



## **Nelson International Inc.**

### **IMPORTER SECURITY FILING (10+2)**

Dear Valued Customer,

January 26, 2009

The Import Security Filing (10+2) rule requires Importers or their assigned agent to electronically submit security information no later than 24 hours prior to cargo being laden aboard a vessel destined for the United States. The new rule becomes effective today. However, as per Deputy Commissioner Jayson Ahern, there will be a 60 day grace period for importers to implement the rule, and a further year before Customs begins to sanction importers for non-compliance.

It is important to keep in mind CBP is looking for satisfactory progress towards compliance during this Informed Compliance period. They recognize adjustments will have to be made from previous exchange of information to what is being required today. However, the period of Informed Compliance is scheduled to expire January 26, 2010. At that time, Importers who fail to comply with the security filing will be subject to liquidated damages of \$5,000 per violation. Failure to comply may also result in a "no load" order by CBP.

In advancing towards compliance, Importers need to begin to instruct their shippers to provide the required data elements to Nelson International directly at least 72 hours prior to cargo being laden aboard a vessel destined for the United States. The cushion of 48 hours allows Nelson International to submit the information and ask questions of the shipper should there be any missing or incomplete data.

The data elements break down as follows per Bill of Lading:

- Seller
- Buyer
- Importer of record number / FTZ applicant identification number
- Consignee number(s)
- Manufacturer (or supplier)
- Ship to party
- Country of origin
- Harmonized Tariff Schedule of the United States (HTSUS) number (first 6)



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The ISF will also need to include two data elements that must be submitted as early as possible, but no later than 24 hours prior to the ship's arrival at a U.S. port. These data elements are:

- Container stuffing location
- Consolidator

We have constructed an Excel worksheet for the shippers to complete. The shippers need to fill out the sheet completely. If a shipper is unable to send or receive electronic data, we will accept a fax. However, it is not the preferred conduit of information.

Due to the volume of e-mails received, it is critical that the subject line reads:

**ISF 10+2: B/L #SCACxxxxxxx**

Cost for filing will be determined on an individual customer basis of complexity and volume. This cost will be in addition to any normal entry or service fees already incurred. Your Nelson International representative will contact you directly to review your account and assess the ISF fee.

Nelson International is dedicated to superior customer service and due diligence for regulatory compliance. We will continue to update our customers as things progress in this new way of doing business. We appreciate the confidence you have in us by allowing us to continue to serve your CBP needs.

Sincerely,

Ben Nelson  
President  
Nelson International