



June 29, 2016

## VGM Submission Policy for U.S. Ports of Loading

Dear Valued Customer,

Effective July 1, 2016, Safety of Life and Sea (SOLAS) Convention requires shippers to declare and provide Verified Gross Mass (VGM) of packed containers to carrier. To efficiently coordinate and ensure the smooth export process, the following methods will be used to measure packed containers as shipper's VGM if shipper does not provide VGM to Hanjin by the cut-off time indicated in our booking notice:

### **Cargo Arriving Terminal Gate via Truck**

Packed containers that enter through a U.S. port terminal gate (i.e. off-dock rail, local export cargo) can be scaled/weighted by terminal. Hanjin will use this terminal weight as VGM submission by the shipper – in compliance with the U.S. Coast Guard guideline and that of SOLAS VGM requirement.

### **Intermodal Cargo Destined On-Dock**

Packed containers that move via rail intermodal received at a terminal (i.e. on-dock rail) will have Gross Cargo Weights as required under the Intermodal Safe Container Transportation Act (ISCTA), which are passed from the shipper's loading facility to the trucker and then to Hanjin (for inland rail units only) for safe rail transport and terminal handling. Hanjin, on behalf of shipper, will add container tare weight to the Gross Cargo Weight, and submit the total as VGM to loading ports.

Hanjin also reserves the right to utilize the shipper's cargo weight as declared in the applicable shipping documents (eg. Shipping Instruction ("S/I")) – by adding the relevant container tare weight to the weight in shipping document, Hanjin shall be authorized to submit the total weight as VGM on shipper's behalf.

While all methods above comply with SOLAS regulation, the actual implementation of the VGM compliance processes are still being finalized. Hanjin will amend its tariff language to appropriately clarify the shipper's authorization for Hanjin to utilize the weights to submit as VGM on shipper's behalf.

Please be advised that ocean terminals are still finalizing their respective operational processes and requirements that may affect shipper's VGM responsibility. Any fees, costs, or expense imposed by each ocean terminals related to VGM will be passed on to the shipper or cargo interest.

Please contact your local Hanjin sales representative for any further inquiries or more information.

Sincerely yours,

Hanjin Shipping Co., Ltd