

# Sample Application for In-Bond Export Consolidation (IBEC) Bond

Surety Identification No: **123456**

CBP Assigned Bond No: **9913AA123**

## IN-BOND EXPORT CONSOLIDATION (IBEC) BOND (Continuous — Activity Code 14)

For the consolidation, cartage, transportation and exportation of in-bond merchandise in Customs & Border Protection (CBP) custody.

**KNOW ALL MEN BY THESE PRESENTS**, that **ABC Corporation of America** (importer name) of **123 Appletree Lane, Lawrence, OH 72480** (importer address), as principal, and **Jefferson International Insurance Corporation (surety code 061)** (surety name and code), as surety(ies), are held and firmly bound unto the United States of America in the sum of FIFTY THOUSAND DOLLARS (**\$50,000.00**), for the payment of which we firmly bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally.

**WITNESS** our hands and seals this **21<sup>st</sup>** day of **April**, in the year **2013**,

**WHEREAS**, the principal (consolidator) has requested or will request, permission to receive in-bond merchandise, loose or containerized, in CBP custody at **ABC Corporation of America** (importer name) warehouse **456 Berrystump Road, Forest Park, FL 33611** (importer address) for a period beginning with the effective date of **04/28/2013** and for each succeeding annual period, or until terminated. This bond constitutes a separate bond for each period in the amount listed above for liabilities that accrue in each period. The intention to terminate this bond must be conveyed within the time period and manner prescribed in the CBP Regulations;

**WHEREAS**, the principal has requested, or will request, to consolidate such in-bond merchandise into containers, truck trailers, lift vans or vehicles (hereinafter referred to as vans), or onto air cargo pallets, skids, or other instruments of trade; and transfer the vans or other instruments to the exporting carrier for exportation;

**WHEREAS**, the principal has requested or will request the assignment of CBP officers or employees to overtime duty at night or on Sundays or holidays, pursuant to 19 USC 267 of the CBP Reform Act or any other act or acts, and regulations relating thereto, in effect at the time of such duty, on behalf of the herein referred to warehouse, vans, and the merchandise contained therein;

### **NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT**

(1) The principal agrees to faithfully observe and comply with the laws of the United States, the regulations of the Department of Homeland Security, CBP, and the directives and other instructions of the CBP pertaining to the receipt, carriage, safekeeping, and disposition of in-bond merchandise, in effect on the dates of receipt, carriage, safekeeping, and disposition of such merchandise. Upon receipt of the merchandise, the principal's bond becomes obligated whereby the principal agrees to keep or store such merchandise, as described in each and every entry or manifest, cartage or lighterage ticket, and each receipt for such merchandise executed by any officer, agent, or other person employed by or acting on behalf of the principal, and, further, agrees to safely keep or store such merchandise as may be placed in the custody of the principal for transfer prior to exportation from the port or transportation and exportation and prior to the execution of the manifest or cartage or lighterage ticket;

(2) The principal agrees, in the case of merchandise received by him, to further cart, lighter, or otherwise transport and safely deliver to such place, vessel, aircraft, vehicle, or other conveyance when

# Sample Application for In-Bond Export Consolidation (IBEC) Bond

Surety Identification No: 123456

CBP Assigned Bond No: 9913AA123

such further transportation is permitted by the Port Director of CBP and is performed by or under the direction of the principal on this obligation. The principal remains liable for exportation despite transfers to other intermediate parties such as cartmen or bonded carriers. Acknowledgement of receipt of the merchandise by the exporting carrier on the outward manifest satisfies the principal's custodial obligation for the merchandise. The principal, nevertheless, remains liable until actual exportation;

(3) The principal agrees that the merchandise shown on the CF7512 and the outward manifest and/or bills of lading destined for foreign ports has been turned over to the exporting carrier for direct or indirect exportation. The principal shall provide evidence of exportation as required by the Port Director of CBP under section 113.55 of the CBP Regulations upon demand; or if in the event such proof cannot be produced because of casualty or other cause, evidence satisfactory to the Port Director is furnished showing that the merchandise destined for foreign ports has not been diverted (landed) in the United States, or if so diverted within the CBP territory, that entry thereof has been first made, or that such in-bond merchandise has been destroyed in transit;

(4) The principal agrees to deliver to the Port Director of CBP through the exporting carrier at the port of exportation a complete consolidator's manifest, in all cases where the law or the regulations require such manifest to be filed, and all in-bond documents for any merchandise in CBP custody, and all required shipper's export declarations in the form prescribed by the law and regulations, not later than the 7<sup>th</sup> business day after departure for shipments aboard a United States flag carrier between the United States and Puerto Rico, or from the United States or Puerto Rico to the United States possessions, and not later than the 4<sup>th</sup> business day after clearance, or departure when clearance is not required, of any carrier, such complete manifest shall be submitted to the office of the exporting carrier upon delivery of the vans containing such in-bond merchandise to the exporting carrier;

(5) The principal agrees to repack and transfer such loose or containerized in-bond merchandise when it appears necessary for the safety or preservation of the merchandise;

(6) The principal agrees to pay the cost of any locks, seals, and other proper fastenings required by the Secretary of the Homeland Security, CBP for securing merchandise placed in the principal's custody;

(7) The principal agrees not to allow seized or detained merchandise, whether or not marked with warning labels of the fact of seizure or detention, to be placed on board such vans for exportation or to be disposed of without written permission from CBP, and that if it fails to prevent such placement or other disposition, it will redeliver the merchandise to CBP within 30 days of CBP notification of the unlawful placement or other disposition;

(8) The principal and surety (obligors) agree to pay the sum upon demand by CBP if such vans, or the owner or person in charge of such vans, incurs a penalty, duty, tax or other charge provided by law or regulation;

(9) The principal agrees to upon demand deliver the in-bond shipment to a Centralized Examination Station and agrees to pay all costs associated with the examination;

(10) The principal agrees to exonerate the United States and its officers from any risk, loss, liability or expense of any kind or description which might occur during the principal's operation as an in-bond export consolidator, or be occasioned by reason of fraud or negligence on the part of any officer, agent, or other person employed by the principal;

# Sample Application for In-Bond Export Consolidation (IBEC) Bond

Surety Identification No: **123456**

CBP Assigned Bond No: **9913AA123**

(11) The principal agrees to furnish to the Port Director of CBP all the documents and evidence made during the time he possessed the merchandise as required by law, regulations, or directives;

(12) The obligors agree to pay any expenses connected with suspension or termination of the bonded status of the principal's premises as an in-bond export consolidation facility;

If the principal defaults on conditions (1) through (12) in this obligation, the obligors (principal and surety), jointly and severally, agree to pay liquidated damages equal to the value of the merchandise involved in the default or three (3) times the value of the merchandise involved in the default if the merchandise is restricted merchandise, alcoholic beverages, seized or detained merchandise, or such other amount as may be authorized by law or regulation;

It is understood and agreed that the amounts to be collected under conditions (1) through (12) of this obligation shall be based upon the quantity and value of the merchandise as determined by CBP; value as used in these provisions means value as determined under 19 U.S.C. 1401a;

If the principal defaults on conditions (1) through (12) in this obligation and the default does not involve merchandise, the principal and surety, jointly and severally, agree to pay liquidated damages of \$1,000 for each default or such other amounts as may be authorized by law or regulation; it is understood and agreed that whether the default involves merchandise is determined by CBP;

Then this obligation shall be void; otherwise, to remain in full force and effect.

## SIGNED, SEALED, AND DELIVERED IN THE PRESENCE OF:

### WITNESS:

Signature  
Printed Name and Title  
Address

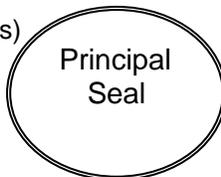
### WITNESS:

Signature  
Printed Name and Title  
Address

### PRINCIPAL:

CBP Identification No. 99-111233300  
ABC Corporation of America (Company Name)  
A Delaware Corporation (Legal Designation)  
123 Appletree Lane  
Lawrence, OH 72480 (Physical Address)

Janice Dother (Principal Signature)  
Janice Dother, Vice President  
(Printed Name and Title of Signer)



### SURETY:

Surety Code: 061  
Jefferson Int'l Ins. Corp. (Surety Name)  
An Arizona Corporation (Legal Designation)  
11200 Meridian Way, Suite 120  
West Chester, IN 46143 (Physical Address)

Joe Smith III, (Surety Signature)  
Joe Smith, III, Atty-in-Fact (Printed Name, Title)  
Agent ID No.: 987-65-4321



Mailing Address Requested by the Surety:

11200 Meridian Way  
Suite 120  
West Chester, IN 46143