



**BDG INTERNATIONAL, INC**

## SERVICE ANNOUNCEMENT

Dear Importer,

We are receiving many questions from the importers confirming if any action has to be taken by the importer. It is important to know that as the importer you are a very important factor of 10+2 and the ISF filings being completed correctly.

Here is a short list for your priorities:

1. Review your purchase order agreements with your suppliers
  - a. Confirm that you are holding them responsible for accurate information
  - b. Confirm that you are holding them responsible for adding the new ISF information on their invoice or on another document that will be presented to the overseas freight forwarder 2 weeks in advance of sailing.
  - c. Confirm that you have wording in your purchase order agreements covering
    - i. Late documents
    - ii. Incomplete documents
    - iii. Unverified information (inaccurate information)
    - iv. Missing information
  - d. Include a section that you will hold the supplier liable for penalties, fines, demurrage, detention, re-issue of export documents
2. Review your purchasing procedures:
  - a. Each product purchased should have an accurate HTSUS number and print on your P.O.
  - b. The purchase order should indicate the deliver to location with the IRS number.
    - i. If you are trying to keep this confidential please contact BDG to discuss the challenges
  - c. The P.O. should confirm the booking agent overseas for your supplier to contact for bookings
3. Review your Inco Terms
  - a. By controlling the cargo you will have a better way to manage the ISF filing through BDG.
  - b. Cargo that is EXW – FCA will go through the BDG integrated ISF system.
  - c. Cargo that is DDP – DDU will be required to have an ISF filing and may require that you as the USA company are still responsible for the ISF filing. We recommend if the shipper/supplier is holding you responsible for the ISF filing to change the incoterms to EXW or FCA and control the freight completely.
  - d. If the cargo must move on a DDU basis via the supplier's freight forwarder we will set up a customize ISF filing for each lane. Depending on the work involved we will may have a higher ISF filing fee.
  - e. If the cargo is DDP then technically the shipper would be responsible for the ISF filing. In this case, they would hold you liable for any changes or corrections in the USA that had to be filed in the ISF filing. You may still be liable for the penalties.
4. Email your Supplier the new 10+2 / ISF requirements
  - a. We have sent out a Supplier Information Sheet in our email of Dec 16<sup>th</sup>, you can also contact us for an addl copy or check our website.
  - b. Send your Supplier clear instructions and confirm that they understand them.
  - c. Confirm when they will make the changes on their documentation to comply with the ISF filing
  - d. If the cargo is FCL, double check where they load the container and if it is a different address than the Supplier address.
  - e. Confirm that they understand they are responsible to make a booking two weeks in advance (in 2009 bookings made sooner will be taken but we will request from the supplier that they make them two weeks in advance)
5. Call your supplier
  - a. Discuss with them the challenges they may incur
  - b. Find out what they are thinking so we can work out the issues together.

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