

(b) *Waiver by the port director or other authorized CBP officer.* When a CBP requirement supported by a bond is waived by the port director or other authorized CBP officer pursuant to the authority conferred by these regulations, the waiver will be unconditional.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by CBP Dec. 15-15, 80 FR 70167, Nov. 13, 2015]

§ 113.54 Cancellation of erroneous charges.

(a) *Bonds.* Section 172.11(b) of this chapter sets forth provisions relating to the cancellation of charges against the bond when it is determined that the act or omission forming the basis for the claim for liquidated damages did not in fact occur.

(b) *Carnets.* Section 114.34 of this chapter sets forth provisions relating to the cancellation of erroneous charges involving carnets.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by T.D. 00-57, 65 FR 53575, Sept. 5, 2000]

§ 113.55 Cancellation of export bonds.

(a) *Manner of cancellation.* A bond to assure exportation as defined in § 101.1 of this chapter may be cancelled:

(1) *Upon exportation.* Upon the listing of the merchandise on the outward manifest or outward bill of lading, the inspector's certificate of lading, the record of clearance of the vessel or of the departure of the vehicle, and the production of a foreign landing certificate if the certificate is required by the port director.

(2) *Upon payment of liquidated damages.* Upon the payment of liquidated damages.

(b) *Cancellation of bond charges of an international carrier.* The conditions of the bond of an international carrier may be considered as having been complied with upon the production of the applicable documents listed in paragraph (a)(1) of this section.

(c) *Foreign landing certificate.* A foreign landing certificate, when required, must be produced within six months from the date of exportation and must be signed by a revenue officer of the foreign country to which the merchandise is exported, unless it is shown that the country has no customs adminis-

tration, in which case the certificate may be signed by the consignee or by the vessel's agent at the place of landing. Landing certificates are required in the following cases:

(1) *Mandatory.* A landing certificate will be required in every case to establish the exportation of narcotic drugs or any equipment, stores (except such articles as are placed on board vessels or aircraft under the provisions of section 309 or 317, Tariff Act of 1930, as amended (19 U.S.C. 1309, 1317)), or machinery for vessels.

(2) *Optional with the port director.* A landing certificate may be required by the port director for merchandise exported from the United States, or residue cargo, when a certificate is deemed necessary for the protection of the revenue.

(3) *Waiver.* Except as provided in § 4.88 of this chapter, in cases where landing certificates are required and they cannot be produced, an application for waiver thereof may be made to the Commissioner of CBP through the port director, accompanied by such proof of exportation and landing abroad as may be available.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by CBP Dec. 15-15, 80 FR 70167, Nov. 13, 2015]

Subpart G—CBP Bond Conditions

§ 113.61 General.

Each section in this subpart identifies specific coverage for a particular customs activity. When an individual or organization files a bond with CBP the activity in which they plan on engaging will be identified on the bond. The bond conditions listed in this subpart which correspond to that activity will be incorporated by reference into the bond.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by CBP Dec. 15-15, 80 FR 70167, Nov. 13, 2015]

§ 113.62 Basic importation and entry bond conditions.

A bond for basic importation and entry must contain the conditions listed in this section and may be either a single transaction or a continuous bond.

BASIC IMPORTATION AND ENTRY BOND
CONDITIONS

(a) *Agreement to Pay Duties, Taxes, and Charges.* (1) If merchandise is imported and released from CBP custody or withdrawn from a CBP bonded warehouse into the commerce of, or for consumption in, the United States, or under §181.53 of this chapter is withdrawn from a duty-deferral program for exportation to Canada or Mexico or for entry into a duty-deferral program in Canada or Mexico, the obligors (principal and surety, jointly and severally) agree to:

(i) Deposit, within the time prescribed by law or regulation, any duties, taxes, and charges imposed, or estimated to be due, at the time of release or withdrawal; and

(ii) Pay, as demanded by CBP, all additional duties, taxes, and charges subsequently found due, legally fixed, and imposed on any entry secured by this bond.

(2) If the principal enters any merchandise into a CBP bonded warehouse, the obligors agree;

(i) To pay any duties, taxes, and charges found to be due on any of that merchandise which remains in the warehouse at the expiration of the warehousing time limit set by law; and

(ii) That the obligation to pay duties, taxes, and charges on the merchandise applies whether it is properly withdrawn by the principal, or by the principal's transferee, or is unlawfully removed by the principal or any other person, without regard to whether the merchandise is manipulated, unless payment was made or secured to be made by some other person.

(3) Under this agreement, the obligation to pay any and all duties, taxes, and charges due on any entry ceases on the date the principal timely files with CBP a bond of the owner in which the owner agrees to pay all duties, taxes, and charges found due on that entry; provided a declaration of the owner has also been properly filed.

(b) *Agreement to Make or Complete Entry.* If all or part of imported merchandise is released before entry under the provisions of the special delivery permit procedures under 19 U.S.C. 1448(b), released before completion of the entry under 19 U.S.C. 1484(a), or

withdrawn from warehouse under 19 U.S.C. 1557(a) (see §10.62b of this chapter), the principal agrees to file within the time and in the manner prescribed by law and regulation, documentation to enable CBP to:

(1) Determine whether the merchandise may be released from CBP custody;

(2) Properly assess duties on the merchandise;

(3) Collect accurate statistics with respect to the merchandise; and

(4) Determine whether applicable requirements of law and regulation are met.

(c) *Agreement to Produce Documents and Evidence.* If merchandise is released conditionally to the principal before all required documents or other evidence is produced, the principal agrees to furnish CBP with any document or evidence as required by law or regulation, and within the time specified by law or regulations.

(d) *Agreement to Redeliver Merchandise.* If merchandise is released conditionally from CBP custody to the principal before all required evidence is produced, before its quantity and value are determined, or before its right of admission into the United States is determined, the principal agrees to redeliver timely, on demand by CBP, the merchandise released if it:

(1) Fails to comply with the laws or regulations governing admission into the United States;

(2) Must be examined, inspected, or appraised as required by 19 U.S.C. 1499; or

(3) Must be marked with the country of origin as required by law or regulation.

It is understood that any demand for redelivery will be made no later than 30 days after the date that the merchandise was released or 30 days after the end of the conditional release period (whichever is later). (See §§141.113(b), 12.73(b)(2), and 12.80 of this chapter.)

(e) *Agreement to Rectify Any Non-Compliance with Provisions of Admission.* If merchandise is released conditionally to the principal before its right of admission into the United States is determined, the principal, after notification, agrees to mark, clean, fumigate, destroy, export or do any other thing to

the merchandise in order to comply with the law and regulations governing its admission into the United States within the time period set in the notification.

(f) *Agreement for Examination of Merchandise.* If the principal obtains permission to have any merchandise examined elsewhere than at a wharf or other place in charge of a CBP officer, the principal agrees to:

(1) Hold the merchandise at the place of examination until the merchandise is properly released;

(2) Transfer the merchandise to another place on receipt of instructions from CBP made before release; and

(3) Keep any customs seal or cording on the merchandise intact until the merchandise is examined by CBP.

(g) *Reimbursement and Exoneration of the United States.* The obligors agree to:

(1) Pay the compensation and expenses of any CBP officer, as required by law or regulation; and

(2) Exonerate the United States and its officers from any risk, loss, or expense arising out of principal's importation, entry, or withdrawal of merchandise.

(h) *Agreement on Duty-Free Entries or Withdrawals.* If the principal enters or withdraws any merchandise, without payment of duty and tax, or at a reduced rate of duty and tax, as permitted under the law, the principal agrees:

(1) To use and handle the merchandise in the manner and for the purpose entitling it to duty-free treatment;

(2) If a fishing vessel, to present the original approved application to CBP within 24 hours on each arrival of the vessel in the customs territory of the United States from a fishing voyage;

(3) To furnish timely proof to CBP that any merchandise entered or withdrawn under any law permitting duty-free treatment was used in accordance with that law; and

(4) To keep safely all withdrawn beverages remaining on board while the vessel is in port, as may be required by CBP.

(i) *Agreement to comply with CBP regulations applicable to customs security areas at airports.* If access to the customs security areas at airports is desired, the principal (including its em-

ployees, agents, and contractors) agrees to comply with the CBP regulations in this chapter applicable to customs security areas at airports. If the principal defaults, the obligors (principal and surety, joint and severally) agree to pay liquidated damages of \$1000 for each default or such other amount as may be authorized by law or regulation.

(j) The principal agrees to comply with all Importer Security Filing requirements set forth in part 149 of this chapter including but not limited to providing security filing information to CBP in the manner and in the time period prescribed by regulation. If the principal defaults with regard to any obligation, the principal and surety (jointly and severally) agree to pay liquidated damages of \$5,000 for each violation.

(k) *Agreement to comply with electronic entry and/or advance cargo information filing requirements.* (1) If the principal is qualified to utilize electronic entry filing as provided for in part 143, of this chapter, the principal agrees to comply with all conditions set forth in part 143 and to send and accept electronic transmissions without the necessity of paper copies.

(2) If the principal elects to provide advance inward air or truck cargo information to CBP electronically, the principal agrees to provide such cargo information to CBP in the manner and in the time period required, respectively, under §122.48a or §123.92 of this chapter. If the principal defaults with regard to these obligations, the principal and surety (jointly and severally) agree to pay liquidated damages of \$5,000 for each violation.

(l) *Agreement to comply with Air Cargo Advance Screening (ACAS) requirements.* The principal agrees to comply with all ACAS requirements set forth in §§122.48a and 122.48b of this chapter including, but not limited to, providing ACAS data to U.S. Customs and Border Protection in the manner and in the time period prescribed by regulation and taking the necessary action to address ACAS referrals and Do-Not-Load (DNL) instructions as prescribed by regulation. If the principal defaults with regard to these obligations, the

principal and surety (jointly and severally) agree to pay liquidated damages of \$5,000 for each violation.

(m) *Agreement to ensure and establish issuance of softwood lumber export permit and collection of export fees.* In the case of a softwood lumber product imported from Canada that is subject to the requirement that the Government of Canada issue an export permit pursuant to the Softwood Lumber Agreement, the principal agrees, as set forth in § 12.140 of this chapter, to assume the obligation to ensure within 10 working days of release of the merchandise, and establish to the satisfaction of CBP, that the applicable export permit has been issued by the Government of Canada.

(n) *Consequence of default.* (1) If the principal defaults on agreements in this condition other than conditions in paragraphs (a), (g), (i), (j), (k)(2), (l), or (m) of this section the obligors agree to pay liquidated damages equal to the value of the merchandise involved in the default, or three times the value of the merchandise involved in the default if the merchandise is restricted or prohibited merchandise or alcoholic beverages, or such other amount as may be authorized by law or regulation.

(2) It is understood and agreed that whether the default involves merchandise is determined by CBP and that the amount to be collected under these conditions will 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.

(3) If the principal defaults on agreements in this condition other than conditions (a) or (g) and the default does not involve merchandise, the obligors agree to pay liquidated damages of \$1,000 for each default or such other amount as may be authorized by law or regulation.

(4) If the principal defaults on agreements in the condition set forth in paragraph (a)(1)(i) of this section only, the obligors (principal and surety, jointly and severally) agree to pay liquidated damages equal to two times the unpaid duties, taxes and charges estimated to be due or \$1,000, whichever is greater. A default on the condi-

tion set forth in paragraph (a)(1)(i) of this section will be presumed if any monetary instrument authorized for the payment of estimated duties, taxes and charges by § 24.1(a) of this chapter is returned unpaid by a financial institution, or if a payment authorized under Automated Clearinghouse (see § 24.25 of this chapter) is not transmitted electronically to CBP in a timely manner. If the principal defaults on agreements in both of the conditions as set forth in paragraphs (a)(1)(i) and (b) of this section, the measure of liquidated damages assessed will be as provided in paragraph (n)(1) of this section for a default of the agreements in the condition set forth in paragraph (b) of this section. For purposes of this paragraph, the phrase “unpaid duties, taxes and charges” will include any appropriate ad valorem fees described in § 24.23 of this chapter, fees relating to dutiable mail described in § 24.22(f) of this chapter, and harbor maintenance fees described in § 24.24(e)(3) (i) and (ii) of this chapter.

(5) If the principal defaults on agreements in the condition set forth in paragraph (m) of this section only, the obligors agree to pay liquidated damages equal to \$100 per thousand board feet of the imported lumber.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 113.62, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at www.govinfo.gov.

§ 113.63 Basic custodial bond conditions.

A basic custodial bond must contain the conditions listed in this section and must be a continuous bond.

BASIC CUSTODIAL BOND CONDITIONS

(a) *Receipt of Merchandise.* The principal agrees:

(1) To operate as a custodian of any bonded merchandise received, including merchandise collected for transport to his facility, and to comply with all regulations regarding the receipt, carriage, safekeeping, and disposition of such merchandise;

(2) To accept only merchandise authorized under CBP regulations;