

**BY-LAWS OF**  
**GLOBAL SUSTAINABLE TOURISM COUNCIL**  
**Adopted by the Board on 24 September 2010**  
**Amended by the Board 3 November 2011**  
**Second Amendment by the Board 18 December 2014**  
**Third Amendment by the Board 25 June 2019**  
**Fourth Amendment by the Board 17 March 2020**  
**Fifth Amendment 28 May 2020**  
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**ARTICLE I. NAME**

**Section 1. Name.**

The name of the corporation is Global Sustainable Tourism Council (“GSTC” or the “Corporation”).

**Section 2. Nonprofit Corporation.**

GSTC is a nonprofit corporation organized and operated under the laws of the District of Columbia, USA.

**Section 3. Office.**

The Corporation may establish offices as the Board of Directors may designate.

**ARTICLE II. PURPOSE**

**Section 1. Purpose**

GSTC is organized, and shall be operated, exclusively for educational, scientific and charitable purposes as may qualify it for tax exempt status under section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Service Law). More specifically, the mission of GSTC is to promote sustainability in tourism by (i) fostering the increased knowledge and understanding of sustainable tourism practices, (ii) promoting the adoption of universal sustainable tourism principles and (iii) building demand for sustainable travel.

**Section 2. Corporate Activities**

GSTC Shall meet the Corporation’s objectives to include but not limited to:

- 2.1 Harnessing the potential of tourism as a driver of conservation, preservation of destinations and socio-economic benefits for all stakeholders;
- 2.2 Recognizing and promoting the growing importance of protecting Earth’s resources, particularly with regard to the tourism industry;
- 2.3 Fostering public and private tourism sector awareness about the importance of sustainable tourism;

2.4 Developing knowledge-sharing, communications and educational programs and tools and disseminating existing tools that can help the tourism industry work towards improved sustainability performance;

2.5 Helping businesses identify self-assessment, verification and certification services that can assist in the initiation and advancement of sustainability efforts;

2.6 Developing standards for relevant sectors of the tourism industry, including leading public consultation on those criteria and indicators, in accordance with internationally accepted best practices and guidelines, including in particular the codes of good practice of the ISEAL Alliance;

2.7 Managing, updating and promoting the GSTC Criteria;

2.8 Developing the procedural criteria that certification programs must meet in order to be accredited or to participate in other formal GSTC assurance schemes, including initial assessment and continuous auditing to ensure compliance, transparency, dispute settlement procedures and other characteristics;

2.9 Providing Assurance services to certification or other sustainability verification programs that meet or exceed both the criteria and required procedures;

2.10 Fostering business-to-business solutions that will facilitate wider market access for sustainable tourism products, with a focus on those that have been certified under a GSTC-accredited program;

2.11 Communicating and promoting to the industry and consumers sustainable businesses, with a focus on those that have been accredited under a GSTC-accredited program; and

2.12 Conducting any and all lawful activities, which may be useful in accomplishing the foregoing purposes.

## **ARTICLE III. MEMBERSHIP**

### **Section 1. Definition of Members**

Members of the Corporation shall be stakeholders in tourism, including (but not limited to): public authorities and intergovernmental organizations; the private sector, including tourism-related businesses; service providers and associations; certification schemes; non-governmental organizations (“NGOs”); media and communications groups; and consumer associations.

### **Section 2. Member Categories**

Members shall be categorized in the following groups:

2.1 Travel & Tourism Industry – Businesses with travel and tourism related operations, including tour operators, accommodation providers, restaurants, tourism attractions, travel agencies, travel guides, transport companies. This category also includes supporting businesses; those businesses that relate to, promote, supply or provide services to the travel and tourism industry; these include, but are not exclusive to, consulting firms, media, communication companies, building and construction businesses, insurance companies, and others.

2.2 Travel and Trade Associations – Membership organizations dedicated to promoting tourism, including associations for travel professionals and entrepreneurs involved in the travel and tourism industry.

2.3 Destinations – Governmental organizations such as National Tourism Ministries / Administrations, Provincial and Municipal Destination Administrations, as well as Destination Management Organizations (DMO). This refers to the scope of the organization rather than if it is fully governmental, semi-governmental, or non-governmental organizations. These public or public-private entities are responsible for management, planning, development, and promotion of tourist destinations.

2.4 Non-governmental Organizations (NGOs) and Non-profit Organizations (NPOs) - Civil Society organizations that operate without government control and that are not for profit. This includes, but not limited to, charities, conservation groups, foundations, not-for-profit arms of businesses, collaborative initiative, and so forth.

2.5 Academia and Educational Institutes - Academic institutions that are dedicated to education and research and grant academic degrees. This category also includes other types of educational institutes that are not necessarily universities, colleges, and academies, but engage in research and education activities.

2.6 Individuals – Experts with an interest in a sustainable tourism industry and knowledge of the tourism sector. Individual membership cannot substitute for an organizational membership.

### **Section 3. Special categories relating to Certification and Accreditation**

Organizations that conduct certifications and those that develop sustainable tourism standards or other forms of assurance, such as awards, scoring indexes, etc. have a relationship with GSTC distinct from other categories of members. The distinction derives from the inherent conflict of interests arising from GSTC's leadership role in setting guidelines for assurance (including accreditation and the Recognition of standards), certification and standards setting. The Board shall issue guidelines to the Secretariat for defining such categories of organizations and managing the evolution of GSTC's relationship with them.

### **Section 4. Membership Requirements**

All members must:

- 4.1 Commit publicly to the mission and objectives of GSTC;
- 4.2 Execute activities in such a way that do not compromise the reputation of the GSTC or has a negative impact on GSTC;
- 4.3 Aim to use GSTC in procurement and supply chain practices;
- 4.4 Not have any conflict with GSTC;
- 4.5 Pay their dues on a timely basis;
- 4.6 State their intention to withdraw membership in written form three months prior to the renewal date. Resignation does not relieve a member from liability for dues accrued and unpaid as of the date of the resignation.
- 4.7 Follow the guidelines for display and use of the membership logo of GSTC;

### **Section 5. Members Rights, Benefits, and Engagement**

**5.1 Rights of Members.** Members of the Corporation shall have the following rights based on membership in good standing and current on payment of annual dues:

5.1.1 The right to have access to Board and senior officials of GSTC;

5.1.2 The right to nominate or second a person for election to the Board of Directors of GSTC;

5.1.3 The right to vote for the Board of Directors.

5.1.4 Access to the member only section of the website; and

5.1.5 Access to education and training tools at reduced cost.

**5.2 Engagement.** In addition to the Rights of Members as indicated herein, the Secretariat and Board shall endeavor to engage the membership as much as possible in the programs and activities of the organization. This may include but is not limited to the following: Members-only newsletters; members-only webinars and other online forums; program discounts when feasible; opportunities for expert members to participate in and in some cases be compensated for various projects and advisory services offered by GSTC.

**5.3 Benefits of Membership.** GSTC aims to provide its members with access to a broad set of services and opportunities that will help strengthen their services and practices towards offering a more sustainable product. Members will be able to contribute towards the creation and review of sustainable tourism standards, benefit from or contribute to market access opportunities made possible by aggregation of membership.

## **Section 6. Membership Applications**

Applications for membership shall be submitted to the Secretariat. Applications shall require agreement to a commitment to strive to adhere to the GSTC Criteria in the organization's activities and to promote the dissemination and use of the Criteria. In the case of any doubt by the Secretariat regarding the validity of the organization as members, the Secretariat shall bring the matter to the Executive Committee of the Board for review. Grounds for concern may include but are not limited to questions of the legal registration of the applicant, or sincerity of the organization's commitment to sustainability and to GSTC's mission.

## **ARTICLE IV. BOARD OF DIRECTORS**

### **Section 1. Powers**

The business and affairs of GSTC shall be managed by the Board of Directors (the "Board").

### **Section 2. Composition**

The composition of the Board of Directors shall include:

2.1 Twelve (12) "at large" seats that will be selected through an open nomination and election by Members. Balance will be sought between category, geographical representation and gender.

2.2 Up to six (6) additional seats "appointed" by the Board to outstanding individuals and organizations that will further the mission and vision of GSTC, through their contributions and access to prominent networks or visibility. In assigning these seats, balance will be sought between category, geographical representation and gender.

The number of Directors may be increased or decreased from time to time, by resolution of the Board, but such action by the Board shall require a vote of two-thirds of the entire Board and no decrease shall shorten the term of any incumbent Director nor shall any decrease reduce the number of directors to less than three.

### **Section 3. Functions**

The Board is responsible for governance oversight of the Corporation's mandate, program of work, and operations (including staffing, budget and administrative affairs). Responsibilities of the Board include, but are not limited to:

- 3.1 Approving and revising the mandate of GSTC;
- 3.2 Approving and revising the branding of GSTC;
- 3.3 Creating and approving changes to the strategic plans and yearly action plans;
- 3.4 Approving the annual budget and establishing operational policies and procedures to ensure that the adopted budget is followed;
- 3.5 Overseeing, advising and approving changes to the membership structure, committees, and working groups;
- 3.6 Setting the annual membership dues of the Corporation;
- 3.7 Revising the By-Laws, in compliance with Article XIX of these By-Laws.
- 3.8 Maintaining good corporate governance, including a continuing review of the financial and legal affairs, internal controls and audit affairs of GSTC;
- 3.9 Oversight of the GSTC Chief Executive Officer including the authority to hire and to remove;
- 3.10 Receiving and reviewing reports from the working group Chairpersons;
- 3.11 Deciding on issues and approving policies that would change or affect the mandate of the GSTC;
- 3.12 Serving as spokespersons for GSTC at events and to the media;
- 3.13 Receiving and addressing appeals for the GSTC Accreditation Program and Recognition of Standards;
- 3.14 Acting as a filter and consensus-builder to the larger sustainable tourism community;
- 3.15 Demonstrating public support for GSTC as a tool to mainstream sustainability practices in the tourism sector;
- 3.16 Disseminating the GSTC and tools developed for relevant networks and stakeholders to encourage wider participation and adoption;
- 3.17 Maintaining the credibility of the Board of Directors;
- 3.18 Give final approval to new and revised standards and criteria, as proposed by the International Standards Committee.

### **Section 4. Eligibility and Conditions**

All members of GSTC in good standing and compliant with the requirements for membership may be elected to the Board. Board members will serve as individuals, endorsed by their organizations, but not as their representatives. Board members who are duly designated representatives of member organizations, and depart that organization, may be replaced by  
LEGAL\_US\_E # 89138910.9 another person of the same organization. If a Director leaves a GSTC

member organization during the course of their elected or appointed term, the Executive Committee shall determine at its discretion whether or not the Director shall complete the current term.

### **Section 5. Election and Term of Office**

**5.1 Nomination of Candidates.** All Directors shall be over eighteen years of age, nominated and seconded by individuals or by persons who represent organizations that are members of the Corporation. All such nominated persons shall stand for election to the Board.

**5.2 Elections.** The Election process shall be managed by the Secretariat with oversight from the Election Committee. The elections shall determine winners among valid candidates that receive the highest number of votes according to one vote per organizational member. The votes cast by organizational members shall count as double of votes cast by individual members.

**5.3 Term.** The Directors will serve on the Board for three years on a staggered basis, with four of the twelve seats open for election each year. Directors may be re-elected to multiple terms without term limits.

**5.4 Vacancies.** In order to maintain the staggering of the 12 elected seats into equal 4-person elections per year, when vacancies of elected seats occur through resignation or removal, the Board may appoint a temporary replacement for that seat until the end of the term of the person being replaced.

### **Section 6. Appointed Board Members**

**6.1 Appointments.** All Directors shall be over eighteen years of age, nominated and seconded by any elected Director. The Director shall be nominated by one or more Board Members and approved by a simple majority vote of the Board.

**6.2 Terms** of the appointed Directors shall be for one, two, or three years, at the discretion of the Board. Directors may be re-appointed indefinitely, without term limits. This selection will not preclude appointed Directors to run in the election process for future terms.

### **Section 7. Leave of Absence**

A Director may, at the direction of the Board of Directors, take a leave of absence of up to one year, said leave not to be charged against the member's term of office.

### **Section 8. Resignation**

Any Director may resign from office at any time by delivering a resignation in writing to the Chairperson. A resignation takes effect when received or at a specified date.

### **Section 9. Removal**

The Board, by vote of a simple majority of the entire Board, may remove any Director with cause at any regular meeting or special meeting of the Board called for that purpose; provided that at least one week's notice of the proposed action shall have been given to the entire Board of Directors then in office. A Director shall cease to hold office and be removed in the event that said Director fails to attend in person or by other communication three meetings of the Board in one year, such cessation to occur at the conclusion of the third meeting missed. If a Board member acts against the interest of GSTC, he or she may be removed, if no improvements are

noted after receiving a written warning from the Chairperson of the Board. Destitution requires a majority vote by the Board.

**Section 10. Newly Created Directorships and Vacancies**

Newly created Directorships and vacancies among the Directors for any reason may be filled by a simple majority vote of the Directors then in office,

**Section 11. Regular Meetings**

Regular meetings of the Board will be held quarterly. If quorum (pursuant to Section 14 of this Article and the other terms of these By-Laws) is not present at such time, the meeting shall proceed, but policy decisions must be ratified in the days following the meeting in order to reach simple-majority or two-thirds majority per the terms of types of decisions as directed herein.

**Section 12. Annual Meetings**

The Board shall meet in person at least once a year at such times and at such places as the Board of Directors shall designate in the notice of the meeting. In person participation is required.

**Section 13. Special Meetings**

Special meetings of the Board may be called by the Chairperson or any two Directors.

**Section 14. Quorum and Action**

Unless otherwise required by law, one-third of the Board's total membership shall constitute a quorum for the transaction of the business at any meeting of the Board. When a quorum is present at a meeting, all actions shall be approved by consensus of those present in person or communicated by other means, unless otherwise required by these By-Laws or by law. Any action that may be taken at a meeting of the Board may be taken without holding a meeting if a consent, in writing, setting forth the action taken, is signed by all of the Directors.

Consensus is defined in accordance with ISEAL Code of Good Practice for Setting Social and Environmental Standards & ISO/IEC Guide 2.1996 which states: "Consensus constitutes general agreement, characterized by the absence of sustained opposition to substantial issues by and an important part of the concerned interests and by a process seeking to take into account the views of interested parties, particularly those directly affected, and to reconcile any conflicting arguments." Consensus need not imply unanimity. In case a vote is required, it should be by simple majority (50% +1) of Directors present unless otherwise specified in other articles or sections of these By-Laws.

**Section 16. Action by Written Consent**

Should action be required between Board meetings, or to follow up Board decisions, they may be taken by the Board without a meeting by written consent. Action by written consent requires a 7 working day period of notice and will require response by 2/3's of the Directors. Action by written consent shall be resolved by simple majority unless otherwise stated by the By-laws. Such written consent shall be filled with the minutes of the proceedings of the Board.

**Section 17. Record Keeping**

The Corporation shall keep an original or duplicate records of the proceedings of the Directors, the original copy of its By-Laws, including all amendments thereto to date, certified by the Secretary of the Corporation, and an original or duplicate Board register, giving the names of the Board of Directors, and showing their respective addresses. The Corporation shall also keep appropriate, complete and accurate books or records of account that shall be reviewed on an annual basis.

**Section 18. Compensation.**

The Directors shall perform their duties on the Board without compensation. Directors may perform duties for GSTC for compensation from GSTC that are not related to their board duties, whether on a project basis or on an ongoing basis based on the following criteria: Directors do not receive preferential treatment; qualification requirements must be in written and must be adhered to, a former selection process must be in place in writing and adhered to, and the positions must be listed on the Director's current Conflict of Interest statement.

**ARTICLE V. OFFICERS, EMPLOYEES, AGENTS**

**Section 1. Officers**

Officers of the Corporation shall be the Chairperson, Vice-Chairpersons, Secretary, Treasurer, the Chief Executive Officer, and such other officers with such titles as the Board may authorize or appoint. The Board shall elect all Officers of the Corporation from amongst the Directors, with the exception of the Chief Executive Officer. The same person may not serve as the Corporation's Chief Executive Officer and Secretary.

**Section 2. Authorities and Duties**

Officers shall have such duties and powers as normally are associated with their titles, except as the Board may otherwise specify, and meet the requirements established under Article IV.

The officers of the Corporation who occupy staff positions shall have the authority and shall exercise the powers and perform the duties specified by the Chief Executive Officer, the Board of Directors or these By-Laws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law.

**Section 3. Election and Term of Office**

Except as provided for the Chairperson, the officers of the Corporation shall be elected, for a term commencing on election, by the Corporation's Directors at the annual meeting of the Board of Directors. Officers shall be selected from the slate of officer nominees presented to the Board. Each officer shall hold office for a term of two (2) years or until his or her successor shall have been duly elected and shall have qualified, or until his or her earlier death, resignation or removal.

#### **Section 4. Additional Officers**

The Board may appoint additional officers as it shall deem necessary, who shall hold office for such term and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

#### **Section 5. Vacancies**

A vacancy in any office, however occurring, may be filled for the unexpired portion of the term by action of the board of directors.

#### **Section 6. Resignation and Removal**

Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the Corporation, by giving written notice to the Chairperson, Vice-Chairperson, or the Secretary. An officer's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Except as hereinafter provided for the Chairperson, any officer or agent may be removed, with or without cause, by a majority vote of the directors present and voting at a meeting called for such purpose or at a regular meeting of the board, or by a committee appointed by the board for such purpose whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not in itself create contract rights. The Chairperson may be removed for cause by a two-thirds vote of the entire board of directors at a meeting called for such purpose or at a regular meeting of the board. Any notice of a meeting at which action is to be taken to remove an officer shall include notice of such action.

#### **Section 7. Employees, Consultants, and Other Agents**

The board of directors may appoint agents, consultants, accountants and attorneys who shall have such authority and perform such duties as may be prescribed by the board. The board may remove or terminate any agent, consultant, accountant, or attorney at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

#### **Section 8. Chairperson.**

At its organizational meeting and thereafter at each third annual meeting of the Board, the Board of Directors shall elect, from among those who are, or are to be, Directors of the Corporation, a Chairperson of the corporation. The term of office is 3 years. When present, the Chairperson shall preside over all regular and special meetings of the Board of Directors of the Corporation, and shall perform all other duties incident to the office required by the By-Laws or from time to time assigned to him or her by the Board of Directors. Subject to the supervision and control of the Board of Directors, the powers and duties of the Chairperson shall be those usually appertaining to the office of Chairperson and whatever other powers or duties as are prescribed by these By-Laws or by the board of directors. The Chairperson shall publicly represent the Corporation.

**Section 9. Vice-Chairperson(s).**

Elected by the board of directors from among those who are, or are to be, Directors of the Corporation, the Vice-Chairperson of the Board shall assist the Chairperson, as requested, in the performance of his or her duties and shall have such other functions as these By-Laws may provide or as the Board of Directors or Chairperson may assign from time to time. In addition to the foregoing, the Vice-Chairperson shall possess the powers and perform the duties incumbent upon the Chairperson during his or her absence or disability. The Board may at its discretion elect more than one Vice-Chairperson.

**Section 10. Secretary.**

The Board of Directors shall elect a Secretary who shall attend the meetings of the directors and shall record the proceedings of the Corporation and of the board of directors. He or she shall provide for notification of the Directors of the Corporation of their respective meetings in accordance with these By-Laws of the Corporation, shall record the minutes of such activities, shall be the custodian of the corporate records and seal, and shall perform such other duties as may be required by these By-Laws or as may be assigned by the Board of Directors or the Chief Executive Officer with the concurrence of the Board.

**Section 11. Vice-Secretary.**

If one or more shall be elected, the Vice Secretary, in the absence of the Secretary, shall have the authority and duties vested in the Secretary. He or she shall perform such duties as may be assigned to him or her by the Secretary, the Board of Directors or the Chairperson. The Vice Secretary position shall be optional and elected at the Board's discretion.

**Section 12. Treasurer.**

The Board of Directors shall elect a Treasurer who shall be the Financial Director of the Corporation in order to represent the Board's interest as fiduciary agents by overseeing the activities of the Secretariat and reporting to the Board. The Treasurer shall make reports of the finances of the Corporation annually and whenever requested by the Board of Directors, Chairperson or Chief Executive Officer.

**Section 13. Vice-Treasurer.**

The Board shall have the discretion to elect a Vice Treasurer. He or she shall perform such duties as may be assigned to him or her by the Treasurer, the Board of Directors or the Chairperson. The Vice Treasurer position shall be optional and elected at the Board's discretion.

**Section 14. Chief Executive Officer (CEO).**

The Chief Executive Officer shall be appointed by the Board and will serve under a contract. The Chief Executive Officer shall be an ex-officio member of the Board but without voting privileges. The duties and responsibilities of the CEO are stipulated in Article VII.

## **ARTICLE VI. COMMITTEES**

### **Section 1. Committees of the Board.**

The Board of Directors may designate one or more standing or special committees to direct the business of the Corporation. The Board of Directors may also designate one or more committees of the Corporation. Each such committee may exercise the authority granted to it by the board's enabling resolution. The Committees serve the Board which may overrule decisions made by the Committees.

### **Section 2. Executive Committee.**

The Board will elect an Executive Committee to exercise some or all of the Board's powers between Board meetings (except powers specifically reserved to the Board by law or by these By-Laws). The Executive Committee will be composed of the Officers of the Corporation and regulated by Article 5 of these By-Laws. In the absence of a limiting Board resolution, between Board meetings the Executive Committee shall exercise all of the Board's authority permitted by law, except that the Executive Committee shall not have the authority to:

1. Adopt, amend or repeal the By-Laws or Articles of Incorporation of the Corporation;
2. Purchase, lease or sell real estate or borrow money on behalf of the Corporation;
3. Remove an Officer or Director;
4. Fill a vacancy on the Board;
5. Appoint or remove the Chief Executive Officer;
6. Approve the annual budget of the Corporation;
7. Make amendments to the annual budget exceeding \$100,000. If amendments are made they need to be communicated to the board immediately. In such cases where a decision is required that will affect the income of the Corporation the Executive Committee may be authorized to proceed but will need to communicate to the Board within five days of the change; or
8. Enter into a partnership agreement or other joint venture with another organization on behalf of the Corporation.

A quorum for the purpose of holding and acting at any meeting of the Executive Committee shall be a simple majority of the members thereof. Decisions of the Executive Committee shall be promptly reported to the Board, and the Board retains the right to nullify any decision of the Executive Committee.

### **Section 3. ISEAL Codes Compliance Committee**

Shall strive to ensure that the Secretariat and Assurance Panel comply with the ISEAL Alliance Codes. Included in these responsibilities are oversight of the Secretariat and an advisory role to the Board on assurance activities and the relationship of GSTC with the certification community and owners of sustainability verification schemes. The Chief Executive Officer may nominate and the Board shall appoint members of the Committee.

**Section 4. International Standards Committee.**

Management of the GSTC Criteria is a core function of the organization. The International Standards Committee shall oversee the development and amendment processes of the GSTC Criteria in all its forms in accordance with the ISEAL Alliance Standards Setting Code. Any disputes on management approach between the Committee and the Secretariat shall be resolved by the Board.

**Section 5. Election Committee.**

Shall be appointed by the Chief Executive Officer or the Officers of the Board. The Election Committee will be composed of five members. Four of the members shall be from the Membership constituency and the fifth member will be GSTC's Chief Executive Officer, who will support the activities of the Election Committee.

The Election Committee shall have the authority to:

1. Oversee the nomination process;
2. Oversee the voting process by the Members for the selection of the Board of Directors; and
3. Announce the new Board Members to the Board.

**Section 6. Other Committees of GSTC.**

The Board may create committees and working groups in addition to standing committees to be committees of GSTC. These committees shall have only the powers specifically delegated to them by the Board.

**ARTICLE VII. CHIEF EXECUTIVE OFFICER AND SECRETARIAT**

**Section 1. Chief Executive Officer Responsibilities.**

The Secretariat is headed by the Board-appointed Chief Executive Officer (CEO). The CEO, under direct supervision of the Board of Directors, will be responsible for performing the day-to-day work of GSTC. Reporting to the Board of Directors, this position will lead the strategic planning, communications, management of staff, and the operations and administrative affairs of GSTC. The CEO is granted broad powers but can be directed by the Board at all times and in all decisions, strategies, and operations. In particular the Chief Executive Officer will be responsible for:

1. The finances, accounting and administration of GSTC. The CEO will submit each year to the Board for approval of the audited accounts together with a report on the activities of the organization over the previous year.
2. Ensuring that the legal requirements for GSTC business operation are met in all countries where the GSTC is operating; and
3. Submitting each year to the Board for approval an annual budget and workplan based on estimates of income and expenditure and, keeping the Board informed of unforeseen expenses and significant variations from projected income.

**Section 2. Staff.**

The CEO shall appoint the staff of the Secretariat in accordance with the changing needs of the organization. The staff shall be selected on as wide a geographical basis as possible and there shall be no discrimination on gender, ethnic or religious grounds.

**Section 3. Performance.**

In the performance of their duties the CEO and the staff shall not receive instructions from any authority external to GSTC. They shall refrain from any activities incompatible with their position as staff members.

**ARTICLE VIII. WORKING GROUPS**

**Section 1. Working Groups.**

The overall shape and direction of the activities of the Corporation will be organized around working groups empowered to develop programs of work to meet the organization's overall objectives. The goals and activities of each working group shall be determined annually based on the overall organization's Strategic Plan and in consultation between each group's Chair and the CEO.

**Section 2. Composition and Terms.**

The working groups will be opened to and composed of members and are designed to provide members an opportunity to be involved in areas of their special interest. A balance should exist to represent all member categories as defined by the membership section. Category, geographical and gender balance will be sought in selecting the members. There are no defined terms; members may remain in place at the discretion of each working group Chair and the CEO.

**Section 3. Members.**

Working group members shall be active members of the GSTC. All members must sign and return a confidentiality agreement to the GSTC Secretariat.

**Section 4. Leadership.**

The Chair of the working group shall be elected by its peers to serve as Chair. If the working group is unable to nominate and/or select a Chair, the CEO may recruit and assign the Chair. The Chair is responsible for setting agendas, calling meetings, chairing meetings, and coordinating activities with the Secretariat and other working groups as needed. A Vice-Chairperson, elected by the working group, will serve in the absence of the Chair and ensure continuity to work programs of each of the groups. The Chair and Vice-Chair are not empowered to represent the Corporation to the media, unless cleared by the CEO or Board.

**Section 5. Responsibilities.**

The working groups are advisory in nature and will lend expertise and support to the Corporation, its Board and Secretariat, to achieve the Corporation's purpose. The working groups will focus on projects or issues that apply to members and augment GSTC's operations and annual Strategic Plan. The working group members are required to avoid all conflicts of interest and anti-competitive behavior, and must avoid solicitations for sponsorships. The work

and products created by the working groups are appropriately labeled as GSTC, and are not co-branded unless approved by the Board. All White Papers and statements of policy must be approved by the Board prior to being released.

**Section 7. Meetings.**

Working groups will convene virtually, striving for meeting at least quarterly.

**ARTICLE IX. ASSURANCE PROGRAM**

**Section 1. Purpose.**

The GSTC shall provide assurance services for standards owners and the certification community. GSTC will (1) **Recognize** sustainable tourism standards and systems as equivalent to the GSTC Criteria; (2) Offer accreditation or similar forms of assurance of certification bodies (CBs) either;

- A. **Recognition of Standards and Systems:** GSTC shall determine whether a standard is equivalent to the GSTC Criteria and the associated GSTC benchmarking criteria; upon which it will be declared a “**GSTC-Recognized Standard**”;
- B. **Accreditation of Certification Bodies:** GSTC will endorse, train, and establish agreements with competent international and national accreditation bodies, and may function as an accreditation body for certain subsectors of tourism. An endorsed accreditation body will determine the competence of a CB to certify that tourism businesses or activities comply with the GSTC Criteria or a GSTC-Recognized standard.

**Section 2. The Assurance Panel**

2.1 The GSTC Assurance Panel (“the Panel”) shall execute GSTC Assurance Programs as determined by the Board.

2.2 These duties may include but are not limited to:

2.2.1 Declare standards to be “GSTC-Recognized” according to the terms of the GSTC Recognition of Standards Manual as approved by the CEO and the Board.

2.2.2 Validate and provide surveillance of GSTC’s contracted partner Accreditation Body (or Bodies) declarations of “GSTC-Accredited certification bodies”.

2.2.3 Function as the accreditation body for specified subsectors.

2.3 Policies and procedures for the GSTC Assurance Program shall be developed in collaboration between the Assurance Panel and the Secretariat. In the event that the Panel and the Secretariat cannot agree on policy issues, the Board shall determine the policy.

2.4 The Panel shall operate independently of the GSTC Board and executive staff regarding specific applications.

2.5 The Panel shall have no involvement with the day-to-day administrative operations of GSTC and none of the responsibilities, legal obligations or liabilities associated with being a Director. GSTC shall indemnify all Panel members against any claims made against them.

**Section 3. Composition.**

The Panel shall have no less than five (5) members. The members should represent a balance of interests with no single interest predominating. Members will be invited by the Panel Chair with consultation of the Secretariat. Members should demonstrate an understanding of and experience with the principles of sustainable tourism and conformity assessment in accordance with GSTC selection criteria for Assurance Panel membership. The Panel Chair will be appointed by the GSTC Board.

**Section 4. Conflict of Interest.**

4.1 Panel members may not serve as GSTC Board members; however the Chair of the Panel may serve as a non-voting member of the GSTC Board. Panel members may not be direct employees of an accreditation body, certification program, or conformity assessment body that seeks Recognition o, or Accreditation from the GSTC, however members may offer advice or consultancy to such entities, provided that they recuse themselves from any decisions related to that entity for at least 24 months since their last activity. In the event of a real or perceived conflict of interest, a member of the Panel shall recuse him or herself from decisions related to the potential conflict of interest. The Chair has the right and obligation to recuse Panel members from joining subgroups created to review and decide upon specific applications if he/she determines that real or perceived Conflict of Interest may impede the credibility of the Panel's decision. Under this Section, a conflict of interest is defined as voicing an opinion, voting or making a decision affecting organizations or activities in which a panel member has a continuing, recent past or forthcoming interest.

4.2 Panel members shall be required to submit a declaration of Conflicts of Interest to the Chair, and shall notify the Chair of any future amendments to the original declaration.

**Section 5. Conditions.**

Meetings will be convened by the chair, by email, with at least two weeks of anticipation. Written minutes of each meeting shall be taken and approved by the Panel members at the following meeting. All non-confidential information shall be made available to GSTC members. Honoraria, to be determined by the GSTC Board, may be paid to Panel members per decision or per meeting or both.

**Section 6. Appeal of Assurance Panel Decisions.**

The Panel decisions may be appealed to an Appeals Panel appointed by the GSTC Board.

**ARTICLE X. FINANCE AND AUDITING**

**Section 1. Contracts, Financial Transactions, and Documents.**

The Board of Directors is authorized to select the banks or depositories it deems proper for the funds of GSTC and shall determine who shall be authorized on GSTC's behalf to conduct financial transactions on behalf of the organization.

**Section 2. Investments.**

The funds of GSTC may be retained in whole or in part in cash or may be invested and reinvested from time to time in such property, real, personal or otherwise, including stocks, bonds or other securities, as the Board may deem desirable.

**Section 3. Fiscal Year.**

The fiscal year for all business transactions of GSTC shall be January 1 through December 31.

**Section 4. Audits.**

There shall be a relevant form of annual financial review or audit of GSTC by an independent certified public accountant.

**Section 5. Annual Report.**

The Board shall require a report of the activities of the Corporation to be prepared annually and sent to such persons as the Board shall determine.

**ARTICLE XI. LIABILITY AND INDEMNIFICATION**

**Section 1. Liability.**

To the fullest extent permitted by law, no Officer or Director shall be personally liable to the Corporation or any third party for monetary damages for breach of fiduciary duty. Nothing herein, however, shall limit the liability of any Officer or Director to the Corporation for gross negligence or misconduct, which shall be defined as any (a) act or omission in bad faith, or which constitutes a knowing violation of law, or (b) any transaction from which the Officer or Director derived a fraudulent or otherwise improper personal or business benefit.

**Section 2. Indemnification.**

The Corporation shall indemnify and/or insure, to the maximum extent allowed by law, each former and current Officer and Director for expenses and costs (including reasonable attorney's fees) actually and necessarily incurred in connection with any claim asserted by reason of said person or said persons being or having been an Officer, Director, or corporate employee, except in relation to matters involving such person's actual gross negligence or misconduct as defined in the section on liability.

**Section 3. Insurance.**

GSTC shall maintain insurance to indemnify GSTC for any obligation that it incurs as a result of its indemnification of Directors, officers and employees pursuant to Section 1 above, or to indemnify such persons in instances in which they may be indemnified pursuant to Section 1 above.

**ARTICLE XII. DISSOLUTION**

The dissolution of GSTC may only be resolved on the basis of a recommendation of the Board approved by a two-thirds ( $\frac{2}{3}$ ) majority of organizational members.

In the event of dissolution, all of the remaining assets and property of the Corporation shall, after payments of necessary expenses and satisfaction of all liabilities thereof, be distributed to another organization(s) as determined by a majority vote of the Board that is exempt under Section 501(c)(3) of the Internal Revenue Code or to the Federal government, or state or local government for a public purpose, or to a similarly organized non-profit organization outside the United States.

#### **ARTICLE XIII. CONFLICT OF INTEREST**

A Conflict of Interest policy has been developed, approved by the Board on the basis of two-thirds majority vote, and published in the “Conflict of Interest Procedural Manual”. The policy shall be enforced by the Board, Secretariat, and Assurance Panel, the purpose of which is to protect GSTC’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of GSTC, or might result in a possible excess benefit transaction.

#### **ARTICLE XIV. NON-DISCRIMINATION**

In all of its dealings, neither GSTC nor its duly authorized agents shall discriminate against any individual or group for reasons of race, color, creed, sex, age, culture, national origin, marital status, sexual orientation, or mental or physical handicap.

#### **ARTICLE XV. AMENDMENTS**

The Board may amend or repeal these By-Laws in whole or in part by effecting a two-thirds majority vote of the Board.

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