

COSCO Announces:

- Solas Verified Gross Mass (VGM) Policy Update

Dear Valued Customer,

This is an update on our VGM policy since the inception of the SOLAS VGM regulation that went into effect on <u>July 1st</u>, <u>2016</u>. We would like to thank you, our customers, for your cooperation in ensuring we have received the necessary VGM information to prevent any delays to your shipments.

Although there has been good success overall implementing the regulation. We have found that there is still some lingering confusion regarding the submission of VGM.

As a reminder of our VGM policy, please carefully read the below information.

Intermodal shipments originating in the US moving via Canada load ports:

Intermodal shipments that originate in the US and move via Canada load ports, require VGM to be submitted by the shipper, or party authorized by the shipper. There is no alternative option. Below is a recap of the required elements for submission. We have been receiving some VGM's that are missing the method used for weighing. Please ensure that is included in your submission.

REQUIRED ELEMENTS FOR SUBMISSION:

Shipper or Authorized Party
Authorized Person
Booking Number
Container Number
Container Number
Weighing Method Used (Method 1 or 2)
Method 1 – Weighing of the packed and seal container - subtract the truck, chassis & fuel
Method 2 – Weighing of the goods + packing material (gross cargo weight) - add the container tare weight
Weight Unit of Measure (KGS or LBS)

Below are the methods by which Cosco is currently accepting VGM information:

1: Vermas (EDI)

2: Electronic Shipping Instructions (E-SI) - Customers using EDI shipping instructions to submit their VGM will be required to submit their shipping instructions earlier than the standard documentation cutoff for terminals that requires VGM before gate in. For this reason, COSCO strongly recommends using VERMAS EDI to submit VGM's. (Note: If you include VGM on your shipping instructions that are NOT sent via EDI, you must copy in the proper email address indicated in number 4 below.)

3: Website of our company - www.coscon.com (must be certified user)

4: In written form (Email) – Please ensure all required elements are submitted. Shipments loading in Long Beach or Los Angeles: <u>lgbtraffic@cosco-usa.com</u>. Shipments originating in the US and loading via Canada or any other US port of load: <u>vgm@cosco-usa.com</u>. This option will be phased out in the near future. We encourage you to submit via one of the other 3 methods.

CY port and CY intermodal shipments that arrive via truck to US load ports:

All Marine Terminal Operators (MTO) that COSCON ships and partner ships call, have weight scales at the entrance to their gates. These scales are all compliant with OSHA and Coast Guard requirements and as such can be used to identify the cargo weight and container weight at gate check in. All of our MTO partners have agreed to allow this method to be used as the VGM for containers moving through their gates. Shippers that do not provide a VGM through EDI or input into COSCON website will, as per COSCON tariff and also OCEMA's tariff, agree that by using the terminal scale weight you have certified this weight method as the VGM and are not required to supply a written signature. When the VGM weight is provide by the MTO on behalf of the shipper, shipper shall remain liable to Carrier for any damages, costs, loss, fines or penalties to carrier or MTO arising out of regulatory authority's refusal to accept this VGM calculated in this manner. This complies with weighing method #1 according to the regulation. If you wish to forego this option, you may still submit your VGM information via one of the methods cited above.

CY port and CY intermodal shipments that move by rail on dock to US load ports:

It is acknowledged that certain U.S. marine terminals receiving containers via on-dock rail may not have scales suitable for weighing such containers. Therefore, in light of the equivalency determination made by the U.S. Coast Guard, for containers arriving by on-dock rail, carrier will accept actual gross cargo weights (weight of the cargo, packaging materials, pallets, and dunnage) as certified by shipper or its agent pursuant to the Intermodal Safe Container Transportation Act ("ISCTA"). Carrier will arrange for the container tare weight to be added to the ISCTA weight and will forward, on behalf of Shipper, the total gross container weight to the marine terminal operator for stowage planning. This complies with weighing method #2 according to the regulation. If you wish to forego this option, you may still submit your VGM information via one of the methods cited above. For cargo that does not require a certified actual gross cargo weight under the ISCTA, Shippers wishing to avail themselves of this method must nevertheless submit a certified actual gross cargo weight that is consistent with the requirements of ISCTA for determining and reporting gross cargo weights.

We hope we have been able to provide clarification on the VGM requirements.

Please contact your COSCO sales representative, our North American Operations Center (NAOC) at 1-866-830-2550 or our Long Beach, CA Service Center at 1-866-502-6726 if you have any questions.

Thank you for being a valued customer. We appreciate your business and continued support.

COSCO Container Lines Americas, Inc.

COSCO Container Lines Americas, Inc. North America Operation Center 15600 John F. Kennedy Blvd. Suite 400 Houston, TX 77032 Tel: 866 830 2550 Unsubscribe | Contact Us