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SUBJECT: URGENT: 100% Classification & ID Number, October 1; PAPS, November 15

US Customs insist they will require 100% US tariff (HTSUS) classification to 10 digits of all goods entering the United States on and after October 1, 2004. In rejecting our proposal for a phased-in approach, Customs maintain that they need HTSUS classifications on all products prior to shipment release for both compliance and security purposes.

Also October 1, 2004, Customs will require for entry the ultimate consignee identification (ID) number of your US customer. This ID number is either a company's Internal Revenue Service number, or an individual's Social Security number.

Therefore, your invoice should include both the 10-digit HTSUS classification for each product in the shipment and the ID number of your US customer(s). Alternatively, be absolutely certain that your HTSUS classifications and customer's ID numbers are on file with PBB prior to shipment, especially when shipping new product(s) or to new customers. The consequences of not providing the HTSUS classifications and ID number(s) may include long delays at the border, refused entry, and increased cost of transportation. Also, Customs may elevate a company's security risk rating resulting in intensive exams.

The Customs Modernization Act requires that you take "reasonable care" to comply with all US Customs requirements, including correct HTSUS classification. If you have new products and/or you wish to ensure your current classifications are correct, PBB's Trade & Regulatory Services can assist you in satisfying Customs' "reasonable care" requirement.

Finally, beginning November 15, 2004, Customs will require truckers to use the Pre-Arrival Processing System ("PAPS") at certain ports. The PAPS-approved trucker will need to fax to PBB a copy of the shipper's/seller's invoice early enough that PBB can prepare and transmit entry information to Customs at least one hour in advance of shipment arrival. Depending on the number of products in the shipment, PBB will need the shipper's/seller's invoice from several hours to one day in advance.

We invite you to visit our website, www.pbb.com, for additional information on all of these crucial issues. If you have any questions, your calls are always welcome at (716) 692-3100.