



**ASSOCIATION OF SOUTH AFRICAN TRAVEL AGENTS**

**MEMBERS SECTION TERMS OF REFERENCE**

## 1. PREAMBLE

All definitions and terms described in this document are as per the ASATA Constitution. In the case of any conflict in the interpretation of this document, the ASATA Constitution will prevail.

## 2. DEFINITIONS & INTERPRETATION

The Laws of the Republic of South Africa and the jurisdiction of the South African courts shall govern this Terms of Reference and the rights and obligations of Members of ASATA.

All and any questions of interpretation of this Terms of Reference and any other addenda, regulation or schedules which form part of this Terms of Reference shall be settled and decided by the Board whose decision shall be final and binding on all Members. The Board, if deemed necessary (at their prerogative), may take legal advice before giving its interpretation.

"ASATA"	means the Association of South African Travel Agents.
"BOARD"	means those persons elected from time to time holding office as Members in terms of clause 5 of the ASATA Constitution.
"BRANCH"	means a branch office owned by and operating under the same ownership as its head office.
"CHIEF EXECUTIVE OFFICER"	means the person appointed as such by the Board and holding the office of a senior full time salaried officer of ASATA.
"CHANGE OF OWNERSHIP"	means any change of shareholding or of membership, in the case of a Closed Corporation / Sole Proprietor or of legal status.
"CODE OF CONDUCT"	means the attached document so named, as referred to in clause 12.1 of the ASATA Constitution.
"CONSULTANT"	means a person employed by a Member in Retail Travel Agency or Wholesaler or contracted to a Retail Travel Agency or Wholesaler, who provides travel related advice and services for a fee.
"CONSTITUTION"	means this document, Annexures hereto and any other agreements and/or conventions entered into by ASATA on behalf of its Members/Partners.
"DISCIPLINARY COMMITTEE"	means the committee as described in clause 8.4.1 of the ASATA Constitution, the composition of which may alter from time to time.

"INCLUSIVE TOUR / "PACKAGE HOLIDAY"	means a pre-arranged combination <i>of not less than two of the following</i> when sold or offered for sale at an inclusive price under a pre-determined and published name: <ul style="list-style-type: none"> <li>- transportation to and from the point of destination</li> <li>- accommodation</li> <li>- sightseeing</li> <li>- other tourist services accounting for significant part of the package.</li> </ul>
"IN-HOUSE"	means an in-house travel agency within a Corporate Customer acting on behalf of a Travel Agent (Head Office Brand), and under full control of the business, located on the premises of a Corporate Customer and serving that customer and/or its employees, only to the exclusion of any other customer and the general public.
"INDEPENDENT TRAVEL CONSULTANT"	shall be an individual person providing travel services to the Consumer. Such individual can trade as a Sole Proprietor, CC or Company of which the ITC Principal host Company must be a member of ASATA.
"MEMBER"	means any natural person or juristic person which for the purposes of the Terms of Reference includes a partnership, association or other body of person, corporate or incorporate, or a trust, in good standing acting as Retail Travel Agents or a Wholesaler and whose Membership has been recommended by the Members Council and approved by the Board without limitations and whose Membership has not been suspended or terminated.
"MEMBERS SECTION"	shall comprise of the Members as a collective whole.
"MEMBERS COUNCIL"	shall comprise of elected and appointed Members as set out in clause 6.1. of the ASATA Constitution
"PROVISIONAL MEMBER"	means any natural person or juristic person which, for the purposes of the Terms of Reference includes a partnership, association or other body or person, corporate or incorporate, or a trust in good standing acting as a Retail Travel Agents of a Wholesale and whose Provisional membership has been approved by the Board without limitations.
"PROVISIONAL MEMBERSHIP"	means a member who does not as yet qualify in terms of Clause 4 for Full Membership. The criteria and conditions pertaining to such members shall be qualified from time to time by the Board and Members Council (for the time

being) and shall be binding on all applications (at the time being).

“REGION”

means the geographic areas as set out in 7.1 of the ASATA Constitution.

“RETAIL TRAVEL AGENT”

means any agent selling travel products and / or services on behalf of suppliers to the consumer for remuneration by the consumer and / or the supplier. These businesses may also act as wholesaler from time to time.

“SECTION”

means the categories of Members as referred to in 7.1. of the ASATA Constitution

“SUBSCRIPTION”

is determined by the number of Consultants of a Member as on 01 April annually. A Member with one Consultant shall pay 50% of the Subscription, two or three Consultants shall pay 75% of the subscription and four or more Consultants shall pay 100% of the subscriptions as determined annually by the Board.

“TERMS OF REFERENCE”

are the rules and regulations set out and determined by the Board and the Members Council to regulate their specific operation.

“TRAVEL INDUSTRY”

means the industry whose participants are those engaged in serving the consumer by way of selling travel related services and tourism.

“WHOLESALER”

mean those operators who package travel products and / or services for the retail travel trade to sell to the consumer, or for direct sales to the consumer.

The male gender also refers to the feminine and vice versa.

### **3. MEMBERSHIP**

Membership is open to any natural person, Close Corporation or Company who conducts business as a Retail Travel Agent and / or Wholesaler, and which is domiciled in South Africa.

#### **3.1 Application for Membership**

Application for membership must be on the prescribed forms as determined by the ASATA Board from time to time, and must be accompanied by the prescribed Administration fee. This fee is not refundable, whether or not membership is granted, and no application for membership will be considered without payment of this fee.

Members may apply for admission either as a Full Member, an Provisional Member, Wholesale member, In-house Member or ITC Member.

### **3.2 Membership of Branches**

An applicant for Membership who is not already a Member, and who has branches at locations in addition to that for which Membership is being applied, shall also apply for Membership for all other branches. Existing Members who establish branches at additional locations shall apply for Membership for all such branches.

### **3.3 Criteria to be admitted as an ASATA Provisional Member (Retail Travel Agent)**

Provisional Members are members who have been actively trading for one year or less, and who do not yet have audited financial statements. Provisional Members will receive ASATA communications, have access to ASATA resources, and be able to attend ASATA meetings, but will not be able to use the ASATA logo, nor have any voting rights, nor claim ASATA Membership. Provisional Status will be granted

3.3.1 Completed application form

3.3.2 At least one full time staff member who has relevant experience to sell travel as well as an up to date Curriculum Vitae from each member of staff with proof of qualifications.

3.3.3 Undertaking to operate the business in accordance with the ASATA Code of Conduct for Members, the Members Section Terms of Reference as well as the ASATA Constitution.

3.3.4 Signed permission for ASATA to perform credit checks on the Company, Close Corporation, Directors, Members, Chief Executive Officer or Managers applying for Membership (as per Annexure C of the Membership Application)

3.3.5 Undertaking not to use or display the ASATA logo, or represent themselves as an ASATA Member.

3.3.6 The applicants' business must be operated in separate premises to any other business

3.3.7 If trading for shorter than 6 months, a Business Plan and Budget must be submitted. If trading for longer than 6 months interim financial statements / management accounts must be submitted.

3.3.8 Non IATA accredited agents ticketing agent must a Member of ASATA

3.3.9 Letters of reference from current ASATA Members and / or Partners in support of the applicant's submission will be advantageous.

3.3.10 Members who are based outside the borders of South Africa wishing to apply for ASATA Membership must be a Member of their local Travel Association in their own Country, before Membership of ASATA would be considered.

Provisional Members MUST submit a full set of Financials or the Audit Statement as detailed below within 6 months after their financial year end as well as a completed Membership Application form for consideration as a Full ASATA Member.

### **3.4 Criteria to be admitted as a Full ASATA Member (Retail Travel Agent)**

- 3.4.1 Completed application form
- 3.4.2 At least one full time staff member who has relevant experience to sell travel as well as an up to date Curriculum Vitae from each member of staff with proof of qualifications.
- 3.4.3 Undertaking to operate the business in accordance with the ASATA Code of Conduct for Members, the Members Section Terms of Reference as well as the ASATA Constitution
- 3.4.4 Signed permission for ASATA to perform credit checks on the Company, Close Corporation, Directors, Members, Chief Executive Officer or Manager applying for Membership (as per Annexure C of the Membership Application).
- 3.4.5 Non IATA accredited agents ticketing agent must a Member of ASATA.
- 3.4.6 The applicants' business must be operated in separate premises to any other business.
- 3.4.7 Letters of reference from current ASATA Members and / or Partners in support of the applicant's submission will be advantageous.
- 3.4.8 An Audit Report (Annexure B of the Membership Application) must be completed by each applicant. Additional documentation and / or financials as set or requested by the Board from time to time will include, but is not limited to the following:
  - Submission of a full set of financials to the ASATA Chief Executive Officer, no more than 6 months old, audited by an auditor registered in South Africa with IRBA –the Independent Regulatory Board for Auditors (statements must be audited, regardless of the legal status of the entity applying – e.g. CC, sole proprietor, natural person, private or public company, etc.)
  - Submission of an Audit Report, signed by an auditor registered in South Africa with IRBA – the Independent Regulatory Board for Auditors
  - Applicant's financial position must reflect the following:
    - Current assets must exceed current liabilities.
- 3.4.9 Members who are based outside the borders of South Africa wishing to apply for ASATA Membership must be a Member of their local Travel Association in their own Country, before Membership of ASATA would be considered.

Applications for Membership will not be approved where the Directors / owners/ managers include a person who was a Director of a travel company, which became insolvent within the last 5 years, or a director/owner/manager who is an unrehabilitated insolvent.

### **3.5 Criteria to be admitted as a Wholesale member of ASATA**

The form, method and terms of application for membership shall be drafted by the Wholesale Committee except for the following criteria whether contained therein and or not, or is explicitly stated or not, which will be compulsory

- 3.5.1 Any applicant for membership must have traded in a wholesale capacity for a minimum of one full financial year before application can be made.
- 3.5.2 Application for membership shall be made in writing to the Board of ASATA. Such application form must be signed by the applicant whereby such applicant must agree to abide by the Association's Constitution, Code of Conduct and the Terms of Reference, as well as any Conventions entered into.
- 3.5.3 The applicants' business must be operated in separate premises to any other business.
- 3.5.4 Any applicant for membership must have the following minimum staffing:
  - i) The Manager of the Office must have six years recent experience in a wholesale tour operation (dealing with the important aspects of running a tour operation).
  - ii) A staff member with two years recent practical experience working for a WHOLESALE TOUR OPERATOR.
  - iii) The final decision as to whether the applicant has sufficient qualified staff will be at the discretion of the Board of ASATA.
- 3.5.5 The applicant for membership must offer INCLUSIVE TOURS and/or PACKAGE HOLIDAYS with regular departures. The applicant can be called on to identify the suppliers of the components included in their tours.
- 3.5.6 The applicant must produce full colour, bound, and professionally presented brochures. The brochure must clearly state/refer to the Wholesaler's booking conditions.
- 3.5.7 The applicant must make their products available for sale to the general Retail industry. (Refer to ASATA Code of Conduct)
- 3.5.8 An Audit Report (Annexure B of the Membership Application) must be completed by each applicant. Additional documentation and / or financials as set or requested by the Board from time to time will include, but is not limited to the following:
  - Submission of a full set of financials to the ASATA Chief Executive Officer, no more than 6 months old, audited by an auditor registered in South Africa with IRBA –the Independent Regulatory Board for Auditors (statements must be audited, regardless of the legal status of the entity applying – e.g. CC, sole proprietor, natural person, private or public company, etc.)
  - Submission of an Audit Report, signed by an auditor registered in South Africa with IRBA – the Independent Regulatory Board for Auditors

- Applicants' financial position must reflect the following:-
  - The paid up share capital must be a minimum of R100,000 (one hundred thousand Rand).
  - Total assets must exceed total liabilities by at least R100,000 (one hundred thousand Rand).
  - Current assets must exceed current liabilities.

3.5.9 The BOARD may reject an application where they have information that leads them to believe that such a membership approval will be to the detriment of the objectives of Wholesale Membership.

3.5.10 Members who are based outside the borders of South Africa wishing to apply for ASATA Membership must be a Member of their local Travel Association in their own Country, before Membership of ASATA would be considered.

### **3.6 Criteria to be admitted as an ITC Member**

Criteria to be Admittance as an ASATA Independent Travel Consultant (ITC)

3.6.1 Completed application form.

3.6.2 ITC must be operated by only one individual person (no additional staff).

3.6.3 Curriculum Vitae of the ITC as completed on the Staff Qualifications Form.

3.6.4 Undertaking to operate the business in accordance with the ASATA Code of Conduct for Members, the Members Section Terms of Reference as well as the ASATA Constitution.

3.6.5 Signed letters from the ITC principal (*who must be a member of ASATA*) host company confirming your ITC membership with them.

3.6.6 ITC member's have no voting rights.

3.6.7 An ITC Member must submit relevant financial documents annually

3.6.8 ITC Bank account must be in the name of the registered ITC's name (business account). Certified proof thereof required from your Bank. No applications will be considered where the bank account is in the name of an individual person.

3.6.9 The agent must have operated as an ITC for a minimum period of one year and provide to ASATA, proof of that.

3.6.10 Members who are based outside the borders of South Africa wishing to apply for ASATA Membership must be a Member of their local Travel Association in their own Country, before Membership of ASATA would be considered.

### **3.7 Criteria to be admitted as an In-House Agent**

3.7.1 Completed Application form for an In-house member.

3.7.2 At least one full time staff member who has relevant experience to sell travel as well as an up to date Curriculum Vitae from each staff member.

3.7.3 The Head Office / Main Branch of this in-house must be a member of ASATA.

### **3.8 Admittance as an ASATA Member**

Should the Board approve an application for Membership, the Member will be advised accordingly, and required to pay the prescribed entrance fee and annual fee within 21 (twenty one) working days before such Membership is effective.

### **3.9 Change of Ownership**

If any Member should undergo a change of ownership or change of shareholding of 25% or more, the Member shall be required to apply to ASATA for continuation of membership. A new set of application forms must be completed, and the administration fee paid before this will be considered. Failure to advise ASATA of such changes within three (3) months of such change may lead to termination of Membership. Terminated Members wishing to reinstate their ASATA Membership are required to reapply by due process.

### **3.10 Change of Agency Name**

If any Member should change their company name (e.g. consortium change, etc), the Member shall be required to notify ASATA for the purposes of updating Membership records. A new Membership certificate will be provided on receipt of the nominal administration fee.

### **3.11 Renewal of Membership**

Membership is due for renewal on 01 April every year.

Annual subscription fees are due upon presentation of the ASATA invoice. Non-payment of the ASATA subscription fee will be reported to the ASATA Board as well as the head of the Consortium to which the Member belongs, if applicable.

### **3.12 Suspensions**

Any Member who fails to timeously supply an Audit Report or Financials as required for Membership, will be given 14 days written notice to rectify this default. Should the Member fail to comply with these requirements within the given 14 days, will be suspended and will then be called to a disciplinary hearing by the Board. Suspension procedures will always be as per the guidelines set out in the Disciplinary Code (clause 8) of the ASATA Constitution.

Non-payment of ASATA subscription fees will be reported to the ASATA Board as well as the Head of the Consortium to which the Member belongs, if applicable.

## **4. OBLIGATIONS OF MEMBERS**

### **4.1 Code of Conduct**

Members will adhere at all times to the Code of Conduct.

### **4.2 Advertising**

A Member shall ensure that he is able to meet and comply with the promises and offers made in any advertising and that advertising shall at all times be ethical and not intentionally misleading. The ASATA logo may only be used by individual members of ASATA. Groupings or Consortia may only use the ASATA logo on National or Generic advertising including, inter alia, brochures and websites, if the Head Office and all physical branch locations are ASATA Members.

In accordance with guidelines laid down by ASATA from time to time, the ASATA logo (red) and **Membership number** shall be featured on any display advertising that is larger than an area of 10 column centimeters.

### **4.3 Financial Statements**

Within 6 months of the financial year end, Members are to submit either a full set of audited financials or the audit certificate.

## **5. COUNCIL**

The matters of the Members Section shall be administered by a Council consisting of the persons mentioned in, and /or elected in terms the Constitution of ASATA, each of whom shall serve for a period of one year where after he shall be obliged to vacate his position on the Council, but shall be eligible for re-election or reappointment.

### **5.1 Powers of the Council**

The Members Council shall have the following powers, but only in relation to their Members.

- 5.1.1 to draw up from time to time, suggested amendments to Membership Criteria for consideration by the Board of ASATA
- 5.1.2 to draw up, from time to time, suggested amendments to the Code of Conduct for consideration by the Board of ASATA
- 5.1.3 to appoint and to dismiss such Ad Hoc Committees as it may deem necessary and to delegate from time to time any of its powers to such Committees; the Chairperson and Vice Chairperson of the Council shall be ex-officio members of all such Committees;
- 5.1.4 to do such things and to introduce such regulations (not inconsistent with the ASATA Constitution) as they may consider to be in the interests or necessary for the proper conduct of the Members.

## **5.2 Quorum**

Fifty percent plus one of the Members of the Members Council shall constitute a quorum.

## **5.3 Meetings**

The Members Council shall meet at least **four** times each year.

## **6. AMENDMENTS TO THE TERMS OF REFERENCE**

6.1 Any amendments to these Terms of Reference shall be proposed and considered at a meeting of Members of the Members Council only, and only they shall vote on a resolution proposing such amendment.

6.2 If the proposed amendment affects ASATA as a whole, then it shall be proposed by the Members Council or by no fewer than 15 (fifteen) Members.

## **7. INTERPRETATION**

All questions of interpretation of the Terms of Reference and any other addenda, regulation or schedules which form part of the Terms of Reference upon which the Terms of Reference or any such parts of the Terms of Reference are ambiguous or silent and which, in the opinion of the Council, are reasonably required, shall be settled and decided by the Council whose decision shall be final and binding on all members. The Council if deemed necessary, or at the request of the meeting, may take legal advice before giving its interpretation.

In this Terms of Reference words implying the singular, shall include the plural and vice versa, words importing one gender shall include the other gender and references to natural persons shall include created entities (corporate or unincorporated) and vice versa.

## **8. GENERAL**

The following documents that may be added to, deleted, and/or amended from time to time will form Annexures to these Terms of Reference of the Members Section.

- ASATA Constitution
- ASATA Code of Conduct
- ASATA Advertising Guidelines
- Trade Licence Agreement (Annexure A of the Membership Application)
- Audit Report (Annexure B of the Membership Application)
- Personal Details of each Director, Member, CEO and /or Manager (Annexure C of the Membership Application)
- Staff Qualifications Form (Annexure D of the Membership Application)
- SAVRALA – ASATA Convention
- Other (to be added if/when required)