

CIRCULAR

6/22 JUNE 2022

OUTLINE

- This circular informs Members of the approval by the International Group of P&I Clubs (the Group) of the IQAX eBL system.

TO THE MEMBERS

ELECTRONIC PAPERLESS TRADING UPDATE

EssDOCS, Bolero International Ltd, E-Title Authority Pte Ltd, Global Share S.A. (edoxOnline platform) WAVE (WAVE Application), CargoX, TradeLens (TradeLens eBL), and IQAX Limited (IQAX eBL)

Members may recall, as reported in Circular 7/19, that, until February 2010, the Rules of all of the Group Clubs specifically excluded liabilities in respect of the carriage of cargo under all electronic, i.e. paperless trading, systems to the extent that the liabilities under such systems would not have arisen under a paper system i.e. one using transferable paper documentation.

Since 20 February 2010 liabilities arising in respect of the carriage of cargo under such paperless trading systems were covered, provided that the system had first been approved by the Group. Since then the Group has approved electronic i.e. paperless systems administered by EssDOCS, by Bolero International Ltd (more specifically the Rulebook/Operating procedures September 1999), E-TITLE, edoxOnline, WAVE, CargoX, TradeLens (TradeLens eBL), and now IQAX Limited has been added to the list of IG approved system providers.

IQAX eBL is a blockchain enabled system developed and owned by IQAX Limited, a Hong Kong company. As a part of COSCO SHIPPING Group, IQAX Limited is a global information technology company that provides intelligent and digital transformation solutions using blockchain for enterprises in the logistics ecosystem. The system provides access to real-time and traceable trade status of an electronic bill of lading and cargo transportation with a focus on digitalizing the issuance, transfer and management of ocean bills of lading. It offers paperless solutions to cargo owners, cargo forwarders, ocean carriers, banks and other trade participants. Further details can be found on the company's website – <https://www.iqax.com/en/solutions/ebl/>.

The legal documentation and terms of use associated with the use and operation of IQAX eBL is in the IQAX eBL Service Terms and Conditions dated 17 February 2022. This documentation has been reviewed and approved by the Group.

Other exclusions of cover under Group Club Rules relating to the carriage of cargo will of course continue to apply in respect of all the approved providers in the same way as for paper systems. These exclusions include discharge at a port or place other than the port or place provided for in the contract of carriage, the issue / creation of an ante or post-dated electronic document / record, and the delivery of cargo without the production of the negotiable electronic document / record, which in the case of an

approved electronic trading system will mean delivery of cargo other than in accordance with the rules of that trading system.

It would be helpful to the Group, in monitoring the use and development of these systems, if Members who are using them would advise the Club of any benefits or difficulties which they encounter, legal or practical, in the operation of the system or systems.

All Clubs in the Group have issued a similar circular.

Yours faithfully

THE MANAGERS

For more information

Members requiring further information should contact their usual underwriting contact at the Club.