

■ USA Terminals – Verified Gross Mass (VGM) – SOLAS Regulation

June 28, 2016

Dear Customer,

We would like to update you regarding the new **SOLAS** regulation about the containers' verified gross mass (**VGM**) with effective date **July 1, 2016**.

For all containers that are delivered to a US terminal by truck, Hapag-Lloyd will receive the certified scaled weight electronically from the terminal, and this will be used as the VGM. The United States Coast Guard has approved that the weights obtained through this procedure are equivalent to the Verified Gross Mass (VGM) required by SOLAS.

We acknowledged that certain Marine Terminals may not have scales and processes that meet the U.S. Coast Guard's equivalency determination for all or specified segments of cargo (e.g., cargo arriving by on-dock rail). Accordingly, VGM will need to be submitted using SOLAS Method 1 or Method 2 as described in the OCEMA best practices document found in paragraphs (a) and (b).

Alternatively, for all rail cargo exporting from a USA ocean terminal, we are prepared to accept the verified gross cargo weight including packaging material, provided that that weight is submitted to Hapag-Lloyd prior to rail billing. Either the trucker or the shipper, can supply us with this gross cargo weight figure, and the tare weight of the container will be added to have the final VGM.

For all USA origin rail cargo sailing out of a Canadian port, we would require you to submit electronically a full VGM to us, strictly using method 1 or 2. Shippers of course can still provide us with their VGM's electronically. Hapag-Lloyd will have a firm No VGM, No Load policy effective July 1st. We would encourage you to read the OCEMA best practices and also familiarize yourself with the new tariff filings that are applicable to VGM.

For further information please contact your local Hapag-Lloyd office.

Kind regards

Hapag-Lloyd AG