



Global Default Insurance “GDI” Q&A

As part of the NewGen ISS program, a Global Default Insurance (GDI) solution has been developed and introduced as a new and optional Financial Security type for IATA Accredited Agents under Resolution 850p.

Below is an overview of the main features of GDI.

1. What is Global Default Insurance?

GDI is a global default insurance policy. Individual Agents may, on a voluntary basis, choose to be insured under GDI to satisfy their Financial Security requirements with IATA.

2. Who is the insurance provider?

Euler Hermes, part of the Allianz Group, is the global provider.

3. How does it work?

An Agent interested in GDI will apply to Euler Hermes via its online Portal for a quote to be insured under the GDI policy for an amount corresponding to the amount of Financial Security to be provided to IATA.

Euler Hermes will assess the Agent’s request, then advise if the Agent is eligible for GDI and if so, quote the applicable price of coverage.

If the Agent accepts the GDI quote, Euler Hermes will confirm this to IATA, and the Agent will be notified accordingly by IATA’s brokers.

4. What must the Agent provide to obtain GDI?

The information required by Euler Hermes will be indicated and collected through their online portal. Important note, GDI does not require any collateral to be provided by the Agent.



5. Will GDI replace other Financial Security types?

No, all other Financial Security types acceptable under Resolution 850p remain available to Agents.

6. What are the fees associated with GDI?

The cost of coverage for an Agent under GDI is determined by Euler Hermes, not IATA, and will be quoted directly to the Agent.

7. How will the fees be collected?

Once an Agent accepts the GDI quote and confirms the same to Euler Hermes, the applicable GDI fee will be communicated by Euler Hermes to IATA. IATA will invoice and collect the amount due from the Agent.

Payment of the GDI fee is essential for an accreditation guarantee under the GDI. Going forward, if the Agent wishes to maintain GDI as its Financial Security type, then the GDI renewal fee will be collected with the Annual Agency Fees.

8. What is the duration of cover under GDI?

The duration of cover is for 12 months, unless otherwise specified by Euler Hermes.

9. Are all Agents eligible for GDI?

Euler Hermes assesses the eligibility of each Agent for the amount of cover requested.

10. How does an Agent obtain a quote? Is there a cost to request this?

A quote can be requested via Euler Hermes' dedicated online portal at no cost and with no commitment: www.global-default-insurance.com/m-gdi/



11. Can an Agent's limit be increased?

An Agent can apply to Euler Hermes for a limit increase. In most cases, Euler Hermes will assess the request within five business days.

12. Can an Agent cancel or decrease its coverage under GDI?

Yes. Note, in the event that an Agent cancels its coverage under GDI mid-term, the agent may be eligible for a partial refund. Please contact IATA's global brokers for additional information.

13. Is GDI available in all BSPs?

GDI will launch in a first set of pilot markets from May 2017. Following the pilot, GDI will progressively be rolled out to other BSPs. Full implementation is expected by end of 2018. To find out whether GDI is available in your market, please contact IATA via the Customer Portal.

14. Can an Agent replace its existing Financial Security with GDI?

Yes, however any Financial Security on hand with IATA can only be returned after IATA receives confirmation of the Agent's cover under GDI from Euler Hermes, and the applicable GDI fee is paid.

15. How do I find more information such as terms and conditions?

Agents may contact the GDI's brokers for further information by emailing IATA.GDI@marsh.com