrators. They can be reached by sending an email to [ACH@airlines.org](mailto:ACH@airlines.org) or calling 202-626-4143.

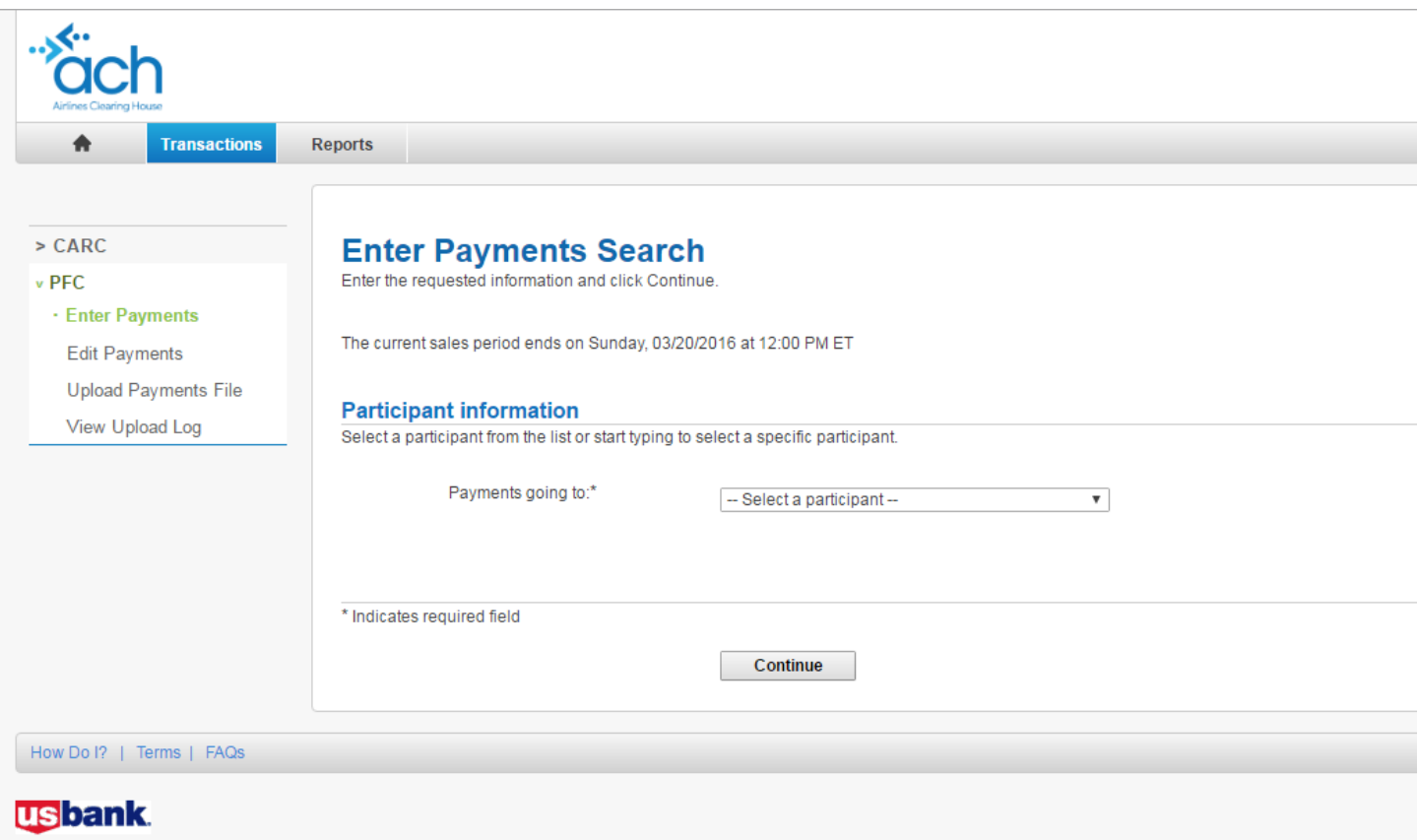
## Remittance Reports - Submitting Payments

Users have the option of submitting payment amounts manually through a web interface or through a file upload. There is no limit to the number of payments that can be manually entered through the web interface, but participants may find it easier to use the file upload functionality.

### Web Interface

To enter payments:

1. Select **Enter Payments** on the Navigation Menu. The Enter Payments Search page will be displayed.
2. Enter the requested information and then select **Continue**.



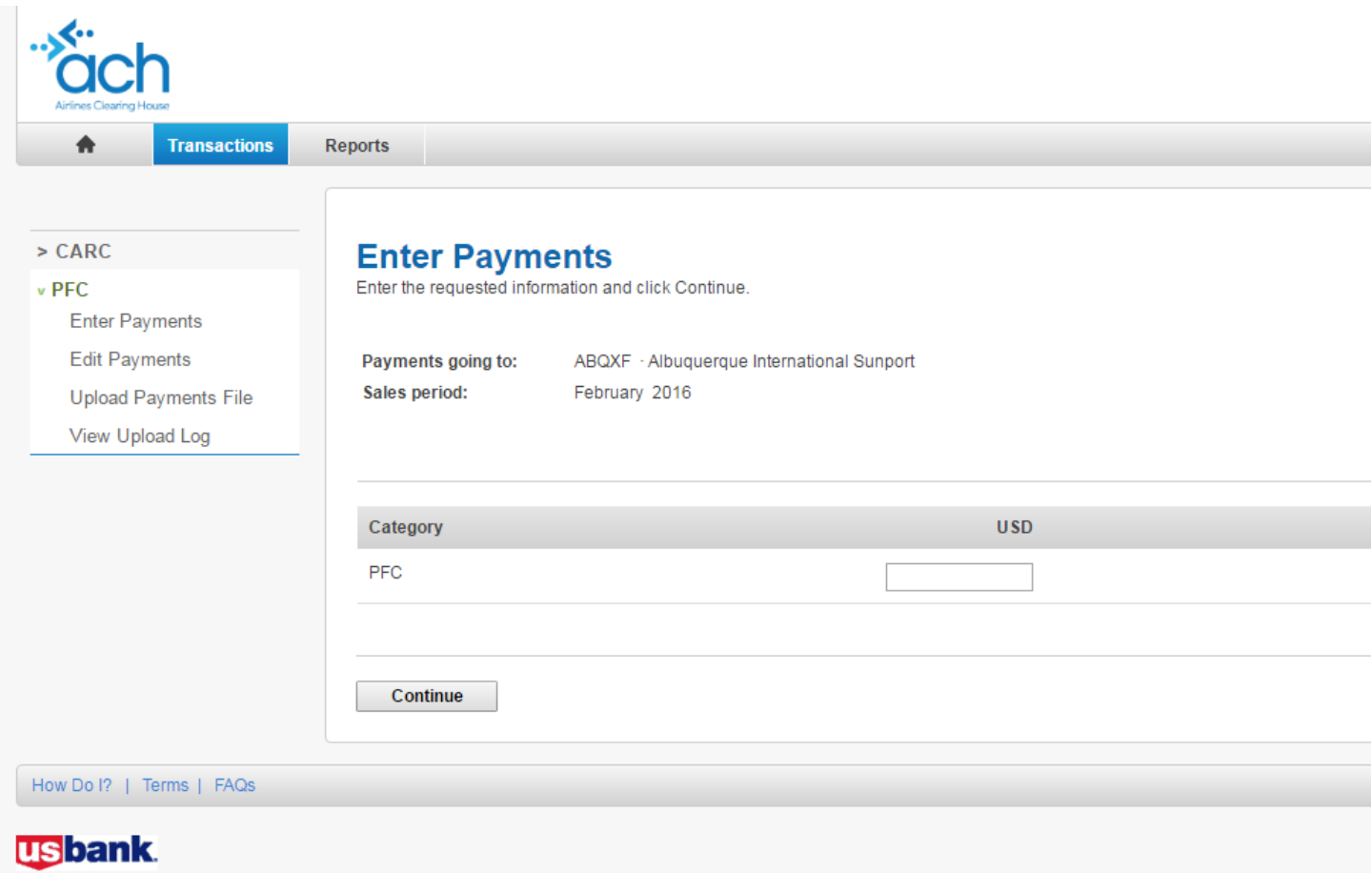
The screenshot shows the 'Enter Payments Search' page in the Airlines Clearing House (ACH) system. The page has a navigation menu on the left with 'Enter Payments' selected. The main content area has a title 'Enter Payments Search' and instructions to enter information and click Continue. It displays the current sales period ending on Sunday, 03/20/2016 at 12:00 PM ET. There is a section for 'Participant information' with a dropdown menu for 'Payments going to:' set to '-- Select a participant --'. A 'Continue' button is at the bottom. The footer includes 'How Do I?' | Terms | FAQs and the US Bank logo.

**Note:** You may only enter payments for the current sales remittance period. In the example above, payment information may only be entered for February sales.

**Note:** If payments have already been entered in the system for the selected participant, an error message will be displayed at the top of the page. You must use the **Edit Payments** screen to edit any payments previously entered for the selected participant.

3. The Enter Payments page will appear. Enter the payment amount for the selected participant and then select **Continue**.

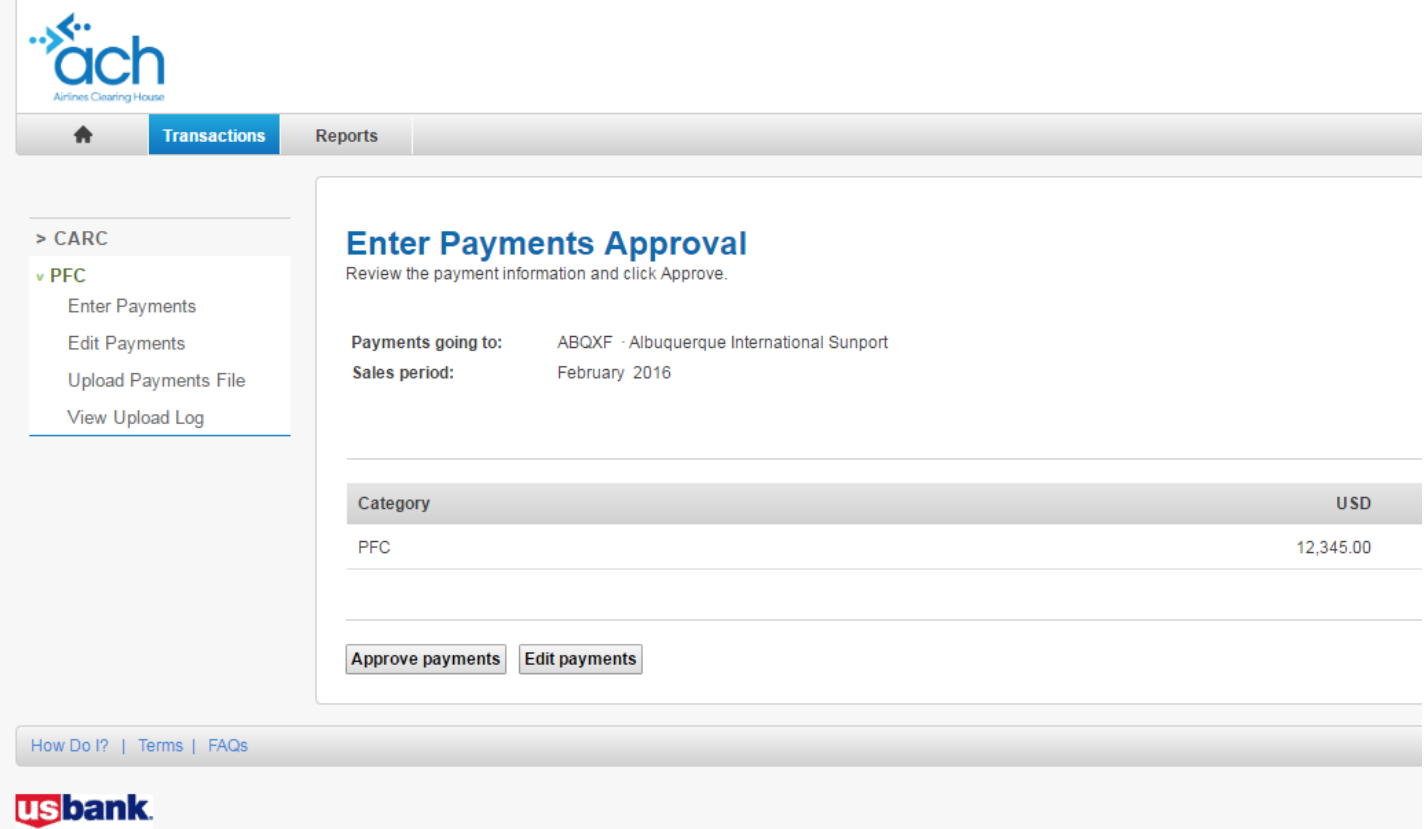
**Note:** Payment amounts entered by Airlines will be displayed on Settlement Reports as payable amounts when the Airline displays its Settlement Report, and as receivable amounts when the Airport displays its Settlement Report.



The screenshot shows the 'Enter Payments' page. On the left is a navigation menu with 'ACH Airlines Clearing House' logo and a sidebar containing 'CARC' and 'PFC' sections. The 'PFC' section has links for 'Enter Payments', 'Edit Payments', 'Upload Payments File', and 'View Upload Log'. The main content area is titled 'Enter Payments' and includes instructions to enter requested information and click 'Continue'. It displays 'Payments going to: ABQXF - Albuquerque International Sunport' and 'Sales period: February 2016'. Below this is a table with a header row for 'Category' and 'USD', and a row for 'PFC' with an empty input field. A 'Continue' button is at the bottom of the form. At the bottom of the page, there are links for 'How Do I?', 'Terms', and 'FAQs', and the 'usbank' logo.

Category	USD
PFC	<input type="text"/>

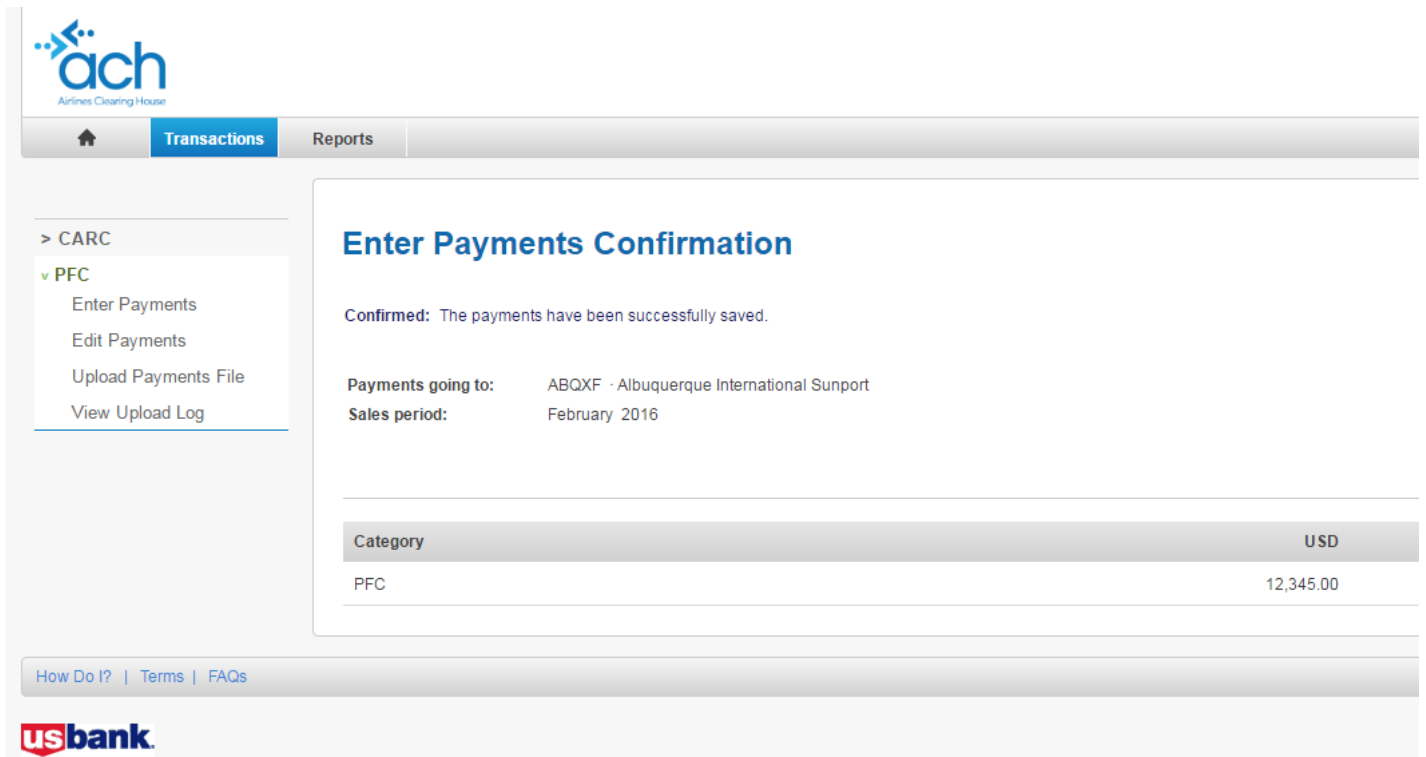
4. The Enter Payments Approval page will appear. Review the payment information before proceeding. If the payment is correct as entered, select **Approve payments**.



The screenshot shows the 'Enter Payments Approval' screen. The top navigation bar includes 'Transactions' and 'Reports'. The left sidebar shows a tree view with 'CARC' expanded and 'PFC' selected, containing links for 'Enter Payments', 'Edit Payments', 'Upload Payments File', and 'View Upload Log'. The main content area has the title 'Enter Payments Approval' and a sub-header 'Review the payment information and click Approve.' Below this, the payment details are: 'Payments going to: ABQXF - Albuquerque International Sunport' and 'Sales period: February 2016'. A table shows the payment category 'PFC' with a value of '12,345.00' in 'USD'. At the bottom of the main area are two buttons: 'Approve payments' and 'Edit payments'. A footer bar contains links for 'How Do I?', 'Terms', and 'FAQs', and the 'usbank' logo is visible at the bottom left.

**Note:** If changes need to be made, select **Edit payments** and edit the amount previously entered. The Enter Payments Approval screen will be re-displayed with the revised amount.

5. After selecting "Approve payments", the Enter Payments Confirmation page will appear confirming that the payment information has been saved.



The screenshot shows the 'Enter Payments Confirmation' screen. The layout is identical to the previous screen, but the main content area now displays a confirmation message: 'Confirmed: The payments have been successfully saved.' The payment details and table remain the same. The 'Approve payments' button is no longer visible, and the 'Edit payments' button is still present. The footer bar and 'usbank' logo are also present.

## File Upload

As an alternative to manually entering payment data, a file containing payments, in .csv format, for the current period may be uploaded. Files do not contain header or trailer records. Files cannot be uploaded for a period that has not yet opened or has already closed. Below is an example of a file:

### Example PFC Upload File Upload

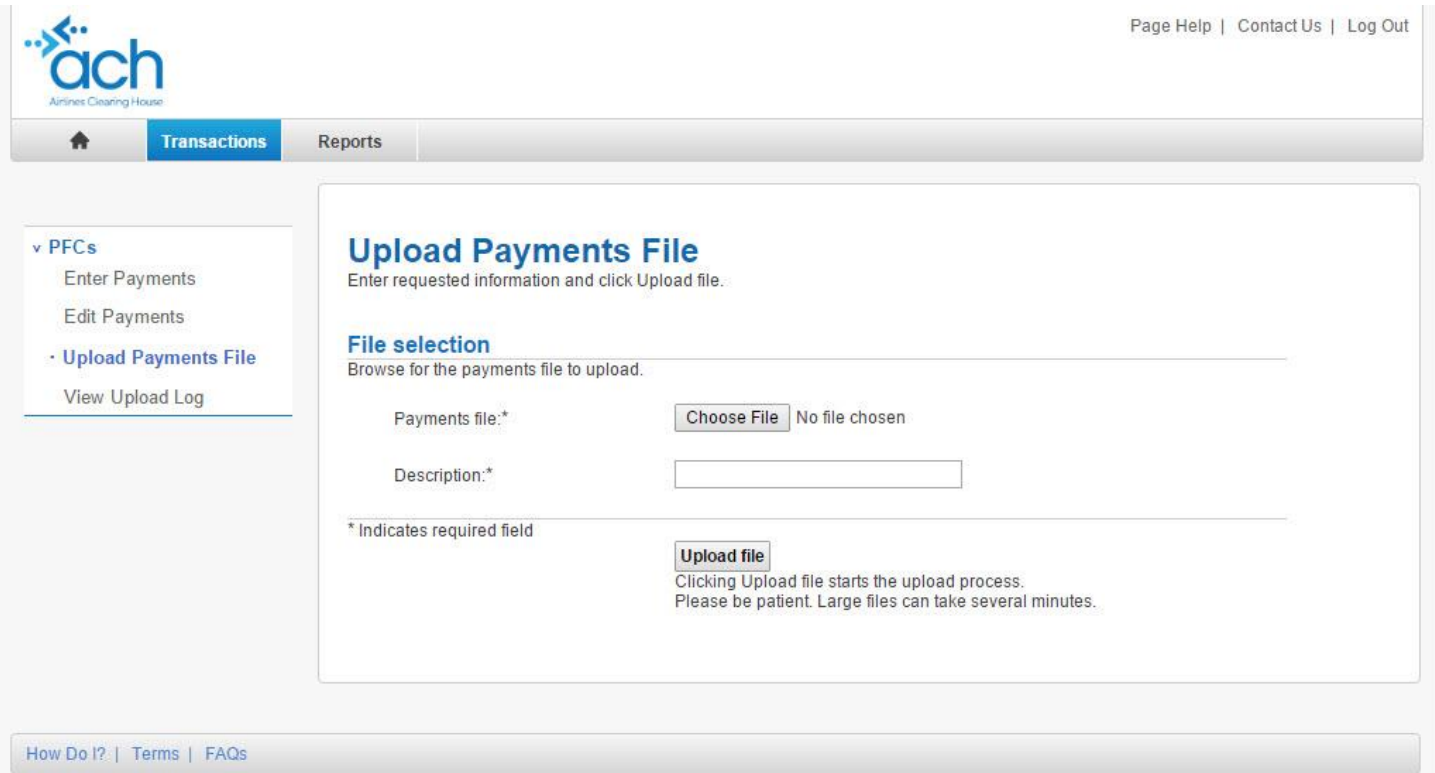
```
027AS,FAIXF,PFC,160301,USD,12621.08
027AS,DHNXF,PFC,160301,USD,7570.19
027AS,KTNXF,PFC,160301,USD,20748.86
027AS,MSLXF,PFC,160301,USD,6625.98
027AS,MOBXF,PFC,160301,USD,65221.69
027AS,KTNXF,PFC,160301,USD,76756.25
```

File Upload Specifications	
Field	Description
First Field	Paying from Participant's ID. The first three characters of a Participant ID is the accounting/prefix code. The last two characters are the designator code.
Second Field	The Participant's ID of the Airport for which PFC's are being remitted. The first three characters of the Participant's ID is the airport code. The last two characters are always "XF".
Third Field	Always "PFC"
Fourth Field	Sales period in YYMMPP format (year, month, period) At this time, PP shall always be populated with a "01".
Fifth Field	Currency of Payment. At this time, only USD is allowed.
Sixth Field	The remittance amount.

To upload a Payments file for the current period:

1. Select Upload Payments File on the navigation menu. The Upload Payments File page will appear. Browse for the file that contains the payments you wish to upload and enter a description of the file, then select **Upload file**.

**Note:** The Description and Payments File names are "free flow", allowing users the flexibility to determine file names and how to populate the Description Field.



Page Help | Contact Us | Log Out

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Transactions Reports

## Upload Payments File

Enter requested information and click Upload file.

### File selection

Browse for the payments file to upload.

Payments file:\*  No file chosen


Description:\*

\* Indicates required field

Clicking Upload file starts the upload process.  
Please be patient. Large files can take several minutes.

How Do I? | Terms | FAQs

2. The Upload Payments File Confirmation page will appear. If the file was uploaded successfully, there will be a confirmation message at the top of the page.



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Transactions Reports

## Upload Payments File Confirmation

**Confirmed:** The payments file has validated successfully and the upload is starting.  
Please allow time for processing and then view the upload log for further status.

### Upload status

Description:	Payments to Detroit Metro
Payments file name:	DTWPayJul2015v2.txt

How Do I? | Terms | FAQs

**Note:** Files must be in the correct format to load successfully. Once loaded, a validation process begins to ensure that the content within the file is properly formatted, is for the correct sales period, and contains only entries to and from valid airports.

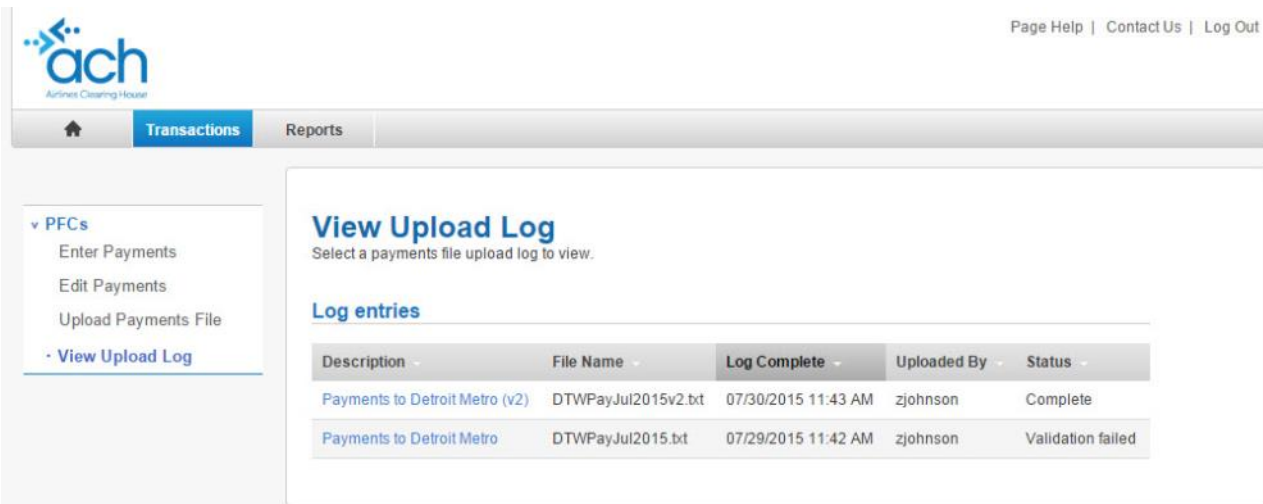
**Note:** Files may not be “backed out” or “written over”. If a file has been previously uploaded and the user would like to replace the data in the file, the user must edit the existing payment amounts.

**Note:** If amounts for the sales period between the two participants have been previously entered, the file will not be validated. The user must edit payments.

## Viewing Upload Log

Once a payment file has been successfully loaded, it is recommended that you view the Upload Log to ensure validation was successful.

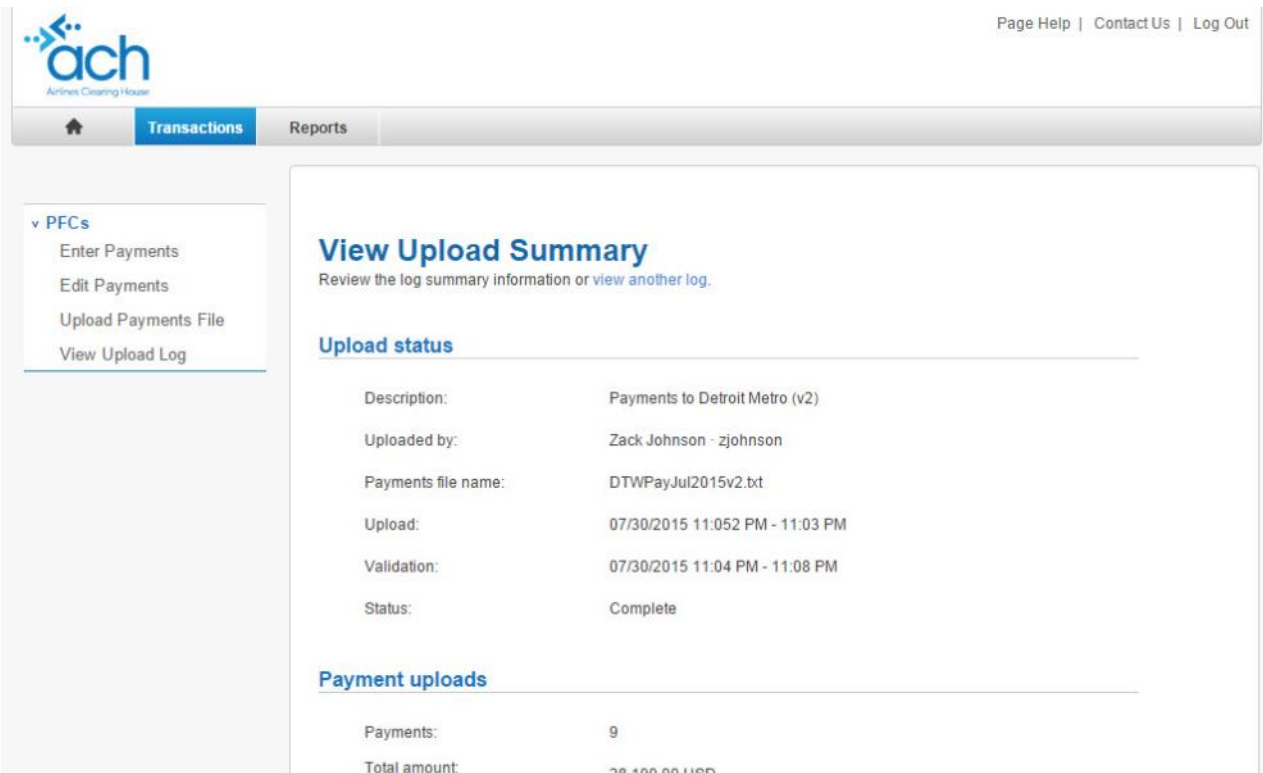
1. Select View Upload Log on the navigation menu. The Upload Log page will appear and displays a list of files uploaded by your company during the previous 30 days.



The screenshot shows the 'View Upload Log' page. The top navigation bar includes 'Page Help | Contact Us | Log Out'. The left sidebar has a 'PFCs' menu with options: 'Enter Payments', 'Edit Payments', 'Upload Payments File', and 'View Upload Log' (which is selected). The main content area is titled 'View Upload Log' and includes the instruction 'Select a payments file upload log to view.' Below this is a section for 'Log entries' containing a table with the following data:

Description	File Name	Log Complete	Uploaded By	Status
Payments to Detroit Metro (v2)	DTWPayJul2015v2.txt	07/30/2015 11:43 AM	zjohnson	Complete
Payments to Detroit Metro	DTWPayJul2015.txt	07/29/2015 11:42 AM	zjohnson	Validation failed

2. From the View Upload Log select a file. View the Upload Summary to confirm the file upload details or obtain detailed information about the file in the event the upload failed.



The screenshot shows the 'View Upload Summary' page. The top navigation bar includes 'Page Help | Contact Us | Log Out'. The left sidebar has a 'PFCs' menu with options: 'Enter Payments', 'Edit Payments', 'Upload Payments File', and 'View Upload Log' (which is selected). The main content area is titled 'View Upload Summary' and includes the instruction 'Review the log summary information or view another log.' Below this is a section for 'Upload status' containing the following details:

- Description: Payments to Detroit Metro (v2)
- Uploaded by: Zack Johnson - zjohnson
- Payments file name: DTWPayJul2015v2.txt
- Upload: 07/30/2015 11:052 PM - 11:03 PM
- Validation: 07/30/2015 11:04 PM - 11:08 PM
- Status: Complete

Below the upload status is a section for 'Payment uploads' containing the following details:

- Payments: 9
- Total amount: 28,100.00 USD

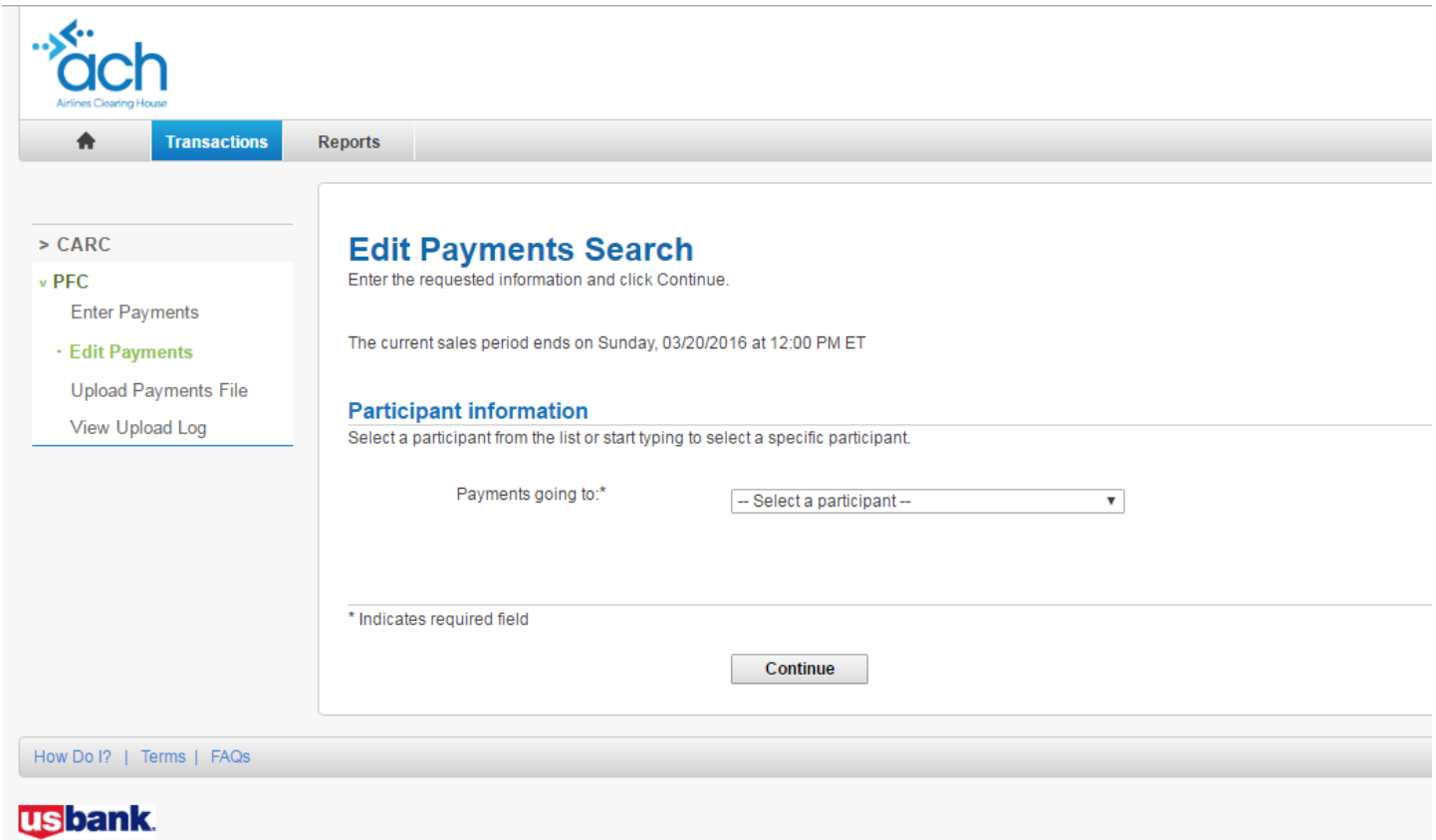
3. In the event a file fails, simply correct the input file and load it again. It is not necessary to rename the file.

## Editing Payments

Payment amounts manually entered, or through the file upload process, may be modified during the current sales remittance submission period. After the end of the submission period, payment amounts cannot be modified by the user. If payment amounts require adjustment after the sales period has closed, the user must contact the Airlines Clearing House prior to the settlement date and time at [ACH@airlines.org](mailto:ACH@airlines.org).

To edit payment amounts for the current period:

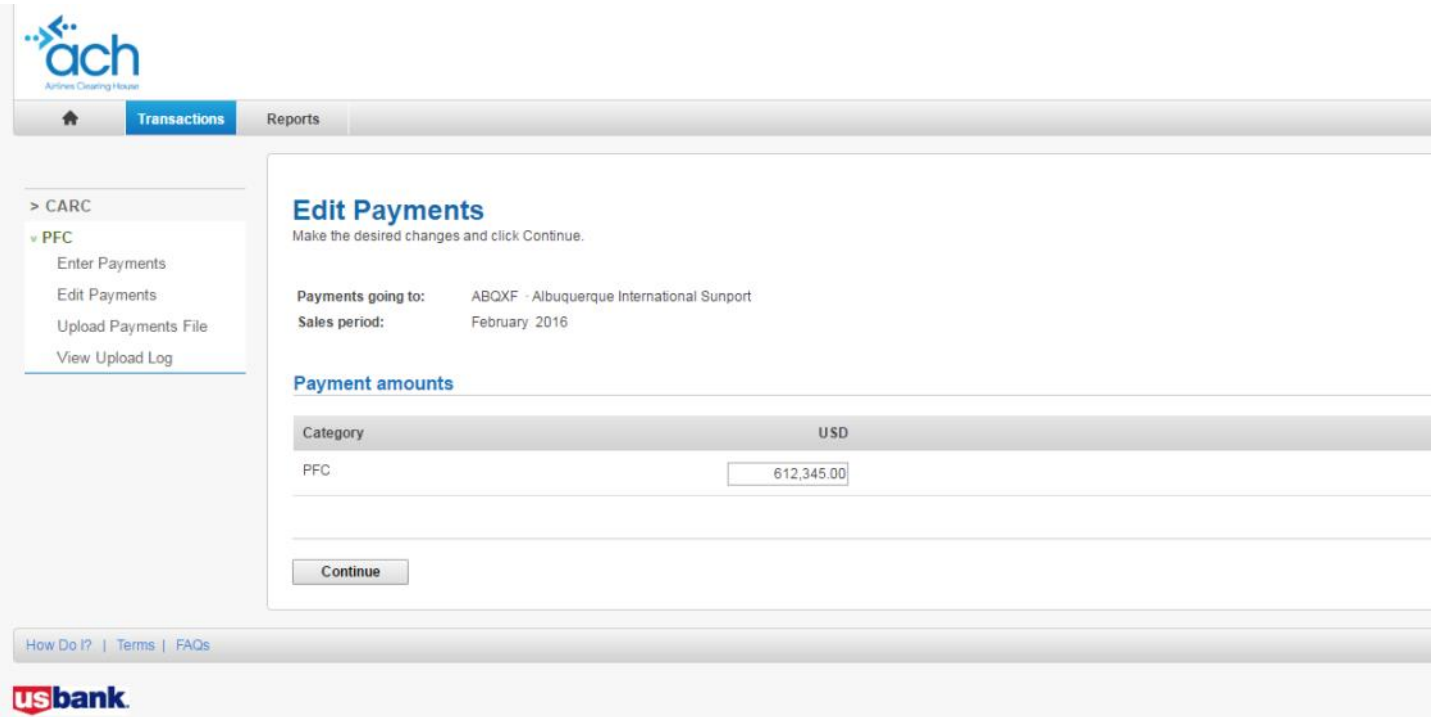
1. Select Edit Payments on the navigation menu. The Edit Payments Search page will appear.



The screenshot shows the ACH Airlines Clearing House web application interface. At the top left is the ACH logo. Below it is a navigation bar with 'Transactions' and 'Reports' tabs. A left sidebar menu shows a tree structure: '> CARC' followed by 'v PFC', which is expanded to show 'Enter Payments', 'Edit Payments' (highlighted in green), 'Upload Payments File', and 'View Upload Log'. The main content area is titled 'Edit Payments Search' and contains the following text: 'Enter the requested information and click Continue.', 'The current sales period ends on Sunday, 03/20/2016 at 12:00 PM ET', and a section titled 'Participant information' with the instruction 'Select a participant from the list or start typing to select a specific participant.' Below this is a form field labeled 'Payments going to:\*' with a dropdown menu showing '-- Select a participant --'. A note at the bottom left of the form area states '\* Indicates required field'. A 'Continue' button is located at the bottom center of the form area. At the bottom of the page, there are links for 'How Do I?', 'Terms', and 'FAQs', and the US Bank logo.



2. Select the participant for which you wish to edit payments and select **Continue**.
3. The Edit Payments page will appear. Make the desired change to the payment amount and select **Continue**.



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Home Transactions Reports

> CARC  
PFC  
Enter Payments  
Edit Payments  
Upload Payments File  
View Upload Log

### Edit Payments

Make the desired changes and click Continue.


Payments going to: ABQXF - Albuquerque International Sunport  
Sales period: February 2016

#### Payment amounts

Category	USD
PFC	<input type="text" value="612,345.00"/>

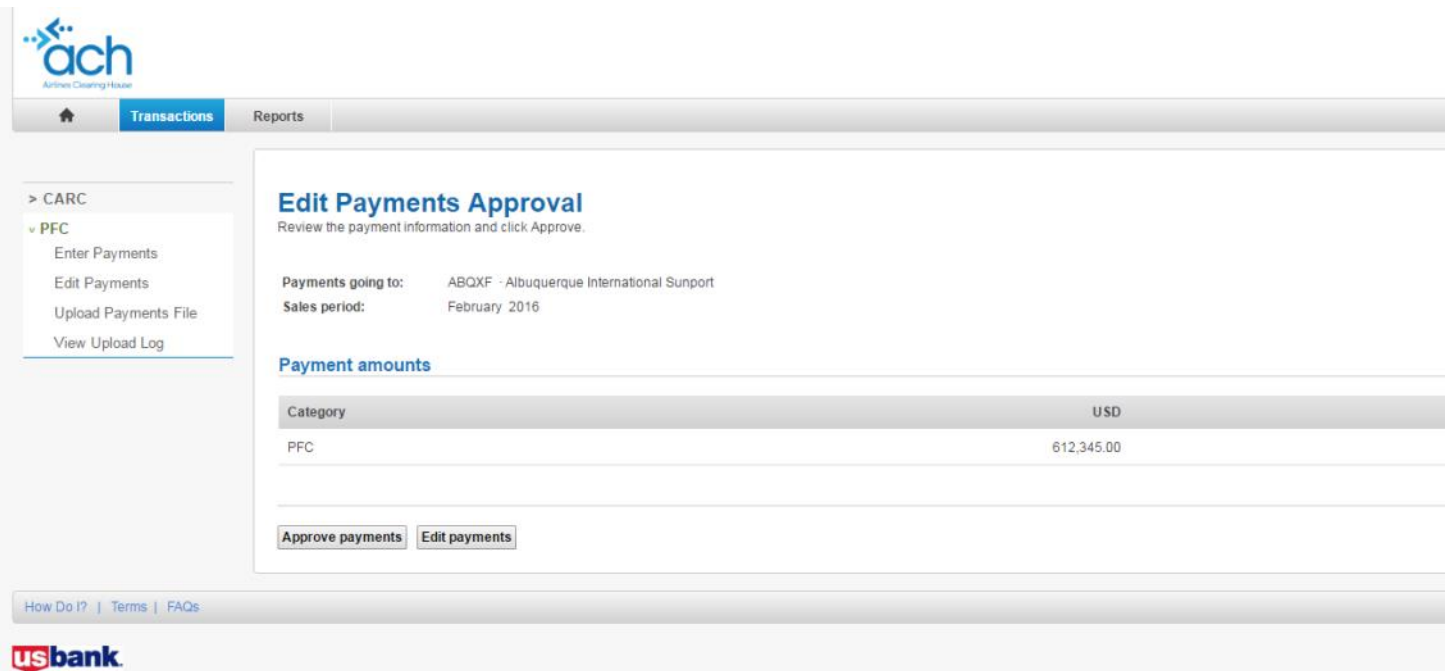
Continue

How Do I? | Terms | FAQs



4. The Edit Payments Approval page will appear. Review the payment amount and when you have confirmed the amount is correct, select **Approve edits**.

**Note:** To delete an amount previously entered the payment amount must be changed to \$0.00.



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Home Transactions Reports

> CARC  
PFC  
Enter Payments  
Edit Payments  
Upload Payments File  
View Upload Log

### Edit Payments Approval

Review the payment information and click Approve.


Payments going to: ABQXF - Albuquerque International Sunport  
Sales period: February 2016

#### Payment amounts

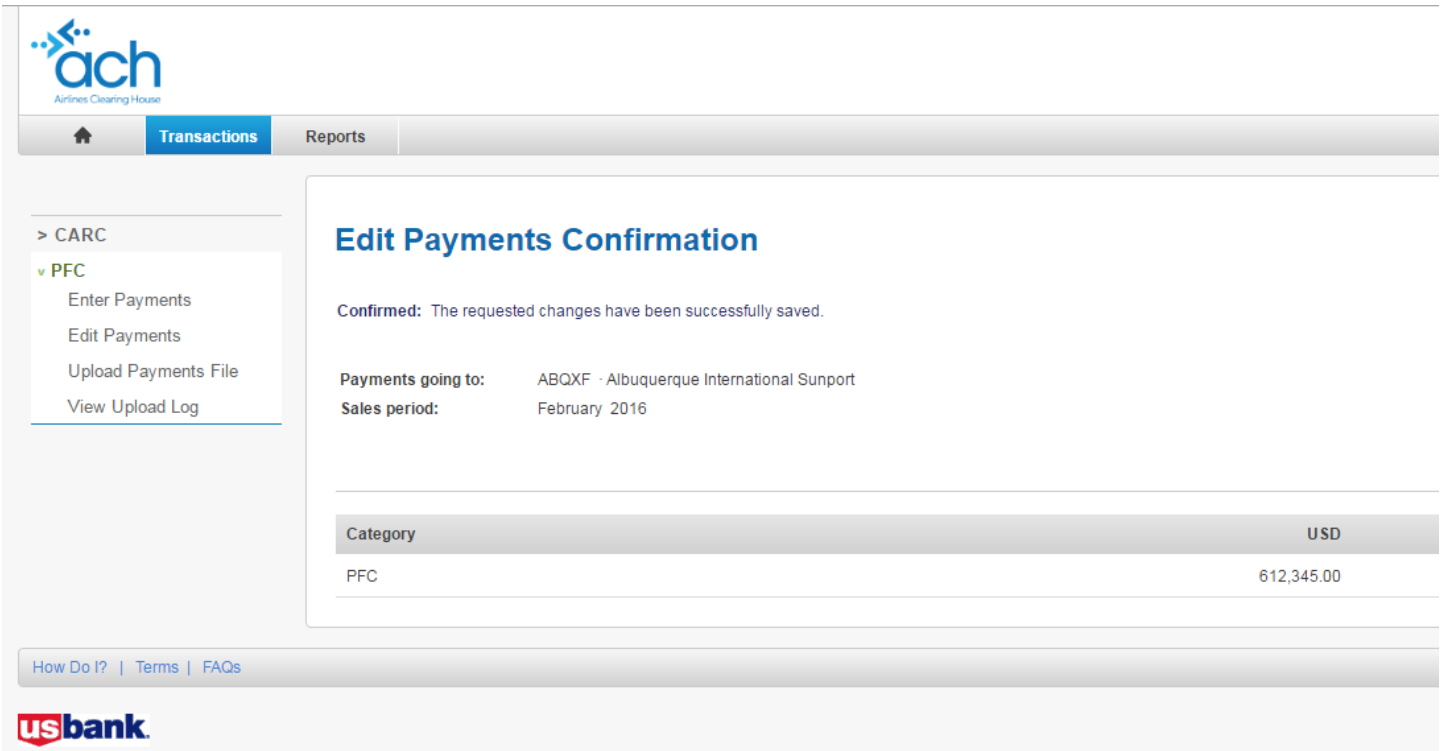
Category	USD
PFC	612,345.00

Approve payments Edit payments

How Do I? | Terms | FAQs



5. The Edit Payments Confirmation page will appear with the edited payment amount displayed.



The screenshot shows the 'Edit Payments Confirmation' page. At the top left is the 'ach Airlines Clearing House' logo. Below it is a navigation bar with 'Transactions' selected. A sidebar on the left shows a tree view with 'PFC' expanded, listing 'Enter Payments', 'Edit Payments', 'Upload Payments File', and 'View Upload Log'. The main content area has the title 'Edit Payments Confirmation' and a confirmation message: 'Confirmed: The requested changes have been successfully saved.' Below this, it shows 'Payments going to: ABQXF - Albuquerque International Sunport' and 'Sales period: February 2016'. A table at the bottom displays the payment details:

Category	USD
PFC	612,345.00

At the bottom of the page, there are links for 'How Do I?', 'Terms', and 'FAQs', and the 'usbank' logo.

## Reports

Users have the ability to run a report to view their settlement activity for any sales period within the previous 11 months. Settlement Reports display the payment amounts, by participant, for a single sales period. For reports between 11 months and seven years old, please contact [ACH@airlines.org](mailto:ACH@airlines.org).

1. Select Reports on the top Navigation Bar and Settlement on the left side Navigation window. The Settlement Report Search page will appear.

**Settlement Report Search**  
Specify report criteria and click Run.

**Categories**

All categories  
 Specific categories

PFC

**Sales period**

Month:

Year:

2. After selecting the Sales period month and year for the desired Settlement Report, select **Run report**. The Settlement Report page will appear.

**Settlement Report**  
Review the information or refine search.

Payments as of: 03/11/2016 at 07:50 AM CT

Settlement date: Thursday, March 24, 2016

Categories: All - Sales period: February 2016

**US dollar (USD)** [Download PDF](#) [Download CSV](#)

Participant	Payables	Receivables	Net Amount
ABQXF - Albuquerque International Sunport	612,345.00	0.00	-612,345.00
<b>Total PFC:</b>	<b>612,345.00</b>	<b>0.00</b>	<b>-612,345.00</b>
<b>Total USD:</b>	<b>612,345.00</b>	<b>0.00</b>	<b>-612,345.00</b>

## Formats

Settlement Report values are displayed initially on the screen. Users may select from two options to download the report. These options appear as links at the top right of the report itself.

### Download PDF

The report is written out in PDF format. Users may save for viewing through Adobe Reader at a later time.

### Download CSV

On the CSV version of the report, the data will be arranged a little differently (from the screen and PDF versions) as illustrated below. The columns will have headers, but have no column totals.

Settlement Type	Participant ID	Participant Name	Category	Payables	Receivables	Net Amount	Currency	Sales Period
PFC	BDLXF	Bradley International	PFC	5000.55	0.00	-5000.55	USD	August 2015
PFC	LAXXF	Los Angeles International	PFC	6250.10	0.00	-6250.10	USD	August 2015
PFC	BOSXF	Logan International	PFC	2030.00	0.00	-2030.00	USD	August 2015
PFC	RDUXF	Raleigh-Durham International	PFC	7400.00	0.00	-7400.00	USD	August 2015
PFC	DTWXF	Detroit Metropolitan	PFC	157.00	0.00	-157.00	USD	August 2015

# Appendices

## PFC Settlements Application Form: System User Information

Please complete for all users that require access

Company Name

Airline/Airport Code

User One	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

User Two	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

User Three	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

User Four	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

## PFC Settlements Application Form: Treasury Contact

Please complete for all users that require access

Company Name

Airline/Airport Code

Treasury	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

Treasury	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

Treasury	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

Treasury	First Name			
	Last Name			
	Title			
	Email Address			
	Office Phone	Country Code	Phone Number	Extension
	Cell Phone			

## Agreed Bank Fees

Code	Service Description	Service Fee
	<b>Depository Services</b>	
010000	Account Maintenance	\$25.0000
010101	Electronic Credits	\$0.5500
010100	Paper Debits	\$0.3000
010100	Electronic Debits	\$0.2200
000230	Deposit Coverage	\$0.1208
150341	Overdraft (Paid) Items	\$35.0000
150240	Check Filter Monthly Maintenance	\$0.0000
	<b>SinglePoint</b>	
400272	SP Current Day Detail-Acct	\$20.0000
400272	SP Current Day per Item Det	\$0.0500
400272	SP Current Day per Item Sum	\$0.0500
400272	SP Previous Day Detail-Acct	
	For First 1	\$25.0000
	For Over 1	\$25.0000
400272	SP Previous Day per Item Det	\$0.0500
400272	SP Previous Day per Item Sum	\$0.0500
010407	Account Analysis Report	
	For First 1	\$0.0000
	For Over 1	\$0.0000
010307	Monthly DDA Statement	\$0.0000
409999	Account Analysis Report PDF	\$0.0000
409999	Monthly DDA Statement PDF	\$0.0000
400820	SP Bank Assist Password	\$0.0000
401020	SP Token Monthly Maintenance	\$3.5000
40999	SP Book Transfer Mo. Maintenance	\$0.0000
40999	SP Book Transfer-Per Transfer	\$0.3500
350000	SP Wires Monthly Maintenance	\$10.0000
409999	SP External Message Mo. Maintenance	\$0.0000
999999	SP External User Task Sent	\$0.0000
	<b>Wire Transfers</b>	
350000	Wire Monthly Maintenance Voice-Pin	\$0.0000
350300	Incoming Fedwire	\$12.0000
350712	Incoming Intl Wire	\$15.0000
350123	Internal Wire Credit	\$7.0000
350124	Internal Wire Debit	\$7.0000
350300	Incoming Fedwire CTP	\$12.0000
	<b>ACH Services</b>	
250202	ACH Received Item	\$0.2500

### Beginning June 2019 - October 2021

A monthly per participant fee of \$26.00 will be assessed. The element will be displayed as "Airline Clearing House Use Fee", or a version thereof.



## U.S. Bank Account Opening Package

Following is the U.S. Bank Account Opening Package, included for your reference. Optionally, you may download a Word version with updateable fields by clicking [HERE](#).

## W-8BEN (When Required)

Following is the United States IRS W-8BEN Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals) form. When required, a completed copy of this form shall be sent to U.S. Bank as part of the account opening procedure.

For a downloadable PDF version of this file, click [HERE](#)

## Code of Federal Regulations 14 CFR Part 158 - Passenger Facility Charges (PFCs)

This may be found by clicking [HERE](#).