



## US Customs Continuous Bond- Application & Instructions

Mainfreight Inc. is pleased to provide this important service to our clients. The Customs Continuous Bond is the single most important qualification that Customs takes into account when:

1. Approving your Customs entry for Immediate Delivery (i.e. "Paperless" Customs releases), and:
2. Allowing you to participate in the ACH and/or Periodic Monthly Statement (PMS) duty payment programs.
3. In addition, the yearly Customs Bond also covers your ISF Bond requirement for your ocean imports.

The minimum amount for a continuous bond, per US Customs, is USD \$50,000. This value represents 10% of the estimated duties that would be paid, by you, over a 12 month period. So - that would actually cover \$500,000 in duty payments over 12 months! It also relieves you of the contingent liabilities you face on single entry and ISF bonds – because you are obligated up to the full value of each shipment + duty/fees for each and every entry cleared under a single entry bond up to the date of liquidation. With a continuous bond, your liability to Customs is limited to the amount of the continuous bond. And remember that a bond is needed even for duty free shipments. Note that due to additional duties that may be assessed on steel, aluminum, or certain items from China, the minimum amount may be "saturated" quickly- and it's possible you may need to provide collateral (letter of credit/cash) in order for the surety to underwrite your bond – this will all depend on your firm's financial strength. For our overseas-based clients, this collateral will likely be a requirement for certain items, or if a bond amount is required above the \$50,000 minimum – see us for details.

We do need to obtain a valid Customs power of attorney from you in order to obtain a bond. Once received and validated, we can then apply for the continuous bond on your behalf. Continuous bonds only apply to shipments that arrive into the USA on or after the effective date of the bond- which is never retroactive. So, time is of the essence so you don't incur unnecessary single entry or ISF bond fees any longer than necessary.

Attached is the Customs Bond Application form for our surety, Lexon Insurance Company. Although it may look somewhat daunting, the form is self-explanatory. If you have any questions, contact your local Mainfreight CHB team; we'll be happy to assist!

Once the form has been completed? Just scan it and email it to us at:

[chb@mainfreightusa.com](mailto:chb@mainfreightusa.com)

We will then make application with the surety firm for your bond! In certain instances, the surety may ask you to provide an audited set of financial statements for their review. But don't



send a copy of your financials unless you are asked to do so. The vast majority of time it's not required. In most cases bonds are approved by US Customs the same day, by the way.

Once in place, your new continuous bond will allow Mainfreight, Inc. to clear all of your US-bound consignments (with certain restrictions) - and the bond itself will renew automatically on an annual basis. We will invoice you accordingly.

If you have any questions, let us know. We can be reached at the email address above. And most importantly - thank you for your business. We look forward to serving you!

*Importing Isn't Easy. We Just Make it Easier©*



# Customs Bond Application

## Lexon Insurance Company (856)

### Activity Code 1-Importer/Broker

New Bond CHB Name \_\_\_\_\_

Replacement of Existing Bond  Current Bond Subject to insufficiency (Attach Letter)

Importer Name: \_\_\_\_\_ Importer No. \_\_\_\_\_

Street: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Business Type:  Corporation  Partnership  Proprietorship  Individual

Describe Merchandise	HTS Code	Country of Origin

Any Merchandise Subject to Antidumping and/or Countervailing Duties?  Yes  No

	Previous Year	Estimated Next Year
Total Value of Merchandise		
Total Duties, Taxes, and Fees		

Bond Limit requested (\$50,000. Minimum requirement): \_\_\_\_\_

Does Importer pay duties, taxes, and/or fees via Periodic Monthly Statement?  Yes  No

Has a surety paid any claims for an existing/previous bond?  Yes  No

Will this bond require the following:  Co-Principals/Divisions (Please attach list)

Reconciliation Rider

U.S. Virgin Island Rider

**I certify that the factual information contained in this application is true and accurate and any information provided which is based upon estimates is based upon the best information available on the date of this application. I also hereby acknowledge that there will be no Antidumping/Countervailing Duty entries made against the bond without prior approval of the Surety.**

BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\_\_\_\_\_  
Signature