

## **CODE OF CONDUCT**

### **Brazilian Educational and Language Travel Association –**

#### **BELTA**

(Version 4 dated November 9, 1999, in accordance with the new comments to  
Version dated August 31, 1999)

#### **TITLE I – PURPOSE**

**Article One.** This Code of Conduct, approved by a special General Meeting, is applicable to all BELTA members in their connections with the entity, other members, suppliers and customers, whom jointly promote and commercialize educational programs and courses abroad.

**Article Two.** BELTA, by means of the Committee specially created for such purpose, shall administer the correct application of the current Code of Conduct, by all members, encourage its systematic improvement, upon amendments and future corrections compatible with its purposes and approved by the General Meeting.

#### **TITLE II – OBLIGATIONS OF MEMBERS IN RELATION TO BELTA**

**Article Three.** BELTA members shall perform the following Code of Conduct:

- a) Seek, using all available means, the entity good repute and advancement; handling internally with any criticism and suggestions in regard to its performance.
- b) Maintain professional secrecy referring to the accomplished work of third parties related to BELTA, or those who are aware of the practice.
- c) Allow the entity to check the compliance of any offers, leaflets or advertising of the programs and courses with the Code of Conduct.
- d) Act in accordance with free enterprise and competition practices and loyalty, to do not jeopardize or degrade the desirable competitiveness among them.
- e) Appoint BELTA to arbitrate possible conflicts that may arise out, being subject to the corresponding decisions.
- f) Inform the entity of any problem or difficulty that may affect the majority of the members, in order that the entity may find the solutions to the benefit of all members.
- g) Submit to the decisions and resolutions of the Ethics Committee (in compliance with this Code and effective on the date of approval).
- h) Abstain from any demonstration or offensive action against the dignity of other members and their managers.
- i) Fulfill the lawful rules that may be applied, especially those that, if neglected, may jeopardize the purposes this Code of Conduct.
- j) Inform the entity, when requested, of the ordinary occurrences likely to generate doubts or conflicts in regard to suppliers and customers.

#### **TITLE III – BELTA OBLIGATIONS**

**Article Four.** BELTA shall fulfill the following ethical obligations:

- a) Protect the interests of all members, implementing the actions that impart the image of transparency, honesty and quality.
- b) Straiten business connections with national and international congeneric entities, which adopt similar ethical standards, aiming at its acknowledgement as a representative association of the category and the promotion of international arbitration.
- c) Promote the harmonization of the members' interests and of similar entities, by means of the Ethics Committee.
- d) Straiten the business connections in the range of the Public Administration, even as means of expert advice for the contingent ruling of the segment.
- e) Obtain the corresponding quality assurance from the international educational organizations, which operate the programs and courses that are promoted and sold by the members.
- f) Take all the steps and measures to prevent jeopardizing the segment and members image.

#### **TITLE IV – OBLIGATIONS OF THE MEMBERS TOWARDS THE CUSTOMERS**

**Article Five.** The members shall fulfill, besides the legal liabilities, the following ethical obligations when offering, promoting and advertising services:

- a) Make explicit which services are included in the price, indicating the rate of exchange of the used currency, variation index and total, not different from what shall be charged;
- b) Explain the payment conditions of the total amount, and in the leaflets, the prospects and consequences of contingent discontinuance;
- c) Stress, in the written programs and course conditions, the social-economic and cultural characteristics of the locations where such courses shall take place;
- d) Refrain from criticisms regarding rival organizations, whether members or not;
- e) Observe the regulations when using BELTA logo;
- f) Do not use copied or non-authorized material from other companies or organizations.

**Article Six.** When in service, members shall observe the following commercial practices concerning customers interested in their programs and courses:

- a) Obtain and render clear and reliable information relating to its characteristics, quality, composition, price and terms;
- b) Act professionally, and honest and responsibility in relating to information rendered about the responsible organizations;
- c) Present and explain the contracts written in Portuguese that shall be executed by the customers or the legal representatives;

- d) Always offer health and assistance insurance plans to international travelers covering personal injuries and material damages, including coverage to the ones caused to third parties.
- e) Administer confidentially the customers personal information, unless their consent has been granted and without prejudice to applicable legal obligations.

**Article Seven.** Concerning the content of promoted and commercialized programs and courses, the members shall:

- a) Strive for greater effectiveness for customers in the approach and understanding of different cultures, warning about such differences that may be encountered;
- b) Recommend responsible organizations, being proven in good standing and solvent, that offer rather complete information to customers;
- c) Explain the type of the foreseen program and, as the case may be, the kind of accommodation and other scheduled activities;
- d) Expressly indicate which services are included in the traveling price, and guide about the estimated amounts required for other expenses;
- e) Faithfully observe the prices included in advertising and previously supplied information.
- f) Highlight conduct standards demanded by the responsible organizations and the consequences when failing to obey them.
- g) Previously inform the customer or the legal representatives of all necessary traveling documents;
- h) Request written acceptance from the customer or the legal representatives relating to contingent alterations, except for reasons of force majeure or acts of god;
- i) Provide all data concerning the customer stay within the minimum of 24 hours before the date of beginning, except for reasons foreign to the responsible organization;
- j) Add special conditions to customers under 21 years of age, given the character and special responsibility of this segment, emphasizing:
  - 1. Required social and family conduct standards and consequences if failing to observe them;
  - 2. Need of authorization of the legal representatives to be engaged in sports and social activities;
  - 3. Alternative activities having similar characteristics when the responsible organization considers necessary to change the foreseen ones;
  - 4. Guarantee of lodging or accommodation under the expected conditions of cleanliness, safety and suitability;
  - 5. Replacement of lodging or accommodation if, due to reasons foreign to the responsible organization, the previous locations were not suitable or failed the adaptation;
  - 6. Contract obligatorily health, assistance and civil liability insurance coverage for the whole traveling period.

## **TITLE V – IMPLEMENTATION**

**Article Eight.** For the Code application purposes, BELTA shall appoint and permanently maintain an Ethics Committee to diligently administer its fulfillment, application, interpretation and improvement.

**Article Nine.** The Committee shall be responsible for forwarding to the Management Committee all the non-fulfillment cases, analyze the suggestions for improvement and edit periodical reports on its application, based on information collected from members.

**Article Ten.** The Ethics Committee shall also suggest that members publish the general characteristics of the promoted and sold programs and courses to be taken abroad.

**Article Eleven.** The Ethics Committee shall be composed by three representatives and up to three substitutes, elected among Full members, at the time of election of the Management Committee under their coordination and choice, counting on the assistance of the entity secretary.

**Article Twelve.** Against the decisions of the Ethics Committee appeals may be lodged to the Management Committee, with suspending effect, and against those of the latter, without suspending effect, appeals may be lodged to the General Meeting.

## **TITLE VI – INFRINGEMENTS AND SANCTIONS**

**Article Thirteen.** The Management Committee, in accordance with the Bylaws, shall punish the members who, due to action or omission, infringe any provision of this Code, after due determination process held by the Ethics Committee warranting legal defense.

**Article Fourteen.** The infringements to this Code may be classified as per the nature and extent degree, in minor, serious and extremely serious offenses and shall be respectively punished by:

1. Written warning;
2. Fine up to 50% of the annual contribution fee and/or a maximum of three-month-suspension; and
3. Fine ranging from 51% to 200 % of the annual contribution fee and/or a maximum of six-month-suspension or exclusion.

**Article Fifteen.** The infringements are classified as follows:

- a) Minor offenses are those described under Article Three, letters “e”, “f” and “j”;
- b) Serious offenses are those described under Article Three, letters “a”, “b”, “c”, “d” and “g”; Article Five, letters “a”, “b”, “c” and “e”; Article Six, letters “a”, “b” and “c”, and Article Seven, letters “a” to “i”;

- c) Extremely serious offenses are those described under Article Three, letters “h” and “i”; Article Five, letters “d” and “f”; Article Six, letters “d” and “e” and Article Seven, letter “j”, numbers 1 to 6 included.

**Article Sixteen.** Besides the penalties foreseen under Article Fourteen, it may be determined whatever actions may be necessary and suitable, including judicial ones, in order to nullify, reduce or prevent the effects deriving from the practiced infringement.

**Article Seventeen.** The general or specific recurrence of the infringement along a period of two years after the previous one, shall imply in the aggravation of the applicable sanctions:

- a) The second minor offense shall be punished as if a serious offense;
- b) The second serious offense shall be punished as if a extremely serious offense;
- c) The second extremely serious offense shall be punished with exclusion.

**Article Eighteen.** The Ethics Committee shall complete the determination process within a maximum period of two months for minor offenses; four-month-period for serious offenses and six-month-period for extremely serious offenses, from the date of acknowledgement of the occurrence and may be extended, only once, by equal period of time if duly justifiable.

## **TITLE VII – PROCEEDINGS**

**Article Nineteen.** The determination process of infringements may be commenced, by own motion, by the Ethics Committee, by denunciation of any member or other committee of the entity.

**Article Twenty.** Once the process is opened, the Ethics Committee shall set forth and promote the diligences that may be appropriate to determine the revealed facts, by giving knowledge to the denounced member to, within 15 days, present the allegations and require whatever may desire.

**Article Twenty-one.** The Ethics Committee may report on the filing, whether the allegations are presented or not, in case the infringement is not typified or proven; or regarding the penalties to be applied, typifying the infringement and its classification.

**Article Twenty-two.** The Management Committee shall, within thirty days from the date of receipt, resolve on the proposal of the Ethics Committee, determining, in case of penalty infliction, its fulfillment within a maximum period of ten days from the given notice.

**Article Twenty-three.** During the period assigned for penalty fulfillment, provided it was accomplished, an appeal may be lodged against its infliction, without suspending effect. However, the non-fulfillment shall aggravate the

infringement to the extremely serious offense degree what shall imply the exclusion from the entity.

#### **TITLE VIII – FINAL PROVISIONS**

**Article Twenty-four.** For the success of this Code, BELTA shall endeavor all best efforts and relevant measures regarding its performance in the arbitration of contingent matters among members, subject to it, and among members and suppliers or consumers, if so agreed upon, observing the applicable legislation.

**Article Twenty-five.** The Code of Conduct shall be effective on the date of registration of the minutes of the General Meeting of Belta members, which have approved such code; being revoked all provisions to the contrary.

#### **TITLE IX – TRANSITORY PROVISION**

The General Meeting, which approved the Code, shall elect the members of the Ethics Committee as provided herein, whose term of office, shall be coincident with that of the Management Committee, and shall terminate in August 2000.