

- **U.S. “10+2” Initiative –**
Grace period ends 26th January 2010 / FROB remark / HTS-US Code

January 13, 2010

Dear Customer,

On 26th January 2010 the grace period of the USA "10+2" security initiative ends. This means U.S. Customs and Border Protection (CBP) is going to issue penalties in case of non-compliance.

Please let us summarise some important aspects for your guidance:

Importer Security Filing (ISF):

- ISF-10** → Applicable for cargo discharged in the USA and remaining in the USA.
- U.S. importer (or his designated agent) must transmit 10 additional data elements to CBP's system (ABI or AMS) latest 24 hours before loading on the US serving vessel.
 - For regular and self-filing business, the ocean carrier's bill of lading number is needed. For non self-filing business, the ocean carrier's house bill number is needed.
- ISF-5** → Applicable for cargo not destined for USA, but touching US territory during the transport (transit, transshipment, FROB = Foreign cargo Remaining On Board).
- 5 data elements must be transmitted into CBP's system (ABI or AMS) latest 24 hours before loading on the US serving vessel.
 - The responsibility to file ISF-5 remains with the carrier which can be a NVOCC or ocean carrier. (Please see customer letter 28th Dec'09 “10+2-Implications on ISF5 filings for automated NVO cargoes)
 - For regular and self-filing business, the ocean carrier's bill of lading number is needed. For non self-filing business, the ocean carrier's house bill number is needed.

New “FROB” indicator on our booking confirmation:

In case of FROB, our booking confirmation will show a new FROB remark:

According to the shipment routing following abroad customs requirements are relevant:	
FROB:	USA (AMS/ISF)

Customers sending e-bookings will receive a separate e-mail booking confirmation (showing above FROB remark) in addition to our e-booking confirmation as our e-booking confirmation will not show the FROB remark yet.

HS Code:

For ISF-10 and ISF-5, CBP requires the 6-digit HTS-US commodity code.

Please make sure that you are not using HTS-US codes containing "00" as chapter and position. For the sub-positions, if codes other than 00 exist, please use the most specific code.

Please see the following example of the commodity “seats”:

- 94 01 00 Not accepted by US customs because more specific codes are available.
- 94 01 10 Accepted by US customs.
- 94 01 20 - dto. -
- 94 01 30 - dto. -

For the sake of completeness, the ocean carrier is responsible to transmit the vessel stowage plan and container status messages.

We hope having assisted you with this information.
For any further information please contact your local Hapag-Lloyd office.

Kind regards,
Hapag-Lloyd AG