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To: Transport Industry Operators

The Cost of Informed Decisions

Our Hague Visby Rules (HVR) seminar on 9 October 2001 was a great success. Over 100 forwarders, liners, logistics providers, terminal operators, and lawyers participated. The event could have been bigger had it not been for the seat capacity. The 100-minute session on the application of HVR was followed by enthusiastic questions from the floor. Time was insufficient to address all questions in the seminar. Attached is a summarized handout. Please feel free to contact us for a full version.

The great turnout has proven the demand for BASIC transport legal knowledge. International Transport Conventions are the basic RULES OF THE TRANSPORT GAME. Not knowing them precipitates the likelihood of making uninformed decisions thereby inducing claims. Mastering them, on the other hand, fundamentally changes your operations profile and enhances readiness for successful business.

A good liability insurer is needed in rainy days. A risk consultant who masters the RULES helps transfer and manage your risk better. He plays significant roles in your choice of underwriter, claim strategy formulation, below deductible claims, and loss prevention. You should make informed decisions only! IF YOU ARE BUYING INSURANCE ALREADY, THE COST OF INFORMED DECISIONS CAN BE ZERO – IT IS YOUR CHOICE.

At Sun Hing, we provide total solutions to your insurance needs. Our mission is to provide professional risk management combining risk transfer, liability consultancy, claims handling, and enhancement of basic transport legal rules to the satisfaction and at no additional insurance costs to our clients. We believe in BASICS. We will soon be arranging seminars on other transport conventions. Watch this space for latest information.

Simon Chan and Richard Chan

Coming from a strong shipping and air transport background, Richard and Simon have ample experience in designing **liability and property insurance for forwarders, logistic service providers, shipping companies, feeder operators, air cargo terminals, container terminals, and container lessors** in Asia Pacific. Richard and Simon are independent risk management advisors able to offer full array of risk management services, **including full-scale professional claims handling, loss prevention advice and prudent sourcing of insurance for your ease of mind. Their blended transport and insurance expertise are unique in the market.** They are eager to answer whatever claims handling and insurance needs you may have as a transport operator.

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Hague Visby Rules (HVR)

- 1. Full Name** : International Convention for the Unification of Certain Rules of Law relating to Bills of Lading signed on 25/8/1924 as amended on 23/2/1968 and 21/12/1979.
- 2. Hong Kong Application** : Carriage of Goods by Sea Ordinance (Chapter 462).
- 3. Worldwide Application** : about 30 countries.
- 4. HVR Application** : apply only to B/L and cover from loading to discharge.
- 5. Carrier** : includes ship owner, charterer or NVOCC.
- 6. Carrier's Duties** : (a) exercise due diligence before the voyage to make the ship seaworthy
: (b) properly load, handle, stow, carry, keep and discharge the goods.
- 7. Bill of Lading** : shows marks, quantity, weight and apparent condition of the goods; and
: prima facie evidence of receipt unless B/L transferred to third party.
- 8. Notice Time Limit** : 3 days.
- 9. Suit Time Limit** : 1 year (with at least 3 more months for indemnity claim).
- 10. Exemption of Liability** : 18 defences especially fire and navigational errors.
- 11. Limitation of Liability** : SDR 666.67/package or SDR 2/kg whichever is higher.
- 12. Tort** : HVR apply whether the action founded in contract or tort.

Simon Chan and Richard Chan