

Draft of Code of Conduct for FFFAI (AVK-31012022)

- 1. Conduct of Business:** A member undertakes to conduct his business in a professional manner providing high standard of performance, technical competence and transparency in dealings as a Custom Broker.
- 2. Authority Letter:** A member shall obtain an authority letter from the ultimate importer or exporter to file documents on his behalf in Customs and act as his Custom Broker/ Freight Forwarder. This authority letter may either be obtained for each consignment or for a specific period. This authority letter shall be obtained by the Custom Broker irrespective of the fact whether the importer or export his directly engaged the services of the Custom Broker or through a Freight Forwarder, NVOCC, MTO, or any other entity.
- 3. Custom Broker Charges:** A member should charge only fair and reasonable rates. At the same time, although, he is at liberty to charge competitive rates considering market conditions, he should not undercut rates to acquire business, which may result in reduction of margin for the entire fraternity
- 4. No Dues Certificate:** A member may accept the work of a new client. However, if the client has been obtaining services previously from another member, then the member who so intends to accept the work of the client should obtain a **NO DUES CERTIFICATE** from the member, who has been providing services to the client that there are no legitimate dues outstanding to be paid by the client to that member for the services provided to the client by him. It will be binding on the member, who has been providing services to the client to provide a **NO DUES CERTIFICATE** to the member who intends to accept the work of that client within 5 working days or else send to him a Statement of Outstanding Amount due to him from that client. For better explanation a Client would mean a Importer/ Exporter/ Freight Forwarder/ Consolidator/ Shipping Line/ Air Line or any other entity to whom the member provides service.
- 5. Documents of Clients:** A member will not withhold import or export documents or for that matter any other documents of clients for recovery of his outstanding dues and dispatch to them expeditiously.
- 6. Sub-Letting of License:** A member shall not permit his Custom Brokers license or his to be used by any other person, sub-let his Custom Brokers license, sign blank documents or hand over possession of his digital signature. Save his employees, for transaction of his business as a Custom Broker. Similarly no member, who is a Freight Forwarder or a Multi Modal Transport Operator (MTO) issue bank bills of lading or issue Bills of Lading which are not in conformity of its supporting documents
- 7. Illegal Activities:** No member shall indulge in clearance of goods either for import or for export, which are prohibited under the Customs Act, 1962 or Allied Acts or Clearance of undervalued goods for import or overvalued goods for export, acts of smuggling, with his willful knowledge and consent and/or abet such illegal acts with his connivance and act of omission or commission. On the contrary if it comes to the knowledge of the member with reasonable diligence that his clients or any other business associate in any particular transaction, which he is a part of, is committing an offence under any of the relevant acts for the time being in force, he shall immediately bring it to the knowledge of the appropriate authorities and the Federation.
- 8. Employment of Staff:** Any member who employs an employee, who was employed with another member immediately prior to his approaching the member for employment shall ensure that the previous employer, who is a member, has given the employee a clean certificate, that he has fulfilled all his obligations towards his previous employer and handed over all material, information, documents, books, equipment, cash, cheque books which are in his possession to the previous employer. If the said employee was previously employed with a Custom Broker that the member who intends to employ him should ensure that the said employee has returned all his passes including his Custom Pass, Dock Entry Permit, Airport Pass or any other pass to the previous employer. The previous employer shall also ensure that all these passes which are returned to him by his employee, who has left his service are immediately surrendered to the appropriate authorities, who have issued such passes for cancellation.

9. **Poaching of Employees:** Although any member is at liberty to employ any employee of another member, who has quit the employment of that member, subject to provisions mentioned in para 6 above, he shall not influence or lure any present employee of any another member to quit services of that member and join him by offering or assuring him of financial benefits and/ or perquisites and facilities. All members are encouraged to employ technically qualified staff, who possess the required expertise and to ensure that the staff they employ possess good moral character.

10. **Cessation of Membership:** A member shall not cease to be a member if his license (CB License/ MTO license etc.) on the basis of which, he was admitted as member of the Federation is suspended. However, if the aforesaid licenses/es on the basis of which he was admitted as a member of the Federation stands revoked, cease to be a member of the Federation. The Federation, if satisfied considering the facts of the case, that the revocation of license of the member was unjust or unlawful, the Federation may decide to support the member for restoration of his license. The decision to support or not to support the member in such a case, will be solely at the discretion of the Federation considering the facts of the case and not in any way binding on the Federation. However, if a member is declared insolvent or is convicted of a Criminal Offence by any court of law (unless the decision is stayed by appellat court of law) , the said member shall cease to be a member of the Federation.

11. **Bribery and Frauds:** A member shall not act prejudicial to the Professional standard required of the profession vis-a-vis clients and authorities and shall not indulge in bribery and commit frauds.

12. **Compliance of Law:** A member shall always ensure compliance of law and payment of statutory charges.

13. **Change of Constitution:** A member under-takes to intimate the Federation of any change in his status, constitution, address, names of Directors/ Partners and/or conventional or corporate name by any reason whatsoever.

14. A member making a breach of this covenant will attract penal action by the Association as may be provided from time to time.

15. A member further solemnly undertake to work for achievement of the objects and aims as enunciated in this code of conduct.

Name of the Company :

Name of the Directors/ :
Partners/Proprietor

Signature with Rubber Stamp of
Proprietor/Partner/Director