



19 January 2009

To: FIATA Licence Holder

Dear FIATA Licencee,

Subject: IMPORTANT NOTICE regarding the Conditions on the Reverse Side of FIATA's Forwarders Certificate of Receipt (FCR)

Being a FIATA Licence holder, your company is legally authorized to issue the FIATA documents (Bill of Lading "FBL" & Forwarders Certificate of Receipt "FCR"). In accordance with the FIATA Guideline on its documents and forms, the FCR bears the general national freight forwarding conditions of the issuing country (i.e. HAFFA Trading Conditions in Hong Kong) on the reverse of FCR. It is the requirement of FIATA that the FCR may only be used by FIATA Licencees who adhere to HAFFA Trading Conditions in their forwarding activities in Hong Kong. And **the current conditions printed on the reverse side of FCR are HAFFA Standard Trading Conditions (29 December 1997 Edition).**

Nevertheless, you may be aware that the HAFFA Form of Trading Conditions (December 2008 Edition) has been published via HAFFA Special Circular and been posted onto the HAFFA Website (<http://www.haffa.com.hk/hftc.html>) on 11 December 2008. **In principle, the FCR's conditions should be renewed in phase by using the latest HAFFA Trading Conditions (i.e. December 2008 Edition).**

However, in view of the impending introduction in Hong Kong of a Competition Ordinance, **both the quantum/rates of calculation of the limits of liability and the rate of interest are LEFT OPEN for completion** by individual Members in the HAFFA Form of Trading Conditions (December 2008 Edition). That means, should Members choose to adopt the new edition, they (*in consultation with their own legal and insurance advisers*) need to decide the quantum/rates of calculation of the limits of liability and the rate of interest, **COMPLETE the blanks in clause 20.4 and 11.6 respectively** in the Form of Trading Conditions. Thus, the situation induces that **the FCR cannot simply bear HAFFA Form of Trading Conditions (December 2008 Edition) on the reverse since the amount of limits of liability and interest rate are left open.**



In this connection, HAFFA has duly sought advice from the FIATA Presidency and they have finally granted permission for FIATA Licencee in Hong Kong to issue FCR with different liabilities provided that FIATA Licencee will adhere to the conditions set out below.

Instruction on the issuance of FCR:

At the outset, please note HAFFA makes no recommendation as to the use or adoption of the Trading Conditions. You are not in any way obligated to use or adopt the new edition of Trading Conditions and you are completely free to choose whichever version of the Trading Conditions which you may in your sole discretion considered appropriate. Therefore, you may issue FCR in Hong Kong by choosing either one of the options below.

Option 1 - Adopt the HAFFA Form of Trading Conditions (December 2008 Edition)

You must print your own FCR upon approval of HAFFA under the following conditions:

1. You must forward to HAFFA a sample of FCR for our approval before printing.
2. In your sample, there must be a declaration of liability of your company.
3. Make sure that you have completed the blanks in the areas of limitation of liability clauses (clause 20.4) and interest clauses (clause 11.6).
4. After approval of the FCR by HAFFA, you may print the FCR. And you must file a specimen copy of the FCR at HAFFA for record purpose.
5. There should be the same liability information in clause 20.4 and also the same liability information in clause 11.6 on all the printed FCRs of your company.

Option 2 - Adopt the HAFFA Standard Trading Conditions (December 1997 Edition), i.e. using the current version

You may *either*

- A. Obtain FCR from HAFFA at the price of HK\$280.-/100 sets. or
- B. Print your own FCR upon approval of HAFFA and file a specimen copy of your FCR at HAFFA for record purpose.

You are kindly requested to adhere to the above instruction should you issue FCR in Hong Kong. For enquiry, please feel free to call Ms. Angie Lim at 2796 3121.

Please note the issuance of FBL will not be affected under this circumstance, thus you may still obtain FBL from HAFFA at the price of HK\$380.-/100 sets. Or, you may print your own FBL upon approval of HAFFA and file a specimen copy of your FBL at HAFFA for record purpose.

Thank you for your kind attention.

Wishing you and your colleagues all the happiness and prosperity in the Year of Ox!

With best regards,

Alice Lui
Director
HAFFA