

regulation) and 19 C.F.R. 147.43 (relating to entry of merchandise from a fair) are not made upon demand, then liquidated damages may be assessed per 19 C.F.R. 147.3 and 19 C.F.R. 113.62(h) or 113.62(g).

- C. Failure to use or handle merchandise in a manner which entitles it to duty-free entry (i.e., removing it from the Fair other than in accordance with regulation including failure to make entry, if appropriate) will result in assessment of liquidated damages equal to the value of the merchandise involved in the violation (or three times the value if the merchandise is prohibited, restricted or alcoholic beverages) in accordance with 19 C.F.R. 147.3, 147.41, 147.43, 113.62(h) and 113.62(l)(1).
- D. Failing to exonerate the United States from risk or loss relating to the expenses incurred regarding the Fair will result in a claim for those expenses pursuant to 19 C.F.R. 147.3, 147.33 and 113.62(g).
- E. Cancellation standards.
 - 1. There will be no mitigation from any claim made for failure to exonerate the Government from risk or loss per 19 C.F.R. 113.62(g).
 - 2. For failure to use or handle the merchandise in a manner entitling it to duty-free entry, the claim will be cancelled upon payment of an amount between one and five times the loss of revenue (if a revenue loss violation) or upon payment of 5 to 30 percent of value (if no revenue loss is involved) depending on the presence of mitigating or aggravating circumstances.

XXII. Guidelines for Cancellation of Claims When Petitions for Relief Are Filed Untimely (T.D. 02-20)

- A. Petitions may be accepted at the discretion of the FP&F Officer at any time prior to commencement of any sanctioning action against a bond principal or the issuance of any notice to show cause against a surety.
- B. If a petition is received untimely, Customs shall first consider the petition as though it had been filed timely and shall determine the amount of mitigation that would have been afforded in the case had the petition been filed timely. For purposes of these guidelines, this determination shall be known as the base amount.
- C. Once the base amount has been determined, Customs shall charge an additional amount in excess of the base amount by calculating the number of calendar days that a petition is late and charging an additional mitigation amount of 0.1 percent (.001) per day, but in no case shall the additional amount be less than \$400.

- D. If the bond principal fails to file a petition during the time period provided by regulation, but then files a petition during the period in which the surety, by regulation, could file a petition, that petition will be considered as a late petition. The number of days late shall be calculated from the end of the 60-day petitioning period afforded to the principal. The demand on surety will be considered as an additional demand.

NOTE: FOR PURPOSES OF ALL BOND CANCELLATION STANDARDS, THE TERM VALUE SHALL MEAN VALUE AS DETERMINED UNDER 19 U.S.C. 1401A.