



June 17, 2008

Dear Client,

Below you will find a letter that was previously sent to our customers, with regard to the 10+2 Importer Security Filing Initiative by U.S. Customs and Border Protection (CBP). Over the past several months, Hellmann Customs Compliance Solutions has been working on the proposed 10+2 filing requirements by CBP. Hellmann submitted comments during the comment period of the National Proposed Rule Making (NPRM), along with 350+ other respondents.

At this time CBP has not issued the date this program will rolled out, but has released a proposed set of data requirements for the initiative. It is estimated that CBP will respond to all questions posted during the NPRM comment period in the fall.

Hellmann has begun work to investigate how the Importer Security Filing (ISF) would fit into our current operations models. At this time we are working closely with our Information Technology departments and our software providers to find a solution that will accommodate your needs to the highest level.

If you are unsure of what 10+2 is, or how it may effect you, we urge you to please read the below and contact your customs compliance representative. These both follow a letter that was issued by corporate compliance in March discussing the initiative and where to gain further information. You can also search <http://www.regulations.gov/> and search under "USCBP-2007-0077" to see all comments (including Hellmann's) and the initial posting by CBP.

It is our recommendation that you start examining your supply chain and ensure that you have the capabilities to provide Hellmann with this information for every sea freight shipment. The responsibility for submitting this information to CBP is upon the importer of record (according to the current proposal).

Please rest assured as soon as further information is received we will be in contact with you as soon as possible. Should you have further questions or concerns, we strongly recommend contacting your Hellmann customs compliance member for further information.

Thank you,

Hellmann Worldwide Logistics  
THINKING AHEAD – MOVING FORWARD



Subject: 10+2 Security Proposed Rule

Dear client,

Customs and Border Protection is proposing a rule which will require importers to provide 10 additional data elements on U.S. bound cargo 24 hours prior to the container being loaded on a ship. Carrier would be required to supply two additional elements.

The 10 proposed data elements are as follows:

**1- Manufacturer or Supplier, Name and address.**

*Definition: The name and address of the entity that last manufactures, assembles produces or grows the imported commodity, or the name and address of the supplier of the finished goods in the country from which the goods are leaving; in the alternative, the name and address of the manufacturer (or supplier) that is currently required by U.S. import laws, rules and regulations (this is the information that is used to create the existing manufacturer identification number for entry purposes).*

**2- Seller, Name and address.**

*Definition: The name and address of the last known entity by whom the goods are sold or agreed to be sold, or, if the goods are to be imported otherwise than pursuant to a purchase, the name and address of the owner of the goods.*

**3- Buyer, Name and address.**

*Definition: The name and address of the last known entity to whom the goods are sold or agreed to be sold, or, if the goods are to be imported otherwise than pursuant to a purchase, the name and address of the owner of the goods.*

**4- Shipped to Party, Name and address.**

*Definition: The name and address of the first deliver-to party scheduled to physically receive the goods after they have been released from customs custody.*

**5- Container stuffing location.**

*Definition: The name and address(es) of the physical location(s) where the goods were stuffed into the container, or, for breakbulk shipments, the name and address(es) of the physical location(s) where the goods were made "ship ready."*

**6- Name and address of party who stuffed the container, or arranged for the stuffing.**

*Definition: The name and address of the **party** who stuffed or arranged for the stuffing of the container, or, for breakbulk shipments, the name and address of the party who made or arranged to make the goods "ship ready."*

**7- Importer of Record or Social Security Number or other Identifying number.**

*Definition: The Internal Revenue Service number, Employer Identification Number, Social Security Number or CBP-assigned number of the entity liable for payment of all duties and responsible for meeting all statutory and regulatory requirements incurred as a result of importation; for goods intended to be delivered to an FTZ, the IRS number, EIN, SSN or CBP-assigned number of the party filing the FTZ documentation with CBP.*

## 8- Consignee Number(s).

*Definition: The IRS number, EIN, SSN or CBP-assigned number of the individual(s) or firm(s) in the U.S. on whose account the merchandise is shipped*

## 9- Country of Origin.

*Definition: The country of manufacture, production or growth of the article, based on U.S. import laws, rules and regulations.*

## 10- Commodity Harmonized Tariff Schedule (HTS)

*Definition: The duty/statistical reporting number under which the article is classified in the HTSUS (the HTSUS number is required to be provided to the six-digit level but may be provided up to the 10-digit level).*

For shipments consisting entirely of FROB or goods intended to be transported in-bond as an IE or T&E, the following five additional data elements would have to be provided.

- The name and address of the party who is paying for the transportation of the goods.
- The port code for the foreign port of unloading at the intended final destination.
- The city code for the place of delivery.
- The name and address of the first deliver-to party scheduled to physically receive the goods after they have been released from customs custody.
- The duty/statistical reporting number under which the article is classified in the HTSUS.

CBP indicates that it needs this additional information to ensure that its cargo security programs continue to operate effectively. The Container Security Initiative, the 24-Hour Rule and the Customs-Trade Partnership Against Terrorism are all cornerstones of CBP's comprehensive strategy for enhancing national security while protecting the economic vitality of the U.S.. Additionally, CBP has developed cargo risk assessment capabilities in its Automated Targeting System to screen all maritime containers bound for the U.S. before they are loaded aboard vessels in foreign ports. Each of these initiatives is dependent on data supplied by trade entities, including carriers, non-vessel-operating common carriers, customs brokers, importers and their agents. But the data elements currently supplied by these entities are the same ones originally established by the 24-Hour Rule, which for the most part come from the carrier's or NVOCC's cargo declaration. CBP states that while this was a sound initial approach to take, internal and external government reviews have concluded that more complete advance shipment data would produce even more effective and more vigorous cargo risk assessments.

While this is only the proposed rule, and CBP has not communicated what the final delivery method or date will be for the implementation. It has been communicated that U.S. Customs and Border Protection will take an informed compliance approach and phases the program in.

It is the recommendation of Hellmann Worldwide that you begin to work with your overseas suppliers and partners on a delivery method and process for these data elements to be timely distributed to your organization and service providers.

If you would like a copy of Customs and Border Protections Proposed Rules in its original format, please contact the local Hellmann Worldwide Logistics import manager.

Thank you,

Hellmann Worldwide Logistics