



ARTICLE XIII

Criteria for Certification of ASBA Ship Agent Members

Section 1. All Ship Agent Members (“Ship Agents”) must abide by the ASBA Code of Ethics.

Section 2. All Ship Agents must comply with the following standards of Financial Responsibility.

A) Retain an external CPA for issuance of an “Agreed Upon Procedure Report” submitted to ASBA annually.

The following procedures, based on random sampling, must be attested to:

- Amounts due from/to principals in company’s general ledger are supported by detailed accounting and reporting for principals which agrees in total to the general ledger.
 - Detailed accounting/reporting for principals includes a listing of cash receipts and disbursements (by invoice) for sample voyages with total amounts due to/from the principal for each selected voyage and in total at end of reporting period.
 - Maintain separate files for principals to include supporting documentation.
 - All transactions for principals must be supported by invoices and/or receipts.
- B) Certification by Ship Agent’s management that undisputed accounts are settled in accordance to agent’s agreement with principals and vendors.
- C) Ship Agents must demonstrate adequate insurance coverage, submit proof annually and name ASBA as a notify party.
- a) Automobile Coverage (owned and non-owned vehicles)
 - b) Workmen’s Compensation for USL&H as required.
 - c) Liability Coverage – minimum of 1 million dollars per event.
- D) Company in good standing as certified annually by the Secretary of the State in which the Ship Agent is incorporated.

Section 3. Industry Experience

A) At least one year in the business.

Section 4. Each Ship Agent must ensure that its Employees are Trained and Professional

- A) Ship Agents must provide on the job training or participate in member or ASBA provided training seminars.
- B) Ship Agents must successfully complete the ASBA Ship Agent Exam.

Section 5. Ship Agents agree that the ASBA Ethics & Grievance Committee will be the governing body should issues regarding noncompliance with this article arise.

- A) Ship Agents agree to abide by the ruling of the committee.
- B) Ship Agents face possible suspension of and/or expulsion from membership for failure to comply with the requirements of this Article.