Head Office / USA – 27W364 North Ave; Carol Stream, IL 60185. Phone: +1 847-354-6180

Import Customs Brokerage Welcome Pkg

Our key Import Brokerage Documents are included in this document package. The attached documents allow Mainfreight, Inc. to arrange for customs clearance activities on your behalf.

Please contact your Mainfreight, Inc. Customs team with any questions at:

ammfilicensedbrokersusa@mainfreight.com

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*** This document has to be signed by a company officer, and will allow Mainfreight, Inc. to clear your import shipments thru US Customs. It's the most import document in this package and has legal standing. In addition, export AES filings are specifically provided for (if you export, that is!).*

Power of Attorney – Authorized Signers.....5

*** Who can sign? Common titles and documents that are needed before we can accept a POA. It's got to be a person specifically authorized by your company to legally bind your company.*

Broker Trusted Importer Program- Compliance Questionnaire.....7

*** We'd like to review your internal compliance program with you – once completed by you, one of our licensed brokers will review it with you so we know more about your internal compliance program.*

Duty Payment Options- ACH/PMS.....15

*** How to apply for direct payment – by you- of Duty to US Customs. It's a default for us, and the cash flow savings to you (by paying with the Periodic Monthly Statement program) are worth pursuing.*

Continuous Bond – Application-What are the Benefits?.....23

*** Savvy importers know what all the fuss is about. This lets you know how it can benefit you too. What we need from you to apply for a continuous bond. Not much – but we can't get the Bond established for you without this. But if the form seems a bit daunting? Call us!*

CTPAT™ YOUR SUPPLY CHAIN'S STRONGEST LINK.

Mainfreight, Inc. is CTPAT Certified. Are you?

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U.S. Customs & Border Protection Power of Attorney / Designation of Forwarding Agent / Acknowledgement of Terms & Conditions of Service

Main Office: 27W364 North Ave; Carol Stream, IL 60185 USA. Phone: +1 354-6180

Email completed form directly to ammfichb@mainfreight.com

(1) IRS/EIN Number: _____ Customs-Assigned Importer Number (non-resident corporations): _____
(format: nn-xxxxxxxxx) (format: yypppp-nnnnn)

Social Security Number (Individuals; imports only): _____ DUNS#_____
(format: nnn-nn-nnnn) (for clients who import food/food-related items)

(2) Business Type (Check one): Corporation: ☐ LLC: ☐ Partnership/LP/LLP: ☐ Sole Proprietor: ☐ Individual: ☐ State Government: ☐ Foreign Government: ☐

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(3) KNOW ALL PERSONS BY THESE PRESENTS: That,_____
(Full name of Individual, Partnership, Limited Partnership, Corporation, Sole Proprietorship, or Limited Liability Company)

(4) doing business/trading as_____ under the laws of the State/Province/Country of (5)_____

residing or having a principal place of business at (6) (physical address)_____

(6a) Physical address type – required for new importers only (check one): Corporate Office ☐ Office Building ☐ Warehouse ☐ Retail Location ☐ Other ☐ Residence ☐

And having a mailing address at (only if different from above) at (7)_____

(7a) Mailing address type – required for new importers only (check one) : Corporate Office ☐ Office Building ☐ Warehouse ☐ Business Service Center ☐ Post Office Box ☐ Retail Location ☐ Other ☐ Residence ☐

hereby designates and appoints Mainfreight, Inc., its successors or assigns, through its officers, employees, and/or specifically authorized agents, to act for and on its behalf as a true and lawful agent and attorney of the grantor for and in the name, place and stead of said grantor, from this date, in the United States, including the Customs territory of the United States (the "territory") either in writing, electronically, or by other authorized means, to: Make, endorse, sign, declare, or swear to any customs entry, withdrawal, declaration, certificate, bill of lading, carnet or any other documents required by law or regulation in connection with the importation, exportation, transportation, of any merchandise in or through the customs territory, shipped or consigned by or to said grantor; Perform any act or condition, which may be required by law or regulation in connection with such merchandise deliverable to said grantor; to receive any merchandise; Make endorsements on bills of lading conferring authority to transfer title; make entry or collect drawback; and to make, sign, declare, or swear to any statement or certificate required by law or regulation for drawback purposes, regardless of whether such document is intended for filing with Customs; Sign, seal, and deliver for and as the act of said grantor any bond required by law or regulation in connection with the entry or withdrawal of imported merchandise or merchandise exported with or without benefit of drawback, or in connection with the entry, clearance, lading, unlading or navigation of any vessel or other means of conveyance owned or operated by said grantor, and any and all bonds which may be voluntarily given and accepted under applicable laws and regulations, consignee's and owner's declarations provided for in section 485, Tariff Act of 1930, as amended, or affidavits or statements in connection with the entry of merchandise; Sign and swear to any document and to perform any act that may be necessary or required by law or regulation in connection with the entering, clearing, lading, unlading, or operation of any vessel or other means of conveyance owned or operated by said grantor; Authorize other Customs Brokers duly licensed within the territory to act as grantor's agent; to receive, endorse and collect checks issued for Customs duty refunds in grantor's name drawn on the Treasurer of the United States; if the grantor is a nonresident of the United States, to accept service ofprocess on behalf of the grantor; And generally to transact Customs business, including filing of claims or protests under section 514 of the Tariff Act of 1930, or pursuant to other laws of the territories, in which said grantor is or may be concerned or interested and which may properly be transacted or performed by an agent and attorney; Giving to said agent and attorney full power and authority to do anything whatever requisite and necessary to be done in the premises as fully as said grantor could do if present and acting, hereby ratifying and confirming all that the said agent and attorney shall lawfully do by virtue of these presents, including the waiver of confidentiality requirements to conduct same; This power of attorney to remain full force and effect until revocation in writing is duly given to and received by grantee (if the donor of this power of attorney is a partnership, the said power shall in no case have any force or effect in the United States after the expiration 2 years from the dates of its execution);

Appointment as Forwarding Agent: Grantor authorizes the above Grantee to act within the territory as lawful agent and sign or endorse export documents (i.e., commercial invoices, bill of lading, insurance certificates, drafts and any other document) necessary for the completion of an export on grantor's behalf as may be required under law and regulation in the territory, to transmit export information electronically in reliance on the accuracy of the information provided by Grantor, to endorse or counter-sign weight certifications or tickets provided by grantor or grantor's designee, endorse or negotiate drafts or checks drawn to the order of the grantor or grantor's designee and to appoint forwarding agents on grantor's behalf; Grantor hereby certifies that all statements and information obtained in the documentation provided to Grantee relating to exportation are true and correct. Further, Grantor acknowledges that Grantee does not agree to act as the "exporter" for purposes of the U.S. Export Administration Regulations, or any other applicable laws and regulations, and that Grantee shall not be responsible for determining licensing requirements and obtaining licensing authority pursuant to applicable laws and regulations, unless specifically requested in signed writing by Grantor and agreed to in signed writing by Grantee.

In the execution of this document, it is expressly understood that grantee limits its liability to the extent provided for under law and in accordance with the Mainfreight, Inc.'s Terms and Conditions of Service in effect on the date of service, which include limitations of liability, which can be found on page 6 of this Doc Pack.

If Grantor is a Corporation, the signatory certifies he/she has full authority to execute this instrument on behalf of Grantor. If Grantor is a Limited Liability Company, the signatory certifies he/she has full authority to execute this instrument on behalf of Grantor. If the Grantor is a General partnership, the signatory certifies he/she has full authority to execute this instrument on behalf of Grantor and shall state the names of all members of the partnership on a separate addendum to this document. If the Grantor is a Limited Partnership, the signatory certifies that he/she has full authority to execute this instrument on behalf of Grantor and shall state the names of the general partners who have authority to execute this instrument on behalf of Grantor on a separate addendum to this document. The signatory shall also provide a copy of the limited partnership agreement with this instrument.

Sufficiency of any electronic or other signature below shall be construed according to the laws of the State of California.

(7) IN WITNESS WHEREOF, the said _____

Print the full legal name of either (a) the corporation or LLC, (b) individual, or (c) Partnership and Partner's name, or (d) Limited Partnership's name and General Partner's name(s) or (e) Limited Liability Partnership's name, or (f) Sole Proprietor's name and dba, if any. All LP/LLP's must attach your full partnership agreement per 19 CFR 141.39(a)(2).

has caused these presents to be sealed and signed: **(8)** (Signature) _____

(9) Printed Name _____ **(10)** Title_____ **(11)** _____/_____/20_____

If you are the importer of record, payment to the broker will not relieve you of liability for customs charges (duties, taxes, or other debts owed CBP) in the event the charges are not paid by the broker. Therefore, if you pay by check, customs charges may be paid with a separate check payable to the "U.S. Customs and Border Protection" which will be delivered to CBP by the broker.

The Customs Power of Attorney / Designation of Forwarding Agent – Completion Guidelines:

Thank you for choosing our Customs Brokerage/freight forwarding services. This form consists of four pages – page one is the Power of Attorney itself; page 2 (this page) consists of the instructions to complete this form, page 4 is a Non-Resident Corporate Certification required for those companies not located in the USA, and page 5 shows who may sign a power of attorney depending on your type of corporate structure. When the Power of Attorney has been completed, please return all completed pages to us by scanning/emailing it to us at ammfichb@mainfreight.com. US Customs requires that our US Customs team must receive the completed Power of Attorney directly from you, our client, at the email address above, and not thru any intermediary.

A properly completed Customs Power of Attorney / Designation of Forwarding Agent is required before we can prepare a Customs entry, submit an Importer Security Filing, sign a carnet, or legally file an EEI/AES export declaration on your behalf. We also will need a current Photo ID of the signatory on the power of attorney, as well as proof of your current business registrations in your state(s), province, or country of registration.

This is a legal document - please complete carefully as follows:

Page 1 of the POA:

(1) Enter your IRS number (EIN – TIN# or SSN – or Social Security# as applicable). If you are not located in the USA, you will normally be importing under a Customs- assigned importer number. If you have exported to the USA before using a Customs-Assigned-Imported- Number, please let us know that number, as U.S. Customs mandates that we use the one previously assigned to your firm. However, if you do not have, or know, your Customs-Assigned-Importer-Number, you may leave this field blank.

(2) Check the appropriate business type (Corporation, LLC, LLP, Partnership/LP, Individual, Sole Proprietor, Foreign Government, etc).

(3). "**KNOW ALL PERSONS BY THESE PRESENTS: That"** - Here you enter the full name of the corporation, LLC, individual, partnership, or sole proprietorship. A partnership must include the full names of all partners. You can refer to an attachment listing the names of the partners and return with the Power of Attorney. Unless you are importing as an individual or sole proprietorship, do "not" enter your own name here.

(4). If you operate as a DBA, enter it in the "doing business/trading as" field. Complete this only if you trade under a different name.

(5): "**Under the laws of the State/Province/Country of**" - Enter the State or Country & Province where your head office is located or – more likely- are otherwise incorporated.

(6): **Physical address** - Enter the address type and physical/mailing addresses used for your business. The address type is required for new importers specifically, and is required if you have moved or changed your physical/mailing addresses otherwise.

(6a) Enter your physical address type: Corporate Office, Office Building; Warehouse; Retail Location; Other; Residence

(7) **Mailing address** – enter only if different from (6) above.

(7a) Enter your mailing address type here: Corporate Office; Office Building; Warehouse; Business Service Center; PO Box; Retail Location; Other; Residence.

(8): **In Witness Whereof, the Said**: Type or print the name of the corporation, LLC, individual, partnership/LP/LLP, or Sole Proprietorship. Unless you are importing under your social security number, your name does **not** belong here.

(9): **In Witness Whereof, the Said:** [a] Corporation: Must be a corporate officer specifically empowered under your Articles of Incorporation to grant a POA or sign legal documents on behalf of the corporation. If you are not a corporate officer, a Confirmation of Authority must accompany the POA [19 CFR 141.37]. Contact us for this form if needed. [b] LLC: Must be a Managing Member or other Manager authorized under the terms of the Operating Agreement for the LLC. We may ask for a copy of the Operating Agreement with the names and/or titles of those authorized to do so. [c] Partnership: Any partner authorized to execute the POA. POA's for Limited Partnerships or LLPs must be accompanied by a copy of the partnership agreement per [19 CFR 141.39(a)(2)]. [d] Individual or Sole Proprietorship: The person named in (3) above.

(10): On the line below your signature, place your Printed Name here.

(11): Please place your title here. You must be legally authorized to obligate your Corp/LLC/LLP/LP, or Partnership.

(12): Enter the date in which you signed the POA.

(13) Please enter the name/email address of who we can contact regarding Customs Compliance matters:

Name: _____**Email address**:_____

Page 3 of the POA package: – this is the Non-Resident Corporate Certification form, which must be completed and signed by a Corporate Officer/ Signatory other than the person who signed page 1. This is required for all firms physically located outside of the United States of America.

Please contact us with any questions you may have. ***Importing isn't Easy- we just make it easier©***

(To be placed on your company's letterhead, then completed and signed by an officer/signatory ***other than*** the one who executes the power of attorney)

(this page is required only if your company is not physically located or registered/incorporated in the USA)

NON-RESIDENT CORPORATE CERTIFICATION

I,_____ , certify that I am the _____ of

_____ , organized under the laws of the Country of _____, and that

_____ , who signed this power of attorney on behalf of the donor, is the

_____ of said corporation; and that said power of attorney was duly signed, and attested for and on

behalf of said corporation by authority of its governing body as the same appears in a resolution of the Board of Directors passed at a regular meeting, now in my possession or custody. I further certify that the resolution is in accordance with the articles of incorporation and bylaws of said corporation and was executed in accordance with the laws of the Country of Incorporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said corporation,

this ___day of _____ , 20 ___.

_____

Signature:

US Customs Power of Attorney - Designation of Forwarding Agent - Do you know if you can sign legal documents for your company? See guidelines below based on your type of business entity:

CORPORATION **POA is valid until revoked**	The legal name of the corporation, including the DBA, if the corporation is doing business as (DBA) another name. ***Subsidiary:*** Defined - A wholly-owned subsidiary corporation is considered a stand-alone legal entity. As such, a corporate officer of the subsidiary company must sign the POA. For example - AAA Inc. Inc. is a wholly owned subsidiary of Partial Threads, Inc. A corporate officer of AAA Inc. must sign the POA. The POA is only binding on AAA Inc., not on Partial Threads, Inc. ***Division:*** Defined - A division of a corporation is not a stand-alone legal entity. As such, it is more like a "department" of the corporation and has no legal standing of its own. That means a corporate officer of the parent corporation must sign the POA. For example - BBB Foods is a division of Partial Threads, Inc. A corporate officer of Partial Threads, Inc must sign the POA. The POA is legally binding for all of Partial Threads, however. In practice, operationally Partial Threads Inc may wish to restrict clearance to that particular division. In this instance, the POA should only be approved for the two-digit suffix of the IRS# for the individual business as is authorized by the POA from Partial Threads, Inc.	President Vice-President - authorized to bind the company I.E. - V.P. Finance, V.P. Customs, V.P. Logistics Secretary - Secretary Treasurer - Assistant Secretary Treasurer CEO Chief Executive Officer CIO Chief Information Officer COO Chief Operation Officer CFO Chief Financial Officer CAO Chief Administrative Officer Chairman (person) or Chairman (person) of the Board General Counsel Controller All other titles should be elevated to the Director of Customs	A "Confirmation of Authority" form is required if someone other than a Corporate Officer signs the POA. A Corporate Officer must sign the Confirmation of Authority giving said power to the person signing the POA. We may request this "Confirmation of Authority" if the person who signed the Power of Attorney has a title that is different from one listed in the "Acceptable Titles" column to the left.
LLC **POA is valid until revoked**	The legal name of the LLC as registered with the State and the DBA name is the LLC is doing business as (DBA) another name.	Managing Member Manager Director President Member Officer All other titles should be elevated to the Director of Customs, or a licensed broker, for review.	We may request the page(s) of the LLC Operating Agreement that specifies the names and titles of the members of the LLC, and those who are empowered under the Operating Agreement to legally bind the LLC.
PARTNERSHIP (US-Based) **POA is valid for 2 years from date of execution**	All the names of the partners in the partnership (if all names don't fit on the POA itself, please fill out Attachment Form listing all partners)	Partner All other titles should be elevated to the Director of Customs, or licensed broker, for review	Attachment Form listing all partners if there is not enough room to list on the POA itself
USA LIMITED PARTNERSHIP (LP) **POA is valid for 2 years from date of execution**	All the names of the *general* partners in the LP (if all names don't fit on the POA itself, please fill out Attachment Form listing all *general* partners of the LP)	General Partner All other titles should be elevated to the Director of Customs, or licensed broker, for review	Attachment listing all general partners if there is not enough room to list on the POA; also per 19 CFR 141.39(a)(2) a copy of the partnership agreement must accompany the
USA LIMITED LIABILITY PARTNERSHIP (LLP) **POA is valid for 2 years from date of execution**	The legal name of the LLP The Owner's name followed by the DBA name if the company is legally doing business as (DBA) another company name Your full name The legal name of the company/Individuals name	General Partner or Corporate Officer (refer to Corporation for acceptable titles) All other titles should be elevated to the Director of Customs, or licensed broker, for review.	The part of the Operating Agreement that spells out the individuals who may legally bind the LLP. Per 19 CFR 141.39(a)(2) a copy of the partnership agreement must accompany the POA. We must ask for authority that shows the person signing the POA is authorized to do so by the articles of the partnership, especially for partnerships between corporations.
SOLE PROPRIETORSHIP **POA is valid until revoked**	The owner's name, followed by the DBA name if the company is legally doing business as (DBA) another company name.	Owner, Sole Proprietor, or Individual	1 document from A & 1 from B; if A is not available, then all 3 from B are required. A - Federal government-issued picture-ID (passport, residence card) B - Social Security card, SS4 Notification of Importer Number, Driver's License, current utility bill.
INDIVIDUAL **POA is valid until revoked**	Your full name	Self or Individual	1 document from A & 1 from B; if A is not available, then all 3 from B are required. A - Federal government-issued picture-ID (passport, residence card) B - Social Security card, Driver's License, current utility bill.
FOREIGN POA'S OF ANY BUSINESS ENTITY or INDIVIDUAL **POA is valid until revoked**	The legal name of the Company's/Individual's name	General Manager or Managing Director - no NRCC needed. Other titles below require NRCC. Assistant Manager - Officer - Manager Director - Deputy Director All titles from the corporate (INC) list All other titles should be elevated to the Director of Customs, or licensed broker, for review	Non-resident certification is required from corporations except when signed by Gen. Mgr or Managing Director; not required for non-resident individuals. The certification may not be signed by the same person that signed the POA. Proof of the corporate entity or other tangible proof (e.g. corporate website - does one exist? Stock ticker I.D. information, or similar proof of existence is required).

TERMS & CONDITIONS OF SERVICE

These terms and conditions of service constitute a legally binding contract between the "Company" and the "Customer". In the event the Company renders services and issues a document containing Terms and Conditions governing such services, the Terms and Conditions set forth in such other documents(s) shall govern those services.

1. Definitions.
(a) "Company" shall mean **MAINFREIGHT, INC.**, its subsidiaries, related companies, agents and/or representatives;
(b) "Customer" shall mean the person for which the Company is rendering service, as well as its agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc. It is the responsibility of the Customer to provide notice and copy(s) of these terms and conditions of service to all such agents or representatives;
(c) "Documentation" shall mean all information received directly or indirectly from Customer, whether in paper or electronic form;
(d) "Ocean Transportation Intermediaries" ("OTI") shall include an "ocean freight forwarder" and a "non-vessel operating carrier";
(e) "Third parties" shall include, but not be limited to, the following: "carriers, truckmen, cartmen, lightermen, forwarders, OTIs, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise".

2. Company as agent.
The Company acts as the "agent" of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export and security documentation on behalf of the Customer and other dealings with Government Agencies, or for arranging transportation services, both domestically and internationally, or other logistics services in any capacity other than as carrier.

3. Limitation of Actions.
(a) Unless subject to a specific statute or international convention, all claims against the Company for a potential or actual loss, must be made in writing and received by the Company, within ninety (90) days of the event giving rise to claim; the failure to give the Company timely notice shall be a complete defense to any suit or action commenced by Customer.
(b) All suits against Company must be filed and properly served on Company as follows:
(i) For claims arising out of ocean transportation, within one (1) year from the date of the loss;
(ii) For claims arising out of brokering ground transportation, within two (2) years from the date of loss;
(iii) For claims arising out of air transportation, within two (2) years from the date of the loss;
(iv) For claims arising out of the preparation and/or submission of an import entry(s), within seventy-five (75) days from the date of liquidation of the entry(s);
(v) For any and all other claims, within two (2) years from the date of the loss or damage.

4. No Liability for the Selection or Services of Third Parties and/or Routes.
Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer, Company shall use reasonable care in its selection of third parties, or in selecting the means, route and procedure to be followed in the handling, transportation, clearance and delivery of the shipment; advice by the Company that a particular person or firm has been selected to render services with respect to the goods, shall not be construed to mean that the Company warrants or represents that such person or firm will render such services nor does Company assume responsibility or liability for any action(s) and/or inaction(s) of such third parties and/or its agents, and shall not be liable for any delay or loss of any kind, which occurs while a shipment is in the custody or control of a third party or the agent of a third party; all claims in connection with the Act of a third party shall be brought solely against such party and/or its agents; in connection with any such claim, the Company shall reasonably cooperate with the Customer, which shall be liable for any charges or costs incurred by the Company.

5. Quotations Not Binding.
Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice; no quotation shall be binding upon the Company unless the Company in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between the Company and the Customer.

6. Reliance on Information Furnished.
(a) Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with U.S. Customs and Border Protection and/or other Government Agency and/or third parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration filed on Customer's behalf;
(b) In preparing and submitting customs entries, export declarations, applications, security filings, delivery orders, documentation and/or export data to the United States and/or a third party, the Company relies on the correctness and completeness of all documentation, whether in written or electronic format, and Customer shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or any incorrect or false statement by the Customer or any agent of Customer upon which the Company reasonably relied. The Customer agrees that the Customer has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.
(c) Customer warrants that the description, marks, numbers and quantities of the goods are accurate, complete and comply with all regulations. Customer shall have the exclusive burden to provide verified gross mass (VGM) of Goods as obtained on calibrated and certified equipment. Company shall be entitled to rely on the accuracy of the weight information provided by Customer for all purposes, including compliance with the VGM requirement under the Safety of Life at Sea Convention (SOLAS). Company shall be entitled to tender, counter-sign or endorse such certificates, weight tickets or other weight data provided by Customer as Company's own VGM to subcontractors, including any vessel operator.
(d) Customer shall not tender hazardous goods absent advance notice and consent of Company and shall in all events be responsible for compliance with all applicable hazardous material regulations.

7. Declaring Higher Value to Third Parties.
Third parties to whom the goods are entrusted may limit liability for loss or damage; the Company will request excess valuation coverage only upon specific written instructions from the Customer, which must agree to pay any charges therefor; in the absence of written instructions or the refusal of the third party to agree to a higher declared value, at Company's discretion, the goods may be tendered to the third party, subject to the terms of the third party's limitations of liability and/or terms and conditions of service.

8. Insurance.
Unless requested to do so in writing and confirmed to Customer in writing, Company is under no obligation to procure insurance on Customer's behalf; in all cases, Customer shall pay all premiums and costs in connection with procuring requested insurance.

9. Disclaimers; Limitation of Liability.
(a) Except as stated herein, Company makes no express or implied warranties relating to its services;
(b) Subject to (d) below, Customer agrees that in connection with any and all services performed by the Company, the Company shall only be liable for its negligent acts, which are the direct and proximate cause of any injury to Customer, including loss or damage to Customer's goods, and the Company shall in no event be liable for the acts of third parties;
(c) In connection with all services performed by the Company, Customer may obtain additional liability coverage, up to the actual or declared value of the shipment or transaction, by requesting such coverage and agreeing to make payment therefor, which request must be confirmed in writing by the Company prior to rendering services for the covered transaction(s).
(d) Without additional coverage under (c) above, the Company's liability shall be limited to the following:
(i) where the claim arises from activities other than those relating to customs brokerage, $50.00 per shipment or transaction, or
(ii) where the claim arises from activities relating to "Customs business," $50.00 per entry or the amount of brokerage fees paid to Company for the entry, whichever is less;
(e) In no event shall Company be liable or responsible for consequential, indirect, incidental, statutory or punitive damages even if it has been put on notice of the possibility of such damages.
(f) In no event shall Company be liable or responsible for damages attributable to circumstances of Force Majeure. For purposes of these Terms and Conditions, Force Majeure includes, but is not limited to, natural disasters, acts of the public enemy, assailing thieves, Laws and Regulations, wars or warlike action (whether actual or impending) arrests and other restraints of government (civil or military), blockades, insurrections, riots, epidemics or other severe health crisis and associated containment efforts, landslides, lightning, earthquakes, fires, sabotage, tropical storms and hurricanes, civil disturbances, tidal waves, explosions, confiscation or seizure by any government or other public authority, and any other causes, whether of the kind herein enumerated or otherwise, that are not reasonably within the control of Company and that could not have been overcome by the exercise of ordinary diligence. Company shall notify Customer with reasonable promptness of the existence of any such Force Majeure and the probable duration thereof, and shall provide Customer from time to time with correct information concerning same.

10. Advancing Money.
All charges must be paid by Customer in advance unless the Company agrees in writing to extend credit to Customer; the granting of credit to a Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company.

11. Indemnification/Hold Harmless.
The Customer agrees to indemnify, defend, and hold the Company harmless from any claims and/or liability arising from the importation or exportation of Customer's merchandise and/or any conduct of the Customer, which violates any Federal, State and/or other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the Company.

12. Inspection Consent.
Company may, but shall not be obligated to, inspect any shipment. Cargo items tendered for transportation may be subject to security controls by carriers and to other government regulations. The customer expressly agrees and consents to searches / inspections / screenings of all cargo in accordance with applicable security controls, initiatives and regulations, including, but not limited to, the regulations of the U.S. Transportation and Security Administration.

13. C.O.D. or Cash Collect Shipments.
Company shall use reasonable care regarding written instructions relating to "Cash/Collect" or "Deliver (C.O.D.)" shipments, bank drafts, cashier's and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall not have liability if the bank or consignee refuses to pay for the shipment.

14. Forfeiture of Discounts and Costs of Collection.
All discounts offered, as indicated on the invoice faces, are forfeited should Customer fail to comply in all respects with payment terms. In any dispute involving monies owed to Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 15% per annum or the highest rate allowed by law, whichever is less, unless a lower amount is agreed to by Company.

15. General Lien and Right to Sell Customer's Property.
(a) Company shall have a general and continuing lien on any and all property coming into Company's actual or constructive possession or control for any monies owed to Company, including but not limited to moneys owing relating to the shipment on which the lien is claimed, a prior shipment(s) and/or both.
(b) Company shall provide written notice to Customer of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges; Customer shall notify all parties having an interest in its shipment(s) of Company's rights and/or the exercise of such lien.
(c) Unless, within thirty days of receiving notice of lien, Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of Company, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, Company shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.

16. No Duty to Maintain Records for Customer.
Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC §§1508 and 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other Laws and Regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by Statute(s) and/or Regulation(s), but not act as a "recordkeeper" or "recordkeeping agent" for Customer.

17. Obtaining Binding Rulings, Filing Protests, etc.
Unless requested by Customer in writing and agreed to by Company in writing, Company shall be under no obligation to undertake any pre- or post Customs release action, including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petition(s) and/or protests, etc.

18. Preparation and Issuance of Bills of Lading.
Where Company prepares and/or issues a bill of lading, Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc.; unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same, Company shall rely upon and use the cargo weight supplied by Customer.

19. No Modification or Amendment Unless Written.
These terms and conditions of service may only be modified, altered or amended in writing signed by both Customer and Company; any attempt to unilaterally modify, alter or amend same shall be null and void.

20. Compensation of Company.
Customer, shippers, consignees and bill-to parties are jointly and severally liable for the compensation of the Company for its services. The Company's charges may be reversed to the responsible parties if a shipment is refused or payment is not made by the original bill-to party. The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by the Company from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due the Company, upon recovery by the Company, the Customer shall pay the expenses of collection and/or litigation, including a reasonable attorney fee.

21. Severability.
In the event any Paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect.

22. Governing Law; Consent to Jurisdiction and Venue.
These terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of California without consideration to principles of conflict of law. All disputes arising hereunder shall be resolved at Los Angeles, California and at no other place. Customer and Company:
(a) irrevocably consent to the jurisdiction of the State and Federal courts located in the County of Los Angeles, State of California.
(b) agree that any action relating to the services performed by Company, shall only be brought in said courts;
(c) consent to the exercise of *in personam* jurisdiction by said courts over it, and
(d) further agree that any action to enforce a judgment may be instituted in any jurisdiction.

Broker Known Importer Program- CBP Compliance Questionnaire

As your customs broker, we have a fiduciary responsibility to represent you before US Customs and Border Protection (and other government agencies) regarding the goods you import. This compliance questionnaire- a joint initiative by US Customs and the NCBFAA/National Customs Brokers and Forwarders Association of America asks us to review the answers to this compliance questionnaire to certify that you either have – or don't have- a strong internal compliance program. This helps us know and understand more about your business so that we can represent you the best way possible when we enter goods on your behalf.

The result of this process will allow US Customs & Border Protection to more accurately determine which shipments will be subject to examination, and for them to know that we, your broker, have reviewed your business practices so that we can claim, correctly, that we more fully understand your business. We want to proudly certify that you are a known importer – hence this questionnaire.

Your Company Name:_____

Address: _____

City: _____State:_____Zip Code:_____

Contact Name:_____ Phone:_____

Signature:_____Email:_____

Title: _____

Please retain a copy of this signed and dated document for your records. This is an important compliance document that will be used by Mainfreight Inc.'s import brokerage professionals to ensure your import shipments comply with US Customs & Border Protection and any other applicable import regulations and requirements.

Once completed, please return to your local Mainfreight Inc. brokerage office, or you can scan it and send it to us at ammfilicensedbrokersusa@mainfreight.com.

A Mainfreight Inc. Licensed Customs Broker will then contact you to review the document in full and ask any clarifying questions.

1. Do you have a Continuous Bond?

☐ Yes

☐ No – if not, contact us – it can benefit even irregular importers.

If not, how many shipments do you expect to import in the coming year? ____

2. Right to Make Entry:

Under federal law, only the importer of record has the right to make entry of imported goods. The importer of record is the owner or purchaser of the imported goods and includes any party with a financial interest in a transaction such as:

The actual owner of the goods

- The actual purchaser of the goods
- A buying or selling agent
- A person or firm who imports on consignment
- A person or firm who imports under loan or lease
- A person or firm who imports for exhibition at a trade fair
- A person or firm who imports goods for repair or alteration or further fabrication, etc.

Based on the above definition, do you have right to make entry on the goods you plan to import?

☐ Yes

☐ No

3. Classification

Classification is the process of assigning a 10 digit number from the Harmonized Tariff Schedule of the United States to a product. Every item that arrives in the U.S. from a foreign country must be classified. The classification of an item determines its duty rate and whether it requires clearance by any other government agency.

If you are not familiar with the classification process, see here to get an idea of what is involved: http://hts.usitc.gov/

Please indicate how you will handle the classification of your products:

☐ I will provide all necessary classifications

☐ Mainfreight will classify my products based on information I provide.

If you will be providing classifications, please indicate if you have a spreadsheet or other database listing all of your product numbers with their corresponding classification:

☐ Yes

☐ No

4. Valuation

Additions to transaction value:

The entered value of imported merchandise must include the following items:

- Packing costs
- Selling commissions
- Assists which consist of is any of the following items if supplied directly or indirectly, and free of charge or at reduced cost by the buyer of the imported merchandise for use in connection with the production or the sale for export to the United States of the merchandise:
    - Materials, components, parts and similar items incorporated in the imported merchandise.
    - Tools, dies, molds, and similar items used in the production of the imported merchandise.
    - Merchandise consumed in the production of the merchandise.
    - Engineering, development, artwork, design work and plans and sketches, that are undertaken elsewhere than in the United States, and are necessary for the production of the imported merchandise.
- Any royalty or license fee related to the imported merchandise that the buyer is required to pay, directly or indirectly, as a condition of the sale of the imported merchandise for exportation to the United States
- The proceeds of any subsequent resale, disposal, or use of the imported merchandise that accrue, directly or indirectly, to the seller.

4a. Please indicate if any of the above items apply to the goods you will be importing:

☐ Yes

☐ No

4b. If yes, please indicate if the price shown on the commercial invoice includes the cost of these items:

☐ Yes

☐ No

5. Deductions from transaction value:

If the price shown on the commercial invoice includes charges for transportation, insurance or other related services incident to the international shipment of your merchandise from the country of exportation, these

charges may be deducted from the value of the merchandise if you know the actual amount of these charges, as estimated charges cannot be deducted. You will need to provide us with a document that shows the actual charges. Acceptable documents include:

- An invoice or written contract separately listing freight/insurance costs
- A freight/insurance invoice
- Through bill of lading which shows the charges
- Proof of payment of the freight/insurance charges

Please indicate if there will be deductions from the transaction value:

☐ Yes

☐ No

6. Related Party Transactions

CBP requires that an indication be made as to whether you as the importer are related to any of your overseas suppliers. CBP defines related parties as any one of the following situations:

- Members of the same family, including brothers and sisters (whether by whole or half- blood), spouse, ancestors, and lineal descendants.
- Any officer or director of related organizations, as well as those organizations themselves.
- An officer or director of an organization and an officer or director of another organization, if each individual also is an officer or director in the other organization.
- Partners
- Employer and employee
- Any person directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting stock or shares of a related organization and the organization itself.
- Two or more persons directly or indirectly controlling, controlled by or under common control with, any other person.

Please indicate if you are related to any of your suppliers:

☐ Related (Please send a list of all related suppliers)

☐ Not Related

7. Buying Commissions

Please indicate if you have any Buying Agency Agreements involved in your importation.

☐ No Buying Agency Agreement

☐ Buying Agency Agreement (Please supply our office with a copy of this agreement)

8. Anti-Dumping and Countervailing Duties

Are any of the goods you import subject to anti-dumping or countervailing duties?

☐ Yes

☐ No

If so, please provide the countries of origin, names of the foreign manufacturers and case numbers you believe are applicable.

9. Free Trade Agreements

9a. Are any of the goods you import eligible for reduced or free duty under any of the various Free Trade Agreements the US has with other countries?

☐ Yes (if yes, please provide the certifications we need to substantiate this at time of entry)

☐ No

10. Drawback

Do you claim duty drawback on any items exported from the U.S.?

☐ Yes

☐ No

11. Binding Rulings

Please advise if you have obtained any binding rulings from CBP and provide copies so we can ensure you receive the benefits when we make entry.

☐ Yes

☐ No

12. Trademark and/or Copyright Certifications

12a. Please indicate whether any of the items you import contain trademarks or copyrights.

☐ Yes

☐ No

12b. If the answer is "yes," are you the owner of the mark?

☐ Yes

☐ No

12c. If you are not the owner of the mark, do you have a trademark/copyright authorization letter from the actual owner?

☐ Yes

☐ No

Please forward an updated listing of the trademarks/copyrights and related authorization letters (if applicable) that appear on your imported products. We would like to ask that you provide any updated letters as they become available; this will prevent any unnecessary delays or costs should CBP require copies of same when examining shipment documentation or when conducting an intensive exam.

13. Country of Origin Marking

Every article of foreign origin entering the United States must be legibly and conspicuously marked with the English name of the country of origin unless an exception from marking is provided for in the law. Are your imported goods properly marked?

☐ Yes

☐ No

14.Other Government Agencies

14a. Please indicate if your goods are subject to regulation by any of the following other government agencies:

☐ FDA - Cosmetics ☐ FDA – Drugs ☐ FDA - Radiation-emitting devices

☐ FDA - Food & food-related items ☐ USDA ☐ Fish & Wildlife

☐ EPA ☐ DOT ☐ TTB

☐ Steel / Aluminum License and/or Section 232 derivative applications.

☐ TSCA ☐ CPSC

Other (please identify): _____

14b: Who is the person we can contact at your company to request the information we will need in order to clear your goods thru the other government agencies listed above?

Name:_____Email/Phone:_____

15. CTPAT

CTPAT is the "Customs and Trade Partnership Against Terrorism" program. Participants are required to take steps to secure their supply chain and in return are provided various benefits by CBP. For more information on CTPAT, click here:

https://www.cbp.gov/border-security/ports-entry/cargo-security/ctpat

15a. Please indicate your CTPAT status:

☐ CTPAT Certified
CTPAT Account Number:_____
☐ Not CTPAT Certified

16. Reconciliation

Reconciliation is a CBP program which allows an importer to file entries with the best available information at the time with the understanding that certain data may change. For more information on reconciliation, see here: https://www.cbp.gov/trade/programs-administration/entry-summary/reconciliation

Please indicate if you are a reconciliation participant:

☐ Yes

☐ No

We can file your reconciliation entry on your behalf, if you desire. Just let your Mainfreight CHB contact know – we'll take it from there.

17. Duty Payments

Duty must be paid to CBP 10 days after your shipment is released. If you don't have an ACH direct payment duty account, we will ask you to apply for one, as our default method of payment. Mainfreight will add a disbursement fee should we outlay these funds on your behalf – which are COD. Please indicate the method you use to pay your duty:

_____Importer's ACH Payer Unit Number:_____ (this is our default method)

_____Broker's ACH – this is COD and a disbursement fee applies for any duty payments made on your behalf. Get on the ACH direct debit duty payment program today!

_____Periodic Monthly Statement. This requires that you have an ACH direct duty debit process already established with US Customs. If you would prefer this 1x/month duty payment process, let us know.

Note that if you do not have your own ACH duty payment account set up with US Customs, we will gladly assist you in setting this up. Payment of duty via the Importer's ACH account is our default method for the duty payment process, and we strongly encourage your participation.

18. Import History

18a. Has the company had merchandise seized or been subject to any penalties or demands for liquidated damages in the last five years?

_____Yes

_____No

18b. Other than post-entry corrections, has the company made any voluntary tenders or prior disclosures to CBP in the last five years?

_____Yes

_____No

18c. Has the company received any Requests for Information (CF 28) or Notices of Action (CF 29) from CBP in the last two years?

_____Yes – Let us know why so we can ensure we avoid similar issues moving forward.

_____No

18d. Has the company been the subject of a CBP initiated review/audit in the last five years?

_____Yes

_____No

18e. Is the company a participant in any Trusted Trade Program, such as Importer Self-Assessment?

_____Yes

_____No

Reviewed by Mainfreight, Inc. Licensed Broker:_____
(Signature of Licensed Broker here)

Date:_____

Branch:_____



Duty Payment Options:

- Automated Clearinghouse (ACH)
- Periodic Monthly Statement (PMS)

Duty payments are, in reality, tax payments. Just as your CPA asks you for payment to the IRS when filing your taxes, Mainfreight Inc. would like to suggest ways that you, our Valued Customer, can pay duties directly to US Customs & Border Protection. In particular, we'd like to suggest easy-to-use methods you can utilize to pay duties to U.S. Customs & Border Protection directly from your bank account. Alternatively, you may choose to pay duties either on a COD basis at the time you receive your shipment from Mainfreight, or we can invoice you for duties and fees, with immediate payment expected on these disbursement invoices - but we do charge a disbursement fee on top of the total amount due Customs with a minimum of $15.00.

We can readily help you in setting up the following direct duty payment processes for you. Let us know if you are interested and how we can assist you in this process:

Prerequisite: To participate in ACH and PMS duty payments, you need to have a yearly "Continuous bond" established with US Customs & Border Protection first. Call us if you'd like more information on Customs bonds – it's really a great cost-savings tool for all but the most casual of importers. If you're new to importing, or otherwise a casual importer, you can pay via COD at time of delivery instead.

Automated Clearinghouse (ACH):

These are automatic duty payments, directly from your bank account to US Customs. The payments are made to U.S. Customs on the 10th working day following release.

For every shipment we clear on your behalf, we can send you, automatically, an email of the Customs entry summary (7501 form) once the entry has been accepted by Customs – this shows the duty/fee/tax amounts owed on the entry. It's a great way to begin auditing your entries –while they're still at the airline, rail ramp, or pier! We can

automatically email the "duty statement" to you no later than 10 working days following the release of your shipment – and once payment has been received by US Customs.

We have attached the US Customs ACH debit application, in a fillable PDF format, to this form. Our information has been pre-completed as well. You can complete the form and send it to Customs directly, either via scanned image/email, fax, or snail mail (your choice). Then, Customs will assign a unique "Payer Unit Number" (PUN). This will be either emailed or mailed to you by Customs. Once you receive the PUN, let us know the number – and we'll begin using the ACH payment method immediately! This number can be used by other Customs Brokers as well – it's not limited to just the entries we clear for you.

Periodic Monthly Statement (PMS):

Many importers don't want to pay duties for every single shipment. Instead, they'd like to pay Customs just once per month. That's where the next, newer duty payment process comes in! Once you are on the (above) ACH process for 30 days, we can suggest the next thing – below – offering you even greater cash flow savings!

The main advantage in signing up for PMS is simple - Cash flow savings! For example, all shipments that are cleared in the prior month will be paid from your bank account directly to Customs - at one time- on the **15th working day of the following month** - interest-free! You can see how this will dramatically impact your cash-flow: you'll only need to make one payment to Customs per month for all the shipments that cleared Customs the prior month. For example, for all of your import shipments that cleared Customs from July 1st thru July 31? Using PMS, the duty payments will be "rolled up" and debited directly from your bank account on/about August 21st - the 15th working day of the following month!

How can you participate in PMS?

You need to be on the ACH system for 30 days first before you can apply for the PMS program.

Then, you need to send your Mainfreight Inc. brokerage team, at ammfichb@mainfreight.com, an email that says the following:

1/ We want to participate in the Periodic Monthly Statement (PMS) program.

2/ We are/are not CTPAT participants.

3/ Provide a list of the EIN/tax ID numbers that you want to allow for use for PMS (most importers have only one of these numbers).

4/ And finally – you need to let us know if you have an ACE portal account (this is the CBP website for importers). If you don't have an ACE Portal account? No problem! We can still apply for PMS. If you are interested in having your own web account with U.S. Customs, though, you can go to this website, open up the PDF application, and apply directly to Customs:

https://www.cbp.gov/trade/automated/getting-started/portal-applying

Once we receive your email, we then take the information above and submit it to U.S. Customs – and usually in a short period of time, Customs should approve the application for participation in PMS - and we then work with you to determine a starting date - and we're set to go!

On the 11th working day of the following month, Customs will send us – and we can send to you - a "preliminary monthly statement" showing the total duty amount that will be debited from your bank account. On the 15th working day, the money will be debited and a "final" PMS statement can be emailed automatically to you so that you have a record of the duty debit.

What an advantage for corporate cash flow! And only 12 duty payments are made per year. It truly makes it easy to account for the duties and fees on your yearly tax returns.

Complete the attached application and get started- the benefits will then begin to accrue.

Importing isn't Easy- We Just Make it Easier©

DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection

OMB CONTROL NUMBER: 1651-0078
EXPIRATION DATE: 05/31/2025

ACH DEBIT APPLICATION

U.S. Customs and Border Protection Automated Clearinghouse Daily Statement Payment Program
(This application will be used to communicate account information to Federal Reserve Bank of Cleveland)

Request: ☐ Add

☐ Change _____ Effective Date _____ Payer Unit Number

☐ Delete _____ Effective Date _____ Payer Unit Number

Payer Information

ONLY the Importer Number/Tax ID OR the Self-Filer/Broker ID for the company applying for ACH Debit.

Importer Number/Tax ID: _____ -or- **Self-Filer/Broker ID (3 digits):** _____

Company Name: _____

Company Address: _____

City, State, Zip: _____

Contact Name: _____

Contact Email:

Contact Phone Number:

Name of Authorizing Company Official (type or print)

Signature of Authorizing Company Official

Banking Information

Bank must be a participant in the National Automated Clearinghouse (NACHA).

Bank Name:

Bank Routing Number: **Bank Account Number:**

To ensure the accuracy of the account information, the bank routing number needs to be NINE digits long and start with either a 0, 1 , 2 or 3. The ACH payer will be responsible for payment defaults, which result from incomplete or erroneous account information. Please ensure that the bank transit routing and account numbers are verified by your bank before submitting this form. The bank account number provided above will be enrolled as a business checking account unless otherwise stated.

Please email this form to **ach-customs@cbp.dhs.gov**. If you cannot email it, please mail it to:

U.S Customs and Border Protection
Revenue Division
ACH Debit Applications
8899 East 56th Street
Indianapolis, IN 46249

Telephone: (317) 298-1200 Ext. 1098
Fax: Contact ACH Team for instructions

Privacy Act Statement

AUTHORITY: CBP is authorized to collect the information requested on this form pursuant to 19 CFR §§ 24.25 and 24.26; and to collect Social Security numbers (SSN) under Executive Order (E.O.) 9397, as amended by E.O. 13478.

PURPOSE: CBP is requesting this information to allow the importer of record to make electronic payments for import related duties, taxes, fees, and interest, deferred tax payments, or bill payments, etc., through the Automated Clearinghouse (ACH) debit or credit process. ACH debit allows the filer to voluntarily select to authorize the Treasury-designated ACH processor to electronically debit the payer's bank account; ACH credit is an optional payment method that allows the payer to transmit statement processing payments through its financial institution, directly to the CBP account maintained by the Department of the Treasury.

ROUTINE USES: Consistent with DHS's information-sharing mission, the information requested on this form may be shared with other DHS Components to carry out national security, law enforcement, immigration, trade, or other homeland security functions. Information may also be shared with appropriate federal, state, local, tribal, territorial, foreign, or international government agencies. This sharing will assist DHS in exercising control over the customs financial transactions of import-related duties, taxes, fees, and interest associated with the movement of merchandise through international commerce. A complete list of the routine uses can be found in the system of records notice associated with this form, "DHS/CBP-001 Import Information System (IIS)." The Department's full list of system of records notices can be found on the Department's website at: **http://www.dhs.gov/system-records-notices-sorns**.

CONSEQUENCES OF FAILURE TO PROVIDE INFORMATION: Providing this information to is voluntary. However, failure to provide this information may result in the inability for an importer to participate in ACH Debit or Credit payment programs to pay Duties taxes and Fees related to entry. An alternative for not participating in ACH is to have the importer work as a Non-ACE Portal Account holder and make all payments due through a broker, who is an ACE Portal Account holder. Brokers are able to place eligible entry summaries for activated non-portal accounts on a broker or importer statement. For further details, please see the Federal Register Notice (FRN), 70 FR 61466, published on October 24, 2005, announcing the establishment of non-portal accounts, as well as any other applicable FRNs, at the following link: **https://www.cbp.gov/trade/priority-issues/revenue/revenue-modernization**.

Paperwork Reduction Act Statement: An agency may not conduct or sponsor an information collection and a person is not required to respond to this information unless it displays a current valid OMB control number and an expiration date. The control number for this collection is 1651-0078. The estimated average time to complete this application is 5 minutes. If you have any comments regarding the burden estimate you can write to U.S. Customs and Border Protection Office of Regulations and Rulings, 90 K Street, NE., Washington DC 20002.

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1. PURPOSE

1.1 These step-by-step instructions help the user complete and submit a CBP Form 400

2. SCOPE

2.1 This describes the roles, tools and activities involved in filing a CBP Form 400, which is used to enroll the user in CBP's ACH Debit Program. CBP's ACH Debit program is an electronic payment option allowing participants to efficiently pay CBP duties, taxes, and fees. Further details are available at CBP's ACH Debit page found at: **https://www.cbp.gov/trade/basic-import-export/automated-clearinghouse-ach** and **https://www.cbp.gov/trade/trade-community/automated/automated-systems/gs-automated-systems/ach/signing**

3. PROCEDURE

3.1 Before completing the CBP Form 400, review the following procedure, which is broken into the three sections listed on the CBP Form 400: Request, Payer Information, and Banking Information.

3.2 Request

Part 1: Request Section

ITEM	INPUT
Add	For Initial Enrollment: Select 'ADD' then complete the additional sections of the application.
Change	Update Existing Enrollment: Select 'CHANGE', include an 'EFFECTIVE DATE' from now to a future date, include your 'PUN' (Payer Unit Number). Changes are used to update the Payer and Banking sections.
Delete	Delete Enrollment: Select 'Delete', include an 'Effective Date' and your PUN. Requesting to delete your account will remove the use of this debit/PUN account for future ACH Debit payment authorizations.

3.3 Payer Information

Part 2: Payer Information Section

ITEM	INPUT
Importer Number/Tax ID	The 11 digit number registered with Customs/IRS. It usually is the 9 digit IRS business tax ID number plus a 2 digit suffix, for example: XX-XXXXXXX00. Typically, the final 2 digit suffix is used to identify a subsidiary company. If you are not a subsidiary company, your final 2 digits are likely '00'. Only use this OR Self-Filer/Broker ID, not both.
Self-Filer/Broker ID (3 digits)	The unique 3 character (alphabetic, numeric or alpha numeric) entry filer code assigned to all licensed brokers and self-filing importers filing CBP entries. Only use this OR Importer Number/Tax ID, not both.
Company Name	Name of company associated with the Importer Number/Tax ID or Self-Filer/Broker ID applying for ACH Debit.
Company Address	Address of company associated with the Importer Number/Tax ID or Self-Filer/Broker ID applying for ACH Debit.
City, State, & Zip	City, State & Zip Code of company associated with the Importer Number/Tax ID or Self-Filer/Broker ID applying.
Contact Name	The person(s) associated with the Importer Number/Tax ID or Self-Filer/Broker ID for the company applying. They will receive the PUN and also be contacted regarding any future issues with the ACH Debit Account.
Contact Email	Email of the person(s) listed as the contact on the application. This can also be a department shared email. This is how CBP will correspond with the person listed as contact regarding PUN receipt and any issues with the account.
Contact Phone Number	Phone number of the person(s) listed as the contact on the application. This can also be a department with an extension and/or a direct line.
Name of Authorizing Company Official	Company official or representative with the authority to submit the request for the requesting company.
Signature of Authorizing Company Official	Signature of the official authorizing the request. This can be signed by pen, Adobe secured signature, or computer signature.

3.4 Bank Information

Part 3: Bank Information Section

ITEM	INPUT
Bank Name	The bank being used for this purpose.
Bank Routing Number	MUST BE A 9 DIGIT US ACH BANKING ROUTING NUMBER, (beginning with 0, 1, 2, or 3) for use with the CBP ACH Debit Program. Obtain from the bank to confirm.
Bank Account Number	MUST BE A US BANK ACCOUNT NUMBER for use with the CBP ACH Debit Program. Obtain from the bank to confirm.

4. SUBMISSION

4.1 Submission will be accepted via email or mail. For the most efficient processing, please submit your completed application to: **ach-customs@cbp.dhs.gov**

Once the application is received, it is reviewed for basic errors. If a problem is found, the application will be rejected, and a notice will be sent to the parties listed on the provided email or the point of contact for any application received by mail. This will cause a delay in processing until we receive a corrected version. ADD applications can take up to 10 business days for processing, and CHANGE applications are processed within 3 days.

4.2 Once the account is established and a prenote is processed, the newly assigned PUN will be sent to the point of contact on the application. For CHANGE requests, a notice will be sent to the point of contact on the application stating the updated information has been processed. If the prenote fails, a follow up email will be sent to the contact listed on the account for both ADD and CHANGE requests. **PUNs will only be provided to the contact on the application.**

US Customs Continuous Bonds:

Mainfreight Inc. is pleased to provide this important service to our clients. The Customs Continuous Bond is the single most important qualification that Customs takes into account when:

1. Approving your Customs entry for Immediate Delivery (i.e. "Paperless" Customs releases), and:
2. Allowing you to participate in the ACH and/or Periodic Monthly Statement (PMS) duty payment programs.
3. In addition, the yearly Customs Bond also covers your ISF Bond requirement for your ocean imports.
4. More importantly, if you import more than 2-4 times per year, the yearly customs continuous bond will save you money.

The minimum amount for a continuous bond, per US Customs, is USD $50,000. This value represents 10% of the estimated duties that would be paid, by you, over a 12 month period. So - that would actually cover $500,000 in duty payments over 12 months! It also relieves you of the contingent liabilities you face on single entry and ISF bonds – because you are obligated up to the full value of each shipment + duty/fees for each and every entry cleared under a single entry bond up to the date of liquidation . With a continuous bond, your liability to Customs is limited to the amount of the continuous bond. And remember that a bond is needed even for duty free shipments. Note that due to additional tariffs that are being assessed on most items, the minimum bond amount may be "saturated" quickly- and it's possible you may need to provide collateral (letter of credit/cash) in order for the surety to underwrite your bond with greater coverage – this will all depend on your firm's financial strength when your bond application is being reviewed by the underwriter. For our overseas-based clients, collateral may be a requirement for certain items, or if a bond amount is required above the $50,000 minimum – contact your Mainfreight CHB team for details. Do note that in all cases, the surety's underwriter will make these decisions- not Mainfreight, Inc.

When are Continuous Bonds Effective?

Continuous bonds are effective for shipments that arrive on US soil on or after the effective date of the bond- which is never retroactive. So, time is of the essence so you don't incur unnecessary single entry or ISF bond fees any longer than necessary.

Why do you need a Customs bond and what are the benefits?

US Customs bonds are effectively a guarantee to the US government that any duties, taxes and fees will be paid to the US Treasury - by a surety – if, for whatever the reason – the importer's duty payment is not made. In addition, the bond is used to also ensure imported goods comply with US requirements (those pertaining to health and safety regulations, among other are two key areas of concern, for example). All commercial import shipments to the USA require a bond in order to obtain a release of the shipment through US Customs. This bond is required even if the goods are duty free.

If you don't have a yearly Customs continuous bond, every shipment you import to the United States will require its own SEB (single entry bond). The minimum charge of this bond is USD 65.00, and is based on $6.50 USD per $1,000 USD (entered value+duty/fees).

** The single entry bond fee triples for those items subject to US Food and Drug Administration rules, as well as any importation subject to any other governmental agency oversight (Agricultural, Environmental Protection Agency, Dept of Transportation, amongst others).

Let's review the costs involved when you "don't" have a CTB (continuous transaction bond) with US Customs & Border Protection (CBP):

Example 1 - Airfreight Shipments

$20,000 USD is the value on the commercial invoice- what you paid your supplier for the goods.

The duty rate is 17.5% in this example - $3,500 USD.

The single entry customs bond fee would be based on:
$20,000 USD shipment value + Duty of 3,500 USD + Merchandise Processing Fee (MPF), calculated at 0.3464% - $74.48 USD.

The bond would be rounded up to the next highest USD 1,000 value- $24,000 USD.

Your total cost for the single entry bond: $165.00. ($24,000 USD x 6.50 USD = $156.00).

Example 2 – Ocean freight shipments:

Each ocean shipment now requires an Importer Security Filing Bond (ISF SEB) for importers who do not have a yearly Customs continuous bond – and this is in addition to

the single entry bond fees discussed above.

The flat fee for the ISF bond is USD 55.00 per shipment. This is in addition to the Customs entry bond described in the prior paragraph.

Let's say you have a shipment imported by vessel. A single entry bond looks like this:

$20,000 USD is the value on the commercial invoice- usually what you paid your supplier for the goods.

The duty rate is 17.5% in this example - $3,500 USD.

The single entry customs bond fee would be based on:
$20,000 USD shipment value + Duty of 3,500 USD + MPF of 0.3464% - $74.48 USD and the HMF (harbor maintenance fee) of 0.125% - $26.88 USD.

The bond would be rounded up to the next highest USD $1,000 value- $24,000 USD.

Total cost for the single entry bond: $156.00. $24, 000 USD x 6.50 USD = $156.00)

BUT you need to add the cost of the ISF single entry bond fee of $55.00 – your bond fees for this one ocean shipment alone would be $211.00.

If you plan on shipping via ocean cargo more than 2 times in a 12- month timeframe to the USA, the yearly Continuous Transaction Bond is really a requirement.

How do you obtain a Customs continuous bond?

We need to obtain a valid US Customs power of attorney and non-resident corporate certification (the latter form is for non-US-based importers only). This form can be found in this Document Package. Once you complete this form, you'll need to email it directly to a Mainfreight Licensed Broker at **ammfilicensedbrokersusa@mainfreight.com** for validation and acceptance.

Note: send the completed Customs power of attorney and/or the Customs bond form directly to the email address above. Do note the power of attorney cannot legally be accepted if filtered thru a Mainfreight office or team member who is not a Customs Broker in the United States.

2/ Secondly, we need to obtain a completed bond application form (attached). The form

is daunting to look at, but you need to only follow the instructions. Some questions will be for Mainfreight to answer; you can leave those unanswered and return the signed/dated form to us.

Once in place, your new continuous bond will allow Mainfreight, Inc. to clear all of your US-bound consignments (with certain restrictions) - and the bond itself will renew automatically on an annual basis. We will invoice you accordingly.

Importing Isn't Easy. We Just Make it Easier©



Customs Bond Application

Please Select One of the Following Activity Codes

Activity 1 - Importer

If Other, Please Specify: _____

☐ New Bond

☐ Replacement of Existing Bond

Broker Name: Mainfreight, Inc.

☐ Current Bond Subject to insufficiency (Attach Letter)

Importer / Principal Name: _____

Importer No. / IRS No. / CBP Assigned No.: _____

Street: _____ City: _____

State: _____ Zip: _____ Phone: _____ Email: _____

Business Type: ☐ Corporation ☐ Partnership ☐ LLC ☐ Proprietorship ☐ Individual

State of Incorporation: _____

Bond Limit Requested ($50,000.00 Minimum requirement for Activity 1) _____

Any history of Customs claims? ☐ Yes ☐ No

How many years in business? _____

Any previous bankruptcy filings by the company or its officers?	☐ Yes	☐ No
Is Broker extending credit?	☐ Yes	☐ No
Are you clearing the majority of the entries for this Principal	☐ Yes	☐ No
Has the principal been a customer of yours for years?	☐ Yes	☐ No
Does the principal have experience importing?	☐ Yes	☐ No

Merchandise Description Activity Code 1:	HTS Code	Country of Origin

Any Merchandise Subject to Antidumping and/or Countervailing Duties? ☐ Yes ☐ No

	Previous Year	Estimated Next Year
Total Value of Merchandise		
Total Duties, Taxes, and Fees		

Does Importer pay duties, taxes, and/or fees via Periodic Monthly Statement? ☐ Yes ☐ No

Will this bond require the following:

☐ Co-Principals/Divisions (Please attach list)

☐ Reconciliation Rider

☐ U.S. Virgin Island Rider

In the event of claims, please contact:

Name: _____ Title: _____

Company: _____

Mailing Address: _____

Email: _____ Phone Number: _____

I certify that the factual information contained in this application is true and accurate and any information provided which is based upon estimates is based upon the best information available on the date of this application. I also hereby acknowledge that there will be no Antidumping/Countervailing Duty entries made against the bond without prior approval of the Surety.

Signature _____ **BY:** _____

Date: _____ **Title:** _____