



## **EXCLUSIVELY FOR LEAGUE MEMBERS!**

### **10 + 2 Security Compliance Service Offer for Ocean Importers**

The National Industrial Transportation League (NITL) is pleased to offer an exclusive service for Members that import ocean freight into the United States.

Starting January 26, 2010, all ocean importers will be required to comply with a new federal regulation and file an "Importer Security Filing" (ISF) with the U.S. Customs and Border Protection (CBP). The ISF (commonly referred to as "10+2") requires importers to file ten data elements (e.g., manufacturer's name and address; seller name and address; container stuffing location; country of origin, etc.) at least 24 hours (in most cases) before the shipment leaves the foreign port for the U.S. The ocean carrier transporting the import cargo must provide two data elements. Failure to comply with the January 2010 deadline will result in severe financial penalties for importers. Violators are subject to fines of \$5,000 per violation, the issuance of a "do not load" order, or possible seizure of the cargo by Customs resulting in substantial delays and additional costs.

The League has already provided several free educational sessions and webinars on how to comply with the new ISF requirements, but we understand that many importers remain unfamiliar and are ill-equipped to comply with the new rule and thus could be subjected to sanctions.

To assist ocean importers in complying with the new "10+2" Rule, the League has organized a new and exclusive service for its Members through an outside firm. This service will offer League Members several possible methods that may be selected to assist an importer in becoming compliant with the Rule. The service is being offered by a fellow League Member with over 30 years of management experience in international and domestic logistics, transportation management, supply chain security and trade compliance. Interested League Members have the opportunity to contract directly with the firm for this service at a substantial discount from the firm's normal rates. The service offered to League Members will include a free consultation to help evaluate the individual company's degree of compliance with the mandatory 10+2 requirements, exposure, and the estimated cost for this special service. This core evaluation and analysis will examine how (and if) the new rule applies to the importer's supply chain.

If a League Member then makes the determination to contract for services, it may choose from the following service options:

#### **FULL SERVICE PLAN\***

- Under this option the importer contracts for the firm to analyze, assess and identify all of the necessary data elements for each shipment that must be submitted in the ISF. This service would include all amendments and other changes in such data based on the importer's specific supply chain governing the inbound shipment. It would also cover shipments such as freight remaining on board (FROB), as well as other cargoes which are transhipped through a U.S. port. After the completion of the analysis, the firm will create a client specific ISF compliance program and an ISF strategy to include filing options and variable cost factors for the importer to consider. Once

approved by the client, the firm will coordinate complete implementation of the ISF compliance program and assist with testing and fine-tuning as needed.

**ASSISTED SERVICE PLAN\***

- Under this option, the contractor will develop with the importer's assistance all ISF data elements including trading and service partners identified and selected by the importer. This plan will include a detailed ISF analysis and evaluation of the specific importer's supply chain and will lead to the creation of a recommended ISF compliance program. The importer would be responsible for its own implementation.

**SELF SERVICE PLAN\***

- This option will consist only of the client specific ISF analysis and recommendations for the importer client. The contractor will create a "self-service module" to guide the importer in generating the necessary data elements which must be included and filed in the ISF. This plan will create a template for a typical ISF filing by the importer, and will allow the importer to develop its own ISF program and implementation. It may also address gaps, omissions, and challenges that might occur in future ISF filings and may provide for recommended changes and improvements.

Regardless of which option an importer chooses, every user of this service will be offered "on-demand" services when and as needed to provide answers to all questions and any additional help the importer may require with understanding the 10+2 Rule and related ISF requirements. This service may be available on an hourly basis or as an annual subscription which will include regular updates on the program's development and other relevant topics.\*\*

**TO QUALIFY FOR THIS UNIQUE SERVICE AT A SUBSTANTIALLY REDUCED COST, YOU MUST BE A LEAGUE MEMBER IN GOOD STANDING. IF YOU CURRENTLY ARE NOT A MEMBER IT IS EASY TO JOIN. IN ADDITION TO ALL NORMAL MEMBERSHIP PRIVILEGES--INCLUDING THE WEEKLY NEWSLETTER, THE NOTICE, BULLETINS, COMMITTEE MEMBERSHIPS, DISCOUNTED MEETINGS, SPECIAL EDUCATIONAL FORUMS, AND PROFESSIONAL NETWORKING-- YOU ARE IMMEDIATELY ELIGIBLE TO TAKE ADVANTAGE OF THIS UNIQUE OPPORTUNITY.**

To learn more about the League, visit our website at: [www.nitl.org](http://www.nitl.org). For further information regarding this special ISF compliance program, contact us at: 703-524-5011 or via email at [info@nitl.org](mailto:info@nitl.org).

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*\*DISCLAIMER--In offering this service to its Members, the League assumes no liability whatsoever and makes no warranty either expressed or implied regarding the accuracy, scope or nature of any services provided by the outside firm. The service has been organized by the League at a reduced cost to Members who choose to contract separately with the outside firm for 10+2 compliance services. All arrangements regarding the services offered and applicable fees are to be determined strictly between the contracting parties and the League receives no remuneration or other consideration from these arrangements.*

*\*\*ISF submissions remain the responsibility of the importer of record. A number of companies offer filing services for the ISF and League members may consult or engage any such company. The outside firm could offer a listing of companies that provide this service.*