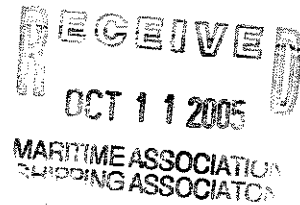




U.S. Customs and
Border Protection

SEP 28 2005

Ms. Helen Brohl
President
National Association of Maritime Organizations
P.O. Box 3487
Norfolk, VA 23514



Dear Ms. Brohl:

On April 7, 2005, Customs and Border Protection (CBP) published the Advance Passenger Information System (APIS) Final Rule (AFR) (19 CFR §§122.49a-c; 122.75a,b; 4.7 and 4.69). The AFR requires that commercial carriers comply with the AFR requirements by October 4, 2005. By October 4, 2005, commercial sea carriers must use the U.S. Coast Guard (USCG), National Vessel Movement Center (NVMC), eNOA/D internet portal as the means to electronically transmit the vessel's APIS manifest to CBP.

Since the publication of the AFR, CBP has maintained an open dialog with the carriers and carrier trade organizations to respond to questions or concerns regarding the implementation of the AFR requirements and any subsequent penalty scheme. To that end, on April 6, 2005 in lieu of penalty action for the failure to transmit an outbound APIS manifest, CBP implemented a period of monitored informed compliance.

On October 4, 2005, CBP will terminate the period of monitored informed compliance and begin Phase One of a compliance action plan. The primary objective of APIS enforcement is to obtain accurate advance information on arriving or departing, commercial passenger or cargo vessels. CBP Port Directors have been instructed to continue to inform a carrier of their APIS deficiencies in order for the carrier to make corrections and improvements in a timely manner

Additionally, CBP Headquarters will be reviewing and validating all proposed penalty actions prior to the issuance of a penalty to a carrier for non-compliance. This step is being taken to ensure consistency within the penalty process and within each CBP field office.

PHASE ONE, will begin on October 4, 2005 and will require that commercial carriers transmit an APIS manifest to CBP for each arrival in to or departure from the U.S. Failure by the master of a vessel to electronically transmit an APIS manifest using the eNOA/D internet portal will result in penalty action against the master in care of the carrier. During this phase, sea APIS manifests that are correctly transmitted will not be considered for penalty action for missing or insufficient data or sufficiency errors.

In all phases and for all penalty actions against commercial vessels, Port Directors will not assess the penalty against the ship's agent's bond, unless the ship's agent has specifically obligated their bond for the transmission of a given APIS manifest, i.e., an agent acting as a third party vendor, transmitting the APIS manifests on behalf of the master for a vessel's arrival or departure. The master of the vessel, in care of the carrier, is responsible for the transmission of the APIS manifest. If necessary, Port Directors may work with the ship's agent to properly identify the correct carrier bond information.

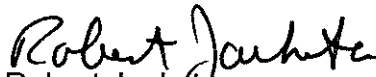
PHASE TWO will begin on October 31, 2005. During this phase, sea APIS manifests that are correctly transmitted will be considered for penalty action for missing or insufficient data or sufficiency errors.

In all phases and for all penalty actions against commercial vessels, Port Directors will not assess the penalty against the ship's agent bond, unless the ship's agent has specifically obligated their bond for the transmission of a given APIS manifest, i.e., an agent acting as a third party vendor, transmitting the APIS manifests on behalf of the master for a vessel's arrival or departure. The master of the vessel, in care of the carrier, is responsible for the transmission of the APIS manifest

CBP recognizes and appreciates the effort the carrier industries are making to comply with the requirements set forth within the AFR.

If you have any questions, please have a member of your staff contact Mr. Charles Perez, APIS Program Manager at (202) 344-2605.

Sincerely,



Robert Jacksta
Executive Director
Border Security and Facilitation