

SOLAS Update

Hamburg, 03.06.2016

Dear valued customers,

as you are aware, the International Maritime Organization (IMO) has amended the Safety of Life at Sea Convention (SOLAS) to require, as a condition for loading a packed container onto a vessel for export, that the container has a verified weight.

As of July 1<sup>st</sup>, 2016, shippers are responsible to determine the container weight and to declare the Verified Gross Mass (VGM) to the ocean carriers.

For groupage containers, the NVOCC is the shipper to the ocean carriers. SACO Shipping will be responsible for obtaining the VGM by weighing the packed container and transmitting it in time to ensure the container will be loaded onto the vessel.

We have been working diligently on enhancements of our systems and processes to facilitate an accurate and timely VGM submission.

As July 1<sup>st</sup> draws near, we would like to update SACO's earlier notification.

As the SOLAS amendment will not be applicable for LCL cargo as such, SACO will not ask for additional information apart from what is required already now. We will not ask for a VGM or weighing certificate. We will assume that the weight of any LCL shipment, as submitted to us by you, is true and accurate and includes all packing materials.

We hold resources at our warehouses to weigh LCL shipments at cost in case you or your client should be unable to determine correct cargo weights.

There is no doubt that SOLAS will add cost to the logistics process. We therefore would like to inform you that SACO Shipping will apply a SOLAS fee of EUR 12,50 per shipment for every booking with ETS effective as from July 1<sup>st</sup>, 2016.

SACO Shipping will continue discussions with relevant stakeholders and keep you informed about any changes or developments pertaining to the SOLAS amendment.

For any assistance or further information required, do not hesitate to contact us at any time.

Sincerely,

SACO Shipping GmbH