

APITA BY-LAWS

The Association of Professional Interline Travel Agencies (APITA)

SECTION 1. NAME

The name of the unincorporated non-profit association is The Association of Professional Interline Travel Agencies (APITA)

SECTION 2. PURPOSES AND PRINCIPLES OF APITA

The purposes of APITA include:

- (1) To promote growth of the interline distribution network by providing our clients, the airline employees and their families, a positive travel experience with a high level of value and integrity, and (2) to promote the interline distribution industry's role as a strategic and integral part of our supplier's business environment.

SECTION 3. FUNDAMENTAL OBJECTIVES

The objectives of the association are:

- a/ to promote the mission and principles of APITA;
- b/ to promote professional and ethical conduct between member interline agencies, their travel partners/suppliers;
- c/ to promote goodwill and mutual understanding worldwide with our clients, and travel partners/suppliers;
- d/ to encourage and assist the professional development of member interline agencies;
- e/ to resolve disputes between member agencies, travel partners/suppliers and/or clients;
- f/ to work with our travel partners/suppliers to increase efficiency and profitability;
- g/ to promote the image and encourage the use of APITA members through marketing worldwide;

h/ to offer APITA membership to all qualified and eligible interline agencies and travel partners/suppliers who support the interline community, who meet the requirements, and commit to the ethical business practices of APITA.

SECTION 4. OBLIGATIONS OF APITA MEMBERS

APITA member agencies must:

a/ follow and abide by APITA's Best Business Practices, Code of Ethics and current Bylaws;

b/ attend a minimum of 3 annual meetings in four years;

c/ promote and publicize APITA's objectives and standards within the interline community and to travel partners/suppliers according to APITA guidelines (by use of APITA logo and other marks);

d/ remit all fees and dues by January 15 of each year or when membership is approved to retain active membership and voting rights;

e/ update and communicate important member agency contact information to the APITA Board related to address changes, name changes for agency representative, any pertinent contact details;

f/ support the continued improvement of the interline travel industry;

g/ follow the guidelines for the use and display of APITA's logo and other marks, and abide by any request by APITA to stop using any and all such marks. Additionally, shall not use, without permission of APITA Board members, APITA's collective membership marks, trademarks and/or service marks, or otherwise misrepresent any affiliation with APITA, unless a current member in good standing;

h/ not be liable to its creditors for any indebtedness or liability; creditors shall not look to APITA's assets for payment;

i/ not act for or represent, bind or commit APITA in any matter on any subject unless specifically authorized to do so in writing by the Board of Directors.

SECTION 5. MEMBERSHIP

Membership shall be reviewed and approved by APITA's Membership Committee prior to being presented to the general membership for approval. All APITA members must

a/ have the relevant industry required appointments, licenses, and registrations in order to conduct business as a interline agency or travel partner/supplier in good standing within their local jurisdiction;

b/ have all required bonds and insurance;

c/ sell travel products in the interline marketplace;

d/ sell travel services as its primary business;

e/ agree to abide by APITA's Best Business Practices, Code of Ethics and current Bylaws and agree to pay all required fees on time, or be subject to penalties;

f/ designate an appointed representative who will have the right to vote on behalf of the member agency;

g/ not have been expelled by a supplier and/or APITA for unethical conduct or contract abuse, subject to review by the APITA Board;

i/ have the written recommendations from at least four (4) travel partners/suppliers;

j/ receive a simple majority vote of the Membership Committee.

SECTION 6. TRAVEL PARTNER/SUPPLIER MEMBERS MUST MEET THE FOLLOWING CRITERIA:

a/ sell or supply product to Interline Agencies;

b/ agree to abide by APITA's current Bylaws and agree to pay all required fees on time, or be subject to penalties;

c/ receive a simple majority vote of the Membership Committee.

SECTION 7. RIGHTS OF MEMBERS

Each member agency is entitled:

a/ to speak and have one vote at all APITA meetings;

b/ submit a candidate for office;

c/ to use the APITA seal in all promotions, advertising and signage according APITA's usage guidelines.

SECTION 8. CONDUCT WITH REGARD TO THE INTERLINE TRAVEL AGENCY INDUSTRY

No agency applicant for membership shall be accepted or retained if the applicant agency, or representatives of the applicant agency, at any time during membership, engages in conduct that is likely to bring the interline travel agency industry into disrepute. A conviction of any offense involving fraud, deception, misrepresentation, misappropriation of property, or breach of trust or other fiduciary obligation is evidence relevant to that determination. Pleas of nolo contendere, consent judgments, judicial or administrative decrees, or orders and assurances of voluntary compliance and similar agreements with federal, provincial or state authorities shall be deemed convictions for purposes of these provisions.

SECTION 9. ENFORCEMENT OF MEMBER RESPONSIBILITIES

a/ Members may be censured, suspended for up to one year from membership rights, or expelled from APITA, or have other appropriate action taken against them if found to have engaged in violations of the APITA Bylaws, APITA's Code of Ethics and/or Best Business Practices, or to have submitted false information to APITA;

b/ Notwithstanding any other bylaw, any membership may be terminated immediately if the member has; (1) failed to pay their dues or other financial obligations to APITA by January 31 or within 30-days of deadline; or (2) failed to continue to meet the specific category requirements for membership.

SECTION 10. DISPUTE RESOLUTION

APITA will assist in efforts to resolve differences between member agencies, between member agencies and travel partners/suppliers or between member agencies and clients. If an issue cannot be resolved, the Board will advise the parties involved of the Board's recommendation for resolution.

SECTION 11. PROCEDURES FOR SANCTIONS AND APPEALS BY APITA

APITA shall retain the authority to censure or expel any member agency at anytime or have other appropriate action taken against them if found to have engaged in violation

of the APITA Bylaws, including the APITA Code of Ethics, or to have submitted false information on any APITA membership application. Said action may result in reprimand, suspension or expulsion. The Board of Directors shall adopt procedures for the enforcement of membership responsibilities. Sanctions against the individual member agency require that a hearing be granted to the member agency concerned by simple majority vote of the Board of Directors. A letter detailing the reasons for the sanction shall be sent to the member agency.

Notwithstanding any other bylaw, any membership may be terminated immediately if the member has:

- (1) failed to pay dues or other financial obligations to APITA when due;
- (2) failed to continue to meet the specific requirements for membership.

a/ Letter of Reprimand

A letter of reprimand will be issued by the Board, where a member agency is found engaging in conduct considered inappropriate and not in the spirit of the stated purposes, principles, and fundamental objectives of APITA, or the reputation of APITA;

b/ Suspension of Membership Rights:

(1) When a member agency has received a letter of reprimand, and continues the offending conduct for which the member agency was reprimanded, the APITA Board may suspend the member agency for a period, which shall be determined by the gravity of the conduct. The period of suspension shall be for a minimum of six (6) months and a maximum of one (1) year. The suspended member agency may appeal said decision by the Board to the membership via e-mail and the entire membership may, by simple majority vote, revoke the Board's decision. The suspension shall not be effective until a final decision is issued.

(2) When the conduct of the member agency is considered by the Board to be detrimental to the interest of APITA or its reputation, the member may be suspended for a minimum of six (6) months to a maximum of one (1) year without the requirement of a letter of reprimand. The appeal procedure shall be the same as in subsection (b)(1) above.

c/ Expulsion:

(1) When the conduct of a member is considered detrimental to the interest and/or reputation of APITA, or when despite a previous suspension, the member continues with the same conduct, the Board by simple majority vote may expel the member;

(2) The member may appeal this decision, in writing, to the Board within a period of one (1) month from the communication of the expulsion. If an appeal is presented to the Board the expulsion will not come into effect until the issuance of a final decision;

(3) The decision of the Board is final and shall be taken having considered any documentation or other kind of information received from APITA and the expelled member;

(4) Expelled members shall not be entitled to a refund of any and all fees paid and/or membership dues.

SECTION 12. MEMBERSHIP RESIGNATION

Any member agency may resign from APITA at any time by submitting the agencies resignation, in writing, to the Board who must acknowledge receipt. Notwithstanding such resignation, the former member agency shall be required to pay any outstanding amounts owed and is not entitled to any refund of membership dues or fees. And, in accordance with APITA's Bylaws may no longer use any APITA's collective membership marks, trademarks and/or service marks, or otherwise misrepresent any affiliation with APITA. Resignation does not prohibit a member agency from applying for membership in the future, provided the agency meets all membership requirements.

SECTION 13. UTILIZATION OF APITA FUNDS

An annual budget shall be organized for approval of the membership by January 31st of each year. APITA's funds are to be used for approved administrative and legal fees and any other expenses such as development, events, public relations, and always for the betterment of APITA. Books and records of account will be organized and maintained in strict accordance with the law.

All member agencies are responsible for personal expenses incurred during their involvement with APITA, unless otherwise approved in writing by the APITA Board.

Any misuse of APITA funds shall be the responsibility and the financial obligation of the member agency, whose representative misused the funds, and may subject the member agency to membership suspension.

SECTION 14. VOTING

Only active member agencies are entitled to vote. Proxy, e-mail or postal mail votes are permitted for a general meeting. Written ballots are required when the voting concerns a

person(s) or member agency(s) or if at least 25% of the voting members present so request it.

Unless otherwise stated in these Bylaws, a simple majority will decide voting results. The Board may hold a meeting via electronic means, to the extent permitted by law.

The Board or any committee may act without a meeting with written consent to the act by all the participants.

SECTION 15. OFFICERS

a/ Officers of APITA shall be President, Vice President, Treasurer;

b/ in addition a non-voting Secretary shall be appointed to the Board;

c/ the business and affairs of APITA shall be managed and directed by the Board;

d/ in the case of a vacancy in the office of the President, the Vice President shall succeed in office; and a vacancy in any other office shall be filled in accordance with the Bylaws.

SECTION 16. ELECTION AND TERMS OF OFFICERS

Officers of APITA shall be elected as follows:

a/ all officers shall be elected for the term of one (1) year;

b/ limit of two (2) successive terms for each Board member;

c/ nomination accepted from the floor during a general annual meeting;

d/ ballots shall be cast by the membership at the general annual meeting;

e/ ballots shall be counted by the Treasurer and the results announced at the general annual meeting;

f/ persons receiving the majority votes cast for each elective position shall be declared elected;

g/ newly elected officers shall be installed and begin their term at the conclusion of the general annual meeting.

SECTION 17. COMMITTEES

Committees may be appointed for special needs as required by the Board.

SECTION 18. BOARD OF DIRECTORS

All APITA property and business are managed by the Board of Directors under Texas law.

a/Composition-The Board of Directors shall have 3 members as follows: the President, Vice-President, Treasurer, and a non-voting Secretary.

b/Each Director shall have one vote. Proxy voting shall not be permitted.

b/ Each Board member shall serve for a term of one (1) year, or until such time as his or her successor is elected and qualified.

SECTION 19. LOGO GUIDELINES

APITA's logo(s) are made available exclusively for use by the following: (1) APITA Members, subsidiaries and affiliates, for use in advertising or in connection with authorized company business (promotional material including business cards, advertising, member website or stationary), and (2) other parties authorized in writing by the APITA Board. Any other use of these logos images may constitute trademark infringement or otherwise violate the legal rights of APITA. In such event, APITA, its subsidiaries or affiliates shall consider appropriate legal action to enforce its rights.

SECTION 20. LETTERHEAD

Letterhead may only be used by the APITA Board for official APITA business. Any other use of APITA's letterhead must be approved in writing by the APITA Board.

SECTION 21. GENERAL

a/ APITA is a unincorporated, non-profit, independent membership association, comprised of interline travel agencies, and their travel partner/supplier;

b/ These Bylaws may solely be amended at the APITA Annual Meeting. Proposed amendments shall be submitted to the APITA Board thirty(30) days prior to the meeting to be considered. A simple majority vote of the membership shall constitute approval;

c/ All actions taken at past meetings and all meetings of the Board in compliance with the then existing Bylaws are confirmed, ratified, and incorporated by this reference.

SECTION 22. IDENTITY

APITA members are companies of recognized honesty and integrity, which identify with APITA values, while working together for the betterment of the interline industry, especially those relationships within APITA, our clients and our travel partners/suppliers.

SECTION 23. RESPONSIBILITIES OF APITA

APITA is not responsible for any agency member debt or liability.