

October 26, 2009

Subject: US Customs and Border Protection (CBP) Enforcement Deadline for Importer Security Filings Is January 26, 2010

Dear Matson Customer,

On November 25, 2008, US Customs and Border Protection (CBP) published their Final Interim Rule covering the 'Importer Security Filing (ISF) and Additional Carrier Requirements' otherwise known as '10+2'. The regulation applies to all containerized freight being shipped to, and through the United States from overseas ports, including China, Guam, Micronesia, and Marshall Islands. While this regulation went into effect January 26, 2009, the rule allows for a phased-in enforcement period for up to one year. We are more than half way through this phase-in period, with the compliance deadline set for January 26, 2010. Failure to fully comply with this regulation may ultimately lead to Matson's inability to load non-compliant freight to the vessel and monetary fines of up to \$5,000 per transaction can be assessed by CBP.

We are sending this to you as a reminder of the regulation and, if you are not already filing your information with the CBP directly, through your customs broker or other ISF authorized filing agent, we request that you become active in understanding the requirements so that you can be in compliance by the enforcement deadline. Please understand that the 2010 deadline is firm as CBP feels they are currently allowing importers and carriers a full year to learn how to comply with these requirements.

Below is information on the ISF along with websites and links that you may find helpful.

Importers, or their Agency designates must transmit '10' data elements to the CBP. Eight of those elements need to be submitted at least 24 hours prior to vessel loading:

- 1. Seller
- 2. Buyer
- 3. Importer of record number/foreign trade zone (FTZ) applicant I.D. number
- 4. Consignee number(s)
- 5. Manufacturer (or supplier)
- 6. Ship to party
- 7. County of origin
- 8. Commodity Harmonized Tariff Schedule (HTS US) number

The final 2 data elements for the filing must be submitted no later than 24 hours prior to the vessel arriving at the United States port. These are:

9. Container stuffing location

10. Consolidator

Matson, as the Ocean Carrier must transmit '2' data elements and has been doing so since first quarter of 2009:

- 1. Vessel Stow Plans
- 2. Container Status Messages (showing location movement)

If your shipment will transit over the United States to other countries, you may authorize Matson to transmit the required additional five data elements to CBP. Please contact your customer support team for more information on this. A power of attorney will be required for this purpose. You will need to provide Matson with the following data:

- 1. Booking party name/address
- 2. Ship to party
- 3. HTS US number provided
- 4. Foreign port of unlading
- 5. Place of delivery

More information on these requirements can be found on the CBP website at: http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/security_filing/

The CBP is hosting outreach events in many locations around the country to provide opportunities to learn about this regulation. This link to their website shows times and locations for current events: :http://www.cbp.gov/xp/cgov/trade/trade_outreach/09_outreach_schl.xml

Questions can be sent to the CBP: Security_Filing_General@cbp.dhs.gov

Matson is committed to assisting you, our customer, in any way we can. We will keep you advised if any changes to the program are announced, and will provide more information as it develops.