



VELOSO TOURS

AGENCY AGREEMENT

FOR THE PURPOSES OF COMPLYING WITH REGULATIONS 12 AND 22 OF

THE CIVIL AVIATION (AIR TRAVEL ORGANISERS' LICENSING) REGULATIONS 2012

This Agreement made on Date:

between:-

(1) **VELOSO TOURS LIMITED** - "Operator" incorporated and registered in England and Wales with company number 3612863 whose registered office is at 34 Warple Way, London W3 0RG

(2) The Agent defined below –

Company Name:

incorporated and registered in England and Wales with

Company Number:

whose registered office is

Address:

Background

- 1.1 The Operator is the holder of ATOL No5153 and must comply with ATOL Regulations and ATOL Standard Terms.
- 1.2 The purpose of this Agreement is to enable both parties to comply with Regulations 12 and 22 of ATOL Regulations and with ATOL Standard Term 1.4.
- 1.3 This Agreement is intended to supplement any Principal Agreement which, save in respect of any conflicting terms (to which clause 7 will apply), is intended to remain in full force and effect.

Start Date

2. This Agreement will take effect from 1st January 2015 or, if later, the date on which the Agent first seeks to confirm a booking with the Operator for a Licensable Transaction.

Definitions

- 3.1 In this Agreement, the following words have the following meanings:-
 - (1) "Agent" means the travel agency referred to in Schedule 1 including all current and future branches and trading addresses (unless otherwise specified by the Operator at any time)
 - (2) "Agreement" means this agreement including all schedules, additions and amendments
 - (3) "ATOL" means an Air Travel Organiser's Licence
 - (4) "ATOL Protected Products" means the flight inclusive packages and flight only arrangements which the Operator sells and offers for sale and which will be protected by the Operator's ATOL and, where the context requires, any of them
 - (5) "ATOL Regulations" mean The Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012 (Statutory Instrument 2012 No 1017) and any amendment or re-enactment of the same
 - (6) "ATOL Standard Terms" means the ATOL standard terms published by the CAA in the CAA's Official Record Series 3 as varied from time to time and "ATOL Standard Term" and "AST" means any particular such term or terms as specified
 - (7) "CAA" means the Civil Aviation Authority
 - (8) "Confirmation" means a document which satisfies the requirements of AST1.11

- (9) "Consumer" has the meaning specified in regulation 4 of ATOL Regulations
- (10) "Failure of the Operator" has the same meaning, in respect of the Operator, as that specified in regulation 23 of ATOL Regulations in relation to "failure of an ATOL holder" and "Failed", in respect of the Operator, shall be construed accordingly
- (11) "Licensable Transaction" means an offer made by a Consumer (or their agent) to purchase flight accommodation (whether as a flight only or as part of a flight inclusive package) for one or more persons on a flight which is accepted by the Operator and constitutes an activity in respect of which the Operator is required to hold an ATOL in accordance with ATOL Regulations
- (12) "Mandated Agency Terms" means the terms which the Operator is required by ATOL Regulations and ATOL Standard Terms to include in any agency agreement with its agents which applies to ATOL Protected Products as specifically set out in AST 1.4 and any variation of the same by the CAA
- (13) "Principal Agency Agreement" means any agreement or agreements between the parties which applies to the sale or offering for sale of any travel related services or products of the Operator by the Agent as agent for the Operator
- 3.2 All terms of this Agreement which have a defined meaning in ATOL Regulations have the same meaning in this Agreement.
- 3.3 Words denoting the singular include the plural and vice versa, words denoting any gender include any other gender and references to clauses, sub-clauses and schedules are, unless otherwise stated, to clauses and sub-clauses of and schedules to this Agreement. The headings in this Agreement are for reference purposes only.

Appointment and authority of the Agent

- 4.1 The Operator appoints the Agent to be its non-exclusive agent for an ATOL holder for the purpose of and in accordance with regulation 12 of ATOL Regulations in respect of those ATOL Protected Products which the Operator authorises the Agent to offer for sale and sell within the United Kingdom to Consumers.
- 4.2 The Agent's authority to act as the Operator's agent in accordance with clause 4.1 is subject to and conditional on the Agent's compliance with the terms of this Agreement and with the requirements of regulation 12 of ATOL Regulations and, as applicable, with Interim Standard Terms A and B and Standard Terms 1.1 to 1.13 inclusive (other than Standard Terms 1.8, 1.9 and 1.10).
- 4.3 Subject to the Agent complying with the terms of this Agreement and of any Principal Agreement, the Operator authorises the Agent to accept payment from the Consumer(s) of the amount due to the Operator in respect of each Licensable Transaction and, on receipt of the applicable payment, to confirm that a contract between that the Operator and the Consumer(s) concerned has come into existence in respect of that Licensable Transaction providing that, prior to the Agent doing so, the Operator has specifically confirmed to the Agent in writing or by such other method as is acceptable to the Operator in relation to that particular Licensable Transaction that the Operator is in a position to confirm it.
- 4.4 Subject to clause 4.3 and with effect from 1st October 2012 (or earlier where the CAA has authorised the Operator in writing to issue ATOL Certificates), the Operator authorises the Agent to supply an ATOL Certificate in respect of each Licensable Transaction following receipt of the first payment from the Consumer(s) concerned without prior reference to the Operator. The Agent must provide the ATOL Certificate to the Consumer who makes the booking in accordance with the specified method set out in clause 15.3 (with the references to the Confirmation being read as references to the ATOL Certificate).
- 4.5 In order to comply with clause 4.4, the Agent must, immediately it is in a position to confirm the booking to the Consumer(s) and as directed by the Operator, either accurately provide the Operator with all information required to enable the Operator to issue an ATOL Certificate for the Consumer(s) or accurately complete the applicable CAA approved ATOL Certificate template to enable the Agent to issue an ATOL Certificate for the Consumer(s).
- 4.6 The Agent undertakes not to accept any payment from any Consumer(s) in respect of a Licensable Transaction without complying with the requirements of clause 4.4.
- 4.7 For the avoidance of doubt, this clause 4 applies only to ATOL Protected Products. Without limitation, the Agent does not have any authority to confirm the existence of a contract between the Consumer and the Operator unless such authority is provided by the Operator's booking conditions or is otherwise confirmed by the Operator in writing. In either case, any such authority is subject to the Agent complying with all relevant terms of this Agreement.

Duration of Agreement

- 5.1 Mandated Agency Terms 3, 5, 8 and 9 as set out in clauses 12.1, 12.2, 14.1, 14.2, 17 and 18 of this Agreement remain binding on the Agent after the Failure of the Operator.
- 5.2 Subject to clause 5.1, either party may terminate this Agreement in accordance with the terms of any Principal Agreement.

Extent of Obligations

6. The obligations of the parties to this Agreement extend only to the parties' conduct in respect of Licensable Transactions.

Priority of Mandated Agency Terms

7. Pursuant to AST 2.2 and Mandated Agency Term 1, no agency term negotiated between the Operator and the Agent may contradict or purport to contradict the Mandated Agency Terms and any that do will be void.

Agency Term 1

- 8.1 By making available flight accommodation to Consumers in the capacity of an agent for an ATOL holder, in accordance with ATOL Regulations 9, 10 and 12, the Agent is deemed to have agreed to the terms of this Agreement.
- 8.2 The terms of this Agreement include the Mandated Agency Terms. The parties acknowledge that they cannot agree between them, whether in writing, by conduct or otherwise, any terms which contradict, or purport to contradict the Mandated Agency Terms.
- 8.3 The Agent must keep a copy of this Agreement for the period it is in force and for 12 months after it expires or is terminated.

Agency Term 2.1

- 9.1 The Agent must comply with all the terms of ATOL Standard Term 1 as if they applied directly to the Agent. Any requirements in AST 1 to set out the ATOL holder's name and number should be read as requirements to set out the Operator's name and ATOL number.
- 9.2 The relevant parts of ATOL Standard Term 1 as currently applicable to the Agent are set out in schedule 2 for ease of reference.

Agency Term 2.2

- 10.1 The Agent must at all times identify the Operator as the selling and protecting ATOL holder on all publicity material (including websites and brochures) that identify any ATOL Protected Products which the Agent is holding out it can make available to Consumers in the capacity of agent for the Operator.

Agency Term 2.3

11. If the Agent produces a receipt for money paid by a Consumer in respect of any booking with the Operator, the Agent must identify which part of that money is protected by the Operator's ATOL and which, if any, is not.

Agency Term 3

- 12.1 The Agent agrees, if required by the CAA, to report to the Operator the unique reference number of each ATOL Certificate supplied by it, along with the Operator's corresponding reference number, where it acts as agent for the Operator and where the transaction with the Consumer is a Flight-Only or a package.
- 12.2 If requested to do so by the CAA at any time, and including after the Failure of the Operator, the Agent agrees to provide the information referred to in clause 12.1 to the CAA.

Agency Term 4

13. The Agent will provide any information requested by the Operator which is necessary to enable the Operator to comply with ATOL Standard Terms or with any other term(s) of its ATOL.

Agency Term 5

- 14.1 Any payment received by the Agent from Consumers in respect of any Licensable Transaction is received and held by the Agent on behalf of and for the benefit of the Trustees of the Air Travel Trust but subject to the Agent's right and obligation to make payment to the Operator providing the Operator has not Failed.
- 14.2 In the event of the Failure of the Operator, the Agent confirms it will hold and continue to hold payments received from Consumers as referred to in clause 13.1 on behalf of the Trustees of the Air Travel Trust and without any right or obligation to pay the same to the Operator.

Agency Term 6

- 15.1 Where the Agent makes available and confirms the booking of a package in accordance with clause 4.3 as agent of the Operator, the Agent must obtain a Confirmation from the Operator and pass it immediately to the Consumer by the specified method.
- 15.2 Where the Agent receives any revised Confirmation from the Operator, it must immediately pass it to the Consumer by the specified method.
- 15.3 For the avoidance of doubt, the specified method means;-
- (a) In the case of a person who is present, providing the Confirmation to that person at the time such payment is made; or
 - (b) In the case of a person who is not present, immediately sending to that person, the Confirmation by e-mail or some equivalent electronic means; or
 - (c) In the case of a person who makes a booking by telephone, either the method specified in 15.3(b) or immediately posting the Confirmation to that person.

Agency Term 7

16. When accepting any payment in respect of any transaction for which the Agent would need an ATOL in order to enter into that transaction if the Agent were not the agent of the Operator, the Agent may only accept payment from Consumers in accordance with ATOL Regulations.

Agency Term 8

17. Immediately upon the Failure of the Operator, the Agent agrees to provide the CAA with information on:
- (a) money paid to it by Consumers in respect of services forming part of a Licensable Transaction which the Operator was contracted to provide to those Consumers after the date of the Failure of the Operator; and
 - (b) the ATOL Certificate unique reference numbers issued by the Agent after 1st October 2012 (or earlier with the permission of the CAA) in respect of the Operator, in a form acceptable to the CAA.

Agency Term 9

18. The rights of the CAA and the Trustees of the Air Travel Trust to enforce any obligations under this Agreement on either party are not excluded. For the avoidance of doubt, they may be enforced by the CAA and the Trustees of the Air Travel Trust.

Agency Term 10

19. *"The agent may appoint a sub-agent to perform its obligations as the ATOL holder's agent and to bind the principal ATOL holder into obligations with consumers or buying ATOL holders. However, the agent may only do so if it enters the ATOL holder into a written agency agreement that contains all the rights and obligations in the agreement that are required by the CAA and published in the CAA's Official Record Series 3. Any sub-agent of the agent that does not have the benefit of a written agency agreement with the ATOL holder is not authorised to act on the ATOL holder's behalf. As a consequence, the agent will be responsible to the consumer (or buying ATOL holder) for any acts or omissions of the sub-agent."*

Agency Term 11

20. If a new or revised schedule of agency terms is published by the CAA in its Official Record Series 3, those new or revised terms will immediately take effect as terms of the agency agreement between the Operator and the Agent.

Agency Term 12

21. If the principal ATOL holder fails to comply with its obligations to a consumer and by reason thereof the agent incurs a liability or obligation to the consumer, the agent shall be indemnified by the principal ATOL holder against all consequences following from such a failure.

In accordance with Agency Term 1, by making available flight accommodation to consumers in the capacity of an agent, in accordance with ATOL Regulations 9, 10 and 12, the agent is deemed to have agreed to this additional term being a term of the written agency agreement between the principal ATOL holder and its agent.

The agent is reminded that he must retain the written agency agreement he has with the ATOL holder and be able to produce a copy of it, as well as the date when it was received, when requested by the CAA. The agent is reminded that in order for a consumer that booked with the ATOL holder to make a valid claim under the ATOL scheme, the agent will need to provide the CAA with a copy of the written agency agreement as well as evidence of when the agency agreement (in however many parts it was received) was received.

Proper Law and Jurisdiction

- 22. This Agreement is governed by English law. The parties agree that any dispute between them will be dealt with by the Courts of England and Wales only except where proceedings are brought against the Operator in any other jurisdiction in relation to any ATOL Protected Products sold or offered for sale by the Agent. In this case the Operator is entitled to make the Agent a party to those proceedings.

A handwritten signature in black ink that reads "Paulo Veloso" with a long, sweeping underline.

.....
Signed by an authorised representative of the Operator

Full Name Paulo Veloso

Position: Managing Director

.....
Signed by an authorised representative of the Agent

Full Name:

Position:



Schedule 1 – Details of the Agent

Full name _____

Trading address (es) _____

ABTA membership number _____

Head office and registered office of the Agent _____

Schedule 2 –

ATOL Standard Terms relevant to this Agreement

Interim ATOL Standard Term

Interim AST A Until 1 October 2012, ATOL holder must not (and ATOL holders must ensure their agents and Accredited Body members do not) supply an ATOL Certificate in the form and content referenced by paragraph 1 of Section 1.3 of the Official Record Series 3, unless the ATOL holder has permission from the CAA. Such permission will be given once the CAA is satisfied that the ATOL holder, its agents and its Accredited Body members, are competent (taking into account its business systems and any other relevant factor) to supply ATOL Certificates in that form.

Interim AST B Until 1 October 2012, unless ATOL holders, their agents and Accredited Body Members have the permission referred to in Interim ATOL Standard Term A

- (a) the statement required by AST1.1 must not be made;
- (b) the statement required by AST1.2 must not be made;
- (c) the information to be provided to consumers before a contract is concluded in accordance with AST1.4(b) is only *“the fact that the booking is authorised under the ATOL holder’s ATOL number and is protected under the ATOL scheme”* and is not as set out in AST1.4(b);
- (d) the statement to be included in ATOL holder’s terms and conditions of booking, information relating to payment requests (invoices) and information relating to payment acknowledgement (receipts), as set out in AST1.5 must not include the financial protection statement set out in AST1.5;
- (e) AST1.6 does not apply;
- (f) the statement required by AST1.7 must not be included and the following statement must be included:

“We, or the suppliers of the services you have bought, will provide you with the services you have bought (or a suitable alternative). In some cases, where neither we nor the supplier are able to do so for reasons of insolvency, an alternative ATOL holder may provide you with the services you have bought or a suitable alternative (at no extra cost to you). You agree to accept that in those circumstances the alternative ATOL holder will perform those obligations and you agree to pay any money outstanding to be paid by you under your contract to that alternative ATOL holder. However, you also agree that in some cases it will not be possible to appoint an alternative ATOL holder, in which case you will be entitled to make a claim under the ATOL scheme (or your credit card issuer where applicable).”

- (g) AST1.9 does not apply;
- (h) the obligation to include the Unique reference number on the relevant ATOL Certificate in AST1.11 does not apply;
- (i) AST5.1(h)(i) and (iii) does not apply.

AST1.1

The ATOL holder must ensure that:

a) the name shown on its ATOL (or a trading name notified to the CAA), its ATOL Number and the ATOL Logo; or

b) for Accredited Body Members, the statement “(Accredited Body Member trading name as notified to the CAA) is an Accredited Body Member of (Name of Accredited Body)”, and the Accredited Body’s ATOL number and the ATOL logo; and

c) the Statement

“All the flights and flight-inclusive holidays [in this brochure] [on this website – as appropriate] are financially protected by the ATOL scheme. When you pay you will be supplied with an ATOL Certificate. Please ask for it and check to ensure that everything you booked (flights, hotels and other services) is listed on it. Please see our booking conditions for further information or for more information about financial protection and the ATOL Certificate go to: www.atol.org.uk/ATOLcertificate”

is stated clearly on all publicity material (including websites and brochures).

AST1.2

If some products listed in publicity material (including websites and brochures) are not ATOL protected, then the following statement should be stated clearly on all publicity material:

“Many of the flights and flight-inclusive holidays [in this brochure] [on this website – as appropriate] are financially protected by the ATOL scheme. But ATOL protection does not apply to all holiday and travel services listed [in this brochure/on this website]. Please ask us to confirm what protection may apply to your booking. If you do not receive an ATOL Certificate then the booking will not be ATOL protected. If you do receive an ATOL Certificate but all the parts of your trip are not listed on it, those parts will not be ATOL protected. Please see our booking conditions for information or for more information about financial protection and the ATOL Certificate go to: www.atol.org.uk”

AST1.3

ATOL holders that advertise ATOL protected products in broadcast media (television/radio/cinema etc.) must, unless the CAA agrees an alternative that achieves equivalent consumer clarity, ensure that the advert contains audible words “ATOL protected” and that the ATOL protected logo and ATOL number are shown during the broadcast.

AST1.4

The ATOL holder must ensure that, the consumer is appropriately advised, of:

(a) the ATOL holder’s name, or its trading named notified to the CAA; and

(b) the fact that the booking is authorised under the ATOL holder’s ATOL number and is protected under the ATOL scheme, as set out in the ATOL Certificate to be supplied,

immediately before it enters into a contract for a licensable transaction but after the consumer has chosen a flight and all other elements to be purchased. In this AST a consumer has chosen a flight when the date, origin, destination, time, airline operator (and flight number where known) of each flight have been determined.

AST1.5

The ATOL holder must ensure that:

a) the terms and conditions upon which the ATOL holder (or its agent or AB member on its behalf) enters into a licensable transaction;

b) the terms and conditions which the ATOL holder (or its agent or AB member on its behalf) holds out as terms upon which it will enter into a licensable transaction; and

c) any receipts or invoices supplied by the ATOL holder, its agent or its AB member for a licensable transaction each contain the ATOL holder’s name on their ATOL (or trading name notified to the CAA), ATOL Number and a statement in the following form:

“Your Financial Protection. When you buy an ATOL protected flight or flight inclusive holiday from us you will receive an ATOL Certificate. This lists what is financially protected, where you can get information on what this means for you and who to contact if things go wrong.”



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If an ATOL holder produces a receipt for money paid by a consumer the ATOL holder must identify which part of that money is protected by ATOL and which, if any, is not.

AST1.6

- (a) Where the information entered on an ATOL Certificate changes more than 72 hours before the consumer is due to depart from the UK, the ATOL holder must (and the ATOL holder must ensure its agents and AB members) supply a new ATOL Certificate containing the up to date information to the consumer and update the information on its business systems.
- (b) Where the information in (a) changes less than 72 hours before the consumer is due to travel the persons in (a) must update and record those changes on their business systems.

AST1.7A

Where the ATOL holder has a contractual or statutory obligation (including as a Flight-Plus arranger) to provide a flight (and where applicable other travel services) to a consumer whether concluded direct or through an agent or AB member, the ATOL holder must ensure the terms of its agreement with its consumer require the consumer to accept and agree that, if the ATOL holder fails, services to be provided by the ATOL holder pursuant to a licensable transaction may, with the CAA's prior agreement, be provided by another ATOL holder or the consumer may be required to claim a refund under the ATOL scheme by including in its terms of business with consumers the term that:

"We, or the suppliers identified on your ATOL Certificate, will provide you with the services listed on the ATOL Certificate (or a suitable alternative). In some cases, where neither we nor the supplier are able to do so for reasons of insolvency, an alternative ATOL holder may provide you with the services you have bought or a suitable alternative (at no extra cost to you). You agree to accept that in those circumstances the alternative ATOL holder will perform those obligations and you agree to pay any money outstanding to be paid by you under your contract to that alternative ATOL holder. However, you also agree that in some cases it will not be possible to appoint an alternative ATOL holder, in which case you will be entitled to make a claim under the ATOL scheme (or your credit card issuer where applicable)."

AST 1.7A2

Other than the clause required as set out in AST1.7A, the ATOL holder must not include a clause in its terms of its agreement with consumers that enables, or purports to enable, the ATOL holder to transfer its obligations to consumers in respect of a licensable transaction to another person (whether or not that person is an ATOL holder) without the prior agreement of the CAA.

AST 1.7B

"If we, or the suppliers identified on your ATOL certificate, are unable to provide the services listed (or a suitable alternative, through an alternative ATOL holder or otherwise) for reasons of insolvency, the Trustees of the Air Travel Trust may make a payment to (or confer a benefit on) you under the ATOL scheme. You agree that in return for such a payment or benefit you assign absolutely to those Trustees any claims which you have or may have arising out of or relating to the non-provision of the services, including any claim against us, the travel agent (or your credit card issuer where applicable). You also agree that any such claims may be re-assigned to another body, if that other body has paid sums you have claimed under the ATOL scheme."

AST1.11

An ATOL holder that sells a package (whether direct or via an agent or AB member) must produce a "Confirmation". The Confirmation must contain

- Lead name
- Flight times
- Flight numbers
- Departure and arrival airports
- Name of air carrier (i.e. airline)
- Name and location of accommodation
- Other ground arrangements e.g. car hire, transfer, tours, entrance tickets
- Total price of package
- The unique reference number of the relevant ATOL Certificate*



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***Note: Prior to 1 October 2012,** the requirement to include the Unique Reference Number of the relevant ATOL Certificate only applies if an ATOL Certificate in the form and content referenced by paragraph 1 of Section 1.3. of the ORS3, has been issued to the consumer.

Where an ATOL holder sells a package via an agent or AB member, whether or not that agent or AB member arranges a Flight-Plus incorporating that package, the ATOL holder must supply the Confirmation to the agent or AB member, who must supply it to the consumer.

The Confirmation must be sent to the consumer in order that it is received within 3 days of payment by the consumer being accepted.

AST1.12

If any of the information on the 'Confirmation' changes the ATOL holder must produce a revised Confirmation which must be received by the consumer as soon as possible. The Confirmation must make it clear that it is a revised Confirmation.

AST1.13

ATOL holders must ensure that it is a term of their agreement with their consumer that:

- (a) money accepted by their agent or AB member from the consumer is held by that agent or AB member on behalf and for the benefit of the Trustees of the Air Travel Trust at all times, but subject to the agent or AB member's obligations to pay it to the ATOL holder for so long as the ATOL holder does not fail: and
- (b) if the ATOL holder fails, any money held at that time by the agent or AB member, or subsequently accepted from the consumer by their agent or AB member, is and continues to be held by that agent or AB member on behalf of and for the benefit of the Trustees of the Air Travel Trust without any obligation to pay that money to the principal ATOL holder.

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Signed by an authorised representative of the Operator

Full Name: Paulo Veloso
Position: Managing Director

.....

Signed by an authorised representative of the Agent

Full Name:
Position: