

# RESPONSE OF THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE TO THE EUROPEAN SHIPPERS' COUNCIL POSITION PAPER ON THE ROTTERDAM RULES

The National Industrial Transportation League ("League" or "NITL") has prepared this paper in response to the recently published View of the European Shippers' Council ("ESC") which has questioned the Convention for the International Carrying of Goods Wholly or Partly by Sea, also known as the Rotterdam Rules. The Rotterdam Rules were developed by the United Nations' Committee on International Trade Law ("UNCITRAL") beginning in the Spring of 2002 and the draft Convention was adopted by the UN General Assembly in December 2008. In a March 2009 position paper, the ESC criticizes the new Convention and advocates in its stead the creation of a European regional convention that would apply to multimodal carriage.

The League disagrees strongly with the positions taken by the ESC in its paper and opposes its recommendations which would perpetuate the application of outdated and inconsistent cargo liability rules around the world. The League supports adoption and ratification of the Rotterdam Rules in the United States and globally because the new Convention takes account of present-day shipping arrangements and commercial practices involving sea carriage, and would replace the decades old patchwork of liability regimes currently applied by trading nations. The League served as an industry advisor to the United States delegation involved in the negotiation of the Rotterdam Rules. In this regard, the League actively participated in all of the negotiating sessions before UNCITRAL between the Spring of 2002 and the Spring of 2008, which ultimately led to the adoption of the draft Convention by the

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<sup>&</sup>lt;sup>1</sup> U.S. Carriage of Goods By Sea Act, ch. 229, 49 Stat. 1207 (1936), reprinted in statutory note following 46 U.S.C. § 30701; the Hague Rules, International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, Aug. 25, 1924, 120 L.N.T.S. 155; the Visby Amendments, Protocol to Amend the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading; Hague Rules, Feb. 23, 1968, 1412 U.N.T.S. 128; and the Hamburg Rules, United Nations Convention on the Carriage of Goods by Sea, Mar. 31, 1978, 1695 U.N.T.S. 3, among other national laws.

UN General Assembly. The League believes that the Rotterdam Rules carefully balance the affected maritime and other interests and reflect a package of reforms that will result in significant benefits for shippers, carriers, and other stakeholders, when viewed as a whole. The ESC, in contrast, did not engage in the complex and delicate treaty negotiations until the very end of the process and now mistakenly evaluates the new Convention in a piecemeal fashion. Not having participated in the negotiation of the treaty, the ESC also misunderstands many of the provisions of the new Convention.

#### I. IDENTITY AND INTEREST OF THE LEAGUE

NITL is a national association that represents approximately 700 member companies that tender goods to carriers for transportation in interstate and international commerce, or that arrange or perform transportation services. The NITL's membership includes large multinational and national corporations, as well as small and medium-sized companies. The majority of the League's members are shippers and receivers that own or control the goods being transported and delivered. NITL's shipper members span a multitude of industries, such as retail, automotive, petroleum, chemicals, paper, computer, and electronics, among others, and use all modes of transportation for the shipment of raw materials and finished products. Many NITL members are importers and exporters that ship their products around the globe using multimodal transportation arrangements that involve transportation by sea.

Prior to its involvement in the UNCITRAL negotiations which led to the development of the Rotterdam Rules, the League was actively engaged in both domestic and international efforts to reform the U.S. Carriage of Goods By Sea Act ("COGSA"), which sets forth the liability rules applicable to the U.S. maritime trades. COGSA is based on the 1924 Hague Rules and was adopted in the United States as domestic legislation in 1936. Thus, COGSA's decades-old

provisions fail to reflect current shipping practices and involve liability rules that are vastly outdated. The League initially supported domestic reform of COGSA in the late 1990s, when that was the best alternative available to achieve desperately needed modernization. But as soon as a new international convention became a realistic possibility, NITL quickly determined that a multi-national approach that would result in the application of uniform rules globally was a better alternative.

Accordingly, the League engaged in various international forums in order to promote cargo liability reforms for multimodal shipments involving sea carriage. Specifically, the League participated in a maritime cargo liability workshop organized by the Organization for Economic Cooperation and Development in Paris in January 2001. The League also appeared at the Comite Maritime International ("CMI") meetings in London and Madrid in July and November 2001, respectively, at which a draft proposal on maritime liability reform was being developed. The CMI instrument eventually served as the initial draft instrument when the Transport Law Working Group at UNCITRAL initiated its efforts to develop a new international convention involving sea carriage in the Spring of 2002.

Based on historical differences between shippers and carriers which have made it very difficult in the past to achieve broad acceptance of any of the existing maritime liability treaties currently in effect (i.e. Hague Rules, Hague-Visby Rules, Hamburg Rules), the League engaged in negotiations with ocean liner carriers represented by the World Shipping Council ("WSC") in an attempt to reach agreement on reform principles that could be supported by all interests.

These efforts resulted in an agreement between the League and WSC in September 2001. The NITL-WSC Agreement set forth a common set of maritime cargo liability reform principles that each organization could support as a "package of compromises" that, taken as a whole, would

result in significant enhancements to the currently outdated cargo liability regimes, through ratification of an international instrument that would result in greater uniformity around the globe. Both shippers, represented by the League, and carriers, represented by WSC, recognized that the existing patchwork of cargo liability rules applied around the world resulted in inefficiencies, inconsistencies, unpredictability, and increased litigation expenses.

Accordingly, the Rotterdam Rules were developed to reflect modern shipping arrangements and practices, such as multimodal door-to-door shipments and electronic commerce, and to establish international uniformity which is lacking under the multitude of maritime liability regimes currently applied across the globe.

#### II. SHIPPER BENEFITS UNDER THE ROTTERDAM RULES

ESC surprisingly asserts in its paper that there is *nothing* in the new Convention which justifies a departure from the status quo. The League strongly disagrees and notes that there are many new enhancements brought about by the Rotterdam Rules which would serve the interests of shippers involved in global trade. The following list sets forth a number of the improvements arising from the new Convention that would be realized *by all shippers* including those based in Europe. The Rotterdam Rules:

- Eliminate the nautical fault defense, which currently allows carriers to escape liability based on the negligent navigation or management of the vessel.
- Expand the carrier's due diligence obligation to apply during the entire voyage by sea, not just at the beginning of the voyage.
- · Increase the liability protection afforded to shippers to 875 SDRs per package or 3 SDRs per kilogram, limits which are significantly higher than those provided under any existing

maritime cargo liability regimes, including the Hague-Visby and Hamburg Rules and U.S. COGSA.

- Eliminate limits of liability if the contracting carrier or a maritime performing party engages in reckless or intentional acts.
- Include liability protection for shippers arising from economic losses incurred as a result
  of deliveries delayed beyond an agreed upon time in the amount of two and one-half
  times freight.
- Allow shippers and carriers to contract for customized liability arrangements that reflect the shipper's individual business requirements in volume contracts, but require parties that choose to derogate from the Convention to adhere to procedures that protect companies with smaller volumes of cargo. The rules prohibit derogation from certain key carrier and shipper obligations (*e.g.* carrier's seaworthiness obligation and shipper's dangerous goods obligations).
- Permit countries to opt-in to apply new rules governing jurisdiction and arbitration which would allow the claimant to select the place of adjudication of cargo claims in certain cases, based on a list of potential locations which bear a significant relationship to the involved contract of carriage. This would limit the application of jurisdiction clauses selected by carriers in their bills of lading.
- · Extend the statute of limitations applicable to civil claims from one to two years.
- · Apply to door-to-door (i.e. inland point-to-inland point) shipments.
- Recognize the increasing use of electronic commerce for shipping transactions (e.g. bills of lading and transport documents) and sets forth new rules governing their use.

The above-listed benefits to shippers directly contradict the ESC's contention that shippers would be better served by the status quo and that the new Convention would place shippers in a worse position than that of the pre-1924 liability environment.

# III. THE CONCERNS OF THE ESC DEMONSTRATE A LACK OF UNDERSTANDING OF THE NEW CONVENTION

The ESC raises a series of specific concerns in its paper which demonstrate a lack of understanding of the workings of the new Convention.

#### (1) Conflict with Other Conventions

ESC contends that the door-to-door scope of the Rotterdam Rules would potentially conflict with the European Conventions, CMR and CIM, which apply to road and rail carriage respectively. However, Article 82 of the Rotterdam Rules expressly provides that such international conventions would supersede the new Convention to the extent that they apply to multimodal transportation arrangements involving road or rail carriage. Thus, there is an express carve-out for the CMR and CIM conventions.

ESC further asserts that, even if CMR and CIM trump the new Convention, it may be difficult to apply the European road and rail conventions in situations where it is unclear where the damage occurred. However, this possibility exists today under the patchwork of maritime liability rules that exist under Hague-Visby, Hamburg, and COGSA, among other national regimes. Under the new Convention, it will remain possible for European shippers to argue for application of CMR and CIM in cases where the place of damage is not clear. However, to the

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<sup>&</sup>lt;sup>2</sup> Article 82 expressly states that "Nothing in this Convention affects the application of any of the following international conventions in force at the time this Convention enters into force, including any future amendment to

such conventions, that regulate the liability of the carrier for loss of or damage to the goods: . . . . (b) Any convention governing the carriage of goods by road to the extent that such convention according to its provisions applies to the carriage of goods that remain loaded on a road cargo vehicle carried on board a ship; (c) Any convention governing the carriage of goods by rail to the extent that such convention according to its provisions applies to carriage of goods by sea as a supplement to the carriage by rail . . . ."

extent that the Rotterdam Rules are determined to apply in such cases, the League believes that the public policy in favor of international uniformity strikes an appropriate balance.

In addition, ESC asserts that shippers may be discouraged from engaging in short-sea shipping since such arrangements may be governed by the new Convention as opposed to CMR and CIM. However, this concern is more appropriately directed at the limited scope of CMR and CIM, and it ignores the fact that the economics of short-sea shipping arrangements will be the primary factor in determining whether shippers engage in such practices.

#### (2) Unequal Obligations/Liabilities

ESC claims that under the new Convention "[c]arriers would be able to continue to offer purely sea carriage. . . . and to limit their period of responsibility to exclude loading, handling, stowing and unloading if the shipper agrees." ESC Paper at 2. In point of fact, if a carrier were to choose to offer only sea carriage, the shipper would be no worse off then they are today under existing maritime liability regimes which apply only tackle-to-tackle (for the Hague Rules and the Hague-Visby Rules) and at most port-to-port (for the Hamburg Rules). In addition, ESC's concern about limitations of the carrier's responsibility for loading, unloading, etc. simply codify the existing commercial practice that arises more frequently in the bulk trades, in which the shipper or consignee prefers to control the loading, handling, stowing, and unloading of its cargo. Most importantly, the rules require the shipper's agreement before a carrier can be relieved of its loading, handling, stowing and unloading responsibilities, and such agreement must be set forth in the contract particulars. Thus, in many cases, the *shipper* would be the party

<sup>&</sup>lt;sup>3</sup> See Rotterdam Rules, Articles 12 and 13. Article 13.2 specifically states "Notwithstanding paragraph 1 of this article, and without prejudice to the other provisions in chapter 4 and to chapters 5 to 7, the carrier and the shipper may agree that the loading, handling, stowing or unloading of the goods is to be performed by the shipper, the documentary shipper or the consignee. Such an agreement shall be referred to in the contract particulars."

that requests the carrier to give up its responsibilities for loading, unloading, etc., but even if that were not the case, a shipper need not accept such a unilateral proposal from the carrier.

#### (3) Volume Contracts

The ESC is most concerned with the new Convention's provisions on volume contracts, which allow shippers and carriers to contract to apply terms different from that of the Convention, except with respect to certain key shipper and carrier obligations. ESC's perspective on volume contracts is one which assumes that carriers will always seek to take advantage of smaller volume shippers by forcing them to accept liability and other terms to the shippers' detriment.

However, this perspective is directly contrary to the substantial experience that U.S. shippers have had when negotiating service contracts with ocean liner carriers. Service contracts are formally recognized under the shipping law of the United States, and have been used widely by both large and small shippers for than a decade.<sup>5</sup> Thus, like U.S. based service contracts, volume contracts would be bilateral, individually negotiated agreements that allow for customized rate, service and liability agreements to be entered into between shippers and carriers. If the parties to a volume contract choose not to negotiate special liability terms, the provisions of the Rotterdam Rules will still apply. *See* Rotterdam Rules, Article 6(1). Thus, departures from the Convention would be the exception, rather than the norm.

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<sup>&</sup>lt;sup>4</sup> The parties to volume contracts may derogate from the provisions of the Convention except: (1) Article 14(a) and (b) which sets forth the duty of the ocean carrier before and during a voyage by sea to exercise due diligence to make and keep the ship seaworthy and properly crewed, equipped, and supplied; (2) Article 29 which includes the shipper's obligation to provide certain information, instruction, and documents; (3) Article 32 which sets forth special rules for carrying dangerous cargo; and (4) Article 61 which includes a package or weight limitation breakability clause that applies to loss or damage resulting from the "personal act or omission of a person claiming a right to limit done with the intent to cause such loss recklessly or with knowledge that such loss would probably result." Rotterdam Rules, Art. 80(4).

<sup>&</sup>lt;sup>5</sup> See The Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998, 46 U.S.C. § 40502. Service contracts qualify as a volume contract under the Rotterdam Rules. <sup>5</sup>

Furthermore, ESC overstates the risks to shippers that arise from the volume contracts exception and ignores the specific protections and procedures that must be followed to deviate from the Convention in a volume contract. The volume contracts provision expressly conditions any derogation from the terms of the Convention upon compliance with all of the following requirements:

- The volume contract must contain a prominent statement that it is derogating from the convention.
- The volume contract must be individually negotiated or it must prominently specify the sections of the volume contract that contain the derogation.
- The shipper must be given the opportunity to conclude a contract that does not derogate from the Convention.
- The derogation may not be incorporated by reference from another document (e.g. tariff) nor may it be included in a contract of adhesion (e.g. bill of lading).

Under the above protections, any derogation must be "prominently stated" and will be readily apparent from a review of the volume contract. Thus, a shipper (or carrier) will have clear notice of any terms in a volume contract that derogate from the Convention and will not be caught by surprise. A carrier may *not* include a derogating term in a bill of lading or tariff, documents that typically are not subject to negotiation. A shipper that does not agree with a volume contract presented by a carrier can refuse to ship under such contract. Rather, the Convention requires the carrier to offer terms that are consistent with the Convention.

The above protections directly address many of the issues raised by the ESC on volume contracts, and the ESC's other concerns are unlikely to occur. For example, the ESC worries that a carrier would exclude the application of international or national law in a volume contract, creating a legal vacuum. However, such an approach is nonsensical from a legal or business perspective, as the parties to a volume contract would have no interest in negotiating a contract that is not subject to either international or national law. As to its concern over the application of

competition rules, the Rotterdam Rules would have no impact on such laws and, based on the removal of the block exemption in Europe, carriers could not collaborate on contract prices and service terms.

Furthermore, even without considering the protections in the Convention itself, most shipping markets are sufficiently competitive and offer ample alternatives, especially when competition both among VOCCs, and between VOCCs and NVOCCs or freight forwarders, is considered. In short, shippers have ample choices of service providers in most trades which further mitigate the concerns of ESC that shippers will be forced to accept unreasonable service and liability terms in volume contracts. Stated simply, if a carrier presents unacceptable terms to any shipper, that shipper always remains free to seek another carrier.

ESC's assertion that a carrier may rewrite bill of lading terms to be less shipper-friendly is a risk that exists today under all of the existing maritime cargo liability regimes; but, as explained above, carriers are prohibited under the new Convention from deviating from the terms of the Convention in their bills of lading. Lastly, ESC's assertion that the current economic recession will lead shippers to accept unfavorable liability terms in exchange for lower rates, ignores the negotiating leverage that shippers presently have based on substantial excess vessel capacity that exists around the world.

For those shippers and carriers that choose to address liability-related terms in a volume contract, it will be incumbent upon such parties to review the terms and conditions included in the contract. Shippers that decide to ship under a volume contract must engage in prudent business practices. The League does not accept the apparent position of ESC that shippers

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<sup>&</sup>lt;sup>6</sup> Moreover, the portions of a volume contract that derogate from the Convention will apply only to third parties that expressly agree to the derogating terms. Moreover, the party claiming the benefit of the derogation bears the burden to prove that the conditions for derogation have been fulfilled.

should be protected from their own failure to read and negotiate the terms of a contract before accepting its terms.

In short, the volume contracts provision reflects present day contracting practices and provides for commercial flexibility so that shippers and carriers can develop customized shipping contracts that meet their unique business requirements, while also providing for protections to parties that may have limited negotiating leverage.

# (4) **Proving Fault**

The ESC is also concerned with the burdens of proof included in the new Convention.

Under the new rules, the claimant must first show that the loss or damage to the goods occurred during the carrier's period of responsibility for the goods but it need not establish the fault of the carrier. *See* Rotterdam Rules, Art. 17(1). The carrier then may defend against the claim by proving that the cause of the loss or damage was not its fault or it may prove that one of the exceptions to liability set forth in the Convention caused or contributed to the loss or damage.

See Rotterdam Rules Art. 17(2) and (3). As noted above, the list of exceptions to carrier liability no longer includes an "error of navigation."

However, even if a carrier can establish that one of the listed exceptions applied, it may still be held liable if the claimant proves that (1) the fault of the carrier caused or contributed to the event on which the carrier relies; or (2) an event not listed as an exception contributed to the loss or damage and the carrier cannot prove that such event was not its fault; or (3) the loss or damage was caused or contributed to by (i) unseaworthiness of the ship; (ii) the improper crewing, equipping, and supplying of the ship; or (iii) the holds or containers were not fit and safe for the receipt, carriage and preservation of the goods and the carrier is not able to prove that such events did not cause the loss or damage or that it complied with its due diligence obligation.

See Rotterdam Rules, Art. 17(4) and (5). The Convention also allows for the liability of the carrier to be apportioned based on that which is attributable to an event or circumstance for which it is liable.

The ESC is concerned with the ability of shippers to prove the fault of the carrier in situations where the carrier asserts that one of the listed exceptions to liability applies. While the League concurs that proving the fault of another party can sometimes be a difficult burden, this burden exists today under the Hague-Visby rules, COGSA, and other regimes that are based on the original Hague Rules. In contrast to the ESC, the League supports a fault-based liability system and it does not believe that the new rules pose an insurmountable burden to establishing the liability of the carrier. Regarding the new rule that would apportion liability based on events within the control of the carrier when there is more than one cause for the loss or damage, the League believes that this was a reasonable compromise based on the elimination of the error of navigation defense and other benefits received by shippers under the new Convention. *See* Section II above.

## (5) Claiming Compensation

In its paper, the ESC criticizes the new liability provisions applicable to loss, damage and delay. However, it fails to mention that the liability limits in the Rotterdam Rules (i.e. 875 SDRs per package or 3 SDRs per kilogram, whichever is higher) are *greater* than any existing international maritime liability regime. *See* Rotterdam Rules, Art. 59. The ESC also complains about the application of the package rule in Article 59(2), but this rule is intended to apply the package limitation to the *smallest* package unit enumerated in the bill of lading (e.g. to the carton or boxes listed, as opposed to the number of pallets or containers), which is a benefit to the shipper.

Although the new Convention would provide shippers with the long-desired recovery of economic losses caused by delayed deliveries (which liability does not exist under the Hague Rules, COGSA, or the Hague-Visby Rules), and would provide for compensation at two and one-half times freight—a level higher than that provided for under the Hamburg Rules—the ESC fails to recognize this new protection as a benefit to its members. Rather, the ESC expresses concern over the need for the shipper and carrier to "agree" to a time for delivery in order to trigger the potential liability of the carrier. Rotterdam Rules, Art. 21 and 60. However, the League believes that it is reasonable for the shipper to provide notice of its required delivery date and for the carrier to agree to perform within the stated period of time. In addition, the explanatory report of the new Convention states that a number of delegations believe that the agreement between the parties as to the time for delivery need not be express and, thus, may be inferred or implied based on the facts and circumstances.

The ESC also asserts that it is not typical for the parties to reach agreements as to delivery times in today's contracts and that this may prove more difficult for smaller volume shippers that use the services of transportation intermediaries. However, the lack of performance requirements in existing contracts is likely due to the fact that delay liability is presently unavailable, except for those few nations that have adopted the Hamburg Rules. If the Rotterdam Rules are widely adopted, then the League believes that agreements on delivery times would become more commonplace. Moreover, shippers that choose to use freight forwarders or other intermediaries can readily communicate their delivery requirements to the forwarder and require the forwarder to contract on such terms with a carrier.

As to the new jurisdiction rules, the ESC recognizes that such rules only apply if a country "opts-in" but it fails to mention that this approach was adopted in large measure to

accommodate the desires of the European Union. Furthermore, ESC notes that jurisdiction provisions in volume contracts would be enforceable but it inaccurately asserts that "carriers would no doubt continue to dictate jurisdiction in many instances." In the United States, shippers commonly negotiate service contracts which are a form of volume contract, as defined by the new Convention. However, in our experience, shippers have little difficulty negotiating jurisdiction provisions that require foreign carriers to litigate cargo claims in the United States and that is the case in most service contracts. Thus, it is inappropriate to assume that carriers will control jurisdiction clauses in volume contracts.

### (6) Shipper Obligations

The ESC also objects to the inclusion of certain shipper obligations in the new Convention that require the shipper to tender cargos in a condition that will withstand the carriage, including their loading, handling, stowing, lashing and securing, and unloading, and that they will not cause harm to persons or property (Art. 28), and require the shipper to furnish information, instructions and documents relating to the goods (Art. 29). However, the League believes that such obligations are reasonable and simply codify current practices already followed by most shippers. Additionally, the Convention appropriately recognizes the joint responsibility of shippers and carriers in ensuring the security of the cargo, since the carrier must "properly and carefully receive, load, handle, stow, carry, keep, care for, unload and deliver the goods", unless otherwise agreed based on the contract particulars. Rotterdam Rules, Art. 13(1) and (2).

The ESC points out that shippers must comply with a new obligation to furnish timely and accurate information to the carrier which relates to the contract particulars (e.g. name of the shipper, name of consignee, if any, and name of the "to order" party, if any, description of the

goods, and the goods marks, quantity and weight) and are deemed to have guaranteed the accuracy of such information at the time of receipt by the carrier. Rotterdam Rules, Art. 31. However, these new requirements are intended to reflect enhanced responsibilities of shippers in a post-9/11 world, in which international and national antiterrorism measures have become an important consideration around the world.<sup>7</sup>

The ESC comments that the Convention imposes on shippers special rules relating to dangerous goods. These provisions require the shipper to provide notice to the carrier of the dangerous nature of the cargo and to mark or label the goods in accordance with applicable laws. Rotterdam Rules, Art. 32. The shipper is to be held strictly liable for a breach of this obligation. Rotterdam Rules, Art. 30. However, the Convention's treatment of dangerous goods was broadly supported by most delegations for public policy and safety reasons, and the specific requirements are substantially similar to other existing legal requirements for hazardous cargo. Thus, the Convention does not impose any greater burden on shippers with respect to dangerous goods than that which already exists under other applicable national and international laws and regulations.

In essence, the shipper's obligations arising under the Convention reflect existing laws and commercial practices, as well as new responsibilities that are reasonable based on changes that have occurred (e.g. in response to terrorist attacks) since the existing cargo liability regimes were adopted.

#### IV. CONCLUSION

For the foregoing reasons, the League disagrees with the positions of the ESC in opposition to the Rotterdam Rules, as set forth in its March 2009 paper. As European shippers

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<sup>&</sup>lt;sup>7</sup> ESC also complains that the shipper has unlimited liability exposure, as compared to the carrier. However, after substantial debate over this issue, it was determined that the Convention would follow the approach which already exists under most countries' national laws.

did not participate in the negotiation of the Rotterdam Rules until the very end of the process at UNCITRAL, the League believes that their perspective represents a misunderstanding and lack of appreciation of the delicate compromises achieved in the multilateral negotiations which occurred over 6 years. These objections should have been voiced when the issues were first negotiated, and not after the fact.

The reality is that the resulting Convention is not (and should not be) more favorable to either shippers or carriers but rather reflects a balance of the potentially competing interests.

ESC's desire for the development of a European multimodal convention would, in the League's view, be a giant step *backwards*, and would undermine the international community's attempt to update cargo liability rules applicable to sea carriage and increase efficiencies and harmony through the widespread adoption of a uniform regime. The Rotterdam Rules provide a readily obtainable opportunity to achieve these important objectives.

Accordingly, the League strongly supports adoption of the Convention by trading nations around the world. The following resolution recently approved unanimously by the League's Board of Directors evidences this support.