

International Seafood Sustainability Trade Association, Inc.
Compliance Policy
Effective May 22, 2012
Amended May 21, 2016
Amended April 24, 2017
Amended Oct. 16, 2017

Policy Statement

All Members of International Seafood Sustainability Trade Association, Inc. (ISSA) are obligated to comply with the ISSA Bylaws (Bylaws). The Bylaws provide as a sufficient cause for suspension or expulsion from Membership “failure to adhere to the seafood sustainability standards as promulgated by the International Seafood Sustainability Foundation (ISSF).” (Section 3.13.2(c)). To ensure the integrity of this Membership requirement, the following policies shall apply to all Members:

1. ISSA Members commit to conform to all in-effect ISSF Conservation Measures and to undergo and cooperate in periodic audits by an independent, third-party auditor pursuant to the current Participating Company Audit Protocol.
2. In order to set the appropriate annual dues, each Member shall provide a report detailing annual tuna revenues from the period of October 1 through September 30 of the following year. The request for this report will come from ISSA’s outside counsel and will specify the time frame in which the Member must provide this information. Members will provide this information directly to outside counsel, not to ISSA. Founding and Full Members failing to provide this information within the time frame specified will be assessed the highest level of annual dues for full membership, beginning with the first quarter of the year following the default until such time as the Member produces its report of annual tuna revenues. Associate Members failing to provide this information within the time frame specified will be assessed annual dues for the lowest level of full membership, beginning with the first quarter of the year following the default until such time as the Member produces its report of annual tuna revenues.
3. All ISSA Members are obliged to respond fully, accurately and in a timely manner to all requests for documents, data and other information under the current Participating Company Audit Protocol. Members shall upon request provide appropriate supporting documents, data or other support. Submission of such information by or on behalf of Members will constitute verification of its accuracy and completeness. Members who due to non-responsiveness, non-completeness or otherwise exceed a cumulative total of 4 days of auditor’s time in fully completing their annual audit will be invoiced by ISSA for the cost of the auditor’s time in excess of 4 days. Failure to pay any such amount invoiced by ISSA will be treated as a failure to pay dues under the Bylaws and policies of ISSA. Appropriate confidentiality obligations will be established and observed by staff and the auditors.
4. For purposes of the chart in Paragraph 5, the term “default” (and any related usages) will mean with respect to any requests for information under Paragraphs 2 and 3 above any of the following: (a) failure by a Member to cooperate in good faith, (b) failure by a Member to

respond to requests for documentation, documents, or access to personnel in the time frame specified, (c) submission by a Member of any untrue statement of material fact or a Member's omission of material fact in connection with documentation, data or responses to inquiries, or (d) other unwarranted interference or disruption by a Member. "Member" includes the officers, directors, employees, agents, attorneys, consultants or any other person purporting to respond to the requests for information on the Member's behalf.

5. With regard to the foregoing paragraphs, the following disciplinary steps shall be invoked:

Cause / Finding	Disciplinary Response
a. With respect to any time period specified in writing under Paragraphs 2 or 3 for the provision of information, a Member fails to respond within the time period.	Written notification of the default to the CEO of the defaulting Member by staff.
b. The Member fails to respond for an additional 10-day period or Member is otherwise in default as described in Paragraph 4.	Each default will be considered a major non-conformance and will be addressed under the schedule of responses in Paragraph 7 below.

6. Upon completion of each audit or review, the auditor will issue a detailed report to the Member and staff.
7. The following schedule of actions will apply for non-conformance with a particular conservation measure or default under Paragraph 5.b above.

This section will not apply for Members that are undergoing their first annual audit; however, the terms of the ISSA Bylaws apply. Minor non-conformances with new conservation measures in their first year of application will be included in the detailed audit reports provided to Members, but will not be used to determine the Compliance Level under this section.

All Members will be expected to remediate all non-conformances.

Compliance Level	Non-Conformances	Initial Action	Failure to Remediate	Repeated Instances ¹
1	Minor – 1 to 3 minor non-conformances in one audit cycle	N/A ²	N/A	N/A

¹ Repeated instances refers to non-conformances occurring in two consecutive annual audit cycles.

² To the extent corrective action is possible, a Member, at its own expense⁴, may request a follow-up audit by auditor to document that corrective action has taken place.

Compliance Level	Non-Conformances	Initial Action	Failure to Remediate	Repeated Instances³
2	Minor – 4 to 7 minor non-conformances in one audit cycle	To the extent corrective action is possible, Member must correct the minor non-conformance(s) within 30 days after the Spring ISSA Board meeting, and demonstrate that it has taken corrective action as confirmed in writing by auditor. Member will bear the costs of the auditor review. ⁴	To the extent corrective action is possible, the Member will bear the costs of quarterly follow-up audits by auditor to demonstrate that corrective action has taken place, so that the total number of unremediated minor non-conformances is 3 or less.	Findings of a total of 4 to 7 minor non-conformances with any conservation measures in the next consecutive audit cycle will be handled as described in Compliance Level 4 below.
3	Minor – 8 or more minor non-conformances in one audit cycle	Will be handled as described in Compliance Level 4 below.	a. To the extent corrective action is possible, if unremediated minor non-conformances total 7 or less, the Member will bear the costs of quarterly follow-up audits by auditor to demonstrate that corrective action has taken place. b. To the extent corrective action is possible, if unremediated minor non-conformances total 8 or more, referral to Compliance Committee for review and recommendation	Findings of a total of 8 or more minor non-conformances or 2 or less major non-conformances with any conservation measures in the next audit cycle will be referred to Compliance Committee for review and recommendation up to and including termination from ISSA.

³ Repeated instances refers to non-conformances occurring in two consecutive annual audit cycles.

⁴ Failure to pay auditor for any follow-up audits referenced in this schedule will result in a major non-conformance and referral to the Compliance Committee.

Compliance Level	Non-Conformances	Initial Action	Failure to Remediate	Repeated Instances
4	Major – Two or less major non-conformances in one audit cycle	Member must provide auditor with a Corrective Action Response (CAR) within 15 days after the first ISSA Board meeting of the year. Non-conformance must be remediated within 30 days after the submission of the CAR, and auditor confirms in writing that the corrective action has taken place. Member will bear the costs of the auditor review.	Referral to Compliance Committee for review and recommendation	Findings of two or less major non-conformances or 8 or more minor non-conformances with any conservation measures in the next audit cycle will be referred to Compliance Committee for review and recommendation up to and including termination from ISSA.
5	Major – 3 or more major non-conformances in one audit cycle	Referral to Compliance Committee for review and recommendation up to and including termination from ISSA.	N/A	N/A
6	Major – Two majors and 8 or more minor non-conformances in one audit cycle	Referral to Compliance Committee for review and recommendation up to and including termination from ISSA	N/A	N/A

Compliance Level	Non-Conformances	Initial Action	Failure to Remediate	Repeated Instances
7	Major – Failure to provide information required in Paragraphs 2 or 3 of the Compliance Policy, or otherwise in default under Paragraph 4 of the Compliance Policy	Referral to Compliance Committee for review and recommendation up to and including termination from ISSA	N/A	Automatic termination of membership

8. ISSF shall establish on the ISSF website a public contact address to be available for reporting any ISSA Member’s alleged violations of ISSF conservation measures.
9. Each Compliance Committee will be constituted pursuant the terms of ISSA and ISSF Bylaws.

End of Policy