



Universal Forwarding Overseas, Ltd.

Newsletter

March 28, 2014

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UPDATES TO THE FOREIGN TRADE REGULATIONS (FTR)

The Bureau of the Census has published several amendments to the Foreign Trade Regulations (FTR) which impact all U.S. exporters. Several changes have been made in regards to reporting of Electronic Export Information – UFO files this information on your behalf through the Automated Export System (AES) process. The changes are in effect for all shipments leaving the U.S. on or after April 5, 2014.

The major changes affecting UFO clients are listed below:

- **Ultimate Consignee Type:** U.S. exporters will need to classify the ultimate consignee as one of the following: Direct Consumer, Government Entity, Reseller, Other/Unknown. Definitions are listed at the bottom of this page to better help you classify your consignees.
- **Post Departure Filing:** The timeframe for current U.S. exporters approved for post departure filing has been reduced from ten to five calendar days from the date of export. No new applications are currently being accepted by Census for post departure filing approval.
- **License Value:** The value must now be reported for all commodities authorized to export under a license, regardless of license type. License Value is further defined as only the value of the licensed commodity being exported, not including charges like freight and insurance.
- **Temporary Import/Export Filing:** Shipments moving under a carnet or Temporary Import Bond will no longer be exempt from AES filing.

We are working hard to ensure all shipments will meet the new FTR regulations. UFO representatives will be contacting your company for any missing information on affected shipments. UFO is unable to classify the Ultimate Consignee on your behalf; please use the detailed definitions listed below. We will also be working to update all standing Shipper's Letters of Instruction.

Please contact Marc Mugfor (mmgufor@ufold.com) with any questions that you have regarding these changes to the Foreign Trade Regulations. Additional information is also available at <http://www.census.gov/foreign-trade/regulations/regs/regulations20130603-federalregister.pdf>.

Thank you.

Ultimate Consignee Type: Provide the business function of the ultimate consignee that most often applies. If more than one type applies to the ultimate consignee, report the type that applies most often.

- **Direct Consumer:** A non-government institution, enterprise, or company that will consume or use the exported good as a consumable, for its own internal processes, as an input to the production of another good or as machinery or equipment that is part of a manufacturing process or a provision of services and will not resell or distribute the good.
- **Reseller:** A non-government reseller, retailer, wholesaler, distributor, distribution center or trading company.
- **Government Entity:** A government-owned or government-controlled agency, institution, enterprise, or company.
- **Other/Unknown:** An entity that is not a Direct Consumer, Government Entity or Reseller, or whose ultimate consignee type is not known at the time of export.

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