

TRUST DECLARATION

For the establishment of the **Travel Industry Act Trust Account** for the benefit of the Consumers of

(registrant name)

THIS TRUST DECLARATION made as of the _____ by
(date)
_____ (the “**Registrant**”)

Part 1: Recitals

Whereas:

1. The Registrant is a travel agent or travel wholesaler as those terms are defined in the *Travel Industry Act*, 2002, S.O. 2002, CHAPTER 30, Schedule D (the “**Act**”).
2. The Act and Ontario Regulation 26/05 (the “**Regulation**”) requires the Registrant to maintain a trust account for all money received from or on behalf of customers for travel services, designated as a Travel Industry Act trust account.
3. TICO Trust Accounting Guidelines (the “Guidelines”) provide the details of how the trust account shall be maintained.
4. This Trust Declaration establishes the Registrant’s Travel Industry Act Trust Account (subsequently defined as the “Trust Account”).

Part 2: Declaration

Now therefore the Registrant hereby declares as follows:

1 **Definitions:** Unless otherwise explicitly provided herein the definitions of terms in this Trust Declaration shall be same as in the Act and the Regulation.

2 The Registrant’s Travel Industry Act Trust Account

2.1 The Registrant hereby establishes the **Registrant’s Travel Industry Act Trust Account** and appoints itself as Trustee.

2.2 The **Registrant's Travel Industry Act Trust Account** shall consist of the funds received from time to time from or on behalf of customers for travel services whether in cash, or by credit card payments, or any other method of payment (the "**Funds**"). The Funds shall constitute the Trust Account hereby created and established (the "**Trust Account**").

2.3 The Registrant has established the following bank account (s) for the purpose of segregating the Trust Account from the Registrant's other bank accounts and any other property, which are listed on the letter from the Registrant's bank dated _____ attached as Schedule A.

2.4 The Registrant accepts the trust and undertakes to deposit, hold, distribute and administer the Trust Account in accordance with the provisions of this Declaration, the Act, the Regulation, the Guidelines and any other relevant legislative provisions.

2.5 The Trust Account includes all Funds now or hereinafter received by the Registrant from or on behalf of customers for travel services.

2.6 It is the intent of the Registrant, in establishing this Trust Account, that all Funds deposited into the Trust Account shall at all times be held for the benefit of customers. At no time shall any part of the Trust Account be used for or diverted to purposes other than for the exclusive benefit of the customers.

3 Term of the Trust

3.1 The Trust Declaration shall be continued until such time as a new trust declaration is executed as part of the annual registration renewal process.

4 Records and Accounts

4.1 The Registrant shall establish and maintain true and accurate records and books of account by booking of all proceedings and financial transactions for the Trust Account, in accordance with the Act, Regulation, Guidelines and any other relevant legislative provisions.

4.2 The Trust Account shall be reconciled when the surplus is transferred to the general account. At no time shall the amount in the Trust Account be less than the amount received from customers for travel less any payments made by customers or on customers' behalf for travel services. Amounts in excess of this minimum requirement for a particular booking may be transferred to the Registrant's general account as surplus when and only when all suppliers for a particular booking have been paid.

4.3 Payment must be received from or on behalf of the customer before payment can be made from the Trust Account for the travel services purchased for that customer's booking.

5 General Provisions

5.1 This Trust Declaration may not be modified, amended, cancelled or in any way altered, nor may it be modified by custom and usage of trade or course of dealing, except by an instrument in writing and executed by TICO and the Registrant.

5.2 If any provision of this Trust Declaration is deemed or held to be unlawful, void, or for any reason, unenforceable, it shall be deemed severable from, and shall in no way affect the validity or enforceability of the remaining provisions hereof or thereof, which shall remain valid and enforceable according to their terms. If such illegality shall make impossible or impractical the functions of the Trust Account, TICO shall have the option of either terminating this Trust Declaration or adopting a new provision to take the place of the illegal, void or unenforceable provision.

5.3 The recitals above set forth are incorporated herein by reference. Each recital of fact concerning a party shall be conclusive as between the parties hereto.

5.4 **Governing Law** This Trust Declaration was made in the Province of Ontario, and its validity, construction, interpretation and legal effect shall be governed by the laws and judicial decisions of Ontario.

5.5 **Choice of Forum** Any action at law or in equity arising under this Trust Declaration shall be filed only in the Courts of the Province of Ontario.

6 Consent

6.1 The Registrant agrees to act and deal with Trust Account in accordance with the terms of this Trust Declaration.

Dated at _____, this _____ day of _____.

Name of Registrant
(Trustee)

Print Name

Signature

(For Corporations this must be signed by an Officer. For Partnerships, it must be signed by all partners)

Print Name

Signature