

ELECTRONIC (PAPERLESS) TRADING - ELECTRONIC TRADING SYSTEMS—SECRO SYSTEM

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CIRCULAR

ELECTRONIC (PAPERLESS) TRADING - ELECTRONIC TRADING SYSTEMS – SECRO SYSTEM

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

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

Members may recall 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 IQAX Limited. Now Secro has been added to the list of IG approved system providers.

Secro is a software-as-a-service platform enabling real-time, secure collaboration between commodity traders, shipowners, agents and financial service providers. Customers digitally create, e-sign, and exchange the most common trade documents, including negotiable and non-negotiable ocean bills of lading. Secro also provides contract performance tools. The Secro platform uses data encryption and it is built on private blockchain technology. Secro Inc. is an independent US-based privately owned company, backed by venture capital investors. Further details can be found at <https://secro.io/>.

The legal documentation and terms of use associated with the use and operation of Secro is in the Secro Customer and User Agreement dated 6th October 2022. This documentation, as well as the Secro e-bill dated 29th September 2022, has been reviewed and approved by the Group. Both are governed by Singapore law, including the Singapore Electronic Transactions (Amendments) Act 2021 which came into force on 19 March 2021 and which recognises electronic bills of lading under Singapore law.

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, legal or practical, which they encounter in the operation of the system or systems.

ADRIAN DURKIN
DIRECTOR (CLAIMS)

The North of England P&I Association Limited / North of England P&I DAC