

# **THE FEDERATION OF NATIONAL ASSOCIATIONS OF SHIPBROKERS AND AGENTS**

## **CODE OF CONDUCT**

**October 1998**

### **PREAMBLE**

#### **WHEREAS**

1. FONASBA has as one of its primary objectives, the promotion among its members of a fair and equitable practice of the professions of ship broker and agent,
2. FONASBA is urging all national associations to achieve and maintain the highest professional standards, encourages any association wishing to do so to avail itself of the possibility of seeking official approval of its government,
3. FONASBA has for that purpose laid down the following Code of Conduct

## **CHAPTER 1**

### **GENERAL**

Members will at all times

1. act in accordance with all national laws and other regulations of the countries in which they operate,
2. adhere strictly to the principles of honesty and integrity,
3. operate in a sound and honourable financial manner,
4. ensure that all the principal's business being handled is dealt with in confidence,
5. co-operate with and contribute to the efforts of the appropriate authorities to combat maritime fraud,
6. agree to complete wherever possible memoranda of understanding (M.O.U.) with national customs and other appropriate authorities, so as to assist in the halting of illegal trade in banned drugs.

## **CHAPTER 2**

### **STAFF PROFESSIONAL QUALIFICATIONS**

#### **SHIPS' AGENTS AND SHIPBROKERS**

Members will

1. employ experienced professionally qualified staff to cover all aspects of the business being undertaken, so as to ensure the proper performance of all the functions of ship agent and shipbroker,
2. encourage such staff to improve its professional capacity qualifications by assisting it to study and pass examinations based on the syllabi of recognised international shipping authorities/educational institutions.

## **CHAPTER 3**

### **PROFESSIONAL CONDUCT**

#### **SHIPS' AGENTS AND SHIPBROKERS**

Members will:

1. ensure that all activities are carried out honestly within the highest standards of professional integrity,
2. by proper management control, create and maintain a high standard of confidence that all duties will be performed in a conscientious and diligent manner,
3. observe all national and international laws and any local regulations appertaining to the shipping industry
4. operate from a permanent address with all the necessary facilities and equipment to conduct business in an efficient and timely manner,
5. take great care to avoid any misrepresentation and ensure that all activities are subject to the principles of honesty and fair dealing,
6. ensure that for all dealings, the necessary authority is held from the proper party and that no action will be taken which knowingly exceeds that authority,
7. ensure that brokers, acting for an owner, shall only offer firm a vessel for any one cargo at any one time,
8. ensure that charterers' brokers will only make firm bids of a cargo or cargoes to one vessel or one shipowner's broker at any one time,
9. ensure that a vessel or cargo will not, in any circumstance, be quoted unless duly authorised by a principal,
10. ensure that all business enquiries are bona fide by making all reasonable enquiries before placing them on the market.

**CHAPTER 4**  
**CORPORATE RESPONSIBILITY**

Members will encourage key personnel to:-

1. develop strong professional relationships with all customers and principals,
2. accept responsibility and accountability,
3. ensure a good and safe working environment for all concerned,
4. establish a stable business environment to ensure that all costs are economically based and provide a reliable service to clients.

**CHAPTER 5**  
**FINANCIAL STABILITY**

Members will

1. recognise the prime importance of protecting and safeguarding all principal's funds and take all reasonable steps necessary to achieve this objective,
2. have adequate financial means to perform the company's activity,
3. arrange a detailed annual audit by established and qualified accountants,
4. undertake to maintain all accounts in accordance with the legal requirements within the jurisdiction of their appropriate legal authorities,
5. maintain adequate liability insurance cover in respect of errors and omissions with an internationally recognised mutual club or insurance company.

## **CHAPTER 6**

### **DISCIPLINE**

Each national association will

1. recommend to its members, unless such is in conflict with any official regulation, the desirability of accepting self-regulatory control by agreeing to adhere to FONASBA's Code of Conduct,
2. have its own established disciplinary procedures to investigate breaches of the Code and to take such measures as may be necessary against offenders.