June 21, 2016

To: All Port of Charleston Rate Schedule Recipients and Valued Customers

The South Carolina State Ports Authority has made changes to the Marine Terminal Operator Schedule / Tariff No. 8 effective July 1, 2016. Below are the primary areas affected, change details can be found in the MTOS.:

AREAS OF CHANGE:

RULES AND REGULATIONS CONTAINER
Rule 34-151 *Provision of Verified Gross Mass (VGM) for Export Containers: (Summary)* - Shippers shipping export containers via our port authorize the use of these VGMs [as detailed in rule 34-151] in meeting their SOLAS obligation.   If the shipper using our port wishes to use an alternate method to comply with their SOLAS obligation, they should make the necessary arrangements with the ocean carrier moving their cargo.

The rate schedule can be obtained through the Ports Authority's website at:
http://scspa.com/Resources/tariff/tariff.asp

Any questions or rate inquires may be sent to: quotes@scspa.com

RULES AND REGULATIONS

RULE 34-151
PROVISION OF VERIFIED GROSS MASS (VGM) FOR EXPORT
CONTAINERS
ISSUED: 21JUN2016
EFFECTIVE: 01JUL2016

On April 28, 2016, the U.S. Coast Guard issued a Declaration of Equivalency to Regulation VI/2 of the International Convention for Safety of Life at Sea (SOLAS) which stated that existing U.S. laws and regulations for providing verified container weights are equivalent to the requirements of SOLAS Regulation VI/2. The U.S. Coast Guard cited a specific method for providing the container's verified gross mass (VGM) whereby a terminal weighs the container and, when duly authorized, verifies the VGM on behalf of the shipper. Further, it was stated that, for the purposes of determining the VGM of a container, any equipment currently being used to comply with Federal or State laws, including the container weight requirements in 29 CFR 1918.85(b), are acceptable for the purpose of complying with SOLAS. The Port of Charleston is in full compliance with 29 CFR 1918.85(b) in that it weighs all export containers moving through the port with scales calibrated and certified by the South Carolina Department of Agriculture.

To facilitate the safe and efficient movement of export container cargo via the Port of Charleston, the South Carolina Ports Authority will utilize the following procedures in the port for weighing of all export containers:

- The gross container weight (cargo and container tare weight) shall be determined in the following way:

  → The truck (including fuel and driver), chassis, container, cargo, and any other ancillary equipment such as genset (where utilized) are weighed intact on the certified scales thereby providing a gross scale weight.

  → The weight of the truck (as declared on the Department of Motor Vehicle's registration), chassis, fuel, driver weight and other ancillary equipment (as declared by the trucking company) are deducted from the gross scale weight to arrive at the gross container weight (cargo and container tare weight).

- This gross container weight will be supplied to the ocean carrier as the shipper's VGM for the container via EDI 322 transmission contemporaneously with its determination.

- These VGMs will be made available to stevedores or others stowing ships in the port for utilization in stowage plans.

All shippers shipping export containers via the port authorize the use of these procedures to meet their SOLAS obligations. If a shipper using the port wishes to use an alternate method to comply with its SOLAS obligation, it shall make the necessary arrangements with the ocean carrier moving its cargo. Notwithstanding any such arrangements, however, shippers' containers will be weighed and the weight will be supplied to the ocean carrier as provided in this Rule in order to facilitate compliance with applicable SOLAS requirements and associated guidelines.

All Rules under this Terminal Operating Schedule, including, but not limited to, MTOS Sections 34-001 [Authority Held Harmless] and 34-020 [Authority Liability], shall apply.