

**Never accept promises - only valid original documents.**

**Never accept unwritten or unclear instructions.**

**Notify the Club immediately if these conditions cannot be met.**

In case of difficulties, consult a senior manager or director, or your regular claims contact at your TT Club office. Further information can be obtained from the TT Club's Regional Centres.

Further information, and additional copies, can be obtained from the TT Club's regional centres:

#### London

Tel +44 (0)20 7204 2626  
Fax +44 (0)20 7204 2727

#### New Jersey

Tel +1 201 557 7300  
Fax +1 201 946 1194

#### Singapore

Tel +65 6323 6577  
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## Release of Cargo - Documents

One of the most important actions taken by those in the transport industry is the correct issue of, or release from, proper documents. A mistake can be extremely costly. Many large claims are made because of incorrect documents or the release of cargo without such documents.

### Exports

Bills of lading can give the holder access to the goods, or the value they represent, so treat them with respect. Issuing bills of lading with incorrect details in order to comply with letters of credit can be considered a fraud and may attract criminal penalties in severe cases. At best it may deprive your company of being able to rely on contractual limitations and its insurance protection.

1. Do not issue bills of lading containing details you know to be false, in particular;
  - Wrong date of shipment
  - Incorrect name of vessel
  - Incorrect description of cargo (including any description such as "clean" when discrepancies or damage have been noted)
  - Incorrect port or voyage details
  - Where possible, wait until the ship has confirmed that the cargo has been loaded before issuing bills and describe the voyage correctly on the documents. Never issue "shipped on board" bills of lading until the ocean carrier has issued his "shipped on board" documents.
2. Do not Issue bills of lading for non-existent or promised cargo on the basis that your client "wants to check that the bank will accept them", or some similar story. If you do have to issue such bills, make sure they are clearly marked with a diagonal cancellation "not valid for carriage" extending over at least two-thirds of the bill.
3. Avoid sending out blank bills of lading to clients, or others. If an example bill of lading is required, cancel in the same way as No 2. Supplies of blank bills to agents etc. should be sent by as secure route as possible such as courier services.
4. Make sure that the releasing agent named in the bill of lading is properly instructed and receives a copy of the bill in good time.
5. If you have no regular agent of your own at

destination, it may be possible to use the ocean carrier's agent. If you do this there is a risk that the cargo may be released on the basis of the ocean carrier's (rather than the NVO's) bill. To avoid this, you must clause the ocean carrier's bill: "Release only against presentation of (NVO's name) bill of lading number....".

6. Take care when issuing bills to a named consignee in the United States of America. There is a risk that agents in the USA may treat them (incorrectly) as "straight" bills of lading, which are similar to waybills. In domestic US transport, cargo consigned under straight bills can be released to the consignee without formality. Make sure that your agent knows that this does not apply to maritime bills of lading.
7. If the shipper wishes to stop the goods while they are in transit he may do so but only if he returns all the original bills of lading. In case of doubt please ask your local TT Club office for advice.
8. If the receiving agent asks for authority to release the cargo to a consignee who cannot present a bill of lading, you must obtain authority and an indemnity supported by a bank guarantee from the shipper in writing before agreeing to the release.

### Imports

Bills of lading are documents of title and the only proof that the person applying for the goods is the rightful owner and has paid for them.

1. Check the bill of lading carefully against the copy you have been sent by the carrier/NVO or the manifest for:
  - Dates
  - Ship name/voyage details
  - Container number(s), seal number(s)
  - Cargo description, number of packages
  - Shipper and consignee/notify party
  - Endorsements (on the back of the bill), for authenticity or qualification, be vigilant about amendments to the bill of lading and identity of the receiver.
2. Try to insist on receiving a full set of the original bills issued.
3. Do not accept faxed copies as "evidence" that the

customer has an original bill in his possession. Insist on seeing the originals before authorising release of the cargo.

4. If an importer is unable to present original bills of lading:
  - Check with the shipper by fax or telex (via sending office) that it is in order to release the goods.
  - Insist on receiving a guarantee countersigned and stamped by a reputable local bank, under which the consignee undertakes to present the bills once they turn up, and indemnifies you/the carrier against the consequences of releasing the cargo.
  - Under no circumstances should you accept a "guarantee" signed by the importer alone. All such releases must be authorised by a director or senior manager of your company before delivery orders are issued. The manager must sign the file or manifest approving the release. Any indemnities must be kept safely.
5. Ensure you collect any charges due to you or others (freight, duty/tax, shippers disbursements, demurrage etc.) before releasing goods. Conversely do not let any argument about such costs blind you to the absence of the bill of lading.
6. Do not issue delivery orders or release notes before the bill of lading or guarantee has been handed to you and checked for accuracy.
7. Do not allow the client to inspect the cargo until he has produced the bill of lading even if damage is suspected or known.
8. Do not succumb to any commercial pressure to release goods without the appropriate documents.
9. Under no circumstances accept faxed or photocopied bills of lading or guarantees. Only act upon receipt of original documents.