

PATA Bylaws Updated 2017

APPROVED AT PATA AGM Negombo, Sri Lanka, 21 May 2017
Amended and Fully Restated Bylaws of the
Pacific Asia Travel Association

Article I

Meetings

1 An annual general meeting (AGM) of the members of the Association, also known as the General Assembly (GA), will be held for purposes of transacting general business of the Association, including receiving reports of the PATA Board and PATA Executive Board including the Association's financial report. The GA shall select at the AGM, whenever possible, Conference sites for the ensuing three years. Notice of the time and place of the annual meeting and a preliminary agenda shall be mailed to each member by the CEO at least 45 days prior to said meeting.

2 A special meeting (extraordinary general meeting or EGM) of the Association GA may be called in case of urgency by the CEO with approval of the Chairman. Notice of such special meeting or EGM shall be communicated 45 days or more in advance when circumstances permit, or upon such shorter period not less than 10 days as may be determined by the Chairman to be necessary under the circumstances, and shall specify the purpose for which the meeting is called. Special meetings also may be called upon the written request of a majority of the members entitled to vote at such a meeting. The reason for requesting such a meeting must be stated.

3 All members in good standing of the Association shall have General Assembly attendance and voting rights, in accordance with the Bylaws as set forth below. Voting of the GA shall be by secret ballot, without prejudice to the ability of the Chairman to call for any vote by acclamation (voice vote or show of hands in the absence of tangible opposition).

4 A majority of the total weighted voting membership of the Association shall constitute a quorum for the GA.

Article II

PATA Executive Board

1 The governing body and corporate/legal board of directors of the Pacific Asia Travel Association shall be the PATA Executive Board.

2 The function of the PATA Executive Board shall be to carry on the activities of the Association between annual meetings, consistent with the external and industry policy guidance of the PATA Board as set forth in these Bylaws. The PATA Executive Board may also add additional membership categories from time to time upon recommendation of the PATA Board, including adopting an expansion of the PATA Board composition accordingly, if existing membership categories and subcategories are inadequate to accommodate the Association's growth and membership service needs.

3 The PATA Executive Board may establish activities and offices, other than then headquarters office, in any of the cities of any countries as may be deemed advantageous to the Association.

4 Actions of the PATA Executive Board shall be regularly reported to the PATA Board and also be reported at the next annual meeting (AGM) of the Association GA.

5 The PATA Executive Board shall consist of between 12 and 14 members, plus the CEO who shall participate as the non-voting member. The 12 voting members shall consist of: the then serving membership category chairman of each of the Government/Destination, Carrier, Industry and Hospitality membership categories (total 4 members); plus seven (7) members elected by the PATA Board including the Chairman, the Vice Chairman, the Secretary/Treasurer and four (4) others. The Immediate Past Chairman shall participate as voting member. In addition, up to two (2) non-voting members may be appointed by the Executive Board to add required skill when needed on the Executive Board. The current Face of the Future awardee may be invited to join as one of the non-voting members. The decision is at the discretion of the Chairman and ratified by the Executive Board.

6 PATA Executive Board members shall be elected to serve a term as follow:

Chairman -- 1 year

Vice Chairman -- 1 year

Secretary/Treasurer -- 2 years

Immediate Past Chairman -- 1 year

Executive Board members (by election) -- 2 years

Executive Board members (non-voting, by appointment) -- 1 year

Executive Board member (4 category Chairmen who under these Bylaws are elected each year) -- 1 year

The terms of category Chairmen shall be extended to two (2) years if re-elected. After two (2) years of service no Executive Board members shall be eligible to serve again on the PATA Executive Board until at least a one (1) year interval off the PATA Executive Board; however the Vice Chairman may serve without interruption as both Vice Chairman, and then Chairman, and then Immediate Past Chairman thereafter if so elected. An extraordinary extension of one (1) year term of certain Executive Board membership shall be allowed to prevent the turnover of more than 50 percent in a given year by the Chairman presenting the recommendations to members at AGM for ratification.

7 It shall require seven (7) members to constitute a quorum of the PATA Executive Board. The affirmative vote or action of a majority of the voting members at a meeting at which a quorum is present, or unanimous action in writing by the voting members in lieu of a meeting, shall constitute action of the PATA Executive Board. Any decision to be made by the PATA Executive Board that materially affects the rights of any member or members requires an affirmative vote of not less than 7.

8 The PATA Executive Board shall be scheduled to meet at least three (3) times per calendar year, generally in January, April in conjunction with the AGM, and September, and at such other times as called to meet by the Chairman at his own or another PATA Executive Board member's request.

Article III

PATA Board

1 In addition to and distinct from the governing PATA Executive Board, there shall be a PATA Board, which shall determine high-level external and industry policies and positions of PATA, and to provide overall guidance accordingly to the Executive Board as to PATA's external and industry policy priorities; while the PATA Executive Board remains responsible for governing the corporate affairs and operations of the Association. The PATA Board shall be comprised of between 50 and 85 voting members, with the authorized maximum number at any time within this range to be set by resolution of the PATA Board, provided that (a) no reduction in the authorized number shall eliminate any incumbent PATA Board member prior to the expiration of their existing appointment to the PATA Board; and (b) the PATA Board shall initially be comprised of 81 voting members. The Composition of the PATA Board shall include the 12 voting members of the PATA Executive Board, and all PATA Board members shall have had at least one (1) year of membership participation in PATA, comprised

as follows: representatives of Government/Destination members, up to 26; of Carriers, up to 16; of Industry members, up to 26 (with the numbers of Government/Destination members and Industry members remaining equal, and the number of Carrier members being the whole number nearest to 16/26 of that amount); of Hospitality members, 5; of PATA Premier Partners, 3 and of Chapter members, 5 (Asia, 2; Europe, US, Pacific, 1 each), each of whom shall have served as an officer of any Chapter.

Each of these representatives shall be selected by the Nominating Committee of the PATA Board to serve for the following two years as a member of the PATA Board. In the event any of the above-mentioned members of the PATA Board resigns or withdraws from his/her position, the remaining members of that Board shall have the power to elect from the same category of membership a person to fill such vacancy. Persons so elected to serve out the term of a member who resigned are eligible for nomination for a full two-year term.

2 The elected officers of the Association not currently serving as selected members of the PATA Board shall be non-voting, ex-officio members of the PATA Board. The Conference Chairman shall be observers on the PATA Board without vote if they are not currently serving otherwise as duly elected members. PATA Life Members are entitled as such, to attend meetings of the PATA Board on a non-voting basis as set forth in Article X.5 below.

3 Any member of the PATA Board may be removed at any time, with or without cause, by a majority vote of the members present and voting at a meeting of the Association GA duly convened as prescribed in the Bylaws.

4 Any member of the PATA Board may, by written proxy, designate another person who is also a PATA Board member, or who represents the same PATA member organization, to represent him/her at a specific meeting of the PATA Board; such representation includes the power to vote. The Industry Council elects 26 proxies for a one-year term. The Industry Council Chairman will appoint the proxies for each PATA Board as needed; such representation includes the power to vote.

5 The PATA Board shall meet at least two (2) times per calendar year, including once in conjunction with the AGM, and at such other times as the Chairman may convene a meeting. With respect to all meetings of the PATA Board, a quorum shall consist of a majority of the total voting PATA Board members as represented by the PATA Board members present including duly designated Proxies of PATA Board members. A definitive vote shall be effected by the vote of the majority of aforementioned persons and Proxies who are present and voting, not including any who do not vote or who abstain from voting.

6 All meetings of the PATA Board shall be presided over by the Chairman; or, in the absence of the Chairman, by the Chairman-Elect. In the absence of the Chairman and the Chairman-Elect, the members of the PATA Board shall elect their own presiding officer for the meeting.

7 The PATA Board shall appoint the Conference Chairman and the Conference Chairman-Elect as follows:

Conference Chairman: To be the highest ranked government tourism official of the host destination of the Annual Conference. He/she shall be a representative of the destination in which the next Conference is to be held. The Conference Chairman shall preside over the Annual Conference of the Association.

Conference Chairman Elect: To be the highest ranked government tourism official of the next host destination of the Annual Conference and, whenever possible, to succeed to the office of Conference

Chairman. He/she shall be a representative of the destination that will host the Annual Conference at the time of his/her anticipated service as Conference Chairman.

8 A member of the PATA Board, having served a two (2) year term in that position, is not eligible for re-election to the PATA Board until having not served on the PATA Board for at least one annual election cycle; except the Vice Chairman may serve without interruption as Vice Chairman and Chairman if so elected, then Immediate Past Chairman thereafter.

9 The PATA Board determines high level external and industry policies and positions of the Association. The PATA Board will provide guidance to the PATA Executive Board on such issues but it does not have the power to approve, disapprove or override actions of the PATA Executive Board.

10 Any member of the PATA Board or the PATA Executive Board whose position is as a representative of a membership category may designate in writing a proxy from within the same membership category, to act for and in place of such member at a meeting of such Board, but only with respect to the specific meeting for which such proxy is given. Any other member of the PATA Board or the PATA Executive Board may designate in writing a proxy who is also a member of that same Board, or who represents the same PATA member organization, to act in place of such Board member at a meeting of such Board, but only with respect to the specific meeting for which such proxy is given. Members of the PATA Executive Board are limited to usage of a proxy for their meeting attendance no more than once per calendar year. PATA officers including the Chairman, Vice Chairman and CEO serve in a personal capacity and may not use a proxy for Board meeting or participation.

Article IV Officers

1 The PATA Board shall elect the Officers, other than the Chief Executive Officer, Chief Operations Officer and Chief Financial Officer, to take office at the end of the next Annual General Meeting. The term of the office of such elected officers shall extend from the end of one Annual General Meeting to the end of the next Annual General Meeting. The Chairman shall not be eligible for re-election as Chairman after serving a one year term of office.

Voting of the PATA Board for each officer position shall be by secret ballot, in a single round of voting for each office, and the candidate receiving the most votes (plurality) is deemed elected.

2 The Officers of the Association shall be as follows. Officers other than the CEO, COO and CFO shall have been members of the PATA Board or its predecessor for a minimum of two (2) years, which need not be consecutive.

Chairman: To be (a) a representative of a Government/Destination (Level I), a Carrier (Level I), a Corporate (Premier Partner) member or (b) a representative of a member in other membership categories who is or has been an elected member of the PATA Executive Board or a Chairman of a duly constituted PATA Committee. The chairmanship is intended to reflect over the long term, consideration of the Association's membership categories and geographic regions. The Chairman's responsibility is to preside at meetings of the PATA Board, meetings of the PATA Executive Board, and meetings of the Association GA other than the Annual Conference. The Chairman may be provided with access to a reasonable annual expense budget to assist in performing the Chairman's functions, subject to the prior annual budget authorization of the PATA Executive Board. The Chairman shall have a tie-breaking voting power in the event of a deadlock (tie) vote on any matter by the PATA Board or the PATA Executive Board.

CEO: To be Chief Executive Officer (CEO) of the Association and a non-voting, ex-officio member of the PATA Board and the PATA Executive Board. The CEO is responsible for and has charge of the internal operations, affairs, day-to-day management and staff of the Association. The CEO reports to

the PATA Executive Board as a whole, under the leadership of the Chairman, and is subject to the policy and direction of the PATA Executive Board.

Chairman-Elect (also known as Vice Chairman): To be (a) a representative of a Government/Destination (Level I), a Carrier (Level I), a Corporate (Premier Partner) member or (b) a representative of a member in other membership categories who is or has been elected a member of the PATA Board or a Chairman of a PATA Standing Committee. The Chairman-Elect shall succeed to the Office of Chairman upon expiration of the preceding Chairman's term, subject to ratification by the PATA Board.

Secretary/Treasurer: To be the officer responsible for overseeing the administration of the Association's financial affairs, and the corporate records, minutes and proceedings of the Association including the PATA Board and the PATA Executive Board (it being understood that the initial recordation of minutes and notes of meetings is an Association staff function and not an officer duty).

Chief Operations Officer (COO): To be the employed professional who shall have general authority, subordinate to the CEO, to exercise all the powers necessary for the Chief Operations Officer of the Association. The COO reports to the CEO and may be called with the CEO to address the PATA Executive Board to report on any operational matter.

Chief Financial Officer (CFO): To be the employed professional responsible for the financial affairs, controls and accounts of the Association. The CFO reports to the CEO and may be called with the CEO to address the PATA Executive Board to report on any financial matter.

Article V

Committees

1 The PATA Executive Board may constitute a working committee from among five (5) of its own members including the Chairman, and the CEO as an ex-officio nonvoting member, to give necessary attention to matters of Association business and affairs in between meetings of the PATA Executive Board, with delegated powers always subject to the consent and approval of the PATA Executive Board.

2 There shall be a six-member Audit and Finance Committee to include the Secretary/Treasurer as Committee Chairman; two members shall be the Chairman and Vice Chairman. The Immediate Past Chairman shall be a non-voting member. The CEO and the CFO are ex-officio members. The Audit and Finance Committee shall report to the PATA Executive Board.

3 There shall be a Nominating Committee selected by the PATA Board, consisting of five (5) members of the PATA Board, each with a minimum of three (3) years of membership participation in PATA, under the chairmanship of a representative of the Government or Carrier membership who shall have been appointed from among those Nominating Committee members by the Chairman, in consultation with the CEO, for a chairmanship term of one year. The Nominating Committee shall present to the PATA Board each year a slate of appointees to the PATA Board. The Nominating Committee shall accept nominations (including self-nominations) from any Association members and chapters in good standing, and the Industry Council, and may in its discretion solicit recommendations from any Life Member, for the PATA Board. The Nominating Committee shall each year select the members to fill all vacant and expiring seats on the PATA Board (except those otherwise filled by designation, being the four (4) Membership Category Chairmen and the Chairman, Vice Chairman and Secretary/Treasurer). The term of service of a member on the Nominating Committee shall be for two (2) years, and upon completion of such a term, each member will not be eligible to serve again on the Nominating Committee until a two (2) year interval shall have elapsed from the end of the preceding term of service. The deliberations of the Nominating Committee are strictly confidential.

4 Industry Council shall be under the chairmanship of a representative of Industry/Corporate membership who shall have been elected by the Council for a term of one year. To achieve the broadest possible representation of the total Industry membership, both geographically and according

to category and subcategory of membership, each year as of the annual meeting (AGM) of the Association, the Council:

(a) Shall, through the Industry Council Nominating Committee, approve all nominations to the Industry Council and nominate for selection to the PATA Board, from among its members, the number of representatives needed, to maintain the total of Industry members as provided in the Bylaws (Sec. III.1 above). The Industry Council Nominating Committee shall be comprised of the current Industry Council Chair, Immediate Past Industry Council Chair and at least one other member who in the past has served as Industry Council Chair. The Industry Council shall meet at the call of its Chairman to consider matters as it may from time to time deem advisable and shall report its recommendations to the Board of Directors.

5 Committees. The PATA Board or PATA Executive Board may constitute one or more additional working and advisory committees from time to time, provided such committee reports only to the Board which formed it, and shall have no powers other than to make reports and recommendations to such Board.

6 Supervisory Board – Finance. At each AGM, the General Assembly of the Association's members shall elect three (3) members nominated by the Nominating Committee of the PATA Board to serve as the Supervisory Board – Finance for the ensuing year. The Supervisory Board – Finance shall prepare an annual report for delivery to the General Assembly of the Association's members at the next AGM, identifying each contract between PATA and any vendor, service provider or other third party with a contract or transaction value in excess of Twenty-Five Thousand dollars (\$25,000) per year, as well as any contract or transaction (regardless of value) between PATA and any member of the PATA Executive Board, the PATA Board or PATA officer, including contracts or transactions with any company, business or entity which is owned by, or employs, such person or any of their family members. The PATA Board, Executive Board, Chairman or CEO may also request the Supervisory Board – Finance to review and report to the PATA Board or Executive Board on any other PATA-related transaction, project or process regardless of stated monetary value, which may impact PATA finances. The Supervisory Board – Finance shall appoint one of its members as the lead member, and PATA's Chairman, CEO, Secretary/Treasurer, and Chief Financial Officer shall provide all necessary cooperation and access to information to such lead member, on behalf of the Supervisory Board – Finance. The Supervisory Board – Finance may include in its report any recommendations to the PATA Board or the PATA Executive Board to improve PATA's financial governance, including any recommendations for enforcement or amendment of PATA's Code of Ethics and Conduct as set forth in these Bylaws.

Article VI

Chief Executive Officer (CEO)

1 The Association, through the PATA Executive Board, shall employ a Chief Executive Officer (CEO) whose term of office may be established for three or more years by contract, and whose initial salary shall be approved by the PATA Executive Board. Future salary adjustments shall be subject to approval by the PATA Executive Board.

2 The contract of the Association with the CEO may be terminated without cause by the PATA Executive Board or by the CEO by the giving of six months' notice in writing by either party. Should the PATA Executive Board desire to terminate without cause or notice the services of the CEO before the completion of his/her contract, six months' salary shall be paid in lieu of notice (or any combination of six months total, in notice or pay in lieu thereof) or as stated in the termination provision of his/her contract.

3 The CEO shall report to the PATA Executive Board as a whole, under the leadership of the Chairman, and shall perform the duties incidental to the office including as set forth in Article IV.2

above. He/she shall have charge of the general management and control of the business affairs of the Association and shall have the power to employ and discharge employees and agents of the Association. The CEO shall submit through the PATA Executive Board recommendations regarding current and future budget requirements and budget allocations for the approval of members at the annual meetings (AGM) and shall have power to make and sign contracts and agreements in the name of and on behalf of the Association, provided that such contracts and agreements are within the allocation approved by the PATA Executive Board or the members. The PATA Executive Board may from time to time as it considers appropriate impose spending limit authorities on any officer or officers, above which limit authority to spend will be required from the PATA Executive Board. At each annual meeting (AGM) he/she shall render a report on the Association's activities of the preceding year. He/she shall be ex-officio a member without vote of the PATA Executive Board, the PATA Board and of all Committees.

4 The CEO, COO and CFO shall be bonded in a suitable amount to be determined by the PATA Executive Board. The premium for such a bond shall be paid by the Association.

Article VII

Categories of Membership

The PATA membership will be comprised of the following categories. Category eligibility details and classification shall be determined by the Association and may be amended from time to time in the discretion of the PATA Executive Board.

1 Government/Destination

1.a. Level I

1.b. Level II

Membership levels in the Government/Destination category are based on annual visitor arrivals.

2 Aviation

2.a. Level I

2.b. Level II

2.c. General

Membership levels in the Aviation category are based on capacity.

3 Hospitality

3.a. Corporate – Hospitality

3.b. Corporate – Affiliate

3.c. Hospitality – Property

3.d. Hospitality – General

4 Industry

4.a. Corporate – Industry

4.b. Industry

4.c. Travel Agency / Tour Operator

4.d. Association

4.e. SME + RTA

4.f. Media

4.g. Life Member

4.h. Young Tourism Professional (YTP)

4.i. Honorary Member

5 Partner

5.a. Premier Partner

5.b. Strategic Partner

5.c. Preferred Partner

5.d. Alliance Partner

6 Education

All categories of membership will be by company, not individual, except for Life and YTP. Membership category descriptions and criteria for membership may be reviewed and adjusted from time to time by the PATA Executive Board, and are kept on file at PATA Headquarters.

Article VIII

Voting

1 All dues paying members in good standing of the Association are entitled to vote. Voting entitlement at any annual or special meeting (AGM or EGM) of the Association shall be:

(a) Government/Destination Level I - each member, two votes.

(b) Aviation Level I - each member, one vote up to a category total equal to the total number of Government/Destination level I member votes; thereafter in equal fractions per member so as to equal this category total.

(c) Government/Destination Level II / Aviation Level II and Aviation General - each member, one vote up to a category total equal to 50 percent of the total number of Government/Destination Level I members' votes; thereafter in equal fractions per member so as to equal this category total.

(d) Partner - each member, one vote up to a category total equal to the total number of Government/Destination level I member votes; thereafter in equal fractions per member so as to equal this category total.

(e) Industry/Education - each member of the Industry Council, one vote up to a category total equal to the total number of Government/Destination Level I member's votes; thereafter in equal fractions per member so as to equal this category total.

(f) Hospitality - each member, one vote up to a category total equal to 50 percent of the total number of Government/Destination Level 1 votes; thereafter in equal fractions per member so as to equal this category total.

2 No vote of the Association's membership to amend these Bylaws shall effect the elimination of a membership category or the voting or other constitutional rights thereof set forth in these Bylaws, except upon majority approval or consent by vote of that membership category.

3 All representatives of members may individually attend the Annual Meeting of the Association (AGM), but only one representative of each voting member shall be authorised to vote.

4 The representative of a voting member so designated may be represented by a duly authorised written proxy who may cast whatever vote he/she might cast if the principal was personally present.

Article IX

Chapters

1 To assist in the fulfilment of the objectives of the Association, the PATA Executive Board is empowered to encourage the development and to authorise establishment of PATA Chapters.

2 Chapter Bylaws and amendments to these Bylaws shall become effective when approved by the CEO. A Chapter shall be deemed to exist as of the date the Bylaws are so approved.

3 At a meeting in conjunction with an annual or a special meeting of the Association, a Chapter may be discontinued by the PATA Executive Board, either upon the request of the voting members of such Chapter, at the request of the CEO, or for reasons that the PATA Executive Board may at its discretion consider due and proper, particularly that the Chapter has become inactive to the extent that the objectives of PATA are no longer effectively fulfilled, or for individual acts and/or activities deemed contrary to the best interest of PATA.

4 The model Bylaws for a PATA Chapter shall be approved by the PATA Executive Board.

Article X Honours

1 Life Membership may be extended to individuals as recommended by the Honours Committee designated for this purpose by the PATA Board, the majority of whom shall be Life Members and a committee chairman designated by the Chairman and CEO.

2 Appropriate meritorious awards may be extended either to individuals or to organisations having performed outstanding service to PATA, as recommended by the Honours Committee so designated.

3 From time to time as it considers necessary or at the request of the PATA Executive Board, the Honours Committee will issue clear guidelines setting out the awards currently available and the criteria and qualifications for extending each such award.

4 All details pertaining to the nomination for and the granting of the aforementioned honours shall be duly approved by the PATA Executive Board before any announcement, internal or external, is made.

5 Life Members shall be entitled to attend all Annual Conferences if any, annual meetings or special meetings of the Association and all meetings of the PATA Board. Neither Life Membership nor meritorious award shall by itself carry the right to vote at meetings of the PATA Board or at annual or special meetings of the Association. However, an individual who has been so honoured shall have the right to vote as such right may flow from the individual's relationship with a voting member organisation of PATA. The Nominating Committee may in its discretion solicit recommendations from any Life Member for PATA Board selections.

6 The host official of PATA Annual Summit/Conference may be honoured by the bestowal of an Honorary Membership in recognition of his/her contribution to PATA. Honorary Members will be entitled to the same rights and privileges of regular members, but without the voting right. Honorary Members may attend all regular meetings and have access to PATA services on a user-pay basis similar to regular members. Term of membership shall be concurrent with the honoree's respective term of office in his or her organisation.

Article XI Membership Eligibility Rule and Procedures

1 In accordance with the Charter and Bylaws, specific eligibility rules, procedures and annual contributions for the various categories of membership shall, upon recommendation by the PATA Executive Board, be adopted as corporate resolution by the members at annual or special meetings of the Association.

2 The PATA Executive Board shall have the power to assess such dues as they feel proper and fair of such new members who may desire to join during the course of the fiscal year.

3 Members of the Association of any classification may withdraw therefrom at any time by giving prior written notice to the Association within 30 days after expiry of the current membership. Membership shall likewise terminate upon failure to pay the annual membership dues or other monies owed to the Association three months after the date when written notice of payment having fallen due is given, unless the time for payment has been extended by the CEO or by vote of the PATA Executive Board. The termination of membership for any cause whatsoever shall operate as a release and termination of all participation in the Association, and any claims against or to any right, title and interest in the property and assets of the Association, but members shall continue to be liable to the Association for any dues and other indebtedness due up to termination of membership. When a member is terminated, such member is deemed specifically notified to cease forthwith the use of PATA logo, in any written, printed or other form. Upon termination of membership for any cause whatsoever, the

terminated organisation's owners or employees shall not be eligible for membership in a PATA Chapter during the period they continue in an ownership or employee capacity with the terminated organisation.

Article XII

Finance

1 The fiscal year of the Association shall be from January 1 through December 31.

2 All monetary transactions shall be operative on the signature of the CEO. The PATA Executive Board may designate additional signatories.

3 The records and books of the Association shall be kept at the Headquarters. The accounts of the Association shall be audited annually by external auditors and the auditor's report shall be submitted with a statement of the accounts at the annual meeting. The auditor shall be approved each year by the membership at the annual meeting.

Article XIII

Liability and Indemnification of Members and Officers

1 No member of the Association nor any member of the PATA Board, PATA Executive Board (corporate legal board of directors) or any committee, nor officer of PATA shall be personally liable for any debts, liabilities or obligations of the Association. Each Officer, member of the PATA Executive Board, the PATA Board, duly appointed member of any advisory committee or other duly constituted PATA Committee, or employee of the Association, shall be indemnified by the Association to the fullest extent allowed by law against, and the Association may in the discretion of the PATA Executive Board advance, reasonable expenses of legal defence incurred by such individual for the defence of any claim, action, suit or proceeding and subsequent settlement or judgment (if any) in which such individual is made a party by reason of the aforementioned participation, except in relation to matters as to which such individual shall be adjudged in such action, suit or proceeding to be held liable for recklessness, breach of duty to the Association, or intentional misconduct in the matter giving rise to the claim. PATA shall also have the power to procure and maintain policies of insurance for acts and omissions of its directors, officers and agents acting on its behalf, including coverage broader than the provision of indemnification by PATA itself under these Bylaws.

Article XIV

Amendment of Bylaws

The Bylaws of the Association may be altered or repealed by a majority vote of the members of the Association present and voting at a meeting of the Association (AGM) duly convened as prescribed in the Bylaws, notice of which shall have stated that the purpose of the meeting is to consider the alteration, amendment or repeal of the Bylaws.

Article XV

Code of Ethics and Conduct

1 PATA is committed to encouraging and assisting in the development of the tourism and travel industry throughout Pacific Asia and as such all members must conduct themselves and their business activities in a manner that promotes the ideal of integrity in travel and tourism and agree to act in accordance with the following principles of the PATA Code of Ethics and Conduct, which shall be reviewed, and if appropriate amended and updated, by the PATA Executive Board at least once every two (2) years.

2 Member Code of Ethics and Conduct. In promoting the aims of PATA, members will:

(a) Promote and encourage the highest level of ethics within the tourism and travel industry while maintaining the highest standards of professional conduct.

- (b) Promote the aims of PATA.
- (c) Strive for excellence in all aspects of the tourism and travel industry by performing consistently at or above acceptable industry standards.
- (d) Protect the public against fraud and unfair practices, and promote all practices which bring credit and respect to the industry.
- (e) Provide truthful and accurate information.
- (f) Strive to cooperate with all members in order to provide the highest quality service.
- (g) Avoid real or perceived conflicts of interest whenever possible.
- (h) Will not engage in any unlawful activity in any country.

3 PATA's members will not engage in conduct that is likely to bring the Association or any of its affiliates into disrepute, including any activity found to involve fraud, deception, misrepresentation, misapplication of property, or breach of trust or other fiduciary obligation. Each PATA member shall adhere to the principles of the Code of Ethics and Conduct. Failure to do so may result in disciplinary action, including the possibility of suspension or termination of membership as deemed appropriate by a Committee comprised of the Chairman, Chairman-Elect, Secretary, Treasurer, Past Chairman, CEO, COO and CFO. Any recommended action by such Committee will be forwarded to the PATA Executive Board, whose action on the matter shall be final.

4 It is understood that a member of the PATA Board is acting as a member representative on industry policy matters; while a member of the PATA Executive Board is acting as a fiduciary to PATA, being a Director on the governing board of directors of PATA as a non-profit corporation. Members of the PATA Executive Board shall each have the higher duties to PATA, in their service on such Board, of Due Care, Loyalty and Good Faith as prescribed by law. Each such PATA Executive Board member shall abide by the PATA Director Code of Conduct setting forth these responsibilities in further detail as adopted by the PATA Executive Board, which Code shall be reviewed, and if appropriate amended and updated, by the PATA Executive Board at least once every two (2) years.

Article XVI

Electronic Communications

1 Notice to Association members, and to members of the PATA Board and of the PATA Executive Board, may be given by electronic mail (email) to such email address as has been provided to PATA by each such member or person, and shall be effective upon transmission by PATA just as if sent by postal mail. Notices and proxies from any member to the Association must be in writing and are effective upon actual receipt by PATA at its designated official point of contact whether at its main offices or by electronic mail.

2 It is the policy and preference of the Association for meetings of the PATA Board and the PATA Executive Board to take place in person whenever feasible, for the most effective, collegial and productive communications. In the event the Chairman determines that a meeting is needed when a quorum is not available in person, or when insufficient time is available to schedule and convene a meeting in person, the Chairman may convene an electronic meeting of either Board by telephonic conference call or online electronic conference, so long as (a) advance notice of the meeting is provided to all members of that Board, (b) a quorum is present and all participants can concurrently hear or communicate with each other during the meeting, and (c) the form of the meeting is not contrary to the Association's applicable state non-profit corporation law.

3 Any dues paying member of the Association may designate by written proxy a person to serve as its representative at a meeting of the General Assembly including the AGM and any EGM. No such proxy is valid for more than one meeting.

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