

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 made from freight revenue collections unless specifically authorized by the owner.

(3) Passenger revenue collections shall be accounted for in accordance with procedures to be described.

(4) 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.

(b) Revenue documents—(1) Freight revenue. The agent shall require its domestic and foreign branch houses, sub-agents, or other representatives, to prepare and submit revenue documents (manifests, bills of lading, out turn weight certificates, correction notices, etc.) to it. The manifest, in addition to showing the name of shipper, consignee, weight or measurement, freight rate and basis (whether the freight rate applies on measurement or weight basis), and amount of freight, shall show also advance charges, prepaid beyond charges, etc. A recapitulation sheet shall be made of the totals shown on the individual manifest sheets for each port. The aggregate totals of weight and measurement freight shall be converted to freight payable tons of bulk, general, heavy lifts, and commodities subject to special stevedoring rates if freight carried is subject to an over-all stevedoring agreement.

(2) Passenger revenue. Agents to whom combination passenger and freight vessels have been assigned under agency

agreements and who heretofore have established a passenger accounting procedure, may continue to follow such procedure under the agency operations, unless such procedure is found to be inadequate by the owner.

(3) Certifications of revenue documents. The following certifications will be signed by branch houses or sub-agents:

(i) Freight manifests. Certified to be a true and correct reflection of cargo loaded and rates charged.

By: _____
Branch house or sub-agent
Name Title

(ii) Passenger manifests. Certified to be a true and correct reflection of passengers carried and rates charged.

By: _____
Branch house or sub-agent
Name Title

(4) Definition of manifest. The term manifest as used in this order, shall be interpreted to include appropriate equivalent documents as customarily used.

FUNDING OF OPERATIONS

Sec. 4 Funding of operations.

Cash advances will be made by the owner in such amounts and at such times as are required to adequately fund the activities, maintenance and business of the vessels assigned under agency agreements.

DISBURSEMENTS

Sec. 5 Disbursements at principal office of agent.

All expenses directly applicable to the activities, maintenance and business of the vessels assigned under agency agreements shall be paid from funds advanced by the owner unless otherwise specifically provided. When paid by check, invoices shall reflect the numbers of the checks by which the invoices were paid; when paid other than by check of the agent at his principal office, invoices must bear evidence of payment.

Sec. 6 Disbursements at other domestic ports.

Disbursements at domestic ports other than the principal office of the

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agent for expenses as referred to in section 5 shall be made by one of the three following methods:

(a) After proper certification by the branch house or subagent, invoices shall be forwarded to the agent for payment, or

(b) The branch house or subagent shall pay invoices and thereafter apply to the agent for reimbursement, supporting its voucher with invoices bearing evidence of payment covering individual disbursement, or

(c) The agent may advance from time to time from the joint bank account 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

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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 supplies (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: _____
Name Title

(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: _____
Name Title