



TRANSPORT (TOUR OPERATORS AND TRAVEL AGENTS) ACT, 1982

TERMS OF BOND TO BE SECURED BY A TOUR OPERATOR OR TRAVEL AGENT

WITH AN INSURANCE COMPANY

I/ We (name of Insurance Company _____)

hereafter referred to as the Surety, having our registered office at

_____ at the behest of

_____ of

being an applicant for a Tour Operator's/Travel Agent's licence under the above Act) in consideration of the aforementioned licence being granted, hereby undertake and acknowledge ourselves bound to pay to the Commission, or to a person nominated or approved by it, such sum as he or such other person may demand, but not exceeding €

(_____ Euro) to be applied in accordance with the provisions of section 13 of the Act for the purposes therein provided.

This bond shall come into effect on the **1st day of November 2012**, and shall cease to have effect after the **3rd day of October 2013**, or, if the licence granted to the tour operator/**travel agent** under the Act is revoked on an earlier date, after such earlier date from which the licence is so revoked, but without prejudice to any liability which may be incurred under this Bond in respect of obligations to customers arising under overseas travel contracts entered into during the period of validity of the

licence or a previous licence which expired immediately prior to the commencement of the licence period to which this Bond relates, PROVIDED THAT any demand on us hereunder by the Commission or its nominee shall be made in writing not later than six months after the date after which this Bond ceases to have effect.

Notwithstanding the generality of the foregoing, where a new bond which comes into effect before or from the date after which this Bond ceases to have effect, is provided, or procured, by the licensee, the liability of the Surety under this Bond shall cease from the date of commencement of such new bond.

IT IS AGREED that this money shall become payable upon demand in writing from the Commission or its nominee in one or more of the following events:-

- (a) a petition is granted by a court for the compulsory winding up of the business of the licensee;
- (b) the licensee by reason of being unable to fulfil his financial obligations seeks a voluntary winding up of his business or has convened a meeting of his creditors for the purpose of considering a settlement of his liabilities to such creditors;
- (c) a receiver is appointed over the assets of the licensee;
- (d) the licensee has failed to discharge his debts or is unable to discharge his debts or has ceased to carry on business by reason of his inability to discharge his debts;
- (e) the licensee has committed an act of bankruptcy;
- (f) the Commission has reasonable grounds for believing that, having regard to all the circumstances, the licensee is unable to, or has failed to, carry out his obligations to his customers in relation to an overseas travel contract.

IT IS FURTHER AGREED that, in circumstances outlined at (f), the Commission will, before calling for payment under the Bond, notify the licensee in writing by delivering the notice to the licensee's principal place of business, of his proposal to call the Bond and the reasons for such proposal and shall afford the licensee all reasonable opportunity to make representations to the Commission.

IT IS A CONDITION of this Bond that the Commission or its nominee will repay to the Surety such part of the sum advanced as shall not be expended for the benefit of the customers of the licensee.

Monies payable under this Bond shall be applied for all or any of the following purposes:-

- (a) to provide travel facilities for any customer of the licensee concerned who is outside Ireland and who is unable to make the return journey provided for in the overseas travel contract by reason of the inability or failure of the licensee concerned to fulfil his financial or contractual obligations in relation to such overseas travel contract;
- (b) to reimburse a customer of the licensee for any reasonable expenses necessarily incurred by such customer by reason of the inability or failure of the licensee to meet his financial or contractual obligations in relation to an overseas travel contract;
- (c) to refund, as far as possible, to a customer of the licensee any payments made by him to the licensee in respect of an overseas travel contract which could not be completed by reason of the inability or failure of the licensee to meet his financial or contractual obligations in relation to such overseas travel contract;
- (d) to defray any reasonable expenses incurred by the Commission, or provide for any payment by the Commission, on behalf of a customer of the licensee in respect of an overseas travel contract which could not be completed by reason of the inability or failure of the licensee to meet his financial or contractual obligations in relation to such overseas travel contract.

Without prejudice to any existing right of a customer of the tour operator / travel agent to recover damages in relation to the standard of accommodation or service provided pursuant to an overseas travel contract, nothing in this instrument shall be construed as enabling such customer to recover any damages out of any sum of money made available under this Bond.

Signed FOR AND ON BEHALF OF

this _____ day of _____ 20_____

(To be signed under hand and not under Seal)

<i>Stamp</i>