



Trade Symposium Importer Security Filing

October 30, 2008

Agenda

- >How Maersk Logistics and MCSI have prepared for 10+2
- >Workflow
- >Compliance concerns
- >Preparing our Client Community
- >Filing Channels

Maersk Logistics and Maersk Customs Services preparation for 10+2

Maersk Customs Services has a long relationship the international community and with Customs & Border Protection.

One of the first to pilot under the ATDI Initiative

Through our association with the NCBFAA, COAC and numerous other industry groups MCSI has been active in not only testing but also advocating the industry concerns surrounding this new requirement.

Our government relations group and chief counsel located in Washington D.C., along with our VP, Security and VP, Compliance has worked with Customs since 2006 regarding the Safe Port Act and it's various components, one of which is the Importer Security Filing.

MCSI to date has had the highest percentage of filings to date

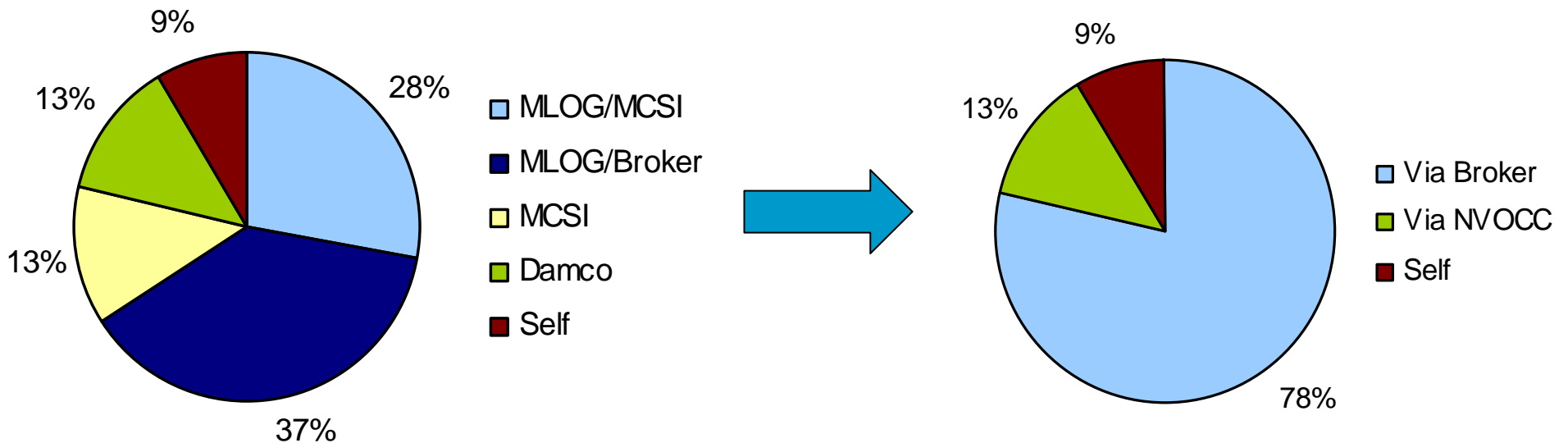
MCSI has experienced similar results, issues and challenges as most of the pilot participants

The Maersk Logistics 10+2 Preparation

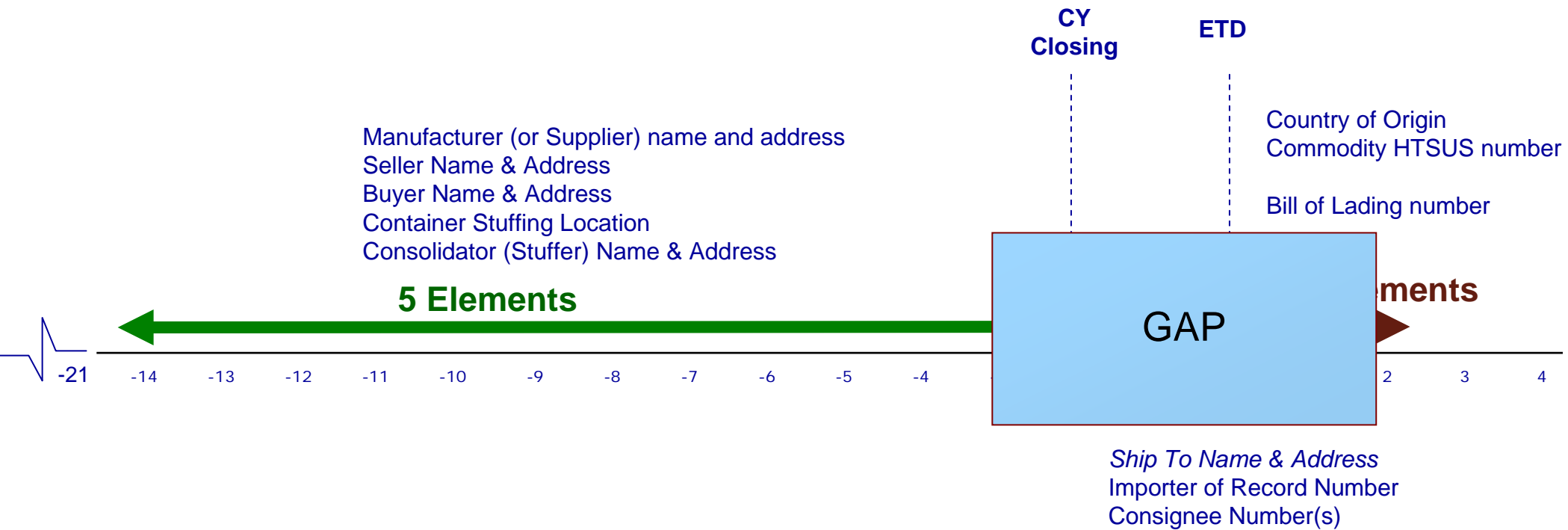


2008 Maersk Client Survey (40 US Importers):

Who do you expect to transmit the 10+2 data?



AS-IS Process review (Average Shenzhen)



Compliance Concerns

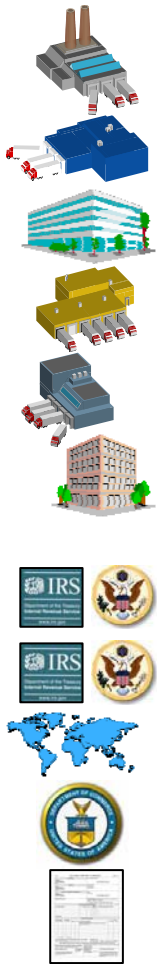
> Compliance will require that the Bill of Lading number is included with the 10 data elements. It is very important that the importer ensures that ocean carriers/NVOCC's have committed to their designated agent with the ocean bill of lading number in time to meet the Security filing requirements. We have recommend establishing necessary timelines with the carriers / NVOCC's to make certain that they provide the ocean bill of lading number to the importer's authorized agent early enough to accommodate the ISF message

> Compliance will require data to be captured at the line item level. The Manufacturer (or supplier) name and address, country of origin and commodity HTSUS number must be linked to one another at the line-item level! The importer will need to be aware of, and document, the country of origin of **each** item as well as the manufacturer or supplier of that item and its HTS number

> Data can come from multiple sources, but must be transmitted by a single party. The importer is solely responsible for providing a complete and accurate transmission to Customs

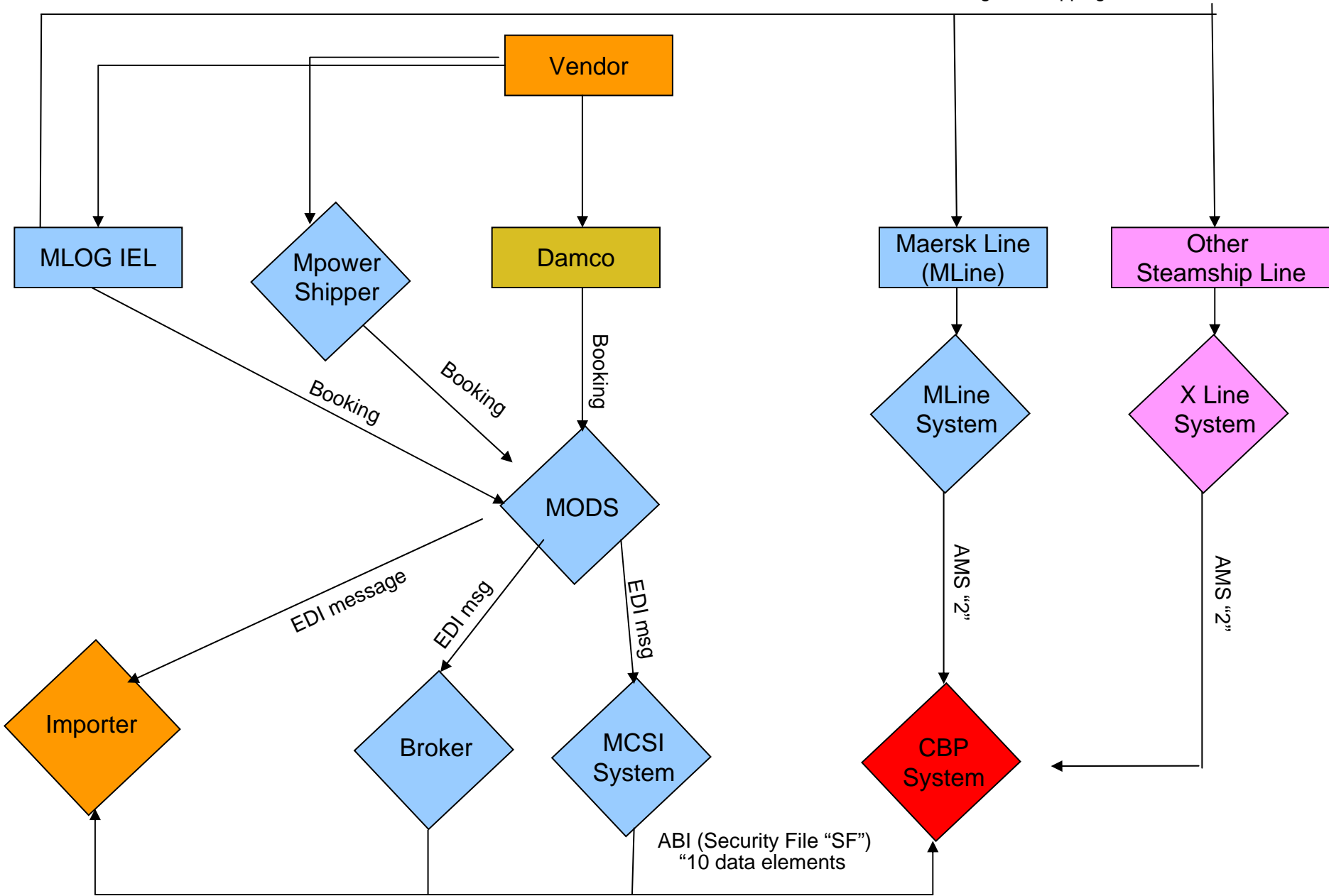
Data Capture/ Storage

Which data elements are you concerned can not be provided at time of booking placement with 3PL?



| <u>Importer Data Elements</u> | <u>Potential Sources</u> | <u>Timing</u> |
|---|--------------------------|---------------|
| Manufacturer (or Supplier) name and address | 9 | ● |
| Seller Name & Address | 4 | ● |
| Buyer Name & Address | 4 | ● |
| Ship To Name & Address | 4 | ● |
| Container Stuffing Location | 8 | ● |
| Consolidator (Stuffer) Name & Address | 4 | ● |
| Importer of Record Number | 3 | ● |
| Consignee Number(s) | 3 | ● |
| Country of Origin | 5 | ● |
| Commodity HTSUS number | 5 | ● |
| Bill of Lading number | 4 | ● |

Data Work Flow



Preparing for 10 + 2

The Importer Checklist

Who, When, Where

“The Department of Homeland Security (DHS) is preparing to finalize the regulations creating the Importer Security Filing (ISF), also known as the “10 + 2 rule”. We feel importers should prepare by assessing the impact of what is known today about the rule, in order to comply with the final requirements when published. This Importer Checklist is designed to assist you in determining who, when, and where in your supply chain to find the *required information* needed to submit an accurate and complete security filing.”



Importer Checklist

Channels

Different mechanisms will need to exist

- > dependant upon capabilities available

Web Based Interfaces

- > Our web based interface will allow the importer/shipper to input the required data at time of booking

ABI Applications

- > We have the ability now to enter the data manually using our broker ABI application

EDI

- > Many who have control over their data and electronic purchase orders want to send the data to us via EDI. Our system is designed so that can be accomplished and passed to Customs with no manual intervention

Thank-you!

