

# Container Seals

## Corporate Policy and Procedures

### Contents:

- 1. Introduction**
- 2. General Policy & Objectives**
- 3. Ordering Seals**
- 4. Inventory & Release Control of Seals**
- 5. Contract and/or Subcontracting**
- 6. Sealing Procedures**
- 7. Affixing Seals**
- 8. Sealing Empty Containers**
- 9. Vessel Seal Procedures**



## 1. Introduction

Maersk Liner Business (ML Interbrand's consisting of container booking accepting entities Maersk Line, Safmarine, MCC, Seago Line, Sealand and Hamburg Süd) is committed to showing constant care to prevent breaches of security associated with its operations and ranks security considerations equally with commercial and operational factors in managing its operations.

Maersk (APMM) is a validated (most recently re-validated in 2015) member of the Customs-Trade Partnership Against Terrorism (C-TPAT) program, through which we advocate and require best practice solutions to strengthen the security in the parts of the supply chains for which we are responsible. C-TPAT also requires seal insurance and control policies that are audited by US Customs every 4 years. The requirement to affix ISO compliant seals on laden containers is also governed by the ISPS (International Ship and Port Facility Security) Code, its American pendant MTSA (Maritime Transportation Security Act of 2002), the U.S. Safe Port Act, and advocated in the EU Authorised Economic Operator (AEO, of which Maersk Line has been a certified member since October 2008 through its parent, A.P. Moller-Maersk A/S) scheme and the voluntary customs framework developed by the WCO (World Customs Organisation).

The purpose of this document is to describe "the life of a seal", to clarify the responsibilities for container seal procedures including ordering, and to provide guidelines on what should be done when seals are missing or have been/are suspected to having been manipulated.

Container seals referred to in this document are those seals that are used to satisfy global customs security conveyance requirements, i.e. the bolt or cable seal affixed by the shipper, the bolt seal affixed when MLB first takes receipt of a container, or the bolt or cable seal affixed by customs authorities after having carried out a legitimate opening and closing of container doors as part of an inspection. Additional seals may be affixed to satisfy other requirements, such as veterinary and indicative seals.

This document does not provide detailed local procedures; it provides the corporate minimum acceptable policy that ML offices around the world shall apply to ensure that best possible procedures are implemented and followed to ensure the integrity of each containerised shipment.



This document is maintained by the ML Shore-Side Security Adviser – mail address ([MLHSSE@maersk.com](mailto:MLHSSE@maersk.com)). Unless otherwise stated, inquiries must be directed accordingly.

## 2. General Policy & Objectives

A laden container loaded onboard a MLB operated vessel, and any laden container carried under a MLB Transport Document, shall be sealed according to guidelines and instructions set out in this document.

The objective of affixing a container seal to the container doors immediately after completion of stuffing is to minimize the risk of unauthorized access to a container, thereby reducing the risk of theft, the placing of contraband, and of human trafficking. It is therefore required that a laden container is always protected from unauthorized access via the doors by a bolt seal or another seal type meeting, as a minimum, standards according to ISO 17712:2013 and any successor and amendment of that standard for high security seals.

### 3. Ordering Seals

#### ***A. Seal Ordering Procedure for Africa, Europe & Latin America cluster (Supplier: Cathay Seals)***

Agents in country clusters located in Africa, Europe and Latin America must place their orders with Cathay Seals directly via the internet at [www.cathayorder.com](http://www.cathayorder.com). Cathay Seals will directly co-ordinate with agents, provide order confirmation, shipping details and arrange for transportation.

Agreed delivery terms with supplier are Delivery at Place (DAP, Incoterms 2010).

Invoices will be sent direct to the ordering entity and Payment shall be due and payable latest Current + 90 (ninety) Days from receipt of complete delivery and correct invoice. For overdue payments, Cathay Seals are entitled to charge fee for overdue payment.

Go to [www.cathayorder.com](http://www.cathayorder.com), select "Purchasing Portal" and enter initial password/user-id. If you do not have a user-id/password, supplier will assist in registering and providing user-id & password for new user.

Although the web ordering system provides agents greater flexibility in terms of ordering, but to facilitate supplier in production planning, cost-reduction, agents should consolidate seal requirement and should follow the semi-annual ordering scheme to maximum possible extent. It will also help agents to reduce their cost and time as well.

Agents place order by 1 November for delivery primo January. Delivery by vessel.

Agents place order by 1 May for delivery primo July. Delivery by vessel.

Additional guidelines:

- Lead time is 14 days for orders placed outside semi-annual ordering scheme and to that you should add transit time by sea from China
- For questions regarding orders, agents should first contact Ms. Sylvia Tan, Cathay Seals by mail [sylvia.tan@cathayseal.com.sg](mailto:sylvia.tan@cathayseal.com.sg) or by phone +65-97451380.
- For urgent orders, please select the "airfreight" option when ordering through the internet. This delivery option is not included in the price, and must be avoided, if possible.

- Note for SAM and CAM Areas: Red seals are required for empty containers and should be included when placing orders for blue seals

***B. Seal Ordering Procedure for Asia/Oceania, Middle East/South Asia & North America cluster (except India & China)  
(Supplier: SHANGHAI XINFAN INDUSTRIAL CORPORATION)***

Agents in country clusters located in Asia/Oceania, Middle East/South Asia & North America (must place their orders with Xinfan directly via the internet at <http://order.xfseal.com>. Xinfan will directly co-ordinate with agents, provide order confirmation, shipping details, arrange for transportation.

Please share the Purchase Order (PO) No. with the supplier while placing the order for your requirement. Agreed delivery terms with supplier are Delivery at Place (DAP, Incoterms 2010) and lead time for Asia/Oceania & Middle East/South Asia is 2 weeks and for North America is 3 weeks.

Invoices will be sent direct to the ordering entity and Payment shall be due and payable latest Current + 90 (ninety) Days from receipt of complete delivery and correct invoice. For overdue payments, supplier is entitled to charge fee for overdue payment.

Go to <http://order.xfseal.com> and enter initial password/user-id. For your first order, please contact [serene.zhao@xfseal.com](mailto:serene.zhao@xfseal.com) for further information.

Although the web ordering system provides agents greater flexibility in terms of ordering, but to facilitate supplier in production planning, cost-reduction, buyers/agents should consolidate seal requirement and follow the semi-annual ordering scheme to maximum possible extent. It will also help buyers/agents to reduce their cost and time as well.

Additional guidelines:

- For questions regarding orders, agents should first contact: Mr. Raymond Kim Ng, Shanghai Xinfan by mail [raymondng@xfseal.com](mailto:raymondng@xfseal.com) or by phone +65-8198 3218.

- For urgent orders, please select the "airfreight" option when ordering through the internet. This delivery option is not included in the price, and must be avoided, if possible

### ***C. Seal Ordering Procedure for Mainland China (PRN, PRE & PRS) clusters***

#### ***1. North China (PRN) cluster (Supplier: Shaoxing Mega Fortris Seals Co., Ltd.)***

Agents located in North China (PRN) cluster must place their orders with Shaoxing Mega Fortris Seals Co., Ltd. They will directly co-ordinate with agents, provide order confirmation, shipping details, arrange for transportation.

Agreed delivery terms with supplier is Delivery At Place (DAP - Incoterms 2010, including China VAT Taxes) and payment term is Net 90 (ninety) days from receipt of complete delivery and correct invoice.

#### ***2. East China (PRE) and South China (PRS) clusters***

***(Supplier: SHANGHAI XINFAN INDUSTRIAL CORPORATION)***

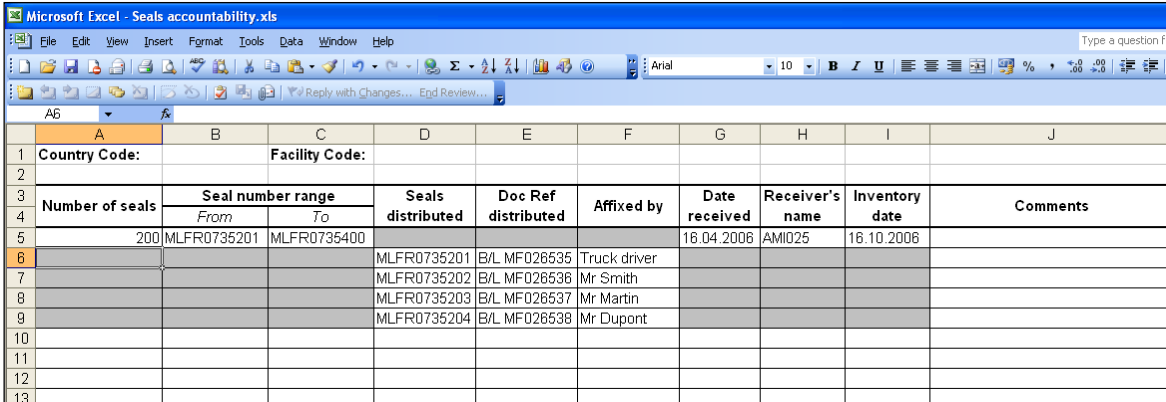
Agents located in East China (PRE) and South China (PRS) clusters must place their orders with Shanghai Xinfan Industrial Corporation. They will directly co-ordinate with agents, provide order confirmation, shipping details, arrange for transportation.

Please share the Purchase Order (PO) No. with the supplier while placing the order for your requirement. Agreed delivery terms with supplier are Delivery at Place (DAP - Incoterms 2010, including China VAT Taxes) and payment terms is Current + 90 (ninety) Days from receipt of complete delivery and correct invoice.

## 4. Inventory & Release Control of MLB Seals

Control and storage of seals is critically important in ensuring cargo integrity. Procedures must be in place for MLB agencies and contractors/subcontractors for monitoring usage and recording seal numbers issued, and such records must be maintained for a 5-year period. Furthermore, such records must include the name of the person releasing the seals.

This could be captured in an Excel sheet like the below:



Country Code:	Facility Code:								
Number of seals	Seal number range		Seals distributed	Doc Ref distributed	Affixed by	Date received	Receiver's name	Inventory date	Comments
	From	To							
200	MLFR0735201	MLFR0735400				16.04.2006	AM1025	16.10.2006	
			MLFR0735201	B/L MF026535	Truck driver				
			MLFR0735202	B/L MF026536	Mr Smith				
			MLFR0735203	B/L MF026537	Mr Martin				
			MLFR0735204	B/L MF026538	Mr Dupont				

Documentation must be ready for prompt call-off in case of audits and cases where seals have been misused or manipulated. Unused seals must be kept in a secure and locked area inside a closed cabinet with access restricted to authorized personnel only to avoid theft and/or manipulation.

A number of major shippers and service providers receive MLB seals in larger quantities. Where this is the case, such entities must take responsibility similar to MLB.

While above are minimum requirements, it must nevertheless be recognized that when seals are issued, the process ownership and responsibility is transferred to shippers and their representatives. The real value and benefit of the seal is upon it being affixed to a container immediately after completion of stuffing a container and closing of the doors, and from there on the seal marks the integrity of the cargo or, where applicable, the empty container.

Consumption of seals must ideally follow the FIFO (first-in-first-out) principle.



## 5. Contracting and/or Subcontracting

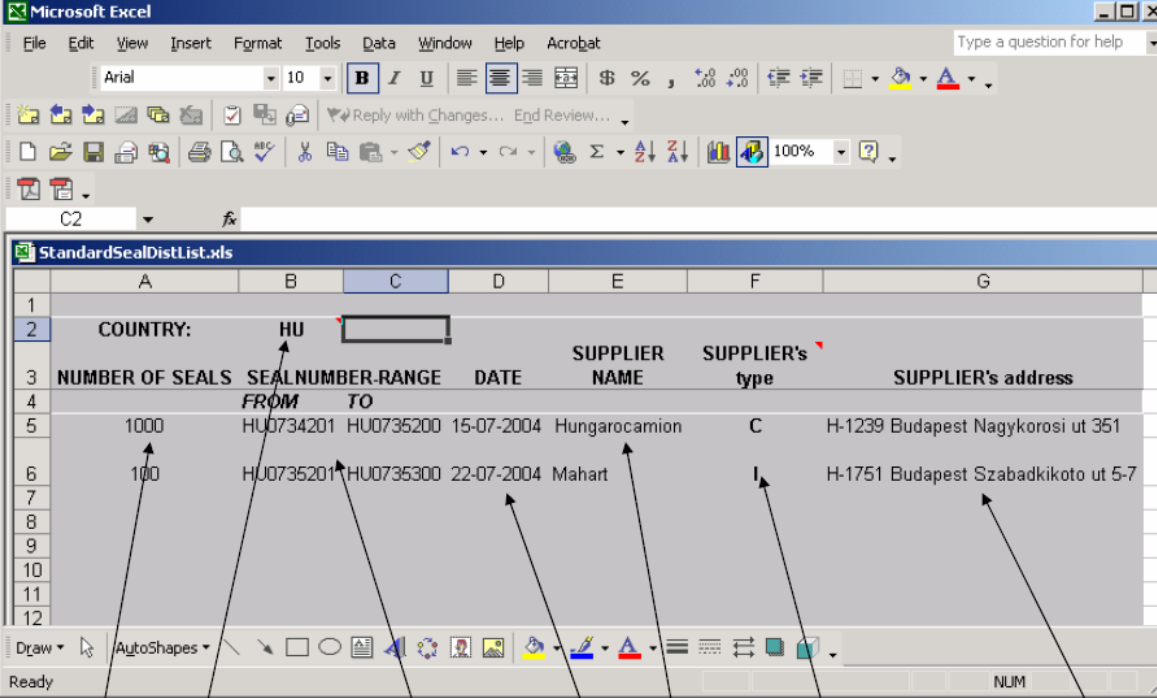
Whenever a subcontracted service is being provided (e.g. barging, trucking, feeder, train, warehousing, terminal) this seal SOP must be thoroughly discussed to ensure all implications and requirements are fully understood and complied with by all parties involved, especially in regard to the seal reporting procedures.

Subcontractors must also understand, and contractually accept, that delivering or accepting seal discrepant containers may present them with delays, extra costs and liability. This may have serious safety and security consequences for their staff and legal consequences for their company.

All parties receiving and handing out seals on behalf of MLB must sign for receipt of the seals entrusted to them, confirming herein that seals will at all times be kept under lock. They must also keep proper documentation regarding to whom, how and when they delivered each seal, and such records must be maintained for a 5-year period. Documentation must be presented to MLB representative upon request.

An Excel or similar sheet like the below could be used:

Example of the \*\*\*standard excel file for registering seal number distribution (available on CEU HOME Page – CEUSVDOPS)



1	A	B	C	D	E	F	G
2	COUNTRY:	HU					
3	NUMBER OF SEALS	SEALNUMBER-RANGE	DATE	SUPPLIER NAME	SUPPLIER's type	SUPPLIER's address	
4		FROM TO					
5	1000	HU0734201 HU0735200	15-07-2004	Hungarocamion	C	H-1239 Budapest Nagykorosi ut 351	
6	100	HU0735201 HU0735300	22-07-2004	Mahart		H-1751 Budapest Szabadkikoto ut 5-7	

Quantity of seals distributed to Supplier

Country ISO code  
PL, CZ, SK, DE, HU, BE, AT, NL, CH

Register the seal-number range within the total quantity.

Date that the seals were distributed to the Supplier

Name of the Supplier to whom we distribute the seals to

What is the Supplier's type?  
Following Options:  
(O) Ocean Terminal  
(I) Inland CY Terminal  
(C) Carrier Haulage Trucker

What is the address of the Supplier?

While it is our policy that seal checks and inventory control are performed as outlined in this document, there are exceptions to it in some locations where – due to industry custom or practice – some of the above is not or only partly carried out.

## 6. Sealing Procedures

It is the obligation of the Shipper to ensure that containers are sealed immediately and correctly upon completion of stuffing, that the seal number is recorded on the Transport Document, and that it is reported promptly to MLB.

Whenever a container changes custody the responsibility and seal check obligation is transferred to the party in whose custody the container is placed. This includes the pull test described in 7.1 and the noting down on documentation of seal number(s). Each party accepts responsibility for having received a container duly sealed and will be responsible for delivering the container to the next party in the same condition with the seal(s) intact. The last party - normally the consignee/end receiver - shall be responsible for removing the seal.

## 7. Affixing Seals

Immediately upon completion of stuffing at the shipper's or the consolidator's premises, the container must be sealed with either a shipper seal, a ML seal, or a mandatory seal applied by authorities. As a minimum, the seal must meet the standards according to the ISO 17712:2013 and any subsequent version of that standard for high security seals. For optimal security such seal must be placed in the SecuraCam position (as visualised below - red oval). Where this is not possible, the seal must be placed on the right-hand door, through the left-hand locking bar door handle linking the door handle with the retainer (green oval). If these positions are occupied (e.g. by other seals) then the seal must be affixed on the right-hand locking bar door handle. The unique seal number shall be reported by the shipper soonest after sealing the container, and latest when submitting the shipping instruction, for update in RKEM and GCSS.

Other seal numbers, such as shipper specific plastic or strip seals, veterinary seals, and customs seals affixed to containers must also be captured in RKEM and GCSS.



## 7.1 Physical Procedure of Affixing Seals

The first step is to ensure the container locking mechanism has been properly applied and functioning. There should be no obvious signs of tampering with either the rivet that holds the end of the locking handle in position, or the bolts which hold the seal retention mechanism in place on and around the handle. Any apparent signs of tampering or malfunctioning should be immediately reported to local MLB maintenance and repair staff so a decision can be taken as to whether it is necessary to withdraw the container from service. Consistent issues must be elevated to Equipment.

Bolt seals come in two parts, namely the 'Pins' and the 'Barrels'. MLB seals are white in colour (brand neutral) and have 'ML' followed by a two-letter country code and a seven-digit number on the head (e.g. ML CN1234567). However, Hamburg Süd is the exception as Hamburg Süd operates with a different seal ID structure (for historical reasons). The seal must be examined to ensure it is not damaged and that no attempt appears to have been made to manipulate it.

When affixing the seal, pressure must be applied until a definite 'click' is heard, ensuring that the pin has engaged itself firmly into the barrel mechanism. It is vital to ensure that the pin has been fully engaged by moving both pin and barrel a certain amount within the locking mechanism. Both the pin and the barrel must be engaged correctly and not merely give the appearance of being so.

A final strong pull on the barrel of the seal to ensure it is properly engaged with its pin completes the affixation process.

## 7.2 Seal checking and removal

Occasionally, it is necessary to investigate whether a seal has been properly affixed and has not been manipulated; the following points should as a minimum be checked:

- (a) Are there any signs of manipulation with the container locking mechanism or the rivet holding the shoulders of the locking arm?
- (b) Does the seal number correspond with relevant paperwork? Does numbering and marking correspond with MLB visual identity?

(c) Can the pin move at all within the barrel? If not, is there any evidence of glue or other substance holding the pin within the barrel?

(d) Are there any signs that the pin may have been cut and glued back together, particularly at the point just below the head of the pin that is normally masked by the locking mechanism?

(e) Does the Customs or TIR plate overlapping the left-hand door, appear to have been bent and subsequently brought back into place again?

If all the above checks do not reveal causes for concern, the seal check can be considered satisfactory.

A seal check should be made immediately prior to unstuffing. The seal can be cut off using a pair of bolt cutters approximately half way down the pin.

Both parts of the seal must be kept until it is established that the load is intact. If there are any discrepancies, the pertinent Customer Service Claims address must be advised, to activate their local procedures. Customer Service Claims will consider whether to raise with Cluster Country Security.

Whenever seals are found to be missing or manipulated and the integrity of the shipment compromised, CS claims and, where deemed pertinent, cluster security staff must be promptly notified with full details. Documents will be annotated to this effect and on the spot investigations shall be carried out. CS Claims will provide on-line guidance as to whether a surveyor, MLB CS claims and/or security, local customs and/or police, port officials, the P&I Club, etc shall be notified. Any costs associated therewith (survey fees, handling, transport, storage etc.) must be recovered from the party delivering such container.

### **7.3 Reporting Procedures**

When a laden container is taken into our custody or that of our receiving agent or the vendor appointed to do so (terminal, depot, ICD, trucker, etc), it is our policy that seal checks must be performed. Where a container is received with no seal affixed or a high security seal was not used by the Shipper, MLB will affix a ML seal immediately upon taking receipt and promptly update RKEM and GCSS.

Where a local policy is in place, the shipper shall be invoiced for such sealing. A terminal subject to national interpretation of the ISPS Code and its Port Facility Security Plan (PFSP) might refuse taking receipt of a laden container without a seal affixed.

When a seal is broken for inspection purposes, the original seal number should be checked and the new applied seal updated in the systems notating the reason for the seal change. The broken seal shall, where possible, be placed inside the container.

Minimum requirements for checking and reporting are as per below:

1. At first gate-in:  
Upon first gate-in under MLB custody, the seal(s) must be checked to determine if it/they has/have been manipulated with. Gate staff must be familiar with common circumvention techniques.
2. At last gate-out:  
Upon last gate-out for delivery leaving MLB custody, the seal(s) must be checked to determine if it/they has/have been manipulated with. Gate staff must be familiar with common circumvention techniques.

Where more stringent procedures and requirements are already in place today – either voluntarily or required by the service provider – involving e.g. seal number verification, such should obviously not be changed.

For refrigerated containers, please also refer to the Reefer Acceptance and Operations Manual (RAOM) for requirements pertaining to veterinarians' seals.

Where tarpaulins are used on open top containers, also the seal cord of the tarpaulin must be sealed so that the container as a whole is sealed. A high security bolt seal will not fit and is not required. Only the seal affixed to the door must be captured in systems.

## 8. Sealing Empty Containers

Empty containers loaded in ports in Africa, South and Central America, and Papua New Guinea must be sealed with red seals prior to loading to prevent illegal use of the containers for contraband and stowaways, and to ease the identification of empty containers in discharge ports.

Empty containers that are being sealed must be inspected internally, including for false end walls and for contraband and stowaways in cabinets. Residual cargo, lashing material, dunnage and debris must be removed, and the container cleaned, prior to sealing.

Red seals must not be used for laden containers.



## **9. Vessel Seal Procedures**

MLB owned container vessels order seals through Maersk Line offices in port of call. Maersk Line offices account for use as set out in chapter 4, and vessels are required to maintain a similar consumption record system readily available for inspection as and when needed.