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Welcome everybody. My name is Amy Magnus and sitting next to me is Stuart Schmidt from UPS and we are both broker filers -- we also have two people from CBP that are sitting next to us and they are going to roll and during the question part of our session, but we have Monica Crockett from CBP and Virginia Pearson who will be able to help us and in fact have been helping us put together this presentation. The purpose of our discussion today is going to be really aimed at filers. So the audience we hope out there listening to us today our brokers. And filers -- self-filers because we are going to be getting into some of the detail and some of the advantages and some of the challenges that we have been experiencing as we move more and more of our volume onto a summary filing. A summary filing we repeat it later in the session -- but you do want to be considering filing your entry summaries and ACE right now. If you have not started to hit the to on the water I would say and Stuart I I don't know about you -- but I would say you might be a little late right now.

I would agree with that 100%. ACE's entry summary is a perfect opportunity to move into dip your toe in the water or so for ACE and because are some exciting things coming down the road and you want to be in a position to take advantage of them when they're ready.

So even have we go through this presentation comedy will see there's some areas in ACE filing that we are still working through. We are working to them with the CBP officials and are over operations we are working to then as well. Because there as you change to a new software and most of the brokers and filers throughout their listening right now understands all too well. When you upgrade your software system or when you go into a new version of software, even internally, you know that things do not always work exactly the way they used to or the way that you expect them to. So you combine that now with the fact that your software vendors are having to reprogram your software or your reprogram your software and then you are also reengineered some of your process because ACE is demanding some of engineering. Those are the kinds of things that take a while to get adjusted to so hopefully as we go through some of the slides you will be able to -- help you to at least it over some of the things that those of us who were early adapters to ACE have noticed particularly some differences between ACE and ACS filing. So let's go to the next slide and we will discuss those points.

There's a few rules around ACE that exist right now and these rules of course will change as CBP increases their programming and their functionality. But right now for the purposes of our work discussion, if you're going to start filing a century summaries what you need to know about or what you need to be aware of is that you can only find ACE entry summaries for types all one, 11, and 03. So your regular consumption entries your informal entries in your and -- countervailing entries and by the way is probably about 99% of all the entry summaries that are filed so the other entry types will be rolled out over time. Those are the ones that are available right now. And one of the advantages to being able to file entry summary 10 is that you can actually RLS with a type III entry and that's something we did not have when we were outside the ACE environment. And I know some of our broker friends out there have found an advantage

to this -- to be able to use RLF for type three entries when formerly they could not do that. And it was an incentive for some of the brokers that are listening to migrate to ACE so that they could take advantage of being able to file RLF with entries summary type III. When you think about ACE entry summary you need to have in your mind that 80s is really supposed to be a completely paperless system. That CBP designed it to be paperless and they have been rolling out functionality like the document imaging system for example that goes along with a century summary filing to make sure we are not filing documents when we are filing and Ace Entry summary. Of course there are many losers out there and I know from him see that a that the national brokers and many of you have not yet programmed for the document and imaging system that accompanies a spirit but when you keep in mind that that is going to be the way that we would because bidding documents to customs in the future and then you understand really how ACE works it's a paperless process including payment which means that the entry summaries are paid via ACH either on a daily ACH statement or a periodic monthly statement. Periodic monthly being another advantage that ACE users have been able to enjoy and just another improvement in our processes so that we can pay overtime or we can pay once a month and those are some of the things some of the rules -- now there are a few little -- I'm not going to say it's a big deal -- but it might be for some of the listeners out here today and that is there's some interest summaries that even though there might be a type I we still knockabout but we cannot file them in ACE and -- this is a perfect example that and there are some issues around other government agencies requirements that may make it difficult to file an entry summary and is right now but keep in mind that we are going to be rolling out -- when I say we I don't mean it's -- the trade working with customs -- is going to be rolling out additional functionality with other government agency participation and we will not be restricted in the same way that we are today around some of these participating government agency requirements. There's also a little bullet under here that I want to point out and that is that if you are a summary file or if you're filing ACE Entry Summary filing a you have multiple sold to parties and you don't have the VIN number -- you E I N number you may have difficulty filing those in ACE right now because I think store you will going to buy the parties of the transaction the line level one of the parties of the -- at the line level is he sold to party and the date field that the filer must be allowed for the soul to party is that you and number. So if the shipment is under \$2500 in value, the policy does not require in PIN number for those low value shipments by invoice so you can have multiple in voices multiple sold to parties in your entry summary this to still type I voices multiple sold to parties in your entry summary this to still type X you still may have many many underlying invoices that are valued at under \$2500 if you are in your ACE world if you're in your ACS world you don't have to identify those targets by PIN number on the entry summary but in your Ace world there is right now a policy but I also want to say that we are working very closely with CBP there's a number of entries filers that have come to CBP and said this is awkward for us and we cannot file our summaries using an PIN number when we have this very very low value shipments on the consolidation but what we call a consolidated entry -- we are not talking about the consolidated entry summary that has a see on the end -- I think broker filers you know that's a different type of consolidated entry where you have releases over multiple days and you consolidate those multiple releases on one entry summary -- VIN number VIN number -- wanted to call out the point about the VIN numbers to make sure that everyone understands that the training is working closely with CBP and CFA is working with CBP the entry company on the TSN is also and I'm sure that other associations have talked about CBP about it. The final bullet on this slide has to do with how you would get a single transaction bond to customs if you're

filing in ACE Entry Summary. So your ACE Entry Summary requires a single transaction bond keeping in mind the mood around ACE is paperless -- CBP has provided us a functionality to sign that single transaction bond to an e-mail address which is listed on the slide and you certainly don't want to forget to do that -- because of the single transaction bond is required when you do the summary filing so if you do have a situation where you have a single transaction bond, make sure that you send a copy of that bond and follow the rules and the ACE business will document about how to do that of brought my ACE business rule document with you today and I hope that everybody has saved this version 3.4 on your desktop or maybe you have it in front of you now so that you can follow along in the ACE business rules document -- thank you very much CBP for sending out these rules in writing so that we the trade as we get confused sometimes when we are filing the summaries, we have a reference and that is our ACE entry summary business rules document -- it's been a real benefit for us that moving forward [Audio cutting in and out] -- steward to the next one

Thank you and I call that the BTT by the way but it is [indiscernible - multiple speakers] that's a good transition because the next slide in and ACE not only we get introduced to a lot of new terms and a lot of new acronyms, new terminology but we also get introduced to these parties. So you had talked about some the sold to party -- which is the individual sold to party at the line level. So you talked about a little bit how this impacts consolidated entries, or the for the traditional entry summary typically this may be the a port of record is also the sold to party or for those shipments that may have a foreign importer of record the sold to party is probably going to be the consummate but it constantly but it does not have to be. Be delivered to party is a new party it's also the line level it is -- not required field -- so if you want to report the delivered to party, you may do so. And this particular party will become more important I believe as Ace cargo release comes into play -- for right now you can still report it at the entry summary line level and just recognize that it is optional. The manufacturer identification code or the Midshipman as we call it this is certainly not a new party. We are all familiar with Midshipman codes and reporting them however there are some differences in Ace Entry Summary where you need to report the manufacturer identification code 403 entry types for the manufacture of the good that is subject to the anti-dumping -- this ties in with the textile policy or you must show the actual manufacture for a textile commodity, you show the Midshipman code for the actual manufacture of the ABC the regulated commodity. And youth last but not least is the foreign export code this also is a new party that is related to 03 entry types. It is mandatory -- many of the new ABC PD cases are based on not only the manufacturer but also before next quarter. So in order for CBP to properly determine who was born exporter we need to report the Midshipman code for that particular entity as well. Again this is only 403 entry types but it is a mandatory policy.

Actually stored on like the fact that we have to report the Midshipman for the manufacture and for the foreign exporter on the type III entry. Because it makes the people to turn entry take a moment and make sure they are using the right duty rate for that particular case. Is a -- as you said sometimes the duty rate can change depending on whether the manufacture or the exporter of the same party. And it can be a significant difference so it's something that makes you pause -- we did not have to do this ACS. So I'm kind of -- I think as a broker I like the fact that we have to identify this party code --

I also like it from the importer's perspective so this reporting both of these parties helps CBP liquidate these entries when they get these liquidation entry instructions -- there confusing at best that we've all seen them so having both these parties they're CBP knows what the importer attended so it helps to make sure that the get the into the entry properly entered.

I would say that some improvement -- it is.

On the next slide we will talk about for a little bit -- it's something different that ACE -- this is the difference between Ace and ACS and I want to share with the people that are listening right now that sometimes this can be a little confusing about how it works -- confusing for us the filing maybe even in some cases for the CBP folks who are also learning how to file and ACE. It's not that everybody just became an Ace expert overnight so I still have confusion over this in so to people in my office one time. At the basic concept in case is that an Ace is there is a control status either the trade is in control of the entry summary data or CBP is in control of the entry summary data. And depending on the life of that entry -- what status it's in the particular moment -- will be put on whether it's a trade control or NCBP control. What we find in a lot of these filers out there are filing hard are probably on and I will say I guess stored it help me out if you don't think it's fair -- I think of filers schedule their interest is to go on about in a day statement. Anonymous one the file with entries on 10th day. And sometimes maybe not they might be cutting sure for some people who have higher volume so and I can tell you that we try to set our entry summary to be filed on eight day. What does that -- what that means is that on day eight, our entry summaries appear on a preliminary statement. And it's as they appear on preliminary statement in general and now moves the entry summary from trade control to CBP control. The trade can still make some modifications at the point that it appears on a preliminary statement , but once I think it is said to pay, that's it. We would have to coordinate very closely with CBP in order to make any changes at that point. So backing up with -- on day one comment to comment three, for, five comments six comments seven it will always be in trade control in my situation because so we will be able to make unlimited changes to that entry summary, we can file it and all of a sudden we can go in and take and do a completely facing change everything because it's still in trade control and it has never once entered into CB control --

That would mean that just like we do in the ACS world

Exactly like we do -- but once it goes into CBP controlled been there some rules around that and I'm going to say that I'm not even clear on all the rules myself even though I'm sitting here try to teach you about Ace but I have gotten a commitment from Monica in Virginia that we are going to work on the chart that we will be able to send to people who are listening to this today. That might help make it a little more clear about what the limits are to what the trade can do once the entry summary has been moved into CBP control -- so rather than you know getting tangled up in the right now -- I think it would be nice to have a chart so we can all see it and understand it a little better. It's not a big deal. The real thing is just to understand that it's as long as it's in trade control we can make unlimited changes and those changes are not being tracked. -- There are no versions associated to that in-store will talk to us a little bit more about what version means and the impact of that. So up until the time that it goes to CBP control, you can change it and there are no versions being tracked of those changes. So Stewart the next slide then

All right thank you -- so far we introduce some new parties and introduced one you turn which is CBP control trade control and not we will introduce another new term which is urgently so version being is in the any mention on the slide for is a new term that is related to when that when that entry summary goes from trade control the first time to see the peak control. And that is when it first appears on a preliminary statement so the first time that entry appears on the statement that becomes version number one for the trade and version works so that so if the decimal point is to the numbers to the left of the decimal point, that's the trade side of the equation and the numbers to the right of the decimal point that's the CBP side of the equation. So that version when it hits that plenary statement is 1.00. And if CBP makes no changes, in the trade makes no changes, that entry summary will liquidate and add 1.00. And there may only ever be one version in fact in most cases I would assume there would only be one version of an entry summary. However if CBP makes a change to that entry summary, then it's going to go to version 1 then it's going to go to version 1.01 and if the trade files -- fix a change to that entry summary through a post summary corrections which we will talk about later -- where the entry is rejected and there's a new entry then it goes to 2.00. So the way that you're going to determine how your day went to know what the version is, is that there's really two methods. CBP has created a new Ace Entry Summary query which if you're not using that I would encourage you to do so, as a many many more data elements and a lot more information than the traditional entry summary query and you can also modify reports in the Ace data portal which we really have not talked much about yet but there are two Ace Entry Summary reports in the portal 7008 and 7068 and for those who know how common they can modify that information. And obtain the version number's it's also important to note that for those importers come filers, cell filers, workers who use the Ace report for this information, that the latest version of that information will appear on those reports.

It's funny they put us on the left side store we should have been on the right. Because it's a good way to remember when you look at it the numbers that the brokers are the file to filers version is on the left -- we never had visibility at least as far as I know in ACS as far as whether or not CBP was changing the data the way that we do now and now we can see on the right-hand side of if CBP has gone into change a data. That's something we never really had visibility into. The other concern I have with this particular -- not a concern but I want to caution people -- that my expectation is that customers will expect us to keep a copy of each version when we change it. So once it starts versioning and those versions are being tracked by CBP, we may need to have something in place so that we know what version 1 point version 1.00 applies and what 2.00 and 3.00 assuming that we have to make any changes on an entry once it starts versioning. And I also think that brings out a point here that there's a lot of policy around Ace and the same way that we have to change our process internally to be able to understand and file entry summaries the right way, I think that they're still many many policy questions that have not been finalized and one of them really is around record-keeping and because of 7501 does not exist in more technically -- it doesn't really exist -- but do we keep it as a copy the record -- most of us are keeping the form that really pretty much looks like 7501, it's the same thing were used to -- that's the kind of thing that we keep. But we are all working together -- once again this is not just on CBP side or the trade side -- we are actually trying to work together to figure things out as they come up and discuss what's realistic -- what we can save and how we can save it -- what it looks like -- and they're still a lot of policy -- these to be worked out. So the versioning is interesting because it didn't exist before, we have a lot of discussion around what that really means for the future and 3

to 7 years from now when we are looking at all these entry summaries -- all of them filed an age -- you will have a lot -- it will be different than what it is today. That structure. So the next slide that's for sure -- the next library quickly -- people who are filing in case probably already know this, but there is synchronization that takes place between ACE and ACS. And it has to do with the CBP controlled so once the entry summary is in CBP controlled at the versions have been activated -- there is going to be some interface of data. Between the old legacy system ACS and the current new system ACE. Just understand that there still some synchronization between these two systems and the next bullet -- certify somewhere on the way -- brings that point out -- and bad there is and ACE ACE cargo release pilot that is under way and we've done a webinar with CBP -- in CBF AA did recently did the webinar with CBP we had Steve Ravel who he donated his time to really to be in CBF AA and he recorded about an hour and a half of detail very very descriptive detail about how ACE cargo release works now and how it is contemplated to work in the future as it rolls out for all modes of transportation. So ACE cargo release which is not what we are talking about today -- we are trying to stick to entry summary filing -- but for those of you were listening right now, the link to that recorded webinar can be found on NCBP FAA website and I would recommend that any of the brokers out there who prefer a spotting this summaries I recommend you take an hour and a half of your time to do that webinar so that you can understand the additional benefits that a Scargill release is going to bring to you once you start piloting an and hopefully more filers will start piloting a Scargill release so we can share with each other as it rolls out -- were frequently use in the issues or any additional details that will need to know about so anyway Steve Ravel did really great job on the webinar is available to anybody that wants to see it. There's no charge you can just go and get the link and get on there and listen to it. Some people -- I don't think are really aware of what that functionality is going to bring you and I recommend you do that. That's pretty much just again understanding that there's a synchronization because we are not doing all releases yet in ACE but we will be. We will be soon if you listen to what Steve Ravel says on that webinar and all of us will be responsible for filing all releases in ACE and your future -- not the far future but the near future so it's something to start learning about how to but keep in mind there's update that go on between ACS and a CD right now and I'm sure that CBP just like a lot of filers out there hope that we can soon get to one system and ACS will just go away so we do not have to maintain it -- it's been a wonderful workhorse it served us all very well but we do not want to live in two worlds I do think. Anyway Stewart wanted to take away with the next one --

All right will thank you Amy. Going to talk about some again some new terms -- base Ace Entry Summary status messages that relates to what's going on with your current entry summary whether it's rejected in cancellation notices so when I talk about is internally I like to talk about here's what happens today here's what's going to happen tomorrow type thing. So it in today's world if we file in ACS entry summary and it's in our all of entry we may get a message that says transmit the electronic document so we are going to get the same message is just going to come in the form of a you see message and that you see one message -- when your users get this you see one message that needs custom has requested electronic invoices. You would transmit than disliking only do using the AII interface and you are going get a message that customers received them just like you [Indiscernible - poor audio] -- that was easy. Almost exact same -- the next two messages are you see to and you see three message and again in today's world when we talk about entry summary when we transmit that entry summary to customs we make a continuous response whether they want to see the documents are not and for the entry summary -- so in

tomorrow's world in the Ace world that is a every entry summary is considered paperless -- so the only time you have to send paper is CBP ask for it. The way they asked for it is with this you see to message that they send you see to they want to see traditional entry summary packet. That we would send to them -- along with me is -- [indiscernible - low volume] they could send a you see three message which would ask for a very specific document which would be a certificate might ask for commercial invoice but they will know what we're asked for. Again if when you send them that document you will also get electronic response letting you know that you received -- sent over the courier get a date stamp file it scan it -- it's already right there -- very easy and much improved process.

You know Stewart those two messages I think there interesting also because of the timing. Like you were saying, we are used to being getting that instantaneous message when we file that CBP wants to see documents that something different about the ACE world is when they --

We found that to be a big challenge.

[indiscernible - multiple speakers]

You have to really develop processes around these messages to make sure you can identify when you get them -- it maybe 30 days after you file that entry summary before you get that you see to or you see three message so you need to pay attention when you're paying attention when you working this process.

Also remember the rejects the reject form you have 48 hours to answer -- you don't get those in the ACE world to get a you see for message and basically it works the exact same way so you have 48 hours to respond to that region message and but you do it at all electronically that the reject electronically -- customs has a lot more visibility to it so that 48 hour clock is very important for making sure that your meeting a deadline as well.

The typo three the typo three -- then the remaining messages you get you see five any you see six these are trade uninitiated and a second -- you see seven is a technology message when you do send those messages to customs and we are going to talk about for summary corrections in depth a little later Amy but if another file or files up to summary correction on an entry that you filed, you get a message that says that happen. That's what this you a messages for and liquidation date changes are also on there. It is it's electronic way that we will to indicate with customs for ACE and to me it is -- for those filers that I've been using remote location filing, this is a close kind of follows that logical you can make that analogy and say I get electronic message from customs and I got to do something. Respond to that message -- so --

Before go on, that you see to MAQC three probably have all of things you need to adjust to in Ace. This is probably from a file or brokers point of view -- this is probably the one that as you said Stewart you really have to get our arms around it have to understand exactly how it works. Because CBP can send us those messages within a 30 day period. Supposedly after that 30 day period, we are supposed to get a see of 28 if they want I see document -- so you have to have those in place to be able to recognize those messages -- the other difference is how you can respond to those messages. Because you have a different means available to respond. You have

to make Ace Entry Summary you can do the paper and you can but as you said like a cover sheet get 7501 does not exist a more oriented but the first date of what looks like a 7501 but you could also do a couple of the things -- you could as a broker file or -- upload those documents into the ACE portal if you want to if there was a controlled number associated with it a request number or again, I see document imaging system for those brokers who are looking up to the using that system now -- really they can just try of the images to CBP so if you -- you talk to me about this in the past -- you might have a statement in the old days that statement and a big stack of entries -- the company lectures serve as a big stack of entries that you're carrying over to the customs house -- as time goes on, and as you avail yourself to these other means of getting these documents to customs upon request, you will not have all those papers underneath that statement in the future.

I give hard numbers on that one also because we have experienced some where between 72 and 73% reduction not only the number of request for that custom guest was for these Ace Entry Summaries but the number of times that we have to send those documents to customs so it's a significant number. So

So the forest may be left intact

Not only will the force be left intact but your people will be able to do other tasks and the package of documents and to render an track and trace of

Significant savings for company or size

Noticeable yes it is. Now you also mentioned that action identifier [Audio cutting in and out] were you can upload docs three of the portal, that's one of the areas where there is some misunderstanding because you have to remember Amy that customs is going to the same changes.

I know

They're just people also

So in fact there challenges bigger than ours. They have 314 places they have to go change or whatever the latest numbers these days so it's not unusual to run into a entry specialist who thinks that if they said that you see to or you see three message on day two, that your cost -- you should be found that entry -- [Indiscernible - poor audio] they don't realize that we don't get the Ace action identifier number until the statement so there's that five-day gap when use pointed to them they clearly understand it but

That's a really good point in that's another reason I'm going to make another advertisement -- business rules document because this is also something that you can go to your local CBP office with because it does explain and they also by the way have their own internal version of this document that probably goes into more detail than what we have but they will recognize when you point out that it's in the Ace business. Command that people in the local portal will recognize what you're talking about because they have similar documents and explain some of

those things so you're not like standing over the counter and arguing with the customs official which by the way we do not recommend. It's better to just point to the business rule document and say well the reason I'm trying to understand what it says in part 3.5 in the roles document -- it helps prioritize from that confusion because the point where you think we have to days from the date from the you see transmission -- I think that is [Audio cutting in and out]

Glad you brought that up because we were stuck with that one also

Yes. In the next transition on the next slide is related to all these you see nine messages this is really a number of wonderful matrix Amy that explains who initiates the you see message so are you see one or you see to maybe just system initiated. CBP user can initiate virtually any message and the trade initiates a you see five or you see six -- if you want to cancel an entry or request that an entry be inactivated -- we would contact customs and have them do that. So there's also an action item that you need to take care and then the next that's to follow including the conference you have to respond to these messages -- this is a wonderful document. I would encourage everybody to review and help set up your process with and how you're going to electronically [indiscernible - low volume]

Good reference

Yes.'s

Now will talk about the happy slide -- I got to do this slide because we will go to the next -- Stewart mentioned a few minutes ago that he noticed a significant savings when it came to Ace Entry Summary filing and demand for documents. So did we. We noticed it right away with the census functionality that exists in ACE. This does not mean that since this isn't reviewing the data , but in the past, when we go to census warning come and meant essentially it was a rock required and if you are filing are left in the admin that if you have a census warning, essentially we put that in our system as you have to transmit and AII. That's how it works. You either had to get documents and dial them with local customs house for normal entry or you had to transmit and AII simply because there was census warning. We've seen an awful lot of saved a lot of time and effort because of this functionality right there on to slide that you can in you have to have the right code to send back but you can send the message back as to why this might have fallen out of census parameters and appeared as a warning. If you have the kind of product that will always be a census warning and you know that it will be a census warning but it's something that you cannot change the census parameters on and we have some products that are like that so we always know when we get a census warning we always know where the minute is a very special type of suits this is not your standard suit and that's why it's of value so extremely high -- kicks off warning -- we can do a preemptive warning so even before we even get the message saved saying there's a census warning, we can preempt that we know that we will get it and that it's okay and that we verify it the value and it's correct to file the way it is and as a result of the functionality that appears on this slide and these bullets, we essentially can turn what was formerly a dock required into a paperless transaction and that all is a savings a savings of manpower in savings of resources. That could be prior to some see savings you're enjoying as you noticed many fewer documents are having to deliver [Indiscernible - poor audio] this the big one in the happy slide and yet another reason to start migrating

[indiscernible - multiple speakers]

Not if it's in case -- if you [indiscernible - multiple speakers]

If you're still filing ACS you would have to -- next we will talk about the new process for delivering CB form CBP forms 28 for delivering CB form CBP forms 2829 and 46 and 47 and request for actions made 30 days or more after that original entry summary as you alluded to earlier Amy -- CBP will still issue a 28 -- again today's world that 28 comes as a U.S. Postal Service brokers typically get a courtesy copy in their box and many times that's really copy that appears -- CBP does mail them out to the address that's on file the 5106. So Ace brings in a new methodology of delivery for this semester the Ace secure data portal. So it's important to note that importers can get there 28th and 29's and 46, 47 -- visibility to them in the Ace data portal -- have that data portal was resides on the web is not part of our AVI processing system it's a separate application altogether -- but Hall the importers would've access to that so they don't need to have an ABI interface to receive these forms -- they don't need to have an ABI interface to respond to the forms they can respond right using the Ace portal using simple functionality that were pretty much all used to is just basically a browse in the match and attach function and upload documents we can send those to customs. If you need to send a sample you can send that sample and it will be [indiscernible - low volume] were IDEA to customs.

Wait a minute you're talking about an importer having visibility of the forms to the portal --

Yes

What about filing

You know Amy unfortunately at this point in time this is the functionality was delivered was specifically for importers. So brokers do not have visibility to those unless the importer of record -- if you brokers importer of record the broker is visibility brokers not the importer of record which is the vast majority the time they're not going to have visibility to that and that's another one of those areas where you may run into a customs person who does not really understand that. They think they're using a says both to the portal everybody is visibility but brokers to not. We still only have access to the courtesy counters

What were talking about fantasy importer can actually view the see of 28 himself on a portal but a broker file or will not be see that 28 if they were worth not the importer of record. It they might know 28 was issued to some other is reporting functionality but [Indiscernible - background noise] unless they have access to the importers portal.

Correct if they have access to importers portal or they get their courtesy counter

That's why the courtesy copy is so important because you want to be able to assist our clients are importers if they do get a CF 28 and I think some people think well it's on the portal should of seen it

Right right

This results of the time change -- have had time friends have not changed any response to those forms so you still have the exact same time friends -- on the last bullet point to we talked about earlier -- you may get a 2080 where customs is not able to receive the document yet so they may issue a 28 and request an electronic invoice data request so Juergen have to send me AII at that time. Were typically in today's world that would've already been done.

The next one -- now here's a place where if a client or importer does not have their own Ace portal account, brokers cannot actually upload statements onto the portal on behalf of that importer and these are the documents that are listed here and there only the ones that are listed here so their blanket certificates for the most part the affidavit of manufacture, and importer certifying the statement which is [Audio cutting in and out] just applies to a free-trade agreement -- the nonreimbursable certificate which is a great one for your antidumping in being able to post on the is portal so that you're not having to file them with each individual board, that could be considered I think and I think await the summary the importer would like to post them have a certificate and we are talking a blanket now certificate they can post that on the portal the import can do it until the broker can do it if the importer does not have an Ace portal account posted by get certificate on a spirit I wonder how much this is really being used right I think even within our own company probably have it availed ourselves and we will have to gear it up certainly I think the nonreimbursable statement has some benefit to being able to post that on a portal so that would CBP does liquidate an entry summary they will have visibility into that nonreimbursable certificate and be assured that they have it. I can see some real advantages to doing that. So that's something that you could not do before Ace and now you can do it so it's another way to incentivize people to MoveOn.

Okay so moving on we are going on to post summary corrections and Amy you know the census morning is a happy slide -- this particular slide if there's one thing that would cause a broker to take action and file in Ace Entry Summary, I think post summary corrections is it. So basically again going back to here's what we do today -- we have this paper PDA process that's miserable. So we file these BEA's and we send them over to customs they may or may not act on them we get them back and then we aren't and we are and posttest world. So this the Private First Class the post summary correction is an electronic replacement of that paper-based process. And is truly a full replacement of the current entry summary. So that starts that 30 day clock again so now you're back in the you see to send you see threes and you see one messages and you may get a 28 -- 30 day -- [indiscernible - multiple speakers] and it runs so you may get that census morning and have to get that override so but it's also in the importer's assertion just like on that original intrigued summary mentioned this is the latest and greatest there we found this is now the truth -- you it is just a wonderful process. You know it filed CBP recognizes that -- they may or may not take action on it immediately, but you know you will also get the unsettled liquidation of those know it has been timely filed. So there are some like you talked about earlier some basic rules about the entry summary and some additional rules that apply to the Private First Class filing here and that is that as I mentioned earlier the person who filed that PSE post summary correction does not have to be the person who filed the original entry summary

I could do a post summary correction on an entry summary that you filed

Yes

And Ace

Yes you have complete visibility to that and I would also get a message and that somewhere I don't know who that I get a message that someone filed a post summary correction on that so that I know that the data that I have on file is not the latest and greatest data. So you can also file a Private First Class 4803 entry type so and I know one entry type so why cannot I file a one for 11 entry type because they liquidated

They liquidate overnight

They liquidate upon payment so the next third payment for the point here the informal entries are outside of these time frames. So that PSE must be filed within the first 270 days -- or 20 days of the schedule liquidation which ever is in that timeframe. So otherwise you will get a reject and you must provide one or more reason codes at a line level or header level so going back to the status messages in the customs has provided code that we can use the form codes we can transmit and tell them why we are making those changes. Ace will also reject a PSE transaction for any of the following conditions -- if that is that the entry summary is scheduled on a periodic the statement but duties have not been paid yet. So it that does not mean that the statement has not been authorized or paid, that means that CBP has not gone in or you have not pushed those duties to customs on the 15th business day of the following month. You for using periodic monthly statement you do one of the one of file a PSE until after that periodic statement has been finalized and paid

That make sense

Okay. So you may also see where you're trying to file PSE and you cannot figure out why it's not going through, CBP may have that entry summary under review for another reason. So if they have selected it for review of some type of some activity on their side, they will not let us change the entry summary Amy so that make sense as well. Following is outside of those specified time frames that I talked about the 27 your the 20 you'll get a reject there so you also get a reject if you try and change a 032101 -- now you can very defer to the other day way around you can taken a one and make it in 03 you'd do not make in 03 and no one. -- That can not happen. And all one -- you also may not be able to file if that entry summary that underlying entry summary has already been filed on a reconciliation entry. It can be flagged for reconciliation that reconciliation entry cannot have been filed it. That some sort of confusion people think if up later read than I cannot file a PSC you can file a PSC as long as the stop for the reason that you filed the reconciliation.

I want to make a point here we went into some things with the post summary correction that may be did also but I'd like to were brokers we have some clients who are used to filing quarterly peas and they really like their quarterly please by the way and they want to keep filing those quarterly please but when we started filing those entry summaries and ACE, they realized that they cannot do a quarterly fee custom will not accept the daily peak or paper P or a quarterly peak on in Ace

Entry Summary. The only way to correct in Ace Entry Summary is through the post summary correction in a spirit so you may not want to surprise your client by then finding out all of a sudden that their quarterly please are not going to be accepted by CBP because we do have clients who do that -- we try to get letter class to ahead of time we are moving everything to ACE and you're going to have to give up your quarterly piece even though you've come to love it -- and because I grew Stewart being able to follow post summary correction is just as much better way to do it. You file it it's a full replace -- it's done there's a record of it and is clean and need and really good benefit of ACE. But if you're just transitioning to ACE and you do not realize you might want to tell your clients ahead of time if you have some that are doing their own post summary activities or they're doing a quarterly piece

Yes because we have run into that situation as well

The issue is really

Right now brokers are the only ones that can file this post summary corrections or brokers or sell filers -- there's really once with the access to the database so there may be some kind of an intern process we can work out along the way but anyway the rules of the rules right now as we have talked about in the BPP's --

So moving on to the next slide is if we have not convinced you yet of all the benefits and really there's a lot of benefits for filing in Ace Entry Summary today. Not only does it prepare you for the ACE business model in the future which includes a Scargill release the document imaging system we mentioned and the PGA message class there's just all other kinds of functionality that you're going to be able to take advantage of once you transitioned the Ace Entry Summary filing but if that is not enough, we have basically 10 months to do for all your ACE mandatory electronic manifest filing so that's are mandatory they first. And then on November 1 it's mandatory that you're going to be filing all your cargo release and all your ACE Entry summaries using ACE. Hopefully get to that point where you mentioned earlier ACS goes away. And then hopefully that will be on this October 1 date the 2016 where CBP or we cannot transition all the backend stuff over to into the ACE environment. So to borrow from it for from our friend Monica here -- don't wait migrate -- ACE is the place to be.

It's going to be for sure so -- I think we have questions and I hope we can get to them -- and I think that we'd like Monica and Virginia to really help us with these questions so we don't struggle trying to answer them. And I don't know if you want to roll over so people can see you're really here -- and we can maybe work together on these -- see if we can't answer some of the questions.

So are the entries being scanned or manually entered for both the trade and the CBP?

Not sure I understand the question are the entries being scanned or manually entered for both the trade and CBP -- I mean were talking about entry summaries we are keen all the data in electronic Lee -- the only thing that would a supporting document that we could scan and then transmit through the document imaging system

Or upload via the portal

Not sure that's the answer to that question but it helps.

Ace there's no scanning of documents for the entry summary -- that's electronic data --

The JV record was CJB record that's a question that relates to the the new Ace Entry Summary query and that's just a record identifier so is nothing that typically use release to be concerned with -- the old identifier was UD if I'm not mistaken in transition to JD but -- I'm awesome that one

I can answer this one -- can we have CBP you know because the trade has come to before on this one can we have a report break down the duty MPF and harbor maintenance space this question is about the Ace portal recording functionality -- that's really what this is about -- and the trade has I think there's probably -- some of these fees could be broken down into separate columns and I can understand why the trade would want the report that store you and I both know that within our own systems it's what one of our client seems to have a breakdown we are able to run reports within our own AVI system because these are just discrete data fields that we can pull out sometimes we have to since our clients with want to drill down you know how much of it is duty how much is MPF how much is harbor maintenance -- all the other fees -- [indiscernible - multiple speakers] that watermelon feed the --

How do you respond to UC2 or UC3 electronically as opposed to carrying the docs to customs?

Well that's a very good question and really the way that you would do that is there's two methods -- if you're using the DIS system which most people currently are not -- as Amy mentioned early -- you could send those documents through the AVI pipeline scanned images of those documents and that is the state-of-the-art let me put it that way for right now. The other method is to upload those documents using the Ace portal. Now the Ace portal as I mentioned earlier is a separate tool that CBP has provided for us and brokers primarily use it for reports and to upload documents, and importers used primarily to freeze 28 and 29 -- not mandatory that you have this account in most importers are not can have an account but if you do, have in Ace secure data account you can upload the documents -- CBP will transmit this in Ace action identifier number to you you must have that number -- and you simply going to the portal -- there's a browse button that where you hit browse -- that brings up and attached document so you attached document so you want assent for that particular entry summary and you just hit send button in a ghost custom

We used to that works fine

Our people really love that piece of it. We don't send anything hardly via courier anymore

Funny coming from UPS -- the God of business --

In a PSCU be submitted on a type XI entry within is a certain period of time and the answer is no stored I think it covered that -- you're not going to be doing a post summary correction on the type XI

Again those liquidate immediately upon payment so their past that 20 -- you have not met the 20 day before liquidation

Exactly

Time from

The PSC is rejected it will receive the reason with reject?

On occasion you will. Sometimes the CBP user will let you know and Monica and Virginia you can chime in here but my perception is that there's a lot of times CBP thanks by providing the reason, just like what they paper BEA for if it's rejected you may get a response that says rejected -- you may get a response that as a reason -- that's the same way as in the paper world that it is in the ACU world.

Okay let's try to get some more of these questions -- -- can you file and Ace Entry but send the lacy declaration to USDA

I'm going to say that I think the answer is yes. Assuming but I could be -- I know we are being recorded and this will all be heard later -- and I might be wrong on this one -- but there are some lacy participants who have chosen to send the paper lacy declaration to USDA directly and they're not doing the electronic lacy. I'm almost thinking and I'm sure there's plenty of listers out there -- correct me if I'm wrong -- but I'm also I'm thinking we -- not sure if you'd know but it's one of those funky things that you know maybe can do it maybe cannot -- not really sure we know the answer to that but I almost think that we might be able to. And I'm sorry that I don't know for sure -- somebody saying -- no FDA product can be file through Ace -- that's not true. We do

That is -- the limitation on FDA products using an ACE Entry Summary you can use in ACE Entry Summary to file a release of certified release using FDA and DOT and virtually any PG information except for Lacey Act -- so there is there are some restrictions which we are still trying to work out the very details on that -- for the most part but -- if you're certifying from summary, or if you're just doing your BCS release and filing FDA information that way, in your filing an Ace Entry Summary comedy can still do it that way. So there's or a limited locations where you can use FDA and Ace Entry Summary back exactly I got to handle this one -- the question from Debbie is -- are you saying that the definition of ultimate consummately is changing for entry

First of all I want to quote from Shakespeare -- the word ultimate consummately inside consignee had I been written I would tear the word we should remove it from our vocabulary because ultimate consignee means something different to different people depending on what part of the process you're in. And a release and in Ace Entry Summary, the consignee is the sold to party unless the goods are writing and the United States not pursuant to a sale. So the definition has not changed and is exact the same as it was from that treasury decision back in I don't know 95 or something -- but none of the definitions are changing. Stewart mentioned when

you did your slides to are you said the sold to party and delivered to party depending on who you are and where you are and what you do -- both of those could be called an ultimate consignee. That's why we try to sort of be more clear about what we mean when we say sold to and delivered to -- that's definition is not changing unless you to have something that you have not told us. That's a good one.

Another one -- there's a question is there an underscore between ACE and FTB in the mailbox addressed for STB?

Yes Virginia says yes there is.

Unfortunately on the PowerPoint it's a hyperlink so it underlined them you cannot see the

Where you can see it -- you take out your business rules document and it is right in there.

Next question -- is the ACE database designed and/or currently integrated with other departments database e.g. IRS, using field such as PIN or SS --

Maybe we could have CBP answer this question about what integration there might be or what the other government agencies can see -- between ACE

Other government agencies can see within a

They are limited to see their data -- their information -- especially even within DIS they're limited to the documents that pertain to that agency so they don't have just Coleraine wide access to everything -- we work closely with them to identify what they can and cannot see and some tight controls around that.

Okay. That's what we understood that there was some visibility that the other government agencies had with the dated that they were transmitting through Ace and I imagined as we move forward in some of the pilots that are early going on right now, with EPA and with FSS IRS and other government agencies we will be transmitting more data that is pertinent to that particular agency and I would imagine all of that data would be visible to the other government agents that's why we are doing it --

The data will be sent directly to the agency in their own pipeline from CBP or that agency will have access to ACE where they can go and do that data that you submitted

Right

There may be another spin on this question also and I think they may be asking does CBP and the IRS have a direct interface where they the IRS is sending you PIN numbers or Social Security numbers or entries or and so forth --

We do not get a direct feed from the IRS. I believe there are files that may be sent that are looked at to match up later -- but is not a direct feed.

There's no active interface

Not right now

Okay. John asked about the Midshipman in Ace still allow invoicing party right?

Do you want to cover that one?

The rules for the Midshipman have not changed. Only with due respect to -- the invoicing party for textiles if they're not the invoicing party then we have to report to textile Midshipman that's what we call it -- and then the for antidumping countervailing duty that follows that textile entries so that the invoicing party happens to be the manufacture, and the device dashboard exporter -- then yes it would be the same but if you you are required to report the actual manufacture of the commodity and the foreign exporter of the commodity.

For Type 03 entry

For Type 03 entry

That's really change as far as reporting the Midshipman on the entry summary if it's a typo one it's going to be the same rules set up applies -- actual manufacture for textile and it could be the shipper for anything other than that I think that covers several questions that were here all around the Midshipman and the parties to the transaction

The question here about Midshipman code is it the same as TI and AEI and then that is not it's two different codes the Midshipman code is created based on the out rhythm of the name and address in the PIN is signed by the IRS or the CBP number it would be assigned

A lot of us to like the Midshipman customs is a wild about either it means sometimes some of the addresses it's hard to construct and Midshipman for some of the overseas addresses but it still requirement and we work with them and that part has not changed is the same as what we had to do in ACS so it didn't upset anybody let's see this try another question -- did you say we cannot do FDA and Lacey entries and is right now we said you can do FDA entries in Ace and I think maybe you can do LAC if you're mailing but I'm not certain about that PIN number PIN number

We will get an answer a definitive answer on that one

That you must certify from summary in order to bring in the FDA data

ACED is not currently taking in the OJ data and transmitted to the way ACS does but if you certify summary in the supply the information for release -- that information is going to ACS and ACS is able to transmit that data to the agency so it's not -- that totally correct that you're sending is the FDA data but if you're certified from summary you're a scan [Indiscernible - poor audio]

Cargo release still happens and ACS

Right

Amy you're saying that you can do the order cargo release process [indiscernible - multiple speakers]

On the land border environment we certainly do a two-part process where and it includes some FDA entries as well

As we move on to include and build out the PGA message set then we will be able to take in all of the PGA data -- FDA is already in place and we are working with them to bring them on board and continuing to plan out all the agencies so we can account for all 47 agencies and what's needed whether it's for release or for summary

All right here's one -- for corrections or replacements to an entry summary data -- up until NCBP control NCBP asked for an electronic invoice, does this put it in CBP controlled? They must be talking about in our OL -- RLF or electronic invoice entry -- I don't know. I don't know whether not just the mere asking for the transmission of an AII -- I don't know

I don't think so

I'm not thinking so but I really don't know.'s back what's it was put on statement was when that transition happens that it's NCBP control

That's what I think also so again -- not everybody knows everything about ACE we are all learning together

I'm sorry there's one other question on here that I thought was a little bit different related to the MID's and that is what would be foreign exporter code -- how would that be created and that would either typically be the shipper is shown on see exporter or it may be the invoicing party if the shipper is shown as a foreigner or some other party. Or maybe the actual manufacture their also been the shipper --

Those are the same and ACS as they are in Ace that part has not change

Yes but that foreign exporter -- [indiscernible - multiple speakers] or if you're looking at one other other -- pieces of information that Cindy is data portal is a wonderful tool for aid ACE DVD -- and there's all some of the bones in there and there's actually good codes that the imported administration should be putting into the is data portal for the big code assigned to those case numbers. So eventually there will be a correlation it's not being used as robustly as it could be right now -- but that will be a wonderful tool to tie information together and you can go to the is portal and get the exact party that you want and the mid-code along with the case number

I think that's I'm glad you brought that out start -- that might be one of the main reasons that we like to have our employees who are working in the brokerage operation have in Ace portal logon

so they are logging onto ACE and they are using those research tools -- the antidumping and countervailing is certainly one of the best research tools out there and there are other tools available in the portal for poker filers to so within our own shops in addition to uploading documents on the portal you have to have an ACE portal logon to be able to do that and there's also some research functionality so that's another change in some brokerage operations if you have not given your employees access to the ACE portal, it might be something that you would want to consider or if there's only one or two employees in your whole operation that have access to ACE, you may want to expand a little bit as you start to migrate to ACE and use some of the functionality like a floating document is just another thing you can do to prepare yourself for more -- this one this is a good question that we won't be able to answer and I'm not sure CBP will either but that like to know if for summary fractions would replace a protest process as well -- I think your answer

Right now the answer is no. The for summary correction process is intended to replace the post entry and then met process that exist with ACS entries in that paper process process does does exist

Protest will continue to be filed as the file as their file today NCBP form 19 or electronic version of the CBP form 19 but developed --

As the CBP. In here next was no, the tray support network entry committee has come to CBP and asked for increased use of the post summary correction functionality -- we like the way it works so much that -- some of the members of that committee would love to see it used for recounting for example and we have some gifts out there again -- there's a possibility that exist that we have yet to explore but the trade certainly has come to CBP NCBP has surly given some thought to some of the uses that the post summary corrections could be used for flagging for recon -- finalizing recon -- rather than drawback -- the possibilities are endless. It's a pretty powerful tool that customs released to the through the post summary correction and probably be a matter of time before we can find other before other uses are actually allowed or provided for -- but we are certainly there are certainly didn't discussion

We will continue to have those discussions -- certainly open to leveraging the technology and the technology in the way that it was created and the ease-of-use for the trade but replace in the process itself at this point in time -- you will not.

Here's a good one and this one comes up a lot among the brokerage community -- what will we prefer the system when filing the 3461 cargo release and 7501 entry to have far record for when we are audited? And it's not just a matter of what you want for your records when you're audited -- but also as we move to Ace release, which is not really the topic of discussion for this particular session -- there will be no such thing as a 3461 either. And so you have members of the trade let's say like terminal operators or maybe warehouse you know proprietors -- who are wanting to see these specific forms to assure them that the cargo is in fact able to be released. And so if these facilities are not automated and they cannot see the ABI release that we received through the system, and we are using this paperless process, it will be a challenge for a few years to come. I believe this is really more something among the trade not so much CBP because these forms from your point of view are not really existing anymore. I think we covered this a little bit

in terms of record-keeping for now, we are keeping what looks like a 7501 -- really not a 7501 but it looks like a 7501 -- for the purposes of our records and of course we always have the automated data and probably most of our system -- I don't want to speak for all brokers but -- most of us we just push a button and a 7501 prints out so the data -- it's on a template like think so the data in the system when the auditors come weekend repurchase these documents -- we have clients who certainly want copies of 7501 for everything that they do -- we do have some clients who are willing to accept something that kind of looks like a big spreadsheet which was just as all of the data fields that appear on 7501 and they keep that as a record for their ACE filings and should they need to produce a 7501, they could do it it could be done. The important thing is the information

That's where I was going to go with that because we talked to CBP -- we have a handshake agreement anyway that says we could have a data element and not the form -- we like to have it in writing but we don't have that yet and -- but the committees are working on it through the TSN to get more clarification on that -- and I think everybody agrees that data elements are the way to go and if the regulations -- I think most people agree that interpret the regulations that state that you don't really need to have the forms -- says you need to have this information and is typically found on these forms -- so it is a -- we think we are on sound legal ground that we want to make sure -- it will be a process as you said to make sure that everybody knows when the red got it comes in that they know how they will find the data and look at the data and audit that information.

Certainly from you know the most efficient possible way of conducting business with CBP if you can, is to be completely paperless in every sense of the word which is to have an Ace Entry Summary filing and also an electronic invoice so that really no paper invoice exist the invoice is that EDI transmission that you -- a lot of our clients are that's the invoice. And even it ABI with their buyer so that is the best of the best and the pictures of documents comes underneath but we still can move those through imaging. When it comes to storing information, it sure is easier to store it in data fields as opposed to pictures of papers that takes up less space electronically.

Next question -- can we still use the ACH credit process for our entry summaries and other has been no change. You can still use ACH debit, ACH credit -- either for periodic monthly statement or for the daily statement. There has been very little change to the payment process so far.

Use ACH that's all use ACH

Okay if custom changes and entry and there's a new version, do they let the trade no -- is there a specific message sent to the broker or only the importer?

Well -- we kind of talk about a little bit on the Versioning slide -- the way that you would know that a version has been changed is to either run the Ace Entry Summary query functionality or modify one of the Ace reports and going to get the latest version number. The ABI system does transmit a version number to you so it could be in your files somewhere if you have access to that information -- not all brokers do depending on who [indiscernible - multiple speakers]

Which would mean that the importer probably would not see it

The importer will not

Unless they run an ACE report

Right importers only have access to the portal. Brokers have access to the portal and through their ABI messaging system

We have a question here and I'm not sure I can answer it totally -- if we have to delete an ACE Entry Summary, do we still have to request CBP's delete the entry?

As far as I can get on answering that one and I will lean on our CBP people is it depends on what status that entry summary is in -- if it's still in trade status, I think we can just delete it.

What the goes into CBP side we have a different process that we have to go through and we have to work with CBP and prove to CBP exactly what we are up to and why we need to delete it. You guys are nodding

I think that question is asking two things so as long as the entry summary is not in CBP, status -- if it's in trade status -- you'd be able to delete the entry summary. The question for me is then going to be -- does the ACE Entry have a cargo release -- if the goods have been released we are are we looking for that summary to be filed and the summary never gets file that were looking at the potential no file situation. So you would still have to work with CBP to have the entry portion deleted. If a release [indiscernible - multiple speakers]

You got a delete the cargo release you got out the lead in the Ace portal

We are running out of time. And I'm very glad that you ladies are here with us -- they were not in are going like this at times -- as we were talking -- so it was very helpful to have you here and also I want to thank the CBP people in the room for setting this webinar up because we really feel Stuart and I feel that it's very important to get this word out and we tried to figure out the best way to do it and we wanted to make sure that we had CBP support with us so that we didn't miss the courtly people down the wrong direction and thank you very much for providing that support for us and additional questions. That we did not answer or that we may have missed answered -- can be sent to AskACE @ CBP.DHS.GOV -- please feel free to ask these questions because if you have the question so to somebody else and we are all learning together. This is it's an adventure for all of us. So other than that, I just thank you very very much for being with us today. I really appreciate it.

[Event Concluded].