



FACT SHEET 01/98

June 1998

**ISSUANCE OF DELIVERY ORDERS IN EXCHANGE FOR
IMPORT BILLS OF LADING**

ADVICE TO SHIPPING LINES

The following suggested note has been produced by Australian Chamber of Shipping Ltd (ACOS) to facilitate the correct and prompt delivery of cargo to clients of ACOS Members. It is recognised that some Lines already have standard procedures for the issuance of Delivery Orders, but following is a guideline for those Lines who may wish to review their existing instructions. In relation to the procedures set out below ACOS wishes to emphasise the distinction between an endorsement of a bill of lading (B/L) and the mere stamping of the B/L for verification purposes.

Carriers will generally issue a delivery order (D/O) if:

1. For Bs/L Consigned to a COMPANY

- (a) The party seeking to take delivery identifies itself by writing its full name or placing a stamp to this effect on the reverse side of the B/L OR
- (b) The carrier receives a facsimile (on company letterhead) from the consignee named on the B/L which includes the words “We ABC Company Pty Ltd authorise you to release the cargo shipped under B/L No. to our duly authorised agent XYZ Company Pty Ltd”; OR
- (c) A one-off letter may be lodged by the consignee named on the B/L using the words “We hereby appoint XYZ Customs Agency Pty Ltd to take delivery of the cargo consigned to our company on our behalf”. In this circumstance the customs agent so appointed must identify itself in the usual way by writing its full name or placing a stamp to this effect on the reverse of the B/L or send the carrier a facsimile in terms of (b) above.

2. For B/L Consigned to a PERSON

- (a) The person named as consignee on the B/L is to sign their name (not endorse) on the reverse side of the B/L, and that person (or their agent) is to tender with the B/L at least one form of identification which bears the same signature (for example driver’s license, passport, credit card etc);

- (b) The person named as consignee on the B/L may write a letter appointing a named agent to act on their behalf. There must be tendered with this letter a copy of at least one form of identification bearing the same signature. In this circumstance the agent may obtain delivery of the goods after the agent identified itself as above on the reverse side of the B/L.

3. For B/L Consigned TO ORDER, or TO ORDER OF SHIPPER/BANK

The shipper must endorse the B/L. The easiest and most convenient way to identify precisely who is taking delivery is by the shipper and the ultimate consignee/receiver (or their agents) writing its full name or placing a stamp to this effect (not endorse) on the reverse side of the B/L

By way of clarification, an endorsement is a confirmation of the company's identity (usually a stamp) which appears on the page of the B/L setting out the carrier's terms and conditions directing the carrier to deliver the goods to another party who has purchased the goods, the endorsee. An example of an endorsement is either writing or placing a stamp to the effect "Please deliver to XYZ Company Pty Ltd" which is then signed by the seller of the goods.

It is customary and accepted practice for carriers to require those who want to take delivery of the goods to identify themselves on the B/L in two ways. Firstly, the shipper by notation on the reverse of the B/L verifies that the shipper requires the carrier to deliver the goods according to the details set out on the B/L. Secondly, the party seeking to obtain delivery of the goods must identify themselves in writing on the reverse of the B/L to verify to the carrier that it is the correct party to whom the Delivery Order (D/O) is to be issued. Importantly, stamping the B/L in this way is not an endorsement (because it does not have the effect of transferring ownership of the goods); its purpose is merely for the carrier to verify to whom the D/O is to be issued. If the party seeking delivery does not identify themselves in writing, the carrier should ask the shipper to provide written confirmation of the identity of the party to whom delivery is to be given.

Carriers will scrutinize stamps to determine authenticity in an effort to avoid delivery of cargo to an unauthorised party.

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