



BDG INTERNATIONAL, INC

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INTERNATIONAL TRADE NEWSLETTER

IN THIS ISSUE

- E-Billing
- Vanocouver and the Winter Olympics
- ISF Estimated Time of Loading
- Clean Truck Program Update
- ISF Bond Update

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E-Billing

Effective November 1, 2009 BDG has begun to implement E-Billing for export and import shipments.

With our recent system upgrade we are now able to offer e-mailed invoices and electronic supporting documentation to our clients.

Our team will e-mail the invoice from our system to a designated invoice contact. Once the invoice is received the supporting documentation is available as a PDF document on our *SureTrack* system to be downloaded and reviewed.

We have planned that our system will maintain the documentation for 5 years prior to purging.

SureTrack will provide electronic retrieval for numerous documents created directly from our document system. Other documents are scanned and attached.

Some documents that will be available are:

- AES Submissions
- Invoices
- Statements
- B/L's
- AWB's
- C of O's
- Customs Entries

Please contact our office with any questions you may have regarding *E-Billing*.

Vancouver and the Winter Olympics

We are expecting delays related to the Winter Olympics for shipments moving via Vancouver. The Olympics run from

February 12 through February 28. Plan for delays to begin at least one week prior to the 12th and one week after the 28th.

The Canadian government will be increasing security during this time.

ISF: Estimated Time of Loading

ISF is becoming mandatory on Jan 26 2010. Timeliness of the filing the ISF is the most critical element of the process since it is so easily tracked by the government.

Currently the ISF needs to be filed 24 hours prior to loading. The problem is how to define the load date prior to it actually loading. It can take up to two days two days to load a large vessel. Stowage plans are complicated by numerous variables. Commodity, Destination, Weight will dictate where a shipment will be loaded on the vessel. The transportation has adopted a new initialism to communicate this load date. It is called ETL (Estimated Time of Loading).

The ocean line is required to file its AMS (Automated Manifest System) report 24 hours prior to sailing. This will include the stowage plan of the vessel. In a case where we are matching the ISF with the AMS, the ISF will be filed prior to the AMS normally. Thus we will not receive a match on the data until the ocean line has done their part in filing the AMS.

Import Dates related to Salings:

Cut Off: The last date that the ocean line physically accepts containers for the exporting vessel.

ETL: Estimated Time of Loading

ETS: Estimated Time of Sailing

ETD: Estimated Time of Departure (same as ETS)

ETA: Estimated Time of Arrival

When you communicate with your supplier ask for the ETL as well as all other sailing details. Requesting the ETL will prepare you for filing the ISF in timely manner.

Clean Truck Program

Exempt Trucks No Longer Required to Pay the Clean Truck Fee.

The Ports of Los Angeles and Long Beach, PortCheck is preparing to introduce a simplified cargo claiming system to reduce the administrative and economic burdens of the Clean Trucks Program (CTP). The system will be developed, tested and operational November 15.

Under the new system, cargo owners using **exempt clean trucks** to move local or intermodal rail cargo will no longer be required to claim cargo or pay the Clean Trucks Fee (CTF) in advance; only cargo owners using older, non-compliant trucks will be required to do so. Currently, all cargo, including intermodal cargo, must be claimed through PortCheck. This removes the need to request refunds for exempt clean trucks.

The marine terminal operators proposed this change to the two ports in response to feedback from cargo owners asking to reduce the administrative burdens and complications of the current claiming system. PortCheck is committed to easing these burdens. The changes will not reduce the ability of the Clean Trucks Program to meet its clean air goals.

Cargo owners should reference the following guidelines to ensure compliance with the new cargo claiming system:

- Cargo owners that are absolutely certain their containers are delivered or picked up by an **exempt** truck in the ports' drayage truck registry will not have to claim the cargo or booking number.

- Cargo owners using **non-exempt** trucks will be denied entry until the container or booking number is claimed or paid for, or an exempt truck is used.
- If the cargo owner is **not certain** whether an exempt or a non-exempt truck will pick up or deliver the container, they should **continue to claim** the container or booking number.

Customers can submit inquiries to PortCheck customer service center by sending an email to questions@portcheck.org or calling 1-877-863-3310.

For more information on PortCheck, please visit www.pierpass-tmf.org.

For more information on the Clean Trucks Program of the Ports of Long Beach and Los Angeles, please visit the ports' web sites, http://www.portoflosangeles.org/CTP/idx_ctp.asp and www.polb.com/cleantrucks.

PortCheck Inc. Customer Service

1-877-863-3310 (inside the United States)

1-801-559-8078 (outside the United States)

ISF Bonding Update

We recently received answers to several outstanding issues related to the bond requirements for the Importer Security Filing. In order for surety providers to complete systems programming, these clarifications by CBP were necessary.

Appendix D Bond / ISF Bond

The bond form will be finalized in the next few weeks. Underwriters are leading the efforts with CBP to finalize the bond form for industry-wide use.

Continuous ISF Bond

- The minimum required bond amount will be

\$50,000. The amount of the bond is subject to increase based on the filer's violation history.

- CBP does not require an application for this bond type.
- CBP will allow for co-principals and divisions on the bond.
- The activity code is 16.
- The bond is filed at the Revenue Division. The current email address and phone number will be used for the filing of this bond type.

Single Transaction ISF Bond

- The required bond amount will always be \$10,000.
- The activity code is 16.
- A surety bond reference number is required to be transmitted at the time of the security filing. The number format is yet to be determined.
- Once CBP returns the ISF transaction number to the filer, that number must be entered on the bond.
- The bond must be emailed to ISF_Bond@cbp.dhs.gov within 12 hours of receiving the ISF transaction number.

CBP301 Single Transaction Bond - Unified Filing

This bond may only be used when the importer is prepared to file an ISF and entry simultaneously (typically rare), and if the filer does not have a continuous CBP 301 or continuous ISF bond.

- The bond amount calculation for this single transaction bond will not change; CBP is not requiring a higher bond amount for the ISF obligation.
- The surety bond reference number is required to be transmitted at the time of the security filing.
- Once CBP returns the ISF transaction number to the filer, that number must be entered on the bond.
- The ISF date, execution date and effective date are to be determined.

CBP301 Continuous Bond

An Activity Code 1, 2, 3 or 4 bond may be used for the security filing requirements.

- The bond amount calculation for any of these activity codes will not change for the security

filing requirements.

Bond Liability

- The tail of liability is six years, based on statute.
- Practically speaking, any liquidated damage claim is expected within one year.
- The ISF obligation ends when the entry is made, but that does not preclude CBP from assessing liquidated damages if there was a violation.