



Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, THAT WE

_____ located at: _____

in the City of: _____, in the State of _____ as

PRINCIPAL, including all brands and affiliates covered by USTOA's Travelers Assistance

Program (hereinafter collectively called Principal), and

(Name of Surety)

located at: _____

in the City of: _____, in the state of _____

a corporation created and existing under the laws of the State of: _____

as SURETY (hereinafter called Surety) are held and firmly bound unto the United States Tour Operators Association Inc. Tour Depositors Trust (hereinafter called OBLIGEE) in the amount of One Million Dollars (\$1,000,000.00) for which payment, well and truly to be made, we bind ourselves and our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, by resolution United States Tour Operators Association, Inc. has created United States Tour Operators Association Inc. Tour Depositors Trust (Obligee) to administer the USTOA \$1,000,000 (One Million Dollars) Travelers Assistance Program (The Plan) and to act for and on behalf of clients of the above-named Principal in the event said clients of the Principal shall sustain financial loss as the result of inter alia, bankruptcy or insolvency of the Principal and;

WHEREAS, pursuant to the Plan all new Active Members, and effective September 1, 1993, all present Active Members, shall be required to maintain a bond of not less than One-Million Dollars (\$1,000,000) in favor of the Obligee for the exclusive protection of clients of the Principal against financial loss resulting from the Principal's failure or inability to refund tour payments due to, inter alia, the Principal's bankruptcy or insolvency and;

WHEREAS, the Principal is or intends to become an Active Member and desires to comply with said resolution by furnishing bond.

NOW THEREFORE, the condition of this obligation is such that if the Principal shall refund or cause to be refunded all tour payments and deposits for which its customers are due by contract or at law, then this obligation to be void; otherwise to remain in full force and effect; subject to the following stipulations, terms and conditions.

- 1) Recoverable claims are claims by Obligee for Consumer Losses, as determined under the United States Tour Operators Association, Inc. \$1,000,000 Travelers Assistance

Program, as may be amended from time to time (the "Plan), and shall exist under this bond (i) upon Principal's bankruptcy, insolvency or cessation of business, or (ii) upon Principal's failure to refund consumers' deposits or payments within 120 days of cancellation or material failure by the Principal to complete performance of a tour or tours. Principal shall include the named Principal and any of its affiliates covered under the Plan.

- 2) The effective date of the bond shall be
- 3) Regardless of the number of years this bond shall continue in force, the liability of the Principal and Surety shall not be cumulative and shall be limited to the amount stated above.
- 4) This bond shall be deemed cancelled as of the date Principal's membership in United States Tour Operators Association, Inc. terminates; provided however, that the Principal and the Surety shall remain liable for any and all valid claims for tour payments and deposits received by or on behalf of the Principal from transactions occurring prior to the effective date of termination of membership in United States Tour Operators Association, Inc., or the cancellation of this bond, whichever comes first.
- 5) The Surety shall have the right to cancel this instrument by giving sixty (60) days notification in writing to the Obligee and to the Principal. Such notice, however, shall not have the effect of canceling or terminating suretyship hereunder for Consumer Losses due to failure by the Principal to refund tour payments and deposits received by or on behalf of the Principal from transactions occurring prior to the effective date of such cancellation.
- 6) In the event of payment hereunder, the Surety shall be subrogated to all rights of the Obligee and the Obligee shall execute any and all documents necessary to convey recovery rights to the Surety.
- 7) In the event of loss recoverable hereunder or of circumstances which may give rise to loss recoverable hereunder, the Obligee shall notify the Surety as soon as practical at its Home Office address shown above.
- 8) The suretyship provided herein shall be primary notwithstanding other instruments or suretyship or insurance whether required by law or otherwise.
- 9) In the event of loss, the Obligee shall submit full details as soon as practicable and shall, within four months of initial notification of loss, file a proof of recoverable claims with the Surety. Surety shall make payment to the Obligee promptly after receipt of proof of recoverable claims.
- 10) Payment by the Surety to the Obligee of any and all losses recoverable hereunder shall satisfy the Surety's obligation herein, it being understood that the Surety has no direct obligation to clients of the Principal, or any other persons other than the Obligee named herein.
- 11) This instrument of suretyship shall be subject to the laws of the State of New York and all parties herein, namely the Principal, the Obligee and Surety, agree that any and all legal actions to recover hereunder must be instituted in the State of New York within twelve (12) months after the refund(s) from Principal became due.

Signed and sealed this: _____ day of

_____, _____

Principal:

Surety:

By: _____
(Title)

By: _____
(Title)

WITNESS:

WITNESS:
