

## Article I: Name and Purpose

The name of the corporation is ASSOCIATION OF CORPORATE TRAVEL EXECUTIVES, INC. ("ACTE" or "Association"). ACTE is a not for profit, nonstock educational and professional organization incorporated in the state of Delaware. The purposes of ACTE include but are not limited to promoting, protecting, and advancing the interests, quality, and professionalism of the corporate travel industry.

## Article II: Membership

**Section 1. Eligibility** Membership in ACTE shall be open to any person associated with the business travel industry who meets the membership criteria established by the [Board of Directors](#). Membership in ACTE is on an individual, not organizational, basis.

**Section 2. Other Classes of Members** The Board of Directors shall have the right to grant membership in the Association to other individuals, such as the travel industry press, as well as grant honorary memberships, if the Board determines in its sole discretion that such membership would be in the best interests of the Association. The Board also may establish other classes of members.

**Section 3. Membership Termination** The Board of Directors shall have the right to terminate membership in the Association if the Board determines in its sole discretion that a member is not meeting the goals and objectives of the Association. Failure to pay dues within thirty (30) days of their due date shall automatically result in termination of membership and does not require advance notice to the member and deliberation by the Board. Any member proposed for expulsion for another reason shall be provided advance written notice including the reason for the proposed expulsion, opportunity to contest the proposed expulsion in writing, and final written notice of the Board's decision.

**Section 4. Member Dues** Annual [dues for membership](#) shall be established by the Board of Directors and shall be payable in advance. Membership dues may be changed for any or all countries at the discretion of the Board of Directors. Each member, except as otherwise provided in these By-laws, regardless of the annual membership dues established, shall have equal voting rights. The Association shall notify each member prior to his/her expiration date of the dues payable for the coming year. The Board may, at its discretion and upon receipt of payment of the annual dues, reinstate a member terminated because of late dues payments.

## Article III: Officers

**Section 1. Officers** The Officers of the Association are the President, President-Elect, Treasurer, Treasurer-Elect, and Executive Director, the latter of which shall be an ex-officio, non-voting member of the Board and also act as Secretary to the Association. The Board of Directors shall elect the President-Elect and the Treasurer-Elect every two (2) years from the candidates presented by the Nominations Committee. Best efforts shall be made by the Board to assure that at least one (1) officer is a corporate member, meaning a representative of a purchaser of business travel services. Best efforts require that Officer candidates presented to the Board for approval must allow the corporate representation requirement to be met at the time of approval.

**Section 2. Terms** The President, and Treasurer shall hold office for two (2) years, or until their respective successors are selected. The President-Elect shall hold office for a minimum of ninety (90) days and then automatically succeed to the office of President at the end of his/her term. The Treasurer-Elect shall hold office for one (1) year and then automatically succeed to the office of Treasurer at the end of his/her term. The President-Elect's and Treasurer-Elect's terms shall fall in alternating one-year periods. All former Presidents shall be referred to as Past-Presidents of ACTE. All Officers shall serve on the Board of Directors during their term of office. All Officers must be members in good standing of ACTE, and meet any other qualifications established by the Nominations Committee or Board of Directors.

**Section 3. Removal** An Officer may be removed at any time, with or without cause, by a two-thirds vote of all of the voting members of the Board of Directors, with the Officer being considered for removal not participating in the vote. The President may fill an Officer vacancy for the unexpired term with approval by two-thirds of the voting members of the Board.

## Section 4. Duties of Officers

- 4.1. **President:** The President shall serve as Chairperson of both the Board of Directors and the Executive Committee. He/she shall have general supervision of all business and affairs of the Association, and shall perform such other duties as are necessarily incident to the office of President or as may be prescribed by the Board of Directors.
- 4.2. **President-Elect:** The President-Elect shall succeed to the presidency at the end of the President's term. The President-Elect shall perform the duties of the President in the event of his/her inability to serve. Other duties shall be as delegated to the President-Elect by the Board of Directors.
- 4.3. **Treasurer:** The Treasurer shall be in charge of the Associations funds and records. The Treasurer shall:
- collect all member dues and/or assessments;
  - have established proper accounting procedures for the handling of the Associations funds
  - be responsible for the keeping of the funds in such banks, trust companies and/or investments as are approved by the Executive Committee;
  - oversee the performance of an annual audit, financial review, Agreed Upon Procedure (AUP) engagement ,or other financial review process by a certified public accountant;
  - report on the financial condition of the Association at all meetings of the Board of Directors and at other times when called upon by the President.
- A full audit must be conducted at least once every four (4) years. The Treasurer shall serve as the chairperson of the Finance Committee.
- 4.4. **Treasurer-Elect:** The Treasurer-Elect shall succeed to the office of the Treasurer at the end of his/her term. The Treasurer-Elect shall perform the duties of the Treasurer in the event of his/her inability to serve. Other duties shall be as delegated to the Treasurer-Elect by the Board of Directors. The Treasurer-Elect shall serve as a member of the Finance Committee.
- 4.5. **Executive Director:** The Executive Director shall be an ex-officio, non-voting member of the Board of Directors and Executive Committee and reports to the Executive Committee of the Association. The Executive Director is the principal manager and administrator of the Association and is responsible for the day-to-day operations of the Association and all of its employees. As Secretary of the Association, the Executive Director shall be responsible for the proper recording or proceedings of meetings of the Association, Board of Directors and committees; carry into execution all orders, votes and resolutions, and ensure that accurate records are kept of all members.

## Article IV: Board of Directors

**Section 1. Composition** The Board of Directors shall be composed of Regional members, At-Large members, appointed Board members, the elected Officers, the Executive Director, and the ACTE Foundation Chair. Best efforts shall be made to assure that Corporate members maintain a majority representation and that Supplier members maintain no less than a one-third representation. Best efforts require that the slate of candidates presented for election must meet these requirements at the time of election. The ACTE Foundation Chair and Appointed Board members shall not be included in the calculation of Corporate member and Supplier member representation. The exact number of members of the Board of Directors may be determined, from time to time, by resolution of the Board of Directors. A person elected to the Board must be a member in good standing of ACTE and meet any other criteria established by the Nominations Committee or the Board of Directors. Regional and At-Large Board members shall serve staggered three (3) year terms so that three (3) new members are elected each year as provided by the Board but shall serve no more than two (2) consecutive terms. There is no limit on the number of non-consecutive terms a Board member can serve.

**Section 2. Regional Representation** Each recognized ACTE region shall have one Board seat. Regional Board members are elected by the members of their respective region. Regional Board members for newly recognized ACTE regions shall be elected by the members of the region at the next regularly scheduled election following the formation of the region. Interim to the election of the Regional Board Representative by the members of the region, the President, with approval by two-thirds of the voting members of the Board, shall appoint a Regional Board Representative to serve until the duly elected Regional Board representative takes office.

**Section 3. At-Large Representation** At-Large Board members shall be elected by the members of the Association.

**Section 4. Appointed Board Member** The Board of Directors may decide, from time to time, to appoint individuals to serve on the Board of Directors to provide a specific skill or expertise critical to the strategic advancement of the association. An appointed Board member is not required to be an ACTE member but will be granted ACTE membership upon appointment to the Board. Multiple appointed Board members may serve on the Board at any given time provided that Board members elected by the membership maintain majority representation. The President shall recommend candidates for appointed Board member to the Nominations Committee. The Nominations Committee shall be responsible for vetting the recommended candidates against the established criteria for Board members and presenting the candidates to the Board for approval. Appointed Board members must be approved by two-thirds of all of the voting members of the Board of Directors. Appointed members shall serve a one (1) year term renewable for up to six (6) years. Renewal of an appointed Board member's term must be recommended by the President and approved by two-thirds of all of the voting members of the Board of Directors.

**Section 5. ACTE Foundation Chair** The current ACTE Foundation Chair shall serve as a voting member on the ACTE Board of Directors during his/her term in office.

**Section 6. Removal** Any Board member may be removed, with or without cause, by a majority vote of the region that elected the Board member, with the Board member being considered for removal not participating in the vote.

**Section 7. Meetings and Vote** There shall be at least three (3) in-person Board meetings each year, with meetings held in different calendar quarters. A majority of the Board shall constitute a quorum and a majority vote of Directors at a meeting at which a quorum is present is necessary to transact Association business with the exception of approval of By-law amendments, removal of an officer, approval of appointments to fill Officer and Board vacancies, approval of a merger with another entity, or approval of the dissolution of the Association; these shall require approval by two-thirds of all of the voting members of the Board of Directors. In the event of a tie vote, the Board will continue discussions prior to calling for a second vote. The President shall then refrain from voting until all votes and abstentions are cast. If a tie vote results, the President shall break the tie by either voting or abstaining from voting. A special meeting of the Board may be called by the President or by a majority of the Board upon notice to the Board by any reasonable means at least forty-eight (48) hours prior to the meeting. Notice of a special meeting shall specify the purpose of the meeting. The Board may meet by telephone conference call or similar communications equipment so that all persons participating in the meeting can hear each other, and participation in a meeting by conference call shall constitute presence in-person at the meeting. Directors may not vote by proxy.

**Section 8. Vacancy** Any vacancy on the Board of Directors may be filled for the unexpired term by the President with approval by two-thirds of the voting members of the Board.

**Section 9. Authority** The Board of Directors shall be the sole governing body of the Association, which has authority and is responsible for the supervision, control, and direction of the Association in accordance with these By-laws and the Directors' fiduciary duties under applicable law.

**Section 10. Compensation** Members of the Board of Directors shall not receive any compensation for serving as Board member or providing any services to or on behalf of ACTE.

#### **Section 11. Conflicts of Interest**

- 11.1. In the event that any director has a conflict of interest that might properly limit such director's fair and impartial participation in Board deliberations or decisions, such director shall inform the Board as to the circumstances of such conflict. If those circumstances require the nonparticipation of the affected director, the Board may nonetheless request from the director any appropriate non-confidential information which might inform its decisions. "Conflict of interest," as referred to herein, shall include but shall not be limited to, any transaction by or with the Corporation in which a director has a direct or indirect personal interest, or any transaction in which a director is unable to exercise impartial judgment or otherwise act in the best interests of the Corporation.
- 11.2. No director shall cast a vote, nor take part in the final deliberation in any matter in which he or she, members of his or her immediate family or any organization to which such director has allegiance, has a personal interest that may be seen as competing with the interest of the Corporation. Any director who believes he or she may have such a conflict of interest shall so notify the Board prior to deliberation on the matter in question, and the Board shall make the final determination as to whether any director has a conflict of interest in any matter. The minutes of the Board meeting shall reflect disclosure of any conflict of interest and the recusal of the interested director.

**Section 12. Code of Ethics** Members of the Board (including ex-officio members of the Board and past members of the Board) shall at all times abide by and conform to the following code of conduct in their capacity as Board members:

- 12.1. Each member of the Board of Directors will abide in all respects by the ACTE Members' Code of Ethics and all other rules and regulations of the Association (including but not limited to the Association's Articles of Incorporation and By-laws) and will ensure that their membership in the Association remains in good standing at all times. Furthermore, each member of the Board of Directors will at all times obey all applicable federal, state and local laws and regulations and will provide or cause to provide the full cooperation of the Association when requested to do so by those institutions and their persons set in authority as are required to uphold the law.
- 12.2. Members of the Board of Directors will conduct the business affairs of the Association in good faith and with honesty, integrity, due diligence, and reasonable competence.
- 12.3. Except as the Board of Directors may otherwise require or as otherwise required by law, no Board member shall share, copy, reproduce, transmit, divulge or otherwise disclose any confidential information related to the affairs of the Association and each member of the Board will uphold the strict confidentiality of all meetings and other deliberations and communications of the Board of Directors.
- 12.4. Members of the Board of Directors will exercise proper authority and good judgment in their dealings with Association staff, suppliers and the general public and will respond to the needs of the Association's members in a responsible, respectful and professional manner.
- 12.5. No member of the Board of Directors will use any information provided by the Association or acquired as a consequence of the Board member's service to the Association in any manner other than in furtherance of his or her Board duties. Further, no member of the Board of Directors will misuse Association property or resources and will at all times keep the Association's property secure and not allow any person not authorized by the Board of Directors to have or use such property.
- 12.6. Upon termination of service, a retiring Board member will promptly return to the Association, within five (5) business days, all documents, electronic and hard files, reference materials, and other property entrusted to the Board member for the purpose of fulfilling his or her job responsibilities. Such return will not abrogate the retiring Board member from his or her continuing obligations of confidentiality with respect to information acquired as a consequence of his or her tenure on the Board of Directors.
- 12.7. The Board of Directors dedicates itself to leading by example in serving the needs of the Association and its members, and in representing the interests and ideals of the corporate travel industry at large.
- 12.8. No member of the Board of Directors shall persuade or attempt to persuade any employee of the Association to leave the employ of the Association or to become employed by any person or entity other than the Association. Furthermore, no member of the Board of Directors shall persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or entity with an actual or potential relationship to or with the Association to terminate, curtail or not enter into its relationship to or with the Association, or to in any way reduce the monetary or other benefits to the Association of such relationship.
- 12.9. The Board of Directors must act at all times in the best interests of the Association and not for personal or third-party gain or financial enrichment. Specifically, members of the Board of Directors shall:
  - avoid placing (and avoid the appearance of placing) one's own self-interest or any third-party interest above that of the Association; while the receipt of incidental personal or third-party benefit may necessarily flow from certain Association activities, such benefit must be merely incidental to the primary benefit to the Association and its purposes;
  - not abuse their Board membership by improperly using their Board membership or the Association's staff, services, equipment, resources, or property for their personal or third-party gain or pleasure, and shall not represent to third parties that their authority as a Board member extends any further than that which it actually extends;
  - not engage in or facilitate any discriminatory or harassing behavior directed toward Association staff, members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or others in the context of activities relating to the Association;



- not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or entity as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the Association without fully disclosing such items to the Board of Directors.

**Section 13. Absence** Any elected officer or director who shall have been absent from two (2) in-person meetings of the Board of Directors during a single calendar year shall automatically vacate the seat on the Board of Directors and the vacancy shall be filled as provided by these By-laws; however, the President shall consider each absence of an elected officer or director as a separate circumstance and may expressly waive one such absence during each calendar year.

## Article V: Committees and Regional Chairs

**Section 1. Standing Committees** The Association shall have the following standing committees: Executive Committee, Nominations Committee and Finance Committee.

**Section 2. Executive Committee** The Executive Committee shall consist of the Officers of the Association and one Board Liaison representative. The Board liaison representative will be appointed by the President from the current Board members. The Board liaison representative's term will be determined by the President but will be no longer than the President's term. The Board Liaison representative shall be subject to the terms of removal of an Officer as stated in Article III, Section 3 on these By-laws. The Executive Committee shall lead and oversee the day-to-day operations of the Association. When the Board of Directors is not in session, the Executive Committee shall exercise all the powers and duties of the Board. The President, or President-Elect in his/her absence, serves as Chairman of the Executive Committee.

**Section 3. Nominations Committee** The President shall appoint a Board member to serve as Chairperson of the Nominations Committee. The Chairperson, with approval by the Board, shall appoint two (2) board members to the Committee and at least three (3) non-Board members with regional representation. Nominations Committee members may be re-appointed by the Chairperson with approval of the Board. The Nominations Committee shall be responsible for establishing criteria and policies and procedures to develop and select candidate slates for the President-Elect, Treasurer-Elect, and the Regional and At-Large Board members. The Board of Directors shall approve these criteria, policies and procedures. Any subsequent changes to the criteria, policies and procedures shall be approved by the Board of Directors. The Nominations Committee shall present its slate of candidates for the Regional and At-Large Board seats to the Board for its approval and then to the members. The slate of candidates for any position should contain more than one (1) candidate. The Board may remove candidates from the slate upon a two-thirds vote. There shall be no write-in provision for candidates at the time of voting. The Nominations Committee shall present its nominees and recommended candidate for President-Elect and Treasurer-Elect to the Board for approval. There should be more than one (1) nominee for each position.

**Section 4. Finance Committee** The Finance Committee shall be responsible for overseeing all financial activity of the Association and for developing and administering all financial policies. The Finance Committee shall be chaired by the Treasurer. The Treasurer-Elect shall serve as a member of the Finance Committee. The remaining members of the Committee shall be appointed by the Board and shall include non-Board members representing the diversity of the Association's geographic regions. The Finance Committee shall be responsible for hiring an independent public accounting firm to perform an annual financial audit, financial review, Agreed Upon Procedure (AUP) engagement, or other financial review process of the Association. A full audit must be conducted at least once every four (4) years.

**Section 5. Regional Chairs** The Regional Chairs shall represent and promote the interests of the Association to its members in a specific geographic region. Each Regional Chair is appointed by the Executive Committee and approved by the Board of Directors. The Regional Chair, in accordance with policies and procedures adopted by the Board, shall serve a two (2) year term and may serve a second consecutive term. The Regional Chair coordinates program support, membership recruitment and retention support, and communications in its geographic area through the use of ad hoc committees. The Regional Chair may have such other responsibilities as determined by the Board.

**Section 6. Other Committees** The Board may establish other committees as it deems appropriate which shall have such powers and duties as prescribed by the Board of Directors.

## Article VI: Meetings

**Section 1. Annual Member Meeting** The Annual Meeting of the members of the Association shall be held at a time and place determined by the Board of Directors at their previous annual meeting. Ten percent (10%)

of the membership shall be in attendance, either in person or by proxy, to constitute a quorum for the transaction of Association business. Notice of the Annual Member Meeting including the time, date, and place of the Annual Meeting shall be provided to each member not less than thirty (30) days prior to the meeting date in accordance with applicable law. Special meetings of the members may also be held in accordance with requirements of the annual meeting.

**Section 2. Voting** A majority of voting members at a meeting at which a quorum is present is necessary to take formal action except as otherwise provided by law or these By-laws. Members may vote by proxy.

## **Article VII: Miscellaneous**

**Section 1. Annual Budget** The annual budget of the Association shall be developed by the Finance Committee and approved by the Board of Directors.

**Section 2. Fiscal Year** The fiscal year of the Association shall be January 1 to December 31. Following the close of the Association's fiscal year, the President or Treasurer shall present a complete financial report of the Association for that fiscal year to the Board and Association members.

**Section 3. By-laws Amendments** These By-laws may be amended by a two-thirds majority of all of the voting members of the Board of Directors at any regular or special meeting, provided that notice of the proposed amendment(s) is provided to the Directors at least thirty (30) days in advance of the meeting.

**Section 4. Indemnification** The Officers, Directors and other authorized employees or agents of the Association, as determined by the Board, shall be indemnified by the Association against claims for liability arising in connection with their position or activities on behalf of the Association to the full extent permitted by law.

**Section 5. Policies and Procedures** The Board of Directors may establish policies and procedures that are consistent with these By-laws. Except as otherwise provided in these By-laws, the most recent edition of Robert's Rules of Order shall be the parliamentary authority of the Association.