

**Direct Air Carrier's Surety Bond Under Part 212 of the Economic Regulations of
the Department of Transportation, 14 CFR Part 212**

Know all men by these presents, that we _____ (name of direct air carrier) of _____ (full corporate address) as Principal _____ (hereinafter called Principal), and _____ (name of surety) 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 of America in the Sum of \$ _____, as required by 14 CFR 212.8 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 Principal, an air carrier holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102, or a foreign air carrier holding a foreign air carrier permit issued under 49 U.S.C. 41302 or an exemption issued under 49 U.S.C. 40109 authorizing that foreign air carrier to engage in charter trips in foreign air transportation, is subject to rules and regulations of the Department of Transportation relating to security for the protection of charterers of civil aircraft, and has elected to file with the Department of Transportation such a bond as will guarantee to the United States Government the performance of all charter trips (other than cargo charter trips) originating in the United States and all overseas military personnel charters, as defined in 14 CFR Part 372 to be performed, in whole or in part, by Principal pursuant to contracts entered into by Principal after the effective date of this bond, and

Whereas this bond is written to assure compliance by Principal with the rules and regulations of the Department relating to the protection of charterers of civil aircraft (other than cargo charter trips) originating in the United States and all overseas military personnel charters and shall inure to the benefit of any and all such charterers to whom Principal may be held legally liable for any damages herein described.

Now, therefore, the condition of this obligation is such that if Principal shall pay or cause to be paid to such charterer any sum or sums for which Principal may be held legally liable by reason of Principal's failure faithfully to perform, fulfill and carry out all contracts, agreements, and arrangements made by Principal while this bond is in effect for the performance of charter trips (other than cargo charter trips) originating in the United States and all overseas military personnel charter trips, then this obligation shall be void, otherwise to remain in full force and effect.

Bond#

, effective

**surety's
corporate
seal**

Part 212, Appendix A, page 2.

The liability of Surety with respect to any charterer shall not exceed the charter price paid by or on behalf of such charterer for air transportation services in accordance with charterer's contract with Principal.

The liability of Surety shall not be discharged by any payment or succession of payments hereunder in any specified amount. Surety agrees to furnish written notice to the Special Authorities Division, X-46, Department of Transportation, forthwith all suits or claims filed and judgments rendered, and payments made by Surety under this bond.

[Surety's underwriting limitation must exceed potential exposure.]

This bond is effective on the ____ day of _____, 20____, 12:01 a.m., standard time at the address of Principal as stated herein and as hereinafter provided. Principal or Surety may at any time terminate this bond by written notice to: "Special Authorities Division, X-46, Office of International Aviation, U.S. Department of Transportation, 1200 New Jersey Avenue SE, W-86-445, Washington, DC 20590," such termination to become effective thirty (30) days after the actual receipt of said notice by the Department. Surety shall not be liable hereunder for the payment of any damages hereinbefore described which arise as a result of any contracts for the performance of air transportation services made by Principal after the termination of this bond becomes effective as herein provided, but such termination shall not affect the liability of Surety hereunder for the payment of any damages arising as a result of contracts for the performance of air transportation services made by Principal prior to the date that such termination becomes effective. Liability of Surety under this bond shall in all events be limited only to a charterer who shall within sixty (60) days after the cancellation of a charter trip with respect to which the charterer's advance payments are secured by this bond give written notice of claim to Principal or, if it is unavailable, to Surety, and all liability on this bond shall automatically terminate sixty (60) days after the cancellation date of each particular charter trip covered by this bond except for claims made in the time provided herein.

In witness whereof, the said Principal and Surety have executed this instrument on the ____ day of _____, 20____.

PRINCIPAL

Name:

By: Signature

Print Name and Title:

Witness:

Bond#

, effective

**surety's
corporate
seal**

SURETY

Name:

By: Signature

Print Name and Title:

Witness:

Bonding or surety company must be listed in Best's Insurance Reports (Fire and Casualty) with a general policyholders' rating of "A" or better or in the Department of the Treasury listing of companies holding certificates of authority as acceptable sureties on Federal bonds. In addition, the bonding or surety company shall be one legally authorized to issue bonds of that type in the State in which the carrier is incorporated or in which it maintains its principal place of business. Agents must provide satisfactory proof that they have the requisite authority to issue this bond. [Surety's corporate seal appears below]

Bond#

, effective

**surety's
corporate
seal**