

Customs Specialists Inc.

Customs & Trade Compliance

Statement of Corporate Customs Compliance Policy

It is the responsibility of each company management to maintain and update its Customs Compliance Program to ensure that the company's activities are in full compliance with all applicable laws. As part of this program, the corporations must designate certain employees to assume the authority and responsibility for day-to-day Customs compliance issues.

Each company must strive to achieve reliability of reported data, effectiveness and efficiency of operations and compliance with applicable laws and regulations

How do you achieve compliance?

- First step:

- Assess Current State

- Future State Vision

- Gap Analysis

- Map the importation processes and implement Internal Controls in order to achieve compliance

- Identify risks (once identified the risks have to be evaluated and prioritized).

- Second step

- Improve, Design and Implement

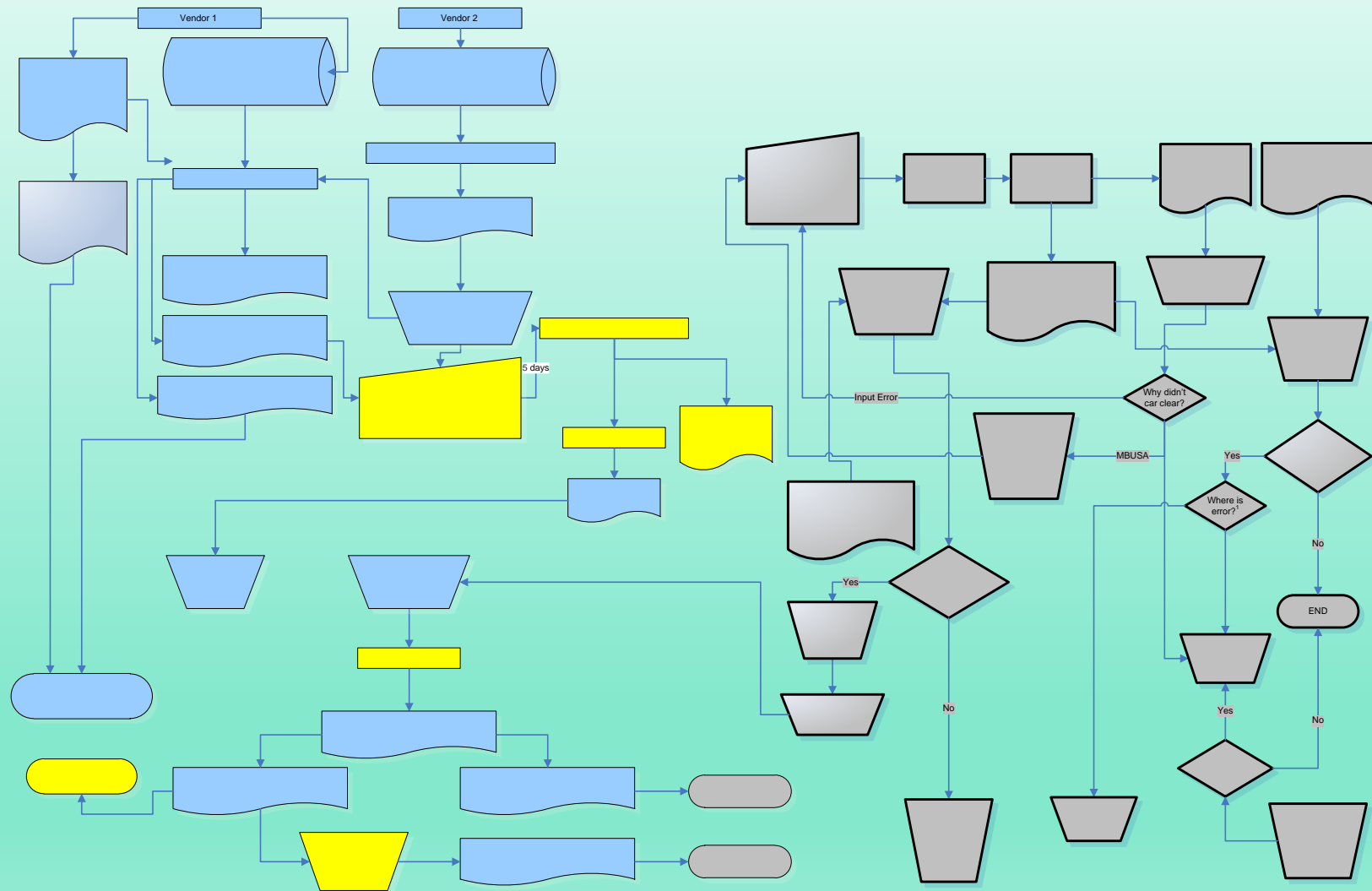
- Cross-departmental communication and cooperation is vitally important. There are many stakeholders in the importation process (manufacturing, purchasing, traffic, logistics, customs , finance)

- Who owns customs risks?

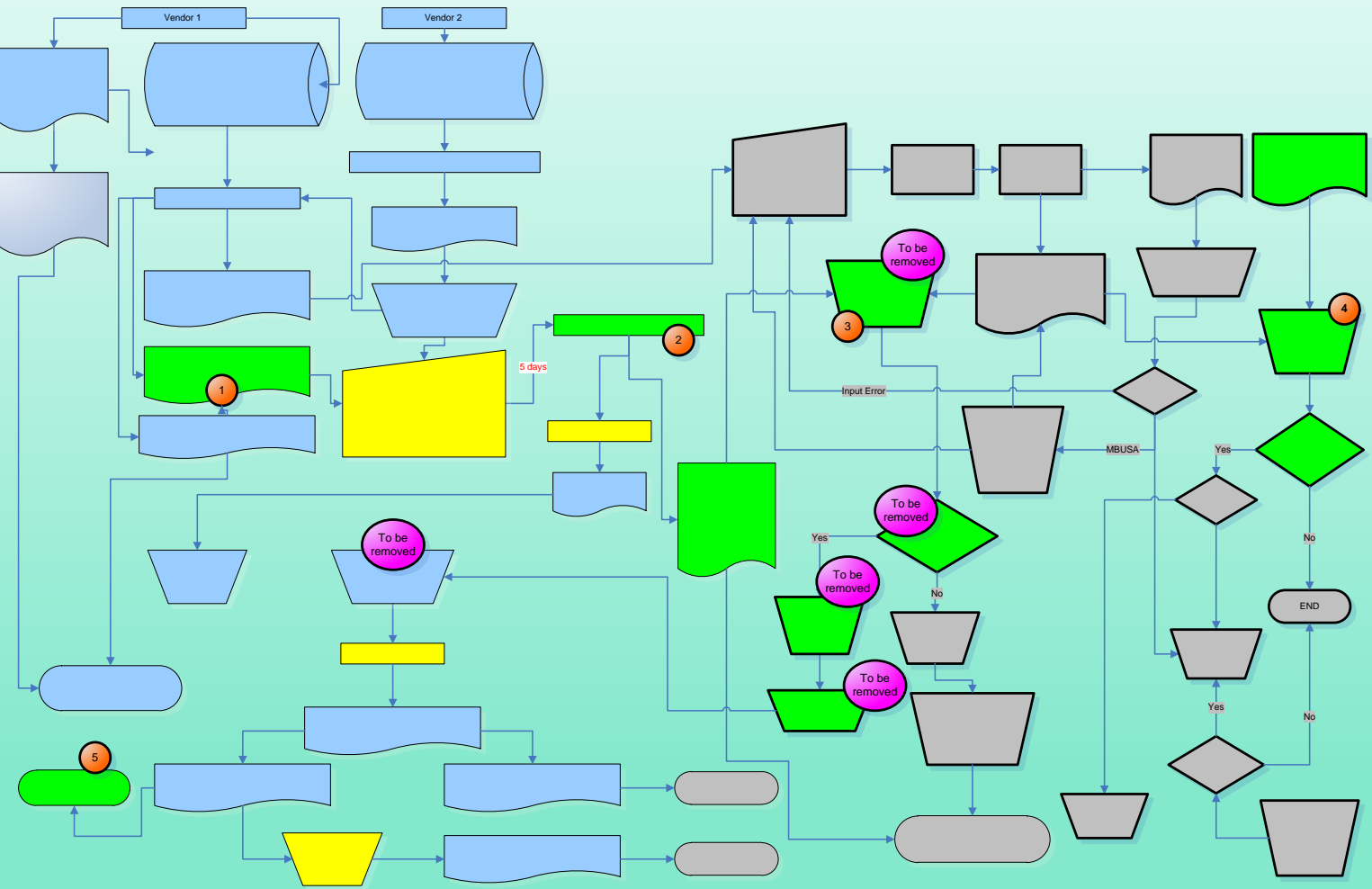
- Final step

- Monitor ; Execution Review and Continuous Improvement

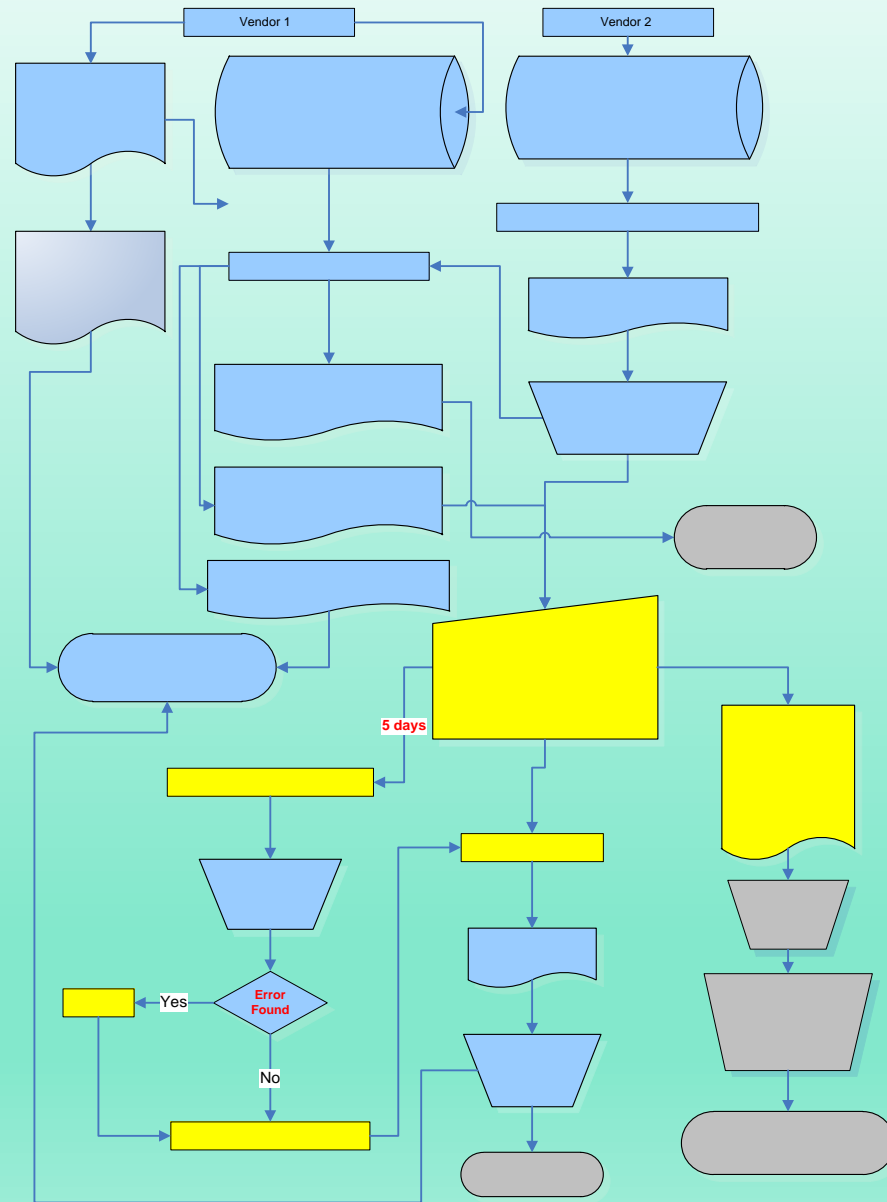
Previous Importation Process



Risks Identified and Processes Removed



New Importation Process



What are the biggest challenges to achieve customs and trade compliance?

- Executives buy-in
- Time consuming
- Cross-departmental cooperation
- Customs verification trail

What is a cost of non-compliance?

1. Financial Risks

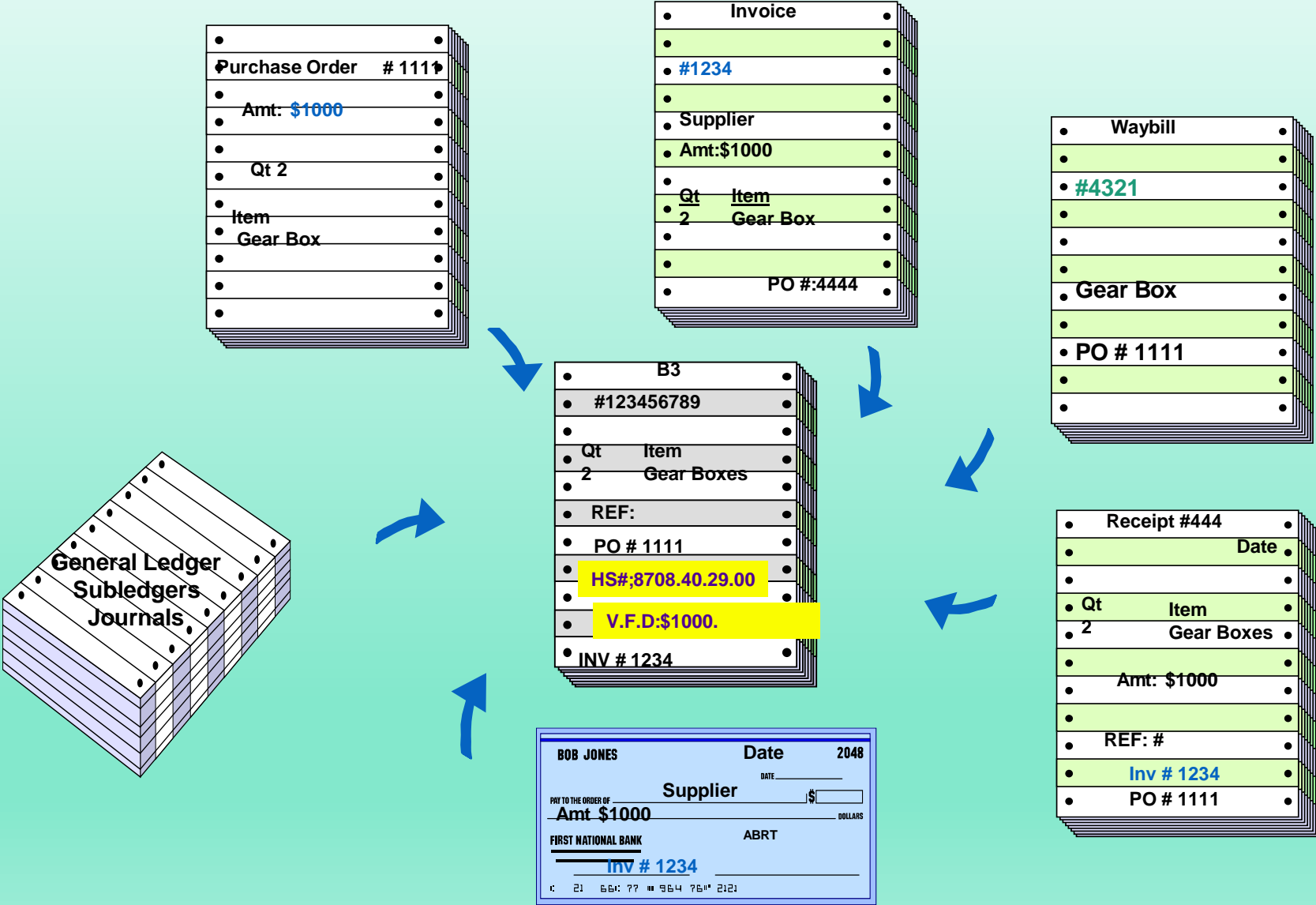
- overpaid duties
- AMPS
- legal fees

2. Business Risk

- supply chain disruptions
- lost opportunities
- damage to corporate reputation

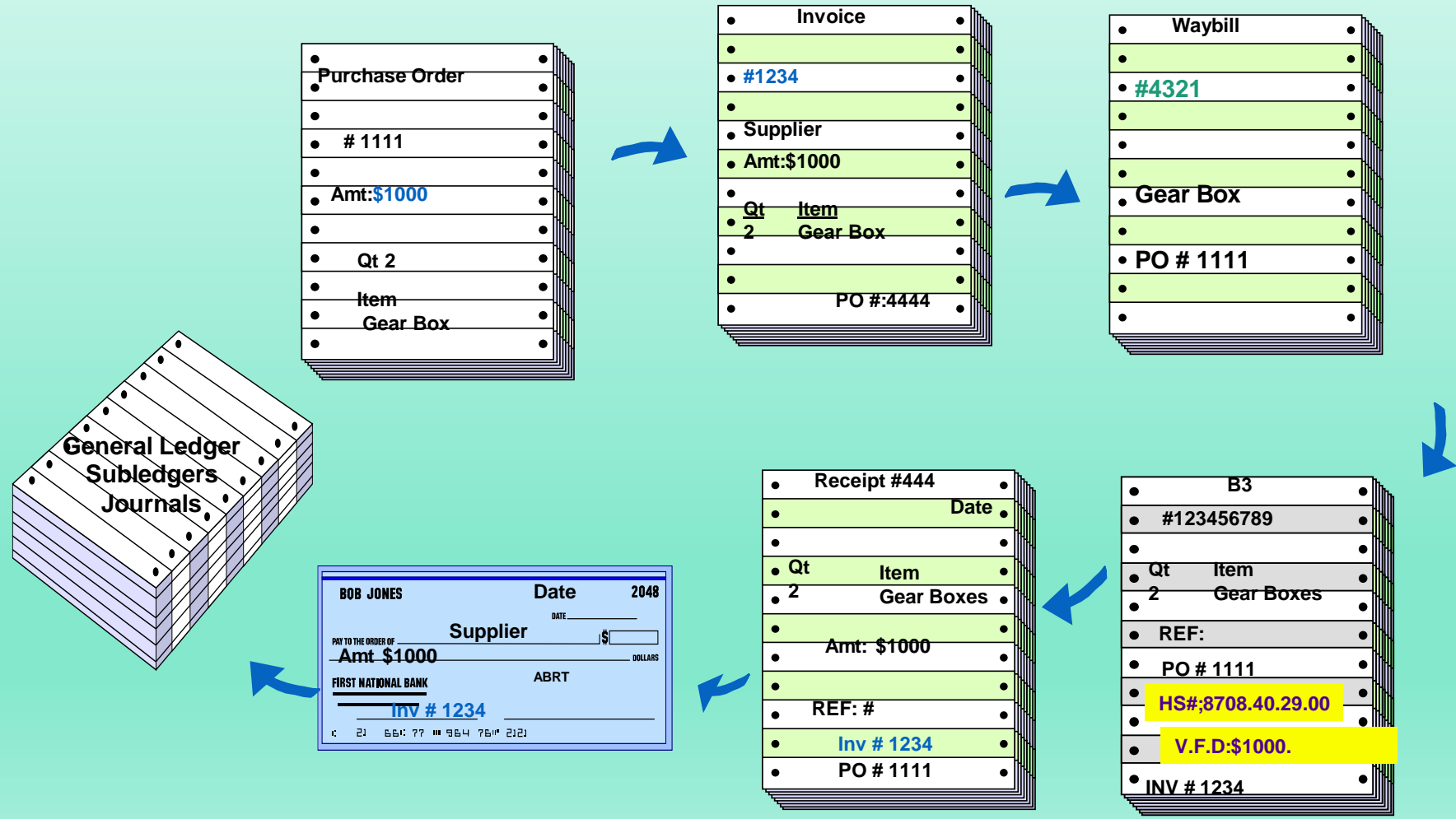
3. Legal Risks

Customs Reconciliation



Going Backwards

Chose Purchase Orders and provide all customs documentations related those PO's



What do we do for your company

- We identify opportunities to reduce cost and to improve efficiency without compromising controls and oversight
- Broker Management & Post Entry Audits
- Visibility of data (measure)
- Compliance is a moving target: on-going internal and external audits (risk assessments) because of dynamics of business and laws.
- We will create Customs Compliance Manual, Tariff Classification Rating Guide, Training Manual and Vendor Shipping Instructions.
- Written manuals, policies and operating procedures are designed to ensure that all personnel who are responsible for Customs-related functions have clear understanding of how their responsibilities contribute to your company overall compliance with customs laws, regulations and policies.
- We develop effective freight consolidation strategies to ensure the smooth flow of goods and shipping documents