

Tour Operators Association of PNG Inc

CONSTITUTION

FIRST DRAFT 10 APRIL 2005

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Tour Operators Association of PNG Inc

1. NAME OF ASSOCIATION

The name of the Association shall be the Tour Operators Association of PNG Incorporated ('the Association')

2. ADDRESS

The address of the Association shall be as designated by the elected Executive Committee from time to time.

3. OBJECTIVES

The objectives of the Association shall be to:

- (a) Foster the development of Tour Industry in Papua New Guinea
- (b) Establish, implement and maintain a reputable standards in the tour industry in PNG
- (c) Provide training and development opportunities for members and their employees
- (d) Develop and encourage networking/interaction for members and stakeholders using local and distribution network that will help provide work opportunities to improve the livelihood of a community
- (e) Encourage and assist in marketing and promotion opportunities for members in local, district, regional and national level throughout PNG
- (f) Co-operate with and initiate actions to ensure the conservation of environment, culture and social integrity of communities are respected by all parties
- (g) Co-operate, affiliate or act in consent with any association, company or body to assist in or facilitate the fulfillment of the objectives of the Association
- (h) Provide a representative body at TPA and TIA

- (i) Do all such things as are incidental or conducive to the attainment of the objectives where such action do not contravene legislation whether local or national

4. ORDINARY MEMBERSHIP

(a) Inaugural Membership

Those members listed in Appendix I shall be deemed to comprise the inaugural membership of the Association and shall be entitled to attend and vote at the inaugural meeting of the Association.

(b) New Memberships

Any individual, partnership or company may make application to become an ordinary member of the Association and may be accepted and approved by a majority vote of the executive committee and upon payment of all current membership dues subject to the following criteria:

(i) the applicant actually and legitimately operates (or offers) organised tours and/or tour guide services in a defined district, province or region of Papua New Guinea, or nationwide

(ii) the applicant has their registered office and the headquarters of their business operation in Papua New Guinea

(iii) the applicant holds all required business registrations and licences; the minimum requirement being the registration of a business name with the Investment Promotion Authority

(iv) the applicant is known to be in good standing with former clients, the Tourism Promotion Authority, and the PNG travel and tourism industry in general

(v) the applicant complies with, or has the capacity to comply with, the minimum operating standards set forth by the Association.

Notwithstanding, the executive committee of the Association may refuse any application for membership, if the committee feels that acceptance of the applicant as a member would be prejudicial to the best interests of the Association.

(c) Ordinary members must continue to conform with the minimum operating standards as shall be promulgated by the Association from time to time which shall at the date hereof be those as set out in Appendix II, and a breach of which shall be grounds for caution, or expulsion from the Association.

5. ASSOCIATE MEMBERSHIP

(a) Any individual, partnership or company may make application to become an associate member of the Association and may be accepted and approved by a majority vote of the executive committee and upon payment of all current membership dues, if the applicant meets any one of the following criteria:

(i) the applicant actually and legitimately operates (or offers) organised tours and/or tour guide services in a defined district, province or region of Papua New Guinea, or nationwide, and otherwise meets the criteria for ordinary membership except that their registered office and the headquarters of their business operation is located outside Papua New Guinea.

(ii) the applicant is an aspiring or new tour operator not yet meeting the minimum operating standards set by the Association in Appendix II and subsequent amendments but actively working towards compliance with these standards

(iii) the applicant does not actually operate tours or provide tour guiding services but is a private enterprise providing associated services to the tourism industry including (but not limited to) accommodation, transport, catering and marketing services.

(b) Associate members may attend general meetings but shall not move, or vote on, any motion. Notwithstanding, associate members may seek leave from the Chair to speak on any subject before the meeting.

(c) An Associate member shall not be eligible to serve on the Executive Committee.

6. APPLICATION FOR ASSOCIATE MEMBERSHIP

Applications for Associate membership from person, firms and companies shall be made to the Secretary/Treasurer in such form as may be prescribed by the Executive Committee which shall consider the application and by a majority either elect the applicant to Associate membership or may refuse or defer the application.

7. TERMINATION OF MEMBERSHIP

1. (a) A member may terminate membership to the Association by giving written notice to that effect addressed to the Secretary/Treasurer shall cause the member's name to be removed from the register of

members provided all dues, subscription levies or any other monies then owing to the Association are fully paid.

- (b) Immediately after a member's name has been removed from the register, the Secretary/Treasurer shall give written notice of the fact to the member concerned and to all other members of the Association.
2. (a) A member may be expelled from the Association in the event that the member:
- i. has ceased to be eligible to be a member of the Association;
 - ii. repeatedly breaches the minimum operating standards prescribed by the Association or otherwise does not comply with the Association rules;
 - iii. has become bankrupt or insolvent or has entered into a scheme of arrangement with his creditors or has gone into liquidation;
 - iv. has been party to conduct which is, in the opinion of the Association in general meeting, contrary to the purposes, aims or objectives of this Constitution or in breach of a Rule hereof; or
 - v. has been party to conduct which, in the opinion of the Association, has brought or is likely to bring disrepute to the Association or the industry.
- (b) Provided always that no member shall be expelled pursuant to the foregoing grounds unless a majority of three-fourths of votes cast at a meeting of members or in a postal ballot of members after a meeting called to order the conduct of such ballot has first given the member the opportunity to present a written or oral explanation.
- (c) Provided further that it be the decision of the Association to expel the member, it will not affect the liability of the member to pay dues, subscription levies or other monies due and owing to the Association.

8. FINANCE

1. Joining Fee

The joining fee for all members shall be K150.00

2. Annual Subscription

- (a) The annual subscription for Ordinary members shall be K100.00

- (b) The annual subscription for Associate members shall be K50.00
- (c) At the commencement of the first full year of operations, the annual subscription of each member shall be determined by the Executive Committee and shall be due and payable in advance as from the first day of January each year or at such other time as may be prescribed by the Executive Committee.

3. Levies

The Association in general meeting shall have the power from time to time to impose levies upon members:

- (a) in the event of the current revenue of the Association being insufficient to meet expenses in any year;
- (b) for such other purposes that may be authorised by a general meeting summoned to consider the same;
- (c) provided that no member in any year shall be required to pay levies under (a) or (b) above which in total exceed the amount of his annual subscription. There will be no pro rata fees.

4. Accounts

- (a) The Association shall cause proper books of accounts to be kept recording a true account of the financial transactions of the Association and of all receipts, expenditures, assets and liabilities of the Association.
- (b) The Accounts of the Association shall be closed annually as at the Thirty First day of December.
- (c) Payments shall be authorised by the Executive Committee. Should no meeting be held within a reasonable period the President, Vice-President or Secretary/Treasurer may approve accounts for payment, and such accounts will be tabled for confirmation at the next meeting of the Executive Committee.
- (d) The accounts payable shall be operated on a joint signature basis by the Treasurer and one member of the Executive Committee.

9. OFFICE BEARERS AND EXECUTIVE COMMITTEE

The office bearers of the Association who shall comprise the Executive Committee shall be:

President
Vice President
Secretary
Treasurer

10. ELECTION OF OFFICE BEARERS

- (a) Members of the Executive Committee shall be elected at the Inaugural Meeting of the Association and thereafter at each Bi-annual General Meeting which shall be called on a bi-annual basis and office bearers so elected shall hold office for a period of twenty four (24) months but shall be eligible for re-election. Members of the Association shall elect office bearers to each position.
- (b) Nomination forms for members of the Association to nominate persons for the Executive Committee other than for the Inaugural Meeting shall be forwarded to all financial members, one month prior to the Bi-annual General Meeting.
- (c) Nominations to fill all vacancies on the Executive Committee will be accepted from the floor at Bi-annual General Meetings. Should nominations exceed the number of vacancies on the Executive Committee, a ballot shall be conducted to determine the election of members to the Committee.
- (d) No member shall have more than one representative on the Executive Committee and there shall be no more than two representatives from subsidiaries or related members on the Executive Committee. A substitute may attend the Committee due to temporary absences only of the representative.
- (e) Any member of the Executive Committee absenting himself from three consecutive Committee meetings without reasonable excuse in writing shall forfeit his seat on the Committee.

11. REPRESENTATION AT MEETINGS

Each member shall nominate a representative and alternative representative to attend meetings of the Association, these persons shall be company directors or employees of the member.

12. MANAGEMENT OF THE AFFAIRS OF THE ASSOCIATION

- (a) The governance of the Association vests in the members in General Meeting.
- (b) Subject thereto, the Management of the affairs of the Association shall be vested in the Executive Committee.

13. POWERS OF THE EXECUTIVE COMMITTEE

The Executive Committee may exercise all such powers of the Association as are not by this Constitution required to be exercised by the members in General Meeting, and without derogation from the generality of the foregoing, shall have the following specific powers in addition to such others that are specified elsewhere in this Constitution:

- (a) to adopt such measures as from time to time appear proper for the purposes of giving effect to the purposes and objects of the Association;
- (b) to consider and where necessary, authorise expenditure and payment of accounts properly incurred by the Association;
- (c) to compromise, settle and resolve claims and demands made on the Association;
- (d) to make, alter, vary or rescind such By-laws as they be required for the purpose of carrying out the provisions of this Constitution and of the Association. These changes shall not however, be binding unless confirmed by the next General Meeting or Extraordinary General Meeting called for the purpose;
- (e) to have the power to fill a casual vacancy incurring on the Executive Committee during its two (2) years of office;
- (f) President is to have the casting vote in the event of a tie during voting.

14. MEETINGS

- (a) The Bi-annual General Meeting shall be held within three (3) months of the closing date of the second financial year of the Association, or as is practical. General Meetings shall be held in a location determined by the Executive Committee, or by the members in general meeting.

- (b) The Executive Committee shall meet at least four times per year. Executive Committee Meetings may be held at a specified location or may be conducted remotely by teleconference, or virtually by exchange of e-mail messages or e-mail chat. At least 3 executive committee members must participate in the teleconference or exchange of e-mail communications in order for a committee meeting to be deemed to have been held in quorum whether physically, remotely or virtually.
- (c) At all physical, remote or virtual meetings the President shall preside. Should the President be absent, the Chair shall be taken by the Vice President and in the absence of the Vice President the Secretary shall chair the meeting, and in the absence of the Secretary, the Treasurer shall chair the meeting, and in the absence of the Treasurer, the Chairman shall be elected from those present.
- (d) General Meetings and Executive Committee meetings shall be called at any time by the Secretary upon the authority of the President.
- (e) Any Extraordinary General Meeting shall be called by the Secretary upon any requisition made in writing and signed by not less than four (4) members of the Association.
- (f) An Executive Committee meeting shall be called by the Secretary upon the requisition made in writing and signed by not less than two (2) members of the Executive Committee.
- (g) The Secretary shall, within seven (7) days from the receipt of a requisition call a meeting in accordance therewith for a date not more than twenty eight (28) days after the receipt of such requisition by the Secretary.
- (h) The Secretary shall give twenty one (21) days notice in respect of Bi-annual General Meetings, General and Extraordinary General Meetings specifying the matters to be considered.
- (i) All notices of meetings, or of other business in connection with the Association, shall be deemed to be duly sent to the members by the Secretary posting the same by pre-paid letter to the members of the last known place of their residence, registered office or place of business, as the case may be.

15. QUORUM

- (a) The quorum for a General Meeting shall be five (5) members.
- (b) The quorum for an Executive Committee Meeting shall be three (3).

16. VOTING

- (a) Each member through his nominated representative or alternative representative shall exercise one vote on all matters for decision at meetings of the Association.
- (b) Each matter submitted to a meeting shall be decided on a show of hands.
- (c) A ballot may be sought at any meeting and, if the motion for the same is carried by a majority, the Secretary shall forthwith conduct a secret ballot either among the members, or among all members of the Association in accordance with the terms of the motion seeking ballot.
- (d) The Chairman shall have the right to exercise a casting vote as well as a deliberate vote.

17. PROXY

- (a) A member of the Association or a member of the Executive Committee may exercise his or her right to vote as authorised by this Constitution or by law through a proxy.
- (b) The proxy referred to herein shall be duly authorised in writing to vote by a member of the Association or a member of the Executive Committee.
- (c) A proxy who is empowered under this Rule to vote, shall only vote in favour or against or abstain on a matter subject to voting only as authorised in writing by the Member of the Association or the Member of the Executive Committee that appointed the proxy.

18. ALTERATION TO RULES

This Constitution may be altered, deleted or added to by a majority of three-fourths of votes cast at a special meeting called for that purpose or by a postal ballot of members.

19. INDEMNITY

Each office bearer and member of staff or other person determined by the Executive Committee shall be indemnified out of the funds of the Association against any authorised costs, losses, disbursements or expenses which such person may incur or become liable to incur as a result of any act or omission performed by him in his official capacity and in the proper discharge of his on her duties.

20. DISSOLUTION

- (a) The Association may be dissolved by a majority of three-fourths of votes cast in a secret ballot of members. An Extraordinary Meeting of the Association shall be convened for the purpose of ordering the conduct of such ballot. Such resolution must be carried by a majority of three-fourths of the members present, entitled to vote and voting.
- (b) In the event of the Association being wound up as aforesaid any funds or assets beyond such as are sufficient to meet the liabilities of the Association shall not be paid to, nor distributed amongst members of the Association, but shall be given or transferred to some associations having objectives similar to this Association or as the members shall decide.
- (c) Should the funds or assets be insufficient to cover the liabilities of the Association upon winding up, the necessary funds shall be raised by a levy on members in accordance with Clause 8.3 (c).

21. DUTIES OF SECRETARY

In addition to the duties set out in this Constitution the Secretary shall act as Secretary / Public Officer of the Association and shall carry out all functions normally associated with such offices.

22. COMMON SEAL

The Association shall have a common seal which shall remain in the custody of the Secretary and shall only be used with the authority of the Executive Committee or a General Meeting of members.

23. FINANCIAL REPORT

A suitably qualified person shall be appointed at the Bi-annual General Meeting to prepare a detailed statement of the Association's financial standing for

consideration by members at the following Bi-annual General Meeting. He shall report to members at the Bi-annual General Meeting on his prepared Financial Statement, stating whether the Register of Members has been kept in proper manner.

At each Bi-annual General Meeting of the members an auditor or auditors (who shall not be members of the Committee) shall be appointed and he or they shall audit the statement of accounts and balance sheet (prior to the Bi-annual General Meeting) submitted by the Treasurer at the Bi-annual General Meeting.

24. CUSTODY OF DOCUMENTS

Any books, documents and securities of the Association shall be placed in the custody of the Secretary.

The Secretary shall:

- (a) keep a true and proper record of the affairs of the Association and minutes of all meetings;
- (b) attend to all correspondence and keep copies of such correspondence;
- (c) maintain a register of member groups, together with all Official or the Association and its member groups;
- (d) give notice of all meetings and distribute copies of the minutes to all member groups.

APPENDIX I

Inaugural members of the Association shall be:

- 1.
- 2.
- 3.
- 4.
- 5.

APPENDIX II

MINIMUM STANDARDS FOR LOCAL TOUR OPERATORS WHO ARE MEMBERS OF THE ASSOCIATION

- a) Tours shall be led by a guide who speaks fluent English, is familiar with the history of the local area and has a current first aid certificate.
- b) Tours conducted by members shall provides services as advertised and accepted in advance by the client
- c) Members shall make timely payments to accommodation operators, transport operators, tour guides etc for services provided, and to landowners for site fees as due and charged
- d) Members shall provide guides with basic training whether conducted internally or externally, or otherwise employ guides and tour assistants who have received such training
- e) Members shall maintain a schedule of written instructions for tour guides and assistants to adhere to in respect of standard tour operation procedures and emergency procedures.
- f) Members shall maintain two bank accounts in the business name of the tour operator. One account shall be designated as a trust account for safekeeping of Nett tour content funds and the other shall be designated as an operational account. Client funds will normally be deposited into the trust account and the calculated profit margin shall be transferred into the operational account for expenditure on overhead costs. Nett tour content funds in the trust account shall be disbursed to service providers at the time of conducting the tour. Nett tour content funds will not be expended on overhead costs prior to conducting the tour.