



## Unique Logistics International (ATL), LLC

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RE: Importer Security Filing – Full Enforcement Jan. 26, 2010

Dear Customer:

As you may know, full enforcement for the Importer Security Filing (ISF, commonly known as “10+2”) will begin on Jan. 26, 2010, and U.S. Customs and Border Protection (CBP) will begin issuing liquidated damage penalties for non-compliance with ISF requirements. **Under the ISF Ruling, importers are liable for a maximum of \$10,000 per ISF transmission for the following reasons:**

- **Late Filing:** \$5,000 if the ISF is not filed at least 24 hours prior to vessel departure. This includes untimely filing of an ISF update and/or flexible ISF option.
- **Inaccurate Filing:** \$5,000 per inaccurate and/or incomplete ISF if any of the data elements are missing. This includes if the Bill of Lading is missing and/or does not match with the ISF transmission 24 hours prior to vessel departure. The Bill of Lading must provide the lowest denomination of the cargo (i.e. House Bill of Lading).
- **Amended Filing:** \$5,000 for any inaccurate ISF update including an incorrect update to a flexible filing.

### Responsibility for Liquidated Damage Penalties Relies with Importer of Record

Ultimate responsibility for ISF and correctness of the data rests with you as the importer of record. Customs Bonds are not insurance and do not relieve an importer of obligations to comply with CBP regulations, which state that importers are required to post a bond “to protect the revenue of the United States and to assure compliance with any pertinent law, regulation or instruction.” The surety company issuing the bond guarantees that the importer will comply with CBP regulations. If the surety is forced to pay CBP because the importer receives a claim for liquidated damages, the surety has the legal right to demand reimbursement from the bond principal and file legal proceedings if necessary to do so.

### ISF Bonding Obligations

All ocean importers are required to maintain a bond to guarantee ISF compliance. The ISF bond is not insurance and the importer is fully responsible for any ISF penalties as the bond principal. To limit your liability for penalties resulting from ISF violations, we advise you to apply for a **Continuous Import Bond** by completing and signing the enclosed application and indemnity agreement that is required by our surety company. The bond amount is based on 10% of your annual duties and fees, subject to a \$50,000 minimum bond amount.

### Limiting Your Exposure to ISF Penalties

If you do not secure a Continuous Import Bond, under Customs regulations you will be required to post and pay for a separate ISF Bond subject to a \$10,000 bond minimum for each filing. The multiple aggregation of each ISF Bond increases your exposure to ISF penalties, which can be assessed up to \$10,000 per any one ISF transmission. Although the importer of record is liable for any ISF penalties, you can minimize your exposure by securing a Continuous Import Bond. Once a Continuous Import Bond is in force, it will renew each year unless terminated and also covers all your entry activity through any Customs port.

### Don't Delay, ISF Enforcement Is Here

Obtaining a **Continuous Import Bond** will expedite your Entry and ISF requirements and be more cost-effective for your operations. Please do not delay since ISF enforcement will promptly begin on Jan. 26, 2010, and your Continuous Import Bond must be on file with CBP before this date. **Customs requires 10 days notice to review your application and put your bond on file so your application must be returned before Jan. 16, 2010.** Should you have questions regarding ISF enforcement, please do not hesitate to contact one of our import specialists.