

ANNEXURE – I

THE CHENNAI CUSTOM BROKERS' ASSOCIATION

(CERTIFICATE OF REGISTRATION OF SOCIETIES ACT XXI OF 1860)
(S.NO.25 OF 1958)

CODE OF CONDUCT **(READ WITH BYE-LAW OF CCHAA VIDE SL.NO.15)**

OBJECTIVES:

The objectives of the Code of Conduct are: -

- a) To ensure fair business relationship amongst the members and between the members and their clients.
- b) To maintain reputation, status standing and goodwill of the Association and its members.
- c) To remove and settle disputes/differences between the members themselves and also between the members and the Association and all other different authorities and clients for fair running of their business.
- d) To maintain norms as set forth in the Customs Clearing Agents Licensing Regulation 1984. From time to time.

2. CONDUCT IN RESPECT OF RELATIONS WITH THE PUBLIC:

- a) A member undertake to comply with the Standard Trading Conditions laid down by the Federation of Freight Forwarders' Association in India in carrying on it's business to ensure high professional standard in its service and to refrain from unhealthy practices.
- b) A member shall charge only fair and reasonable rates based on the lines indicated in the Customs Public Notice on rates and services to be offered by a Licenced CHA.
- c) A member shall in no way part with his earnings by way of commission rebates on charges or pay or try to pay in cash or kind as an inducement directly or indirectly to his clients to procure business, except to his Agent or to other members of the Association or Associations affiliated to the Federation of Freight Forwarders' Associations in India.
- d) A member shall not permit his CHA Licence to be used by any other person, save his employee for transaction of his business. He shall hold and maintain proper office, establishment and recruit employees (whenever necessary) of his own for carrying out

his business. All the payments to the Port/ CFS/Steamer Agents/AAI to be made by either by client or CHA strictly. A member or a Member Staff shall not act as a middleman to non CHA / Custom Brokers at Customs/Port/CFS/ Air Cargo Complex premises and any member or their staffs found acting contrary to Code of Conduct will be reprimanded and informed to Customs for further course of action by Disciplinary Committee with proper recommendation from Executive Committee / Office Bearers. However, the said action may be dropped on proper submission of undertaking letter to the President of the Association

e) A member shall not act prejudicial to the professional etiquette requires of a Customs Brokers' vis-à-vis the clients and the authorities.

3. CODE OF CONDUCT BETWEEN THE MEMEBRS

a) A member shall not indulge in unfair competition or employ unfair means to attract clients away from another member.

b) Before undertaking any new business a member shall institute relevant enquires to ascertain if the client has any dispute with the previous agent who had serviced them and render all assistance to the aggrieved member, if necessary, in the recovery of their dues from the client. NOC from the previous agent on arrears of dues is a mandatory. In this regards standard operating procedure will be implemented by Executive Committee. It is mandatory to scrutiny antecedents of their clients by our members before engaging themselves as a Custom Broker and smooth/proper transition has to be taken place from previous Custom Broker to the New Custom Brokers. This NOC is to develop a fair trade practice among our members.

4. GENERAL:

a) The members shall have to intimate the Association to all changes in their status/constitutions and/or corporation names by any reason whatsoever.

b) A member shall undertake for the general good of all engaged in the professional to be regulated and disciplined by the measures laid down by the Association from time to time, to improve the image of the profession and to proactive goodwill and harmony within the profession.

c) A member will attract such disciplinary action as may be imposed by the Association for breach of any of the terms of the Code of Conduct or for indulging in any activities prejudicial to the interest of the Association. If needed association Executive Committee has all the right to pass such order to suspend the Membership from the Association for breaching of the Code of Conduct. However, he can be reinstate by giving a fresh undertaking letter subject to Executive Committee approval. Action will be initiated as per 8(b) of the bye-law.

5. DISCIPLINARY COMMITTEE

a) The Association shall form Disciplinary Committee from amongst the representatives of the members. Such Committee shall consist of not exceeding five members and one of them shall act as a Chairman. The Chairman of the Committee shall have power to co-opt an additional member suiting his convenience. A member will not be taken into the Committee, who is involved in any way with the disputes for which the said Committee is formed.

b) The Disciplinary Committee shall be empowered to hear any complaint forwarded to them by the President/Vice-President/Secretary of the Association against any member whether made by client/member/statutory authority receiving a written request from the Disciplinary Committee. The members against whom the complaint has been made shall provide such further information of documents and within such period as may be reasonably required by the Disciplinary Committee. The Committee will give the said member full opportunity to make representation in writing, in person or through the use of a duly appointed representative in connection with the said complaint before making any final decision. In the event, any of the members of the Committee is implicated in the dispute, then he will not be included in the Committee of this disputes. However, no professional counsel will be allowed to represent in any manner. and Disciplinary Committee's recommendation are final.

6. ABRITRATION :

The Association shall form a Committee of Arbitrators as and when required duly empowered to settle disputes/difference between the members, if the same is referred to the Association by the member of members concerned.

7. APPEAL :

a) An appellate Committee should be formed with three members of the Association with Five members of the Association, under Chairmanship of the President.

b) Any member aggrieved of any decision/order of the Committee and Sub-Committee of the Association in any matter referred to in the Code of Conduct or on any other matter may appeal to the Appellate Committee in writing within 30 days from the date of receipt such decision orders as may be, for redressel.

c) Upon receipt of the Appeal, the Appellate Committee after giving proper consideration to the issue (matters) from the parties concerned shall give their decision in writing and such decision shall be final and binding upon them in the matter of discipline.

d) The Executive Committee of the Association shall have the power to give a ruling on all the matters contained in the Code of Conduct and in the matter of any difference/disputes its decision shall be final and binding on all concerned.