



SURETY: Please obtain the Travel Agency Code Number of your principal. This number will enable ARC to identify your principal for future correspondence and inquiries.

Travel Agency Code Number ___ - ___ - ___ - ___

Bond Number _____

Airlines Reporting Corporation Bond Form

KNOW ALL MEN BY THESE PRESENTS THAT (Full legal name of travel agent and DBA, if any; the legal name must be identical to the legal name on the ARC application) _____

(Current City & State), _____ (hereinafter called the Principal) and, _____ of _____

(hereinafter called the Surety) are held firmly bound unto Airlines Reporting Corporation (hereinafter called the Obligee) as agent for and in behalf of any carrier which is a party to the ARC Carrier Services Agreement with the Obligee contracting with the Principal, in the amount of U.S. Dollars (\$) _____ on and after the _____ day of _____, 20 _____.

WHEREAS, The Principal has entered into or is desirous of entering into an agreement or agreements with the Obligee known as the Agent Reporting Agreement (ARA) in the form prescribed by the Obligee, which agreement(s) is/are specifically incorporated herein and made a part hereof by reference;

AND WHEREAS, the Agent Reporting Agreement provides in part that: (1) ARC traffic documents are supplied to the Principal in trust by ARC, and (2) the Surety shall cover all amounts owed by the Principal to the carriers or to ARC for tickets or other instruments of value issued on ARC traffic documents (in both paper or electronic versions) unless the Principal is otherwise relieved of liability for such amounts owed pursuant to the terms of the ARA.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall duly comply with the provision of said Agent Reporting Agreement with respect to all amounts owed to the Obligee, as in said Agreement provided, during the term of this bond as hereinafter provided, then this obligation to be void, otherwise to remain in full force and effect in law, subject however to the following limitations, conditions and definitions:

1. That the Obligee shall notify the Surety of any default of the Principal hereunder, at the earliest possible time following the discovery of such default and in any event no later than 90 days after such discovery by the Obligee, prior notice to any carrier notwithstanding, and such notice to the surety shall be deemed sufficient for all claims arising before the date of such notice although submitted thereafter;
2. That the Surety shall promptly notify the Obligee in writing of any changes in either the Principal or amount of bond set forth above. However, failure of the Surety to provide such notice shall not affect the validity of this bond;
3. That if the Surety shall so elect, this bond may be canceled by giving 30 days written notice to the Obligee. Said notice shall contain full name, city, and state where the Principal is located. The Surety, however, will remain liable for any default occurring during the period up to the expiration of said 30 days notice and such 30-day period shall begin only upon receipt of said notice by the Obligee;
4. In event of the payment by the Surety of any claims hereunder, the Surety shall be subrogated to all the rights of the Obligee with respect only to such claims paid and the Obligee shall execute or have executed whatever documents may be necessary in this regard;
5. That in no event shall the Surety be liable for a greater amount than that shown above;
6. That the Surety shall not be subject to any suit, action or proceeding hereunder instituted later than 6 months following the termination hereof unless, prior to or within such 6 month period, the Obligee has notified the Surety of a default of the Principal hereunder.

Signed and sealed as of the effective date mentioned above.

- Non-approved ARC Applicant
- Ownership Change
- Name Change
- Redesignation
- Replacement Bond

SURETY

SEAL

Surety

Attorney in fact signature

To be signed and sealed by an authorized representative of Surety. If Attorney in Fact, power of attorney must be attached.

A photocopy of the bond form may be used by your surety if it bears both an ORIGINAL seal and signature and is otherwise filled out as an ORIGINAL document.

Revised 10/01