

of paragraph First hereof without such consent of the Director.

Tenth. (a) Any action, approval or consent which by the provisions of this bond is required to be taken or signed by the Director shall be effective if taken or signed by the Director or by his authorized representative, and wherever and whenever herein any right, power, or authority is granted or given to the Director, such right, power, or authority may be exercised in all cases by his authorized representative, and the act or acts of such authorized representative, when taken shall constitute the act of the Director hereunder.

(b) "Discovery and report" by the Agent as used herein shall be deemed to mean discovery by any person and the report of such discovery to an executive officer or head of a department or division concerned with such discovery and report of the Agent at the Agent's principal place of business within the continental United States. "Discovery and report" by the Director shall be deemed to mean discovery by any person and the re-

port of such discovery to an executive officer or head of a division or section concerned with such discovery and report at the Director's headquarters.

(c) Notices, approvals and requests required by the provisions hereof shall be sent to the Surety addressed to it at its home office at.

(d) Notices, acceptances and requests required to be sent to the Agent shall be sent to The Agent, \_\_\_\_\_ (Name and head office address).

(e) Notices and requests to be sent to the Director shall be addressed to the Director, National Shipping Authority of the Maritime Administration, Department of Transportation, at the Director's headquarters.

Signed, sealed and dated this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

[corporate seal] \_\_\_\_\_ (Surety)

Attest or witness:

\_\_\_\_ By \_\_\_\_  
\_\_\_\_ By \_\_\_\_

SCHEDULE OF POSITIONS AND AMOUNTS

The positions set forth hereinafter in this Schedule are all located on board the vessel or vessels allocated by the Director from time to time to the Agent named herein

Table with 6 columns: Item No., Description position, Number persons filling position, Amount coverage on each, Aggregate coverage, Premium. The table body is currently empty.

[AGE-3, 16 FR 6751, July 12, 1951, as amended by Amdt. 1, 16 FR 9527, Sept. 19, 1951. Redesignated at 45 FR 44587, July 1, 1980]

PART 324—PROCEDURAL RULES FOR FINANCIAL TRANSACTIONS UNDER AGENCY AGREEMENTS

ACCOUNTS

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- 1. Books of account.
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- 3. Accounting for revenues.

FUNDING OF OPERATIONS

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- 5. Disbursements at principal office of agent.
6. Disbursements at other domestic ports.
7. Disbursements at foreign ports.

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- 8. Disbursement documents.
9. Maintenance of documents.
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REPORTS AND AUDIT

- 11. Reports to the owner.
12. Audit.

AUTHORITY: Sec. 204, 49 Stat. 1987, as amended; 46 U.S.C. 1114.

## Section 1

SOURCE: FIS-1, 16 FR 2885, Apr. 3, 1951, unless otherwise noted. Redesignated at 45 FR 44587, July 1, 1980.

### ACCOUNTS

#### Section 1 Books of account.

A separate set of books of account shall be opened for the purpose of recording the various transactions in connection with the said agency agreement. The books of original entry and ledgers may be similar in design to those heretofore employed by the agent unless it develops that they are inadequate, in which event the deficiency shall be remedied promptly. The accounts required in operations under this agency agreement, however, shall conform to the chart in the uniform system prescribed by the Maritime Administration in General Order No. 22, Revised (46 CFR part 282) and recordings in the accounts shall be in accordance with the descriptions thereof contained in the said uniform system.

#### Sec. 2 Bank account.

A separate joint bank account will be maintained in a depository or depositories designated by the agent and approved by the National Shipping Authority (referred to in this order as the owner), into which all collections under the agency agreement will be deposited and from which disbursements in connection with the activities, maintenance and business of the vessels thereunder will be made. Upon designation by the agent and approval by the owner of the depository or depositories, the owner will issue an order for the establishment of the joint bank account. The order will set forth the conditions governing the establishment and maintenance of the account and the making of deposits therein and withdrawals therefrom. A signed copy of the order of the owner will be furnished the agent and the agent promptly shall adopt, through its Board of Directors, a resolution satisfactory in form and substance to the owner, authorizing the establishment and maintenance of the account in conformity with the action of the owner. A signed copy of the order of the owner and a certified copy of the resolution of the agent will be furnished by the owner to the depository for its guidance in

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maintaining the fund and honoring instruments of withdrawal. The order will provide, among other things, that:

(a) Withdrawals from this bank account may be made by the agent without the countersignature of the owner for disbursements in connection with the activities, maintenance and business of the vessels assigned under agency agreements, except disbursements involving payments to the agent directly, or to any other persons specifically designated by the Director, National Shipping Authority, in which instances the countersignature of a designated representative of the owner will be required, (b) withdrawals may be made from the account by the owner without the countersignature of the agent whenever and to the extent the owner shall determine that the balance in the account in excess of current operating requirements warrants such action, (c) the bank shall have no rights against the joint account on account of indebtedness of the agent either by way of set-off or otherwise, (d) the bank may receive for deposit in the joint account any funds tendered to it by any person with instructions that the same be deposited in the said account, and the bank shall have no responsibility to inquire as to the source of such funds, and (e) the bank shall disburse funds from the joint account in accordance with checks, drafts, or other orders for the payment of money, drawn as provided in the order, without making any inquiry as to the purpose or use to which such withdrawals are to be put.

### ACCOUNTING FOR REVENUES

#### Sec. 3 Accounting for revenues.

(a) *General.* (1) The Agent shall be responsible for the prompt collection of all vessel operating revenue, shall issue such instructions as may be necessary to its branch houses or sub-agents, and shall take such other steps as may be necessary to insure prompt remittance to it of vessel operating revenue collected outside its principal office.

(2) Freight revenue collected, less refunds made therefrom, shall be remitted to the owner promptly subsequent to the close of each month. Disbursements except for refunds shall not be



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the funds necessary to meet the requirements of such branch houses or subagents in connection with the activities, maintenance and business of the vessels assigned under the agency agreement. In such cases the branch house or subagent shall pay invoices from such advances and make proper accounting to the agent for each advance supported by invoices bearing evidence of payment and accompanied by remittance covering any unexpended balance of the advance, promptly after the departure of each vessel for which such advance was made.

**Sec. 7 Disbursements at foreign ports.**

Disbursement procedures at foreign ports may differ in the case of individual agents and in view of existing conditions. Disbursements at foreign ports shall be made by one of the following methods or by any other method outlined to and approved by the owner in advance of its use:

(a) The agent may advance from time to time from the joint bank account the funds necessary to meet the requirements of the business of the vessels assigned under the agency agreement. In such cases the foreign branch house or sub-agent shall pay invoices from such advances and shall make proper accounting to the agent for all advances supported by invoices bearing satisfactory evidence of payment. Any gains or losses in exchange on such advances or disbursements shall be for the account of the owner.

(b) The foreign branch house or sub-agent may pay all invoices from his own funds and thereafter draw on the agent for reimbursement, at the same time forwarding the disbursements account by air mail.

(c) The agent may establish Letters of Credit making funds available to the foreign branch house or sub-agent against which funds may be drawn by the sub-agent for branch house for payment of properly approved documents.

**DOCUMENTS**

**Sec. 8 Disbursement documents.**

(a) *Preparation of invoices by contractors and/or vendors.* (1) Invoices from contractors or vendors shall be supported by evidence of delivery of sup-

plies (delivery receipts), performance of services, or use in facilities furnished the vessels, and shall include the following:

- (i) Name of vessel.
- (ii) Name of port at which the services, supplies, or facilities were furnished.
- (iii) Date of delivery or service.
- (iv) Necessary details as to the nature of services, supplies, or facilities furnished including quantity, rate, price and total amount.

(2)(i) In addition to the foregoing, contractors or vendors shall certify each invoice or voucher (original only) in the following manner:

I certify that the above bill is correct and just and that payment therefor has not been received.

*Name of contractor or vendor* \_\_\_\_\_  
By: \_\_\_\_\_

(ii) The agent shall advise its domestic and foreign branch houses, sub-agents, or other representatives to the effect that the foregoing information and certifications must be shown on all invoices or vouchers when received from contractors or vendors.

(iii) In instances where the foregoing certification is unobtainable for foreign purchases only, it may be waived: *Provided*, That, in lieu of such certification the agent certifies the invoice as follows:

We certify that the prescribed certification of the payee was unobtainable.

*General agent or berth agent*  
By: \_\_\_\_\_

(3) In instances where it is not possible or practicable to obtain invoices bearing evidence of payment covering disbursements at foreign ports, that requirement will be waived, provided the agent certifies as follows:

We certify that, to the best of our knowledge and belief, this invoice has been paid.

*General agent or berth agent*  
By: \_\_\_\_\_

(4) Invoices rendered to the agent by its branch houses or sub-agents shall be only those of the contractors or vendors who actually rendered the services or furnished the supplies or facilities.

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(5) If the laws of any country require the foreign sub-agent or branch house to retain the original invoice with stamps affixed, or if such laws require the original receipt as prima facie evidence of payment, the corresponding duplicate copy of the invoice, in proper form, must be forwarded to the agent with notation to that effect made thereon by the foreign sub-agent or branch house.

(b) *Certification of master, ship's officers, branch houses, sub-agents, or duly authorized representatives.* (1) Evidence of delivery of supplies, performance of services, or use of facilities, as normally provided by delivery receipts, or an equivalent form, comprises an essential part of proper documentation for disbursing purposes.

(i) Where supplies are delivered or services or facilities are furnished directly to a vessel, evidence of delivery or performance normally should be signed by a ship's officer.

(ii) Where such evidence is not signed by a ship's officer, any duly authorized representative of the agent may sign as "Duly Authorized Representative," provided the agent shall be responsible for the designation of proper and qualified representatives and provided the agent shall furnish, when so required by the owner, adequate evidence that the signing representative was duly authorized by him. In instances in which the agent may not be able to identify in advance the representative who may sign, the agent shall have the responsibility for determining that the person signing was qualified to execute evidence of delivery of supplies, performance of services, or use of facilities involved.

(2) For charges for watching cargo, stevedoring, wharfage, receiving and delivering cargo, clerking and checking, or other services or facilities not rendered directly to the vessel, for which normally delivery receipts or any equivalent form are not furnished, the following certification on the face of the original invoice by a duly authorized representative of the agent is required.

I certify that the services or facilities as specified have been furnished.

*Name*

Duly authorized representative

(3) Ships' payrolls shall be certified by the master (or his authorized representative) as follows:

I certify that this payroll is true and correct, and that the persons named hereon have performed the services for the period stated.

*Master (or his authorized representative)*

(4) In instances where vessels are under foreign articles the payroll shall bear proper evidence of having been paid off before a United States Shipping Commissioner or an American Consul.

(5) The slop chest account shall be certified by the master as follows:

I hereby certify that the above is a true statement of all Slop Chest transactions on this vessel and voyage.

*Master (or his authorized representative)*

(6) A similar certification shall be made by the Chief Steward (or his authorized representative) covering bar transactions (if any).

(c) *Certification by branch house or sub-agent where agent does not handle transactions directly.* The certification of the branch house or sub-agent must be shown on the original invoice (if rendered singly) or on the summary disbursement statement (if rendered in groups) in the following manner:

(1) *On single invoices.*

I certify that the prices charged are reasonable and correct.

*Branch house or sub-agent*

By: \_\_\_\_\_  
*Name Title*

(2) *On the summary statement.*

I certify that the prices charged per invoices detailed above are reasonable and correct.

*Branch house or sub-agent*

By: \_\_\_\_\_  
*Name Title*

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**Sec. 9 Maintenance of documents.**

The agent shall maintain the originals of all documents at his principal office. All documents originating at other domestic ports and at foreign ports shall be transmitted as currently as possible to the principal office of the agent. The agent shall in all cases perform his audit and review functions promptly and shall be in a position to supply complete documentation for a current audit by representatives of the owner. The agent shall maintain to the maximum extent possible a complete and orderly file of all authorizations for facilities, services and supplies, and complete tariffs and port schedules covering charges at domestic and foreign ports incident to the operation of the vessels assigned under the agency agreement.

**Sec. 10 Lost documents.**

In the event of the loss of documents, photostat, carbon, or other suitable copies may be substituted therefor, in which event the following certification shall be placed on such copies:

I certify that, to the best of my knowledge and belief, this is a true copy of an original that has been lost.

By: \_\_\_\_\_  
                    *Branch house or sub-agent*  
                                    Name                    Title

**REPORTS AND AUDIT**

**Sec. 11 Reports to the owner.**

The agent shall submit to the local District Finance Officer of the owner, in triplicate, not later than 20 days after the end of each month, its general ledger trial balance and such schedules and support thereof as may be required. The agent shall also submit to the owner, in original and four copies, not later than 10 days after the end of each month a statement in the form and content to be prescribed reflecting cash receipts and cash disbursements for the preceding month and cumulative totals for the year to date; the original and one copy will be transmitted to the local District Finance Officer and three copies will be trans-

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mitted to the Chief, Office of Finance, Maritime Administration, Washington.

[FIS-1, 16 FR 2885, Apr. 3, 1951, as amended at 33 FR 5952, Apr. 18, 1968. Redesignated at 45 FR 44587, July 1, 1980]

**Sec. 12 Audit.**

(a) The owner will audit as currently as possible subsequent to audit by the agent, all documents relating to the activities, maintenance and business of the vessels assigned under agency agreements.

(b) The agent shall maintain all documents in his principal office, for the time being in accordance with his customary practice of filing.

(c) Subsequent to audit by the owner, at such intervals as may be determined, the owner will authorize entries to be made to revenue and expense accounts and to accounts reflecting relations between the owner and the agent.

NOTE: Books of accounts and documents referred to in the above order, shall be retained until the completion of the audit by the General Accounting Office, at which time the Maritime Administration will take custody of the records.

[16 FR 2885, Apr. 3, 1951, as amended at 21 FR 8105, Oct. 23, 1956. Redesignated at 45 FR 44587, July 1, 1980]

**PART 325—PROCEDURE TO BE FOLLOWED BY GENERAL AGENTS IN PREPARATION OF INVOICES AND PAYMENT OF COMPENSATION PURSUANT TO PROVISIONS OF NSA ORDER NO. 47**

Sec.

- 1. What this order does.
- 2. Terms.
- 3. Preparation of invoices.
- 4. Method of payment.
- 5. Accounting.

AUTHORITY: Sec. 204, 49 Stat. 1987, as amended; 46 U.S.C. 1114.

SOURCE: FIS-2, 16 FR 10026, Oct. 2, 1951, unless otherwise noted. Redesignated at 45 FR 44587, July 1, 1980.

**Section 1 What this order does.**

This order prescribes procedures for the preparation of invoices for, and payment and the accounting for, compensation payable to General Agents of the National Shipping Authority for