

Deed of Indemnity from an individual to the ATT Trustees

**Overtrading Indemnity – SBA ATOL (or franchise member licensed for
1,000 passengers or fewer)**

This Form can be completed on-line before printing off and signing where required.

A. OBLIGATIONS OF INDEMNIFIER

Name of Indemnifier

1. I, ...
Title Forename Surname

(hereinafter called 'the Indemnifier'),

whose address for service of notices and documents by the CAA in respect of this Deed of Indemnity is:

Home address of Indemnifier

.....
..... Postcode:

Telephone: Fax Number:

Email address:

and whose designated alternative address for service of notices and documents by the CAA in respect of this Deed of Indemnity is:

(Please insert the name and address of a qualified solicitor or accountant here. This solicitor or accountant may be the same person who witnesses your signature in Section J of this form. The address must be in the United Kingdom and must not be the same address as your address above).

.....
Title Forename Surname

Profession:

Full address:

..... Postcode:

Telephone: Fax:

Email address:

in consideration of the grant, renewal, variation, continuance or otherwise by CAA of Air Travel Organiser's Licence
Number* held by or to be granted to:

ATOL Number

.....
Full Name of Applicant or ATOL holder

(hereinafter called 'the ATOL holder'),

hereby covenants with and guarantees to the ATT Trustees as follows:

* By executing this document you agree that an employee or Member of the CAA may insert the number of the Air Travel Organiser's Licence assigned by the CAA to the Applicant, at a later date.

A. OBLIGATIONS OF INDEMNIFIER (Continued)

I shall indemnify the ATT Trustees in respect of all sums expended and all costs and expenses incurred by the ATT Trustees (or any agent) arising from, consequent on or in relation to, the failure of the ATOL holder pursuant to the powers vested in the ATT Trustees under the ATT Deed and the terms of the ATT Payment Policy as amended or substituted from time to time; and

I shall, on the ATT Trustees' demand (given on their behalf by the CAA), unconditionally and as primary obligor pay to the ATT Trustees such sum or sums as are stated in the demand and the demand shall be conclusive evidence (except for manifest error or fraud) as to the sums so expended and the costs and expenses so incurred being due and payable as a liquidated demand,

provided that:

- (a) there has been a Failure of the ATOL holder;
- (b) on the date on which the ATOL holder failed, this Deed of Indemnity is in force;
- (c) the CAA has made demand under any bonds provided by or in respect of the ATOL holder in favour of the ATT Trustees, whether the bonds or any of them were provided as a condition of grant, renewal, variation, continuance or otherwise, of a licence in the name of the ATOL holder; and
- (d) the ATOL holder has overtraded or was overtrading.

The ATT Trustees will account to the Indemnifier for the proceeds of the bonds referred to in Clause 1(c) above.

2. The ATOL holder has overtraded (or was overtrading) if it exceeded the limits in its ATOL in:

- (a) the licence period in which it failed;
- (b) the licence period preceding that in which it failed; or
- (c) the year succeeding the licence period in which it failed.

3. The ATOL holder has also overtraded if, after it has ceased to hold an ATOL:

- (a) it provides carriage (except, with the consent of the CAA, to customers returning to their point of origin) pursuant to a licensable transaction; or
- (b) it accepts any payment either with a view to entering into a licensable transaction or in respect of a licensable transaction already entered into.

B. PERIOD OF INDEMNITY

- (a) This Deed of Indemnity shall remain in force until it is cancelled in accordance with Clause (b) or (d).
- (b)
 - (i) Subject to sub-clause (b)(ii) and (iii) this Deed of Indemnity may be cancelled by the Indemnifier by the giving to the CAA of not less than three months' written notice, alternatively by agreement between the Indemnifier and the CAA;
 - (ii) On and after the date the ATOL holder has failed, no such notice as referred to in sub-clause (b)(i) above may be served and any purported service shall be null and void;
 - (iii) If there is a Failure of the ATOL holder during the period of notice given by the Indemnifier under sub-clause (b)(i), the notice shall be null and void and shall not cancel this Deed of Indemnity.
- (c) Subject only to Clause (d) below, any delay, forbearance or failure of the ATT Trustees in endeavouring to obtain payment or any delay in taking steps to enforce the obligations under this Deed of Indemnity shall not release or in any way lessen or affect the liability of the Indemnifier.
- (d) If neither a claim nor an intention to claim under this Deed of Indemnity has been served on the Indemnifier by the CAA on behalf of the ATT Trustees within twelve months after the date of failure, the obligations of the Indemnifier under this Deed of Indemnity shall cease and this Deed of Indemnity shall be cancelled.