

Security Letter



TO WHOM IT MAY CONCERN

Please find below steps and measures that OOCL has taken as an organization toward ensuring that we are best positioned to continue to offer our customers consistent, safe and seamless global transportation services.

For all intents and purposes, as a global carrier we have long maintained high levels of security and a strict level of due diligence in all manners as it relates to the safety and security of our ports, vessels and cargo handling staff. With these priorities in place, we have a great deal of confidence in our ability to ensure that our customer's cargo flow will continue to move from end to end in a safe and uninterrupted manner. However, recent and on going global events have indeed dictated that we continue to remain highly vigilant toward the ever changing social and political climates that directly affect our trade. In response to the existing turbulent environment we face today, we are continuously seeking ways and means to further enhance, solidify and expand upon the security measures that we already have in place.

There is a great deal of specific detail that can be provided regarding multiple facets of our security response undertakings, however below is a general outline of policy which we have implemented that will further improve and expand upon the security and corresponding contingency plans we heretofore had employed. We feel that the following detail may best suit, in a detailed yet concise manner, what our customers and vendors are seeking to ascertain through this undertaking. Yet, by no means does this cover all precautionary measures, and certainly each area touched upon has extensive protocol and policy procedure that as desired we are more than willing to share and expand upon depending upon the level of detail that our customers would like to review. Upon your consumption of the general outline, please let us know as need or desire may require, where you would like to see further elaboration.

OOCL On-Shore & At Sea Security

Policy and Procedures Summary:

WHEN IN PORT

The gangway will be manned at all times. Authorized visitors MUST produce proper identification. Prior to departure from every port, a thorough shipboard search of the whole ship shall be carried out and record logged and kept. All container seals will be checked prior to loading. All first time new shippers will be carefully verified. All IMDG cargo must be approved by our respective territorial DG departments before these can be accepted to load.

AT SEA

It is a standing order that every vessel, prior to arriving any US ports shall conduct another shipboard search including checking for abnormal noises emitting from containers, cargo holds etc. This will also include the checking of container seals and ensuring that these are intact. Any peculiarities shall be reported to our office at once.

IN CASE VESSEL IS HIJACKED BY TERRORIST(S)

A distress signal will be activated to alert the nearby Marine Rescue Coordination Centers (MRCC). Our Masters will accede to the requests of the terrorists within his reasonable means and in no way do we encourage any of our Masters or crew to put up any form of resistance against the terrorists. The ETA reports or noon reports can determine the estimated position of the vessel in the event of a hijack.

ANTI-STOWAWAY MEASURES

All stevedores to board vessel shall carry Contractor or Terminal ID or Working Permit with photograph. OOCL staff shall collect the ID cards when they board the vessel and return when they leave the vessel. To avoid gathering of stevedores near the gangway, collection and registration should be arranged at quayside. Refusal to provide positive ID will prohibit boarding of the vessel and case will be reported to control tower. Should there be extra ID's left behind prior to ship sailing, local operations should be contacted to find the cause. OOCL's visitor's names will be recorded by ship staff while boarding and leaving the vessel.

PROTECTION AGAINST PIRACY

All OOCL vessels kept fully advised of areas sensitive to pirate activity. Anti pirate patrols are fully briefed and made aware of their duties in the case of pirate sighting or boarding. The vessel shall navigate at maximum safe speed and fire mains are charged. Adequate lighting should be available and a strict look out shall be maintained visually and by radar. Anti pirate patrols shall be equipped with lights and communication equipment. In case of a piracy incident reports are to be made as soon as possible to the local authorities and Regional Piracy Center.

While these are all areas one would expect that we would maintain a strict degree of diligence, we have implemented a number of front side procedures since the Sept 11 tragedy that we also expect will raise the bar on our level of security:

IMPORT TO USA

From Subcontinent and Middle East

- After booking acceptance, the booking office should provide Corporate Customer service with a list of any new customers and their consignee.
- Corporate Customer Service will prepare a consolidated list for US Customs' reference.

From all Asia and Europe areas

- Asia Trade and Europe Trade manifesting must be complete by time of vessel sailing. Increased attention must be placed on un-manifested cargo after vessel departure the territory, and same alerted to Corporate documentation. Customers are to be informed that US Customs has stepped up the review of import manifests and may elect to detain and inspect the cargo in case of incomplete information. So it will be in their best interest to submit accurate information on time.
- All bookings offices in Asia and Europe are to maintain a heightened awareness for any unusual cargo offerings or suspicious activity, examples being unusual and or frequent changes to bookings, and paying cash for shipments, etc. Any such bookings are to be alerted to HKG TPT Traffic and London Trade Traffic departments for decision whether further action is required.

EXPORT FROM USA

- OOCL as an AES (Automated Export System) carrier uses EDI to transmit its bookings to US Customs. Customs has intensified its review of all carriers booking lists and may require either additional information or require a cargo inspection.
- NAT IMDG department is stepping up screening of dangerous goods bookings with attention given to new shippers, new commodities, and booking pattern changes for repeat customers.
- All NAT export CSU managers are required to review on a daily basis the bookings taken by their office, and identify any exceptions re commodity or destination that require further review as outlined herein.
- Any new shippers booking to the Subcontinent or Middle East will require a consignee name at the time of booking. The Asia destination control office with copy to OOCL Singapore will be contacted by North America Trade to verify the consignee information. Verification or otherwise should be confirmed with the booking office overnight.
- A reminder will be circulated to the North America booking staff regarding the standard booking process for licensed cargoes.

Note: OOCL does not offer service to or from the locations where cargo movement is restricted by US law: Myanmar(Burma), Syria, Iran, North Korea, The Balkans, Cuba, Sudan, Sierra Leone, Zimbabwe and Cot d'Ivoire(Ivory Coast).

In conclusion, we maintain steadfast confidence that OOCL has very firm and reliable procedures and policies in place that will ensure that we will continue to be able to offer our customers our highest level of quality service today and well into the future.



Mr Peter Leng

President

OOCL (USA) Inc