



## **ARTICLES OF ASSOCIATION**

### **BY-LAWS**

### **CODE OF CONDUCT**

**2022**

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

## **ARTICLES OF ASSOCIATION**

### **ARTICLE 1**

#### **NAME AND REGISTERED OFFICE**

- 1.1 The name of the association is: THE FEDERATION OF NATIONAL ASSOCIATIONS OF SHIPBROKERS AND AGENTS hereinafter called “FONASBA”.
- 1.2 Its office is situated in the City of London.

### **ARTICLE 2**

#### **AIMS AND OBJECTS**

- 2.0 The aims and objects of FONASBA are:
  - 2.1 As an International Federation to speak with authority on all relevant matters appertaining to the shipping profession in so far as ship brokers and agents are concerned.
  - 2.2 To maintain an organisation sufficiently extensive and reputable to justify cooperation with other national and/or international bodies, authorities, associations and organisations involved in matters of concern to the shipping profession.
  - 2.3 To promote a fair and equitable practice of the profession of ship brokers and agents and to that end:
    - to support its members wherever the basic and general interests of their professions are concerned;
    - to co-ordinate common efforts designed to improve, modernise, simplify and/or standardise shipping contracts and documents and in doing so to safeguard the traditional role of the ship broker and agent as intermediary and adviser to both ship owner and merchant interests;
    - to initiate such conferences, meetings, lectures and the like, as may be required for the discussion of professional affairs, interests and duties;
    - to engage in such activities as may from time to time, in the opinion of the Council, contribute to the interests of its members.

## **ARTICLE 3**

### **FINANCIAL MATTERS**

- 3.1 The financial year of FONASBA shall run from the first day of July up to and including the thirtieth day of June.
- 3.2 Each member shall pay an annual subscription, the amount of which shall be set during the Annual Meeting by the Council upon the proposal of the Executive Committee.
- 3.3 The Executive Committee shall draw up the annual accounts within four months after the close of the financial year of FONASBA. These accounts shall consist of a balance sheet and a financial statement of income and expenditure together with explanatory notes thereto.

## **ARTICLE 4**

### **EXECUTIVE COMMITTEE**

- 4.1 The Executive Committee shall consist of the following members: the President, the President Designate, the Executive Vice-President, a minimum of two, and a maximum of six, Vice-Presidents, the Immediate Past President, the Chairs of the Standing Committees together with any member(s) elected by the Council.

All members of the Executive Committee shall be appointed by the Council. The Council has power to suspend and dismiss any member of the Executive Committee.

- 4.2 The Executive Committee shall have power to enter into agreements on behalf of FONASBA for the acquisition or disposal of property, goods or other assets required for the effective operation of FONASBA and for the arranging and contracting of loans, leases and rentals in connection therewith.
- 4.3 FONASBA shall be represented at law and otherwise by the President or – should the President be prevented from acting – by the Executive Vice-President.

## **ARTICLE 5**

### **COUNCIL MEETINGS**

- 5.1 Council Meetings shall be held at such place as fixed and determined at the immediately preceding Council Meeting and shall be convened with a minimum notice of twenty-eight days. Notice of any Council Meeting shall be given to all the members and all the members of the Executive Committee by means of a written communication or in a journal published by and on behalf of FONASBA.

## **ARTICLE 6**

### **BY-LAWS**

- 6.1 The Council may by means of By-Laws make additional rules about membership, admission, subscriptions and admission fees, establishment and procedure of committees, duties of the Executive Committee, meetings, rules of voting, administration, management, use of property and all or any other relevant matters.
- 6.2 The By-Laws may be altered by resolution of the Council Meeting.
- 6.3 The By-Laws shall not contain provisions which conflict with the statutory provisions or provisions of these Articles of Association, unless such conflict is permitted by the governing law.

## **ARTICLE 7**

### **ALTERATION OF THE ARTICLES OF ASSOCIATION**

- 7.1 No amendment of the Articles of Association may be made other than by a resolution of a Council Meeting, convened by notice stating that an amendment of the Articles of Association will be proposed thereat.

The Council shall be given twenty-eight days' notice of any proposed amendment.

Any member who wishes to propose an amendment to the Articles of Association shall give the Secretariat at least sixty days' notice of such proposal, supported by at least two other members.

A copy of each proposal to amend the Articles of Association, stating the proposed amendment verbatim, must be deposited for inspection by the members at a location suitable for that purpose by the persons who convened the Council Meeting at which a proposal to amend the Articles of Association is to be dealt with, from at least twenty-eight days before the meeting until after the end of the day on which the meeting is held.

Each amendment to the Articles of Association must be ratified by at least a two-thirds majority of the Council, either present or by proxy at a Council Meeting.

The master copy of these Articles and By-Laws will be kept at the office of the Secretariat and any dispute as to the correct wording of these Articles and By-Laws shall be settled by reference to that master copy.

**ARTICLE 8**

**DISSOLUTION AND WINDING-UP**

- 8.1 FONASBA shall be dissolved by a resolution to that effect of a Council Meeting called for that purpose and passed by two thirds of the members present.
- 8.2 Any balance of funds shall be appropriated towards such purposes to be determined by a Council Meeting.
- 8.3 After dissolution, FONASBA shall continue in existence, in so far as such is a requisite for the settlement and liquidation of its equity. During the liquidation proceedings the provisions of the Articles of Association and the By-Laws shall as far as possible continue in force. In documents and announcements emanating from FONASBA, the words “in liquidation” shall be added to its name.

**ARTICLE 9**

**LANGUAGE**

- 9.1 The working language of FONASBA shall be English and this is the language in which the Articles of Association and By-Laws have been drafted.

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# THE FEDERATION OF NATIONAL ASSOCIATIONS OF SHIPBROKERS AND AGENTS

## BY-LAWS

### BY-LAW 1

#### AIMS, OBJECTS AND MEMBERSHIP

- 1.1 The name of the association is: THE FEDERATION OF NATIONAL ASSOCIATIONS OF SHIPBROKERS AND AGENTS, hereinafter called “FONASBA”.
- 1.2 The aims and objects of FONASBA are:
- 1.2.1 As an International Federation to speak with authority on all relevant matters appertaining to the shipping profession in so far as ship brokers and agents are concerned.
- 1.2.2 To maintain an organisation sufficiently extensive and reputable to justify cooperation with other national and/or international bodies, authorities, associations and organisations involved in matters of concern to the shipping profession.
- 1.2.3 To promote a fair and equitable practice of the profession of ship brokers and agents and to that end:
- to support its members wherever the basic and general interests of their professions are concerned;
  - to co-ordinate common efforts designed to improve, modernise, simplify and/or standardise shipping contracts and documents and in doing so to safeguard the traditional role of the ship broker and agent as intermediary and adviser to both ship owner and merchant interests;
  - to initiate such conferences, meetings, lectures and the like, as may be required for the discussion of professional affairs, interests and duties;
  - to engage in such activities as may from time to time, in the opinion of the Council, contribute to and advance the interests of its members.
- 1.3 Membership of FONASBA is limited to National Associations of Ship Brokers and/or Ship Agents, or with the approval of the Council, where no National Association exists, to other Associations or State Organisations, where applicable. Such National or other Associations or State Organisations are hereafter referred to as “Member(s)”.

Where ship broking and agency businesses are represented by separate National Associations in any given country, all such associations shall qualify for membership of FONASBA. Notwithstanding the provisions of By-Law 2.1, the said National Associations shall jointly have only one vote.

- 1.3.1 Associate membership of FONASBA may be conferred on any ship broking or ship agency entity or association or organisation as the Council shall agree.
- 1.3.2 Club membership of FONASBA may be conferred on any entity or organisation providing insurance, consultancy, information services, on associations of shipping interests, or on governmental and intergovernmental organisations of specific interest to FONASBA members.
- 1.3.3 Candidate Membership may be conferred on any applicant national association at the discretion of the Membership Committee and in accordance with such conditions as may from time to time be set by Council.
- 1.3.4 Associate Members, Club Members and Candidate Members shall be entitled to attend all meetings open to members, with participating status, but without voting rights.
- 1.4 Candidates for membership of FONASBA shall file a written application with the Secretariat. Such application must include the following:-
  - 1.4.1 An opening paragraph wherein the candidate applies for membership, states they have read the Articles of Association and the By-Laws of FONASBA and specifically agrees, if admitted to membership, to comply with the Articles of Association and the By-Laws.
  - 1.4.2 An outline of the candidate's qualifications in accordance with the Articles of Association and the By-Laws and for National Associations a brief description of the scope and the objectives of the candidate's Association and the number of members represented therein.
- 1.5 Any application for membership shall be submitted to the Secretariat.

Where there is already a Member of the country of the applicant, the application shall be referred to that Member who will advise the Secretariat of its recommendation for acceptance or reasons for non-acceptance within two months. The Secretariat shall then place the application together with the Member's views before the Membership Committee.

Where there is no Member of the country of the applicant the application shall be immediately placed before the Membership Committee.

The Membership Committee will examine the application. It will determine which category of membership, if any, is appropriate and, if approved, it will be promptly circulated to the Members. Voting will take place by email vote or by secret ballot at an Annual or Special Meeting. A two-thirds majority of the members present or responding within fifteen days shall be required to confer membership on the

applicant. In the event of disapproval FONASBA shall not be required to give reasons for same.

- 1.6 Honorary Membership may be awarded by the Council to Past Presidents in recognition of their commitment and service to the Federation and to individuals who have made a special and significant contribution to the work of the Federation or to the international ship broking and agency business.

Honorary Membership shall be conferred on Past Presidents at the conclusion of their term as President.

Nominations for other candidates for Honorary Membership may be proposed to the Nominating Committee by any member, Club or Associate Member, or by any member of the Executive Committee. Any proposal shall be seconded by at least one other member. The Nominating Committee shall review such nomination and in particular take into account the views of the Member Association of the nationality or country of residence of the proposed Honorary Member.

The Nominating Committee shall inform the Executive Committee of its findings and if the Executive Committee approves the nomination by a simple majority the nomination shall be advised to the members at least thirty days before the next Annual Meeting of the Council. Voting will only take place at an Annual Meeting and a majority of two thirds of those members present shall be required to confer Honorary Membership. In the event of disapproval FONASBA shall not be required to give reasons. The Council may award a certificate or other recognition of Honorary Membership as determined from time to time by the Executive Committee.

## **BY-LAW 2**

### **COUNCIL**

- 2.1 The Council of FONASBA shall consist of any number of delegates representing each member attending a Council Meeting, notwithstanding which, only one vote shall be conferred on each country represented. In accordance with the terms of By-Law 1.3, Associate, Club and Candidate Members may also attend and participate in deliberations at Council Meetings, but without voting rights.
- 2.2 The Council shall convene once a year at a place decided by it at its preceding Annual Meeting. A Special Meeting may be called by the President or when at least five Members make a written request to the Secretariat to hold a Special Meeting of the Council to consider specific matters. Notice of each meeting to be given by email by the Secretariat at least twenty-eight days in advance thereof, or on shorter notice subject to a unanimous waiver of such notice, with the statement of the time and place of such Special Meeting and the matters to be considered.
- 2.3 A majority of Members either in person or by proxy, at the Annual or any Special Meetings of the Council shall constitute a quorum for all purposes.



- 2.4 Except where elsewhere provided in the Articles of Association and By-Laws, a majority vote of the Council present in person or represented by proxy will be required at any Meeting of the Council to approve and carry a motion or elect officers.

### **BY-LAW 3**

#### **EXECUTIVE COMMITTEE**

- 3.1 The Executive Committee shall consist of the following members: the President, the President Designate, the Executive Vice-President, a minimum of two, and a maximum of six, Vice-Presidents, the Immediate Past President, the Chairs of the Standing Committees together with any member(s) elected by the Council. The President, or in their absence the Executive Vice-President, shall chair all meetings.
- 3.2 The Executive Committee is empowered to co-opt to it any member as required.
- 3.3 Each member of the Executive Committee shall have one vote and the President shall have an extra vote to be cast only in the event of a tied vote. The Vice-Chair of any Standing Committee and any co-opted members may attend Executive Committee meetings and take part in the deliberations, but without voting power.
- 3.4 In the case of inability to attend an Executive Committee meeting, a member of the Committee may give their proxy to another member. A majority of the members of the Executive Committee present in person or by proxy shall constitute a quorum.
- 3.5 The Executive Committee shall be charged with the duty of doing whatsoever may be necessary to further the aims and objects of FONASBA. Decisions of the Executive Committee shall be brought to the notice of the members of FONASBA as soon as convenient.

### **BY-LAW 4**

#### **OFFICERS**

- 4.1 The Officers shall consist of the President, the President Designate, the Executive Vice-President, the Vice-Presidents and the Chairs of the Standing Committees. So far as is convenient, the Officers shall reflect the geographical spread and diversity of the FONASBA membership. All Officers shall serve without compensation.
- 4.2 The nomination of Officers shall take place in the following manner;
- 4.2.1 Nomination of the President Designate

The President Designate shall serve for one year.

A Presidential Nominating Committee of three members, shall be named by the Executive Committee at its first meeting after election. The Chair of the Nominating Committee shall be the Immediate Past President and the other two members shall be senior members of FONASBA. As promptly as possible after its appointment, and no later than three months prior to the appropriate Annual Meeting, the Presidential

Nominating Committee shall report in writing to the Secretariat, giving a list of its nominee(s) for the post of President Designate to be elected, which nomination(s) shall be conveyed to the Members of FONASBA by the Secretariat no later than two months prior to the date of the Annual Meeting. No member of the Nominating Committee is eligible for nomination for office at the elections in question. Furthermore, no member of the Nominating Committee shall serve for more than four years.

#### 4.2.2 Nomination of Officers, other than the President Designate

The Officers Nominating Committee shall comprise three members, the President, President Designate, who shall be Chair, and Immediate Past President. As soon as possible, and no later than three months prior to the appropriate Annual Meeting, the Officers Nominating Committee shall report in writing to the Secretariat, giving a list of its nominee(s) for the posts to be elected, which nomination(s) shall be conveyed to the Members of FONASBA by the Secretariat no later than two months prior to the date of the Annual Meeting.

#### 4.2.3 Nomination of All Officers by the Membership

In addition, nominations for any office, signed by at least three members, may be made provided they are received by the Secretariat no later than one month before an election. Notice of such nominations shall be conveyed to the Members at least two weeks prior to the date of the Annual Meeting.

If more than one nomination is received for any office, the nominations for that office shall be subject to a secret ballot at the Annual Meeting. If only one nomination is received for any office, the meeting will vote by a show of hands.

#### 4.3 All Officers and Standing Committee Chairs shall serve a three year term of office and shall be elected at the same time, except where otherwise provided.

#### 4.4 The President shall perform such duties as usually pertain to the office of the President, including submitting a report to the Annual Meeting. Besides their role as President as specified hereabove, they shall be “ex-officio” member of all Committees, in addition to chairing the Executive Committee as stated in By-Law 3.1.

After the expiry of their term of office, they shall remain a member of the Executive Committee for two years thereafter.

#### 4.5 The Executive Vice-President shall act as Chair in the President’s place whenever the President is unavailable. In the event of neither being available the Executive Committee shall elect a Chair for that particular meeting.

#### 4.6 In the absence of, or on the direction of the President, the Executive Vice-President shall be empowered to take all necessary decisions in conducting the daily affairs of FONASBA in conjunction with the General Manager, excluding those involving policy matters requiring reference to the Executive Committee.

- 4.7 The Council shall appoint a Secretariat which shall include a General Manager appointed by the Executive Committee and ratified by the Council.
- 4.8 All elected Officers shall continue to serve until their successors are elected and installed in office. All elected Officers, except the President and the President Designate, may be re-elected to successive terms of office.
- 4.9 Should the resignation of Officers take place the following procedures shall be adopted:
- 4.9.1 If the President resigns, the Executive Vice-President shall assume the office of President and a new acting Executive Vice-President shall be appointed by the Executive Committee. Both shall serve until the next Annual Meeting. The Executive Committee shall immediately appoint a Nominating Committee and the procedures under By-Law 4.2 shall be followed.
- 4.9.2 If the President Designate resigns the Executive Committee shall immediately advise the Membership and appoint a Nominating Committee. The procedure established in By-Law 4.2 shall be followed save that the time limits referred to therein shall not apply. Nominations shall be conveyed to the members as soon as possible.
- 4.9.3 If the Executive Vice-President, a Vice-President or other Officer resigns, an acting Executive Vice-President, acting Vice-President or acting Officer shall be appointed by the Executive Committee to hold office until the date of the next Annual Meeting when a new Executive Vice-President, Vice-President or Officer shall be elected in accordance with By-Law 4.2
- 4.9.4 If the General Manager resigns, the Executive Committee shall appoint an acting General Manager to serve until the next Annual Meeting of the Council at which time the appointment is to be ratified.
- 4.9.5 If more than one Officer resigns from the Executive Committee at the same time preventing it from functioning for lack of a quorum or preventing the above provisions from being fulfilled, the President shall convene a Special Meeting or carry out an election by email vote to fill the vacancies.

## **BY-LAW 5**

### **INDEMNITY**

The members of the Executive, the Council, the Committees, General Manager, and other Officers of FONASBA shall be indemnified by FONASBA from all losses and expenses incurred by them in or about the discharge of their respective duties, except as may result from their own respective default.

No member of the Executive, Council or other Committees, the Secretariat, the General Manager or other Officer shall be liable for any other member or other such members or Officer and employees for joining in any receipt or document or for any act of conformity or for any loss or expense to FONASBA except as may result from their own respective wilful default or neglect.

## **BY-LAW 6**

### **SUSPENSION – EXPULSION**

If the Council has reason to believe that a Member is violating a provision of the Articles of Association or By-Laws or if, in the opinion of the Council, a member is no longer eligible for membership, or is acting in a manner detrimental to the best interests of FONASBA, the matter shall be reported to the Membership Committee, who shall investigate and report its findings to the next Annual Meeting, or at a Special Meeting called for that purpose. The Member, after a hearing, may be suspended or expelled upon a two-thirds vote of the membership by secret ballot from which there shall be no appeal.

## **BY-LAW 7**

### **SUBSCRIPTIONS**

- 7.1 FONASBA is a non-profit making organisation. Membership fees and/or subscriptions shall be proposed by the Executive Committee as and when necessary. The membership shall be given at least twenty-eight days' notice of a prospective change in the structure or amount of fees and/or subscriptions by the General Manager prior to a forthcoming Annual Meeting, at which Council ratification will be required before the new schedule of fees and/or subscriptions may take effect.
- 7.2 Membership fees and/or subscriptions shall be due on the first day of FONASBA's financial year and shall be paid within three months of that date. Failure to comply with this requirement shall entail loss of membership unless otherwise decided at a Council Meeting. Subsequent reinstatement may be authorised by a Council Meeting provided that the former member concerned has:-
- made a request for reinstatement
  - advanced sound and acceptable reasons for reinstatement
  - made a full repayment of all arrears or such other amount as the Executive Committee may decide.

## **BY-LAW 8**

### **FINANCIAL STATEMENTS**

- 8.1 FONASBA's financial year shall be from 1st July to 30<sup>th</sup> June.
- 8.2 The financial statements shall be prepared by the Secretariat and be examined by an independent person appointed by the Executive Committee.

A Statement of Income and Expenditure and a Balance Sheet, together with the independent examiners' report, and a budget for the current year, shall be supplied to Members at least twenty eight days before the next Annual Meeting.

## **BY-LAW 9**

### **COMMITTEES**

9.1 FONASBA shall form such Standing Committees as the Council shall decide. These shall include, but not be limited to, the:

- Executive Committee
- Ship Agent Committee
- Ship Broker Committee
- Membership Committee
- Association Best Practices Committee
- Inspiring our Future (Digitalisation and Automation) Committee

Members of all Standing and other Committees shall serve without compensation.

9.2 The Executive Committee may delegate any of its powers, duties or directions to committees consisting of such Members as they think fit. Any committee so formed shall in the exercise of any power so delegated conform to any regulation that may from time to time be imposed upon it by the Executive Committee.

9.3 The Chairs of the Standing Committees shall each create an advisory panel, consisting of not more than six Members of their choosing who shall be broadly representative of the membership. Such advisory panels shall provide assistance and give advice to their respective Chairs in the daily running of each committee, either in person or by correspondence, as convenient or appropriate. Any Member that wishes to be included may apply to the Committee Chair. In the event of any dispute regarding the membership of the advisory panel it shall be referred to the Executive Committee whose decision shall be final.

9.4 The Membership Committee shall consist of the President, the Executive Vice-President and the Immediate Past President and be chaired by the President. Should any of the aforementioned officers resign or be prevented from acting, the Executive Committee shall nominate an alternate members whose tenure on the committee shall continue until the next Annual Meeting.

## **BY-LAW 10**

### **ECASBA**

10.1 Whereas the European Commission only recognises for consultative purposes an association whose membership is comprised solely of representatives of Member States of the European Union or applicant states FONASBA has formed the European Community Association of Ship Brokers and Agents (hereinafter referred to as ECASBA) which shall be an autonomous Standing Committee of FONASBA for the purpose of these By-Laws.

10.1.1 Those FONASBA Members whose country of domicile is a Member State or applicant member state of the European Union shall be Members of ECASBA. An

applicant member state is a country to which the European Commission has extended an invitation to enter into European Union membership negotiations.

10.1.2 In recognition of their consultative status with the European Union in respect of maritime related matters, ECASBA membership shall additionally include those full FONASBA member associations representing member states of the European Economic Area that are not already members of ECASBA by reason of their being members of the European Union.

10.2 ECASBA shall monitor all matters of interest to the shipping community taking place in the European Union's administration and executive branch, as they affect and have an impact on the profession and business of ship broking and agency affairs; it shall also take whatever action is appropriate in the protection of the interests of all FONASBA members and participate in the activities of the Directorates of the Commission.

Whenever a matter shall require a decision affecting FONASBA policy it shall be referred to the Executive Committee.

10.3 The ECASBA Chair shall be elected in accordance with By-Law 4.2 and shall appoint an advisory panel in accordance with By-Law 9.3

The panel shall consist of the Chair and Vice Chair of ECASBA, a minimum of two, maximum of three, representatives of ECASBA member associations, and the coordinators of the ECASBA Working Groups.

The representatives of ECASBA member states shall be nominated by the ECASBA Chair from within the ECASBA membership. Those member state representatives nominated by the ECASBA Chair shall be subject to approval by the FONASBA Executive Committee.

10.4 The Members of ECASBA and non-ECASBA Members shall contribute such additional fees to FONASBA to defray ECASBA expenses as the FONASBA Council shall direct.

## **BY-LAW 11**

### **RESIGNATION FROM FONASBA**

A Member wishing to resign from FONASBA shall send notice of such resignation in writing to the Secretariat, at least three months prior to the close of the Financial Year.

No such notice shall relieve a Member from their liability to pay the annual subscription for the year in question and any arrears.

A resigning Member has no right to claim any return of subscription or assets of FONASBA.

**BY-LAW 12**

**AMENDMENT TO BY-LAWS**

- 12.1 Amendments to the By-Laws must first be submitted to the Executive Committee and approved by a two-thirds majority vote and thereafter ratified by a two-thirds majority vote of the Council either present in person or by proxy at any meeting of the Council. Amendments to the By-Laws will take effect immediately after such Council Meeting.
- 12.2 In the event of any provision of these By-Laws being in violation of the laws of the country in which FONASBA’s office is located then the relevant provisions of the local civil and criminal law shall apply.
- 12.3 The working language of FONASBA is English and this is the language in which the Articles of Association and By-Laws have been drafted.

Approved	in Council Meeting	23 <sup>rd</sup> April 1969
Revised	In Council Meeting	11 <sup>th</sup> October 1974
Revised	In Council Meeting	4 <sup>th</sup> October 1995
Revised	In Council Meeting	9 <sup>th</sup> October 1996
Revised	In Council Meeting	14 <sup>th</sup> October 1998
Revised	In Council Meeting	20 <sup>th</sup> October 2000
Revised	In Council Meeting	19 <sup>th</sup> October 2001
Revised	In Council Meeting	11 <sup>th</sup> October 2002
Revised	In Council Meeting	17 <sup>th</sup> October 2003
Revised	In Council Meeting	8 <sup>th</sup> October 2004
Revised	In Council Meeting	21 <sup>st</sup> October 2005
Revised	In Council Meeting	12 <sup>th</sup> October 2007
Revised	In Council Meeting	18 <sup>th</sup> October 2008
Revised	In Council Meeting	12 <sup>th</sup> October 2012
Revised	In Council Meeting	16 <sup>th</sup> October 2015
Revised	In Council Meeting	21 <sup>st</sup> October 2016
Revised	In Council Meeting	18 <sup>th</sup> October 2017
Revised	In Council Meeting	19 <sup>th</sup> October 2018
Revised	In Council Meeting	3 <sup>rd</sup> October 2019
Revised	In Council Meeting	25 <sup>th</sup> November 2020

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

## **CODE OF CONDUCT**

**October 1998, revised October 2008**

### **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 all illegal activities such as, but not limited to, maritime fraud and the trade in banned drugs,
6. agree to provide every assistance to the principal and the master of the vessel in ensuring, so far as possible and subject to the limits of responsibility of the agent, that the vessel's statutory obligations to appropriate and relevant national, regional and international authorities are discharged in an orderly and timely manner.

## **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 shipowners' 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.