



Expeditors International
of Washington, Inc.

1015 Third Avenue, 12th Floor
Seattle, Washington 98104

August 9, 2004

Subject: Advance Cargo Information for Air Imports to/through the United States

Dear Valued Customer,

The requirement by U.S. Customs and Border Protection (CBP) for advance receipt of electronic cargo information through Air AMS (AAMS) begins August 13, 2004. A phased implementation by CBP is outlined below.

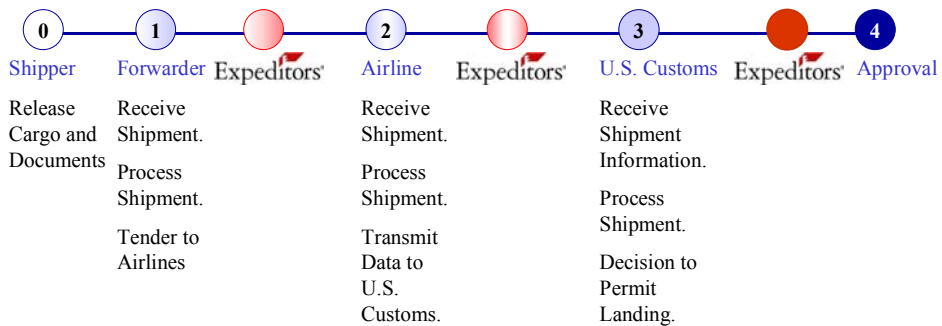
Effective Date	Region	Entry Ports in Following Locations
August 13, 2004	Eastern	Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Vermont, Virginia, West Virginia
October 13, 2004	Midwestern	Alabama, Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, Ohio, Oklahoma, South Dakota, Tennessee, Texas, Wisconsin
December 13, 2004	Western	Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, North Dakota, Oregon, Utah, Washington

In analyzing possible disruptions to our clients current airfreight flows, Expeditors decided it would be best if we were actively involved with the transmission of your shipment information to CBP. As a current and experienced ocean AMS filer, Expeditors is well positioned to transmit electronically to both CBP and airline carriers. This dual transmission effort will ensure that your shipments' information is received by US Customs, and in a timely manner. In preparation for startup, Expeditors has completed the following:

Expeditors AMS Filer – Completed Steps:

- Enhanced our global operating system to capture new AMS requirements.
- Developed and deployed globally, AMS specific training.
- Inserted regional field specialists to support each transaction.
- Synchronized the movement of data with CBP and over 80 airlines.

Air AMS Illustration



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Key benefits for you:

- Minimal to no delays due to shipment information not being submitted timely.
- Preferential loading at origin as data is electronically received/transmitted by the airline, instead of manually entered. (Less work for the airlines).
- Quick resolution of issues through Expeditors' relationships with CBP and air carriers.
- Access to AMS data and messaging including release and hold messages.

What are your responsibilities:

Non-compliance will result in fines and penalties up to \$10,000.00 per incident. We strongly encourage importers, exporters, shippers and suppliers to work together to ensure concise understanding and compliance with these new requirements. We also encourage you to validate the handling of shipments moved by other logistics providers to ensure compliance.

Detailed accuracy is required when offering a shipment for tender to/or through the United States. The following are key data elements as outlined by CBP.

Shipper Information

- The full name and address of the foreign party initiating the shipment.
- Address must be a foreign address.
- The indication of freight forwarder, carrier, or consolidator as the shipper is not acceptable.

Consignee Information

- The full name and address of the Consignee to whom the cargo will be delivered is required. They do not need to be located in the arrival or destination port.

Quantity Shipped

- The quantity documented by the shipper must be in the "smallest external packing unit" according to CBP. If the cargo is on pallets, the shipper must advise the respective carton count as well, i.e. 5 pallets containing 100 cartons.

Cargo Description

- A precise cargo description sufficient for CBP to identify the commodity shipped must be supplied. A six-digit HTS number may be used but is not required. Vague or unclear cargo descriptions will increase potential holds and exams by CBP. Published on the CBP website is a list of unacceptable descriptions for reference.

Further information is available on the U.S. Customs & Border Protection website at www.cbp.gov.

Liability, in the event of a fine due to discrepant information submitted to Expeditors, will be the responsibility of the customer. Additional charges incurred due to noncompliant delays will be the responsibility of the customer.

With the investment required for systems development, operational training, and added workload to meet U.S. Customs' requirements, the airlines and forwarders transmitting to Air AMS face higher costs and lost productivity. To better understand the potential cost impact of Air AMS and further information on fees within the industry, please contact your local Expeditors representative.