



Ottawa, February 13, 2009

MEMORANDUM D4-1-4

In Brief

CUSTOMS SUFFERANCE WAREHOUSES

1. This “In Brief” page has been revised to denote changes made as a result of the Government of Canada’s Paperwork Burden Reduction Initiative. This page replaces the “In Brief” page of Memorandum D4-1-4 dated August 8, 2008.
2. In accordance with the above, the following changes were made:
 - (a) Paragraphs 11(f), 29, and 68(c), Letters of Undertaking associated with cost recovery (Memorandum D4-1-4, dated July 11, 1997) were deleted as a cost recovery option is not applicable in the Sufferance Warehouse Program.
 - (b) Paragraph 15(b), Licensing of carriers to operate in specific areas such as on airport property (Memorandum D4-1-4, dated July 11, 1997) was deleted as the CBSA does not exercise the authority for this requirement.



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Ottawa, August 8, 2008

MEMORANDUM D4-1-4

CUSTOMS SUFFERANCE WAREHOUSES

This memorandum explains the procedures an individual or company must follow to obtain a Canada Border Services (CBSA) customs sufferance warehouse licence. It also describes the conditions for operating a sufferance warehouse and the types of sufferance warehouses that may be licensed in Canada.

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Regulations

REGULATIONS RESPECTING CUSTOMS SUFFERANCE WAREHOUSES

Short Title

1. These Regulations may be cited as the *Customs Sufferance Warehouses Regulations*.

Interpretation

2. In these Regulations,

“Act” means the *Customs Act*; (*Loi*)

“applicant” means a person who applies for a licence; (*demandeur*)

“carrier” means a person who, pursuant to the *Transportation of Goods Regulations*, is authorized to transport goods or to cause goods to be transported; (*transitaire*)

“chief officer of customs”, with respect to a sufferance warehouse or a proposed sufferance warehouse, means the manager of the customs office or customs offices that serve the area in which the sufferance warehouse is located or is proposed to be located; (*agent en chef des douanes*)

“Department” [Repealed]

“excise warehouse licensee” has the same meaning as in section 2 of the *Excise Act, 2001*; (*exploitant agréé d'entrepôt d'accise*)

“firearm” has the same meaning as in section 2 of the *Criminal Code*; (*arme à feu*)

“licence” means a licence to operate a place as a sufferance warehouse; (*agrément*)

“licensee” means a person to whom a licence has been issued. (*exploitant*)

“prohibited ammunition” has the same meaning as in subsection 84(1) of the *Criminal Code*; (*munitions prohibées*)

“prohibited device” has the same meaning as in subsection 84(1) of the *Criminal Code*; (*dispositif prohibé*)

“prohibited weapon” has the same meaning as in subsection 84(1) of the *Criminal Code*; (*arme prohibée*)

“restricted weapon” has the same meaning as in subsection 84(1) of the *Criminal Code*; (*arme à autorisation restreinte*)

“special container” has the same meaning as in section 2 of the *Excise Act, 2001*; (*contenant spécial*)

SOR/96-152, s. 1; SOR/2005-211, s. 1.

PART I LICENSING OF SUFFERANCE WAREHOUSES

Issuance of Licence

3. (1) Subject to subsection (3), the Minister may, where the Minister deems it necessary or desirable to do so, issue a licence to any person who makes an application for a licence in accordance with subsection (2), gives such security as may be required under section 4 and pays the fees required under section 5.

(2) Any person who wishes to apply for a licence, shall submit a completed application therefore in the prescribed form, together with a detailed plan of the proposed sufferance warehouse, to the chief officer of customs.

(2.1) The plan referred to in subsection (2) must indicate

- (a) whether the place proposed to be operated as a sufferance warehouse exists or is to be constructed;
- (b) the type of construction of the place, whether or not it already exists; and
- (c) the area, within the place, that is to be used for the storage of goods.

(3) The Minister shall not issue a licence to an applicant unless

- (a) the applicant is of good character;
- (b) [repealed]
- (c) the applicant has sufficient financial resources to enable him to provide the facilities, equipment, personnel and services required under sections 11 to 13 and to lease or purchase the proposed sufferance warehouse;

(d) the volume and nature of business in the area in which the applicant proposes to operate a sufferance warehouse is such that a sufferance warehouse is needed to serve the importers in that area;

(e) the site of the proposed sufferance warehouse is within a reasonable distance from major transportation routes and a CBSA office;

(f) the proposed sufferance warehouse contains adequate space for the storage of imported goods;

(g) the structure of the proposed sufferance warehouse will be suitable for the operation of a sufferance warehouse; and

(h) the Agency is able to provide customs services with respect to the proposed sufferance warehouse.

(4) [repealed]

Security

4. (1) An applicant shall, before a licence is issued to the applicant, give security in an amount determined by the Minister.

(2) The Minister may at any time require a licensee to increase the amount of security given under subsection (1) to an amount sufficient to ensure the payment of any duties payable in respect of goods stored in the sufferance warehouse.

(3) The security given under subsection (1) shall be deposited with the chief officer of customs and shall be in the form of

- (a) cash;
- (b) a certified cheque;
- (c) a transferable bond issued by the Government of Canada; or
- (d) a bond issued by
 - (i) a company that is licensed or otherwise authorized under the laws of Canada or of a province to carry on the fidelity or surety class of insurance business and that is recommended to the Treasury Board by the Office of the Superintendent of Financial Institutions as a company whose bonds may be accepted by the Government of Canada,
 - (ii) a member of the Canadian Payments Association referred to in section 4 of the *Canadian Payments Association Act*,
 - (iii) a corporation that accepts deposits insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec to the maximum amounts permitted by the statutes under which those institutions were established,

- (iv) a credit union as defined in subsection 137(6)(b) of the *Income Tax Act*, or
- (v) a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by Her Majesty in right of a province.

Licence Fees

5. (1) Every licensee shall pay to the chief officer of customs the following fees in respect of the licence:
- (a) \$500 for the period beginning on the day on which the licence is issued and ending on March 31 in the same fiscal year; and
 - (b) \$500 for each fiscal year of operation after the period referred to in paragraph (a) that begins during the term of the licence.
- (1.1) Where a licence is issued on or after October 1 in a fiscal year, the fee payable under subsection (1) for that fiscal year is reduced by 50 per cent.
- (2) The fee for a period referred to in paragraph (1)(a) or subsection (1.1) shall be paid on or before the day on which the licence is issued and the fee for each fiscal year referred to in paragraph (1)(b) shall be paid on or before April 1 in the fiscal year.
- (3) For the purposes of this section, “fiscal year” means the period beginning on April 1 and ending on the 31st day of March next following.

Amendment of Licence

6. (1) The Minister may amend a licence only for the following purposes:
- (a) subject to subsection (2),
 - (i) to change a restriction specified in the licence regarding the classes of goods that may be received in the sufferance warehouse in respect of which the licence was issued, or to specify such a restriction and
 - (ii) to change the circumstances specified in the licence in which goods may be received in the sufferance warehouse, or to specify such circumstances; or
 - (b) to change the name of the licensee, where the name of the licensee is changed.
- (2) The Minister may amend a licence for the purposes set out in subparagraph (1)(a)(i) or (ii) only where he gives to the licensee 90 days notice of the proposed amendment.

Cancellation or Suspension of Licence

7. The Minister may cancel a licence where the licensee

- (a) no longer owns or leases the place that is licensed as a sufferance warehouse;
- (b) requests the Minister in writing to cancel the licence; or
- (c) is bankrupt.

8. (1) Subject to section 9, the Minister may suspend or cancel a licence where the licensee
- (a) is the subject of a receivership in respect of his debts;
 - (b) fails to comply with any Act of Parliament, or any regulation made pursuant thereto, that prohibits, controls or regulates the importation or exportation of goods;
 - (c) [repealed]
 - (d) has, in the course of his operation of the sufferance warehouse, acted dishonestly in his business dealings with customs brokers, importers, carriers, Her Majesty or servants of Her Majesty; or
 - (e) has been incompetent in the operation of the sufferance warehouse.
- (2) Subject to section 9, the Minister may cancel a licence where
- (a) the volume of goods being received in the sufferance warehouse is no longer sufficient to warrant the continued operation;
 - (b) there is no longer a need for a sufferance warehouse in the area in which the sufferance warehouse is located; or
 - (c) the Agency is no longer able to provide customs services with respect to the sufferance warehouse.

9. (1) The Minister shall, immediately after suspending a licence, give to the licensee a notice confirming the suspension and providing all relevant information concerning the grounds on which the Minister has suspended the licence.

(2) The licensee may, within 90 days after the day on which the licence is suspended, make representations to the Minister regarding why the licence should be reinstated.

(3) The Minister shall, before cancelling a licence under section 8, give the licensee 90 days notice of the proposed cancellation and provide the licensee with all relevant information concerning the grounds on which the Minister proposed to cancel the licence.

(4) The licensee may, within 90 days after the day on which the notice referred to in subsection (3) is given, make representations to the Minister regarding why the licence should not be cancelled.

Reinstatement of Licence

10. The Minister may reinstate a suspended licence where the Minister is satisfied that the cause for the suspension no longer exists.

PART II
OPERATION OF SUFFERANCE WAREHOUSES

Facilities, Equipment and Personnel

11. (1) Every licensee shall provide, at the sufferance warehouse in respect of which his licence was issued

- (a) washroom facilities and offices for the use of officers, and the heat, light and cleaning services necessary for those facilities and offices, where so requested by the chief officer of customs;
- (b) adequate space for the examination of imported goods by officers;
- (c) the personnel and equipment necessary to ensure that the goods to be examined by an officer are made available to the officer for examination;
- (d) a detention compound or parking area for the storage of imported goods that are held in a conveyance, where so requested by the chief officer of customs; and
- (e) facilities, equipment and personnel sufficient to control access to the sufferance warehouse and provide secure storage of the goods stored in it, including
 - (i) doors and other building components of sturdy construction,
 - (ii) secure locks on doors and windows,
 - (iii) signs that indicate the security requirements applicable to the premises, and
 - (iv) where the sufferance warehouse will be used for the storage of designated goods, such additional facilities and equipment as may be required to ensure the secure storage of those goods.

(2) Where a sufferance warehouse is restricted by the terms and conditions of its licence to the receipt of goods arriving by motor vehicles used for commercial purposes, the licensee may lease space to any carrier who has requested space for his exclusive use in the operation of a separate sufferance warehouse.

Operation and Maintenance Standards

12. (1) Every licensee shall ensure that the goods received in the sufferance warehouse are stored safely and securely in the area designated for that purpose in the plan referred to in subsection 3(2).

(2) No person, other than the licensee, an employee of the licensee or an employee of a carrier engaged in the

delivery of goods to or the removal of goods from the sufferance warehouse, shall enter any place in it where goods are stored, without the written authorization or the attendance of an officer.

(3) Every licensee shall have in place

- (a) procedures to maintain the security of, and restrict access to, the sufferance warehouse; and
- (b) procedures to ensure that personnel working in the sufferance warehouse are aware of and follow the procedures referred to in paragraph (a).

13. (1) Every licensee shall make a schedule of the charges payable for the services offered by the licensee and shall make the schedule available for examination by any person who requests to see it.

(2) Any facilities, services, personnel and equipment provided by a licensee to an officer under any of paragraphs 11(1)(a) to (c) shall be provided free of charge.

Receipt and Refusal of Goods

14. Every licensee shall acknowledge the receipt of goods in the sufferance warehouse by

- (a) endorsing the bill of lading, way-bill or other similar transportation document presented to him by the carrier;
- (b) endorsing the customs document on which the goods were reported under the *Reporting of Imported Goods Regulations*; or
- (c) issuing a transfer document to the carrier.

14.1 A licensee may refuse goods that are brought to the sufferance warehouse for safe-keeping when the storage of the goods is requested by or on behalf of a person who has an unpaid account for storage fees at the sufferance warehouse.

14.2 [repealed]

Time Limits

15. (1) Subject to subsections (2) to (4.1), where goods in a sufferance warehouse have not been removed from the sufferance warehouse within 40 days after the day the goods were reported under section 12 of the Act, the goods may, at the end of that limitation period, be deposited in a place of safe-keeping as provided for in subsection 37(1) of the Act.

(2) Where perishable goods in a sufferance warehouse have not been removed therefrom within four days after the day on which they were reported under section 12 of the Act, the goods may be deposited in a place of safe-keeping as provided for in subsection 37(1) of the Act.

(3) Where goods in a sufferance warehouse are prescribed substances within the meaning of the *Atomic Energy Control Act* or prescribed items within the meaning

of the *Atomic Energy Control Regulations* and have not been removed therefrom within 14 days after the day on which the goods were reported under section 12 of the Act, the goods may be deposited in a place of safe-keeping as provided for in subsection 37(1) of the Act.

(4) For the purposes of subsection 39.1(1) of the Act, firearms, prohibited ammunition, prohibited devices, prohibited or restricted weapons and tobacco products are goods of a prescribed class that are forfeit if they are not removed from a sufferance warehouse within 14 days after the day on which they are reported under section 12 of the Act.

(4.1) For the purposes of subsection 39.1(1) of the Act, spirits are goods of a prescribed class that are forfeit if they are not removed from the sufferance warehouse within 21 days after the day on which they are reported under section 12 of the Act.

15. Every licensee shall provide the Agency with a list of all goods not removed from the sufferance warehouse within the time limit prescribed in subsection (1), (2), (3), (4) or (4.1) as the case may be, on the first business day following the end of the period.

16. [repealed]

Alteration of Goods

17. Every licensee shall ensure that goods are manipulated, unpacked, packed, altered or combined with other goods while in a sufferance warehouse only for the purpose of

- (a) stamping the goods, if the goods consist of imported raw leaf tobacco or imported tobacco products that are placed in the sufferance warehouse in accordance with section 39 of the *Excise Act, 2001*;
- (b) marking the goods, if the goods consist of special containers of spirits or wine, imported by an excise warehouse licensee, that are placed in the sufferance warehouse in accordance with section 80 or 85 of the *Excise Act, 2001*; or
- (c) marking the goods, if the goods consist of goods in respect of which any regulations made under paragraph 19(1)(a) of the *Customs Tariff* apply.

GUIDELINES AND GENERAL INFORMATION

LICENSING OF SUFFERANCE WAREHOUSES

1. Sufferance warehouses are privately owned and operated facilities licensed by the Canada Border Services Agency (CBSA) for the control, short-term storage, transfer, delivery and examination of in-bond goods until the goods are released by the CBSA or exported from Canada.

Application for Licence

2. An application for a licence to operate a sufferance warehouse must be made in writing on the appropriate application form. There are three types of warehouse application forms – E400, E400B and E400C, as found in Appendices A to C. These forms are available from CBSA offices as well as on the CBSA web site at www.cbsa.gc.ca. The use of a particular form is dependent on the type of sufferance warehouse being applied for. A detailed description of the types of sufferance warehouses, correct application form for each type, and the operating requirements and restrictions specific to each type, can be found in Part 3 of this memorandum.

3. Only the person who will operate the business may file for an application in the name of a sole proprietorship. However, one of the partners or associates may file an application on behalf of a partnership or unincorporated association and one of the directors may file on behalf of a corporation. Information concerning all the partners, associates, or directors must be provided if requested by the CBSA.

4. Applicants for warehouses to store firearms, prohibited ammunition, prohibited devices or prohibited weapons, must obtain a Carrier Licence or a Business Firearms Licence. The Registrar of Firearms is responsible for issuing Carrier Licences, and the Chief Firearms Officer of the province or territory where the business will operate is responsible for issuing Business Firearms Licences. Further information on these licences is available on the Canada Firearms Centre web site at www.cfc-cafc.gc.ca. The applicant must submit the Carrier Licence or the Business Firearms Licence with their application for a Sufferance Warehouse Licence to store firearms, prohibited ammunition, prohibited devices or weapons.

5. The completed sufferance warehouse application form must be forwarded in triplicate to the CBSA office administering the area where the proposed warehouse is to be located. The application must be submitted with the following:

- (a) A blueprint, or reasonable facsimile, of the entire building, indicating:
 - (i) If the building exists or is to be constructed;
 - (ii) The type of construction;
 - (iii) The location that is to be used for the storage of goods;
 - (iv) The location of all partitions, doors, windows, and stairs;
 - (v) The location and dimensions of an examining room or office for the use of the CBSA, where applicable;

(vi) The location of telephones, lights and source of heat in the CBSA office and examining room, where applicable; and

(vii) The location of the washroom facilities;

(b) Information on the type of fire-safety equipment such as extinguishers and sprinkler system;

(c) A site plan of the property showing the location of the warehouse building and the detention compound or parking area;

(d) When requested by the CBSA, letters from importers in support of the application for the establishment of the sufferance warehouse; and

(e) Where applicable, a copy of the cargo handling contract. A sample cargo-handling contract can be found in Appendix D of this memorandum.

6. The CBSA will date stamp applications and forward an acknowledgment of receipt to the applicant.

7. The CBSA will examine the proposed sufferance warehouse to ensure that the facility meets CBSA requirements for location, suitability, accommodations, heat and light.

8. The CBSA will post a *Notice of Application for Licence to Operate a Customs Sufferance Warehouse*, Form L61, for a period of 10 working days in the CBSA office that will service the proposed warehouse. The notice lists the name and address of the applicant and the proposed warehouse location. It provides the public with 14 calendar days to submit comments on the application. A sample form L61 can be found in Appendix E.

9. The CBSA officer will forward sufferance warehouse applications with supporting documents to the appropriate CBSA District Manager for review and recommendation and, where applicable, approval.

10. District Managers will review, make a recommendation for approval or rejection and forward, where applicable, to:

Manager
CSA and Warehouse Programs
Admissibility Branch
Canada Border Services Agency
4th Floor
150 Isabella Street
Ottawa ON K1A 0L8

11. Applicants should not finalize any lease that is dependent on the granting of the sufferance warehouse licence and should not expend capital resources for renovations or construction of sufferance warehouse facilities until the application has been approved or approved in principle.

Licence Approval or Rejection

12. If the CBSA approves an application for a sufferance warehouse, the licence with the assigned licence number and other pertinent information will be sent to the District Manager to forward to the applicant if the following conditions are met:

(a) the required amount of financial security in the proper format is deposited with the CBSA.

(b) the \$500 licence fee is submitted to the CBSA.

Additional information on the financial security and licence fee for each sufferance warehouse can be found in paragraphs 15-27.

13. Applicants must not start operating the sufferance warehouse until the application has been approved or approved in principle by the CBSA.

14. If the application is rejected, the CBSA will advise the applicant in writing of the reason for rejection.

Financial Security

15. Security for each sufferance warehouse must be in an amount calculated on the basis of \$1000 for each 1000 shipments or releases per year destined to the warehouse facility. Security will not be less than \$20,000.00.

16. General procedures for posting security can be found in Memorandum D1-7-1, *Posting Security for Transacting Bonded Operations*. Bonds issued for customs sufferance warehouses must be on Form D120, *Customs Bond*, as found in Appendix F.

17. One security bond may be filed for all sufferance warehouses located within the same CBSA office area. The bond must not be less than the amount determined by the Minister as required under subsection 4(1) of the *Customs Sufferance Warehouses Regulations*. The address of each warehouse must be indicated on the bond or on an attached rider. The bond must be submitted to the appropriate CBSA District Manager. The District Manager will distribute copies of the bond to other CBSA offices as required.

18. One national bond may be filed for all sufferance warehouses located within several CBSA office areas if it is not less than the amount determined by the Minister as required under subsection 4(1) of the Regulations. The address and bond amount of each warehouse and the appropriate CBSA office must be indicated on an attached rider. The bond must be submitted to the address given in paragraph 10. A copy of the bond will be forwarded to each local CBSA office.

19. A separate application Form E400, *Application for Licence to Operate a Customs Sufferance Warehouse*, (see Appendix A) must be submitted to the specific CBSA office for each operation.

20. Although it is not necessary to submit security with an application to operate a sufferance warehouse, the applicant must present a properly completed security bond to the CBSA before the date that the sufferance warehouse starts operating.

21. The CBSA will advise licensees when the surety company has canceled security for their sufferance warehouse. However, it is the responsibility of licensees to ensure that new security is on file with the CBSA.

22. Licensees must report new security or amendments to existing security by completing an application Form E400 in triplicate and forwarding it to the CBSA. Failure to present new security to the CBSA before the termination date of their previous security could result in the suspension of their licence after the bond termination date.

23. The CBSA officer will advise the appropriate District Manager when security for a sufferance warehouse is cancelled or altered for any reason.

Licence Fee

24. When an application for a licence is approved, the applicant must pay a \$500 licence fee on or before the date that the licence is received. The licence fee required under section 5 of the Regulations covers the CBSA's administrative costs only. These costs include processing the application, issuing the licence, and maintaining files and records on the company. Where a licence is issued on or after October 1, in a fiscal year, the fee payable for the remainder of the fiscal year is reduced by 50 percent.

Licence Fee Renewal

25. One licence fee is payable annually for each sufferance warehouse licence. The local CBSA office will give notice to the licensee, before April 1 each year, for the yearly licence fee. However, it is the responsibility of licensees to ensure that the fee is paid whether or not they receive notification.

26. Under the Regulations, a licence to operate a sufferance warehouse may be cancelled if the annual licence fee is not paid.

27. A licence fee will not be refunded when a licensee ceases operations before the end of the fiscal year.

Amendment of Licence

28. Under section 6 of the Regulations, requests for an amendment to a sufferance warehouse licence must be made by submitting Form E400, in triplicate, to the appropriate CBSA District Manager. Requests for amendments will be processed in the same way as new applications. If the request is approved, the licensee will receive an amended licence. If the request is denied, the CBSA will advise the licensee in writing of the reasons for denial.

29. Licensees will be advised in writing when the Minister intends to amend a licence to change the class of goods that may be received in the warehouse or to change the circumstances under which the goods may be received. However, before a licence is amended, the licensee will be given a period of 60 days from the date of the notice to make representations as to why the licence must not be amended.

Suspension of Licence

30. When a licence is to be suspended by the Minister, the CBSA will advise the licensee by registered mail of the immediate suspension and provide all relevant information concerning the grounds for the suspension. The licensee will have 90 days to provide information why the licence should be reinstated.

31. In cases where the licensee must take corrective action, the proposed suspension will be withdrawn when the CBSA is satisfied that the reasons for the suspension no longer exist.

32. The CBSA will advise licensees by registered mail when a suspended licence has been reinstated.

Cancellation of Licence

33. Licensees who wish to cancel their sufferance warehouse licence must advise the CBSA in writing at least 60 days before the effective cancellation date. The CBSA officer will acknowledge the notice of cancellation and forward copies of all correspondence to the appropriate District Manager.

34. When the Minister intends to cancel a licence, the CBSA will advise the licensee by registered mail 90 days before the intended date of cancellation. The CBSA will provide the licensee with all relevant information concerning the grounds for the cancellation. During the 90-day period, the licensee may provide information to the CBSA explaining why the licence must not be cancelled. The CBSA will consider this information before making a final decision.

35. The notice of cancellation will be withdrawn when the Minister is satisfied that the cause for the cancellation no longer exists.

Change of Ownership/Lease Agreement

36. When a change of ownership or control of a facility is planned, the licensee must advise the CBSA in writing at least 60 days before the effective date.

37. If the ownership or control of the facility changes, the CBSA will cancel the licence to operate the sufferance warehouse.

38. The new owner or the party taking control of the warehouse must apply on Form E400, in triplicate, for a licence to operate a customs sufferance warehouse. If the applicant is not making any changes to the physical structure of the facility, the building's plan specifications may not be required. The CBSA will process the application in the same way as an application for a new warehouse and, if approved, will charge the \$500 licence fee.

39. Licensees must also advise the CBSA in writing when they no longer own or lease the facility for which the licence was issued.

Change of Ownership of Highway Sufferance Warehouse

40. If the Minister determines that a new or an additional highway sufferance warehouse is required, applications will be invited through local newspaper advertisements. All applications in response to advertisements must be submitted in triplicate on Form E400B, *Application for Licence to Operate a Customs Highway Sufferance Warehouse*, to the CBSA office indicated in the advertisement.

Sub-Leasing of Warehouse

41. Sufferance warehouse licensees may sub-lease a section of their warehouses to a person or persons licensed to operate a sufferance warehouse.

42. To obtain a licence to operate a sufferance warehouse, the person or persons wishing to sub-lease, referred to as the lessee, must complete application Form E400 or E400C, as applicable, in triplicate and forward it through the licensee, referred to as the lessor, to the CBSA office administering the area where the warehouse is located. The application must be submitted with the following:

- (a) a diagram of the floor plan designating the leased area. The space must be adequate to meet the operational needs for a sufferance warehouse; and
- (b) a properly completed security bond or confirmation that security will be presented to the CBSA before the warehouse starts operating.

43. The CBSA will process the application under normal procedures.

44. Sufferance warehouse lessors must advise the CBSA in writing of any relocation, reductions, extensions, or other changes affecting the sub-leased areas within the warehouse. They must send a copy of the amended floor plan with the notice to the CBSA District Manager. In these cases, an amended application is not required from the lessor.

Relocation of Warehouse

45. When planning a change in location, the licensee must advise the CBSA in writing of the intention to relocate. This notice must be given to the CBSA on Form E400 at least 60 days before relocating.

46. The licensee must complete Form E400 in triplicate to apply for a licence to operate a sufferance warehouse at the new location. The CBSA will process the application for relocation in the same manner as for new applications. If approved, the CBSA will issue a new licence for this location. The licensee must provide new security or a rider to the existing surety bond indicating the relocated warehouse location. A licence fee will not be charged for the new licence unless the date of issue coincides with the renewal date of the existing licence.

47. Applicants should not expend capital funds for renovations or construction until a licence is issued or until the application has been approved in principle.

48. Applicants must not start operating the sufferance warehouse at the new location until conditional or final approval has been given by the CBSA.

49. If a licensee relocates the sufferance warehouse operation without the CBSA's previous written approval, the CBSA may cancel the existing licence to operate a sufferance warehouse.

Closure of Warehouse

50. The CBSA officer will acknowledge a notice of closure from a licensee and will forward copies of all correspondence to the appropriate District Manager.

51. All in-bond goods must be accounted for by the payment of duties and taxes or by transferring the goods to a location authorized by the CBSA before any sufferance warehouse closes. The goods may also be exported from Canada.

52. The CBSA officer will have a warehouse check done and will advise the appropriate District Manager once a sufferance warehouse is officially closed and all in-bond goods accounted for.

SUFFERANCE WAREHOUSE POLICY REQUIREMENTS

Responsibilities of the Licensee

53. Licensees are responsible for identifying and providing adequate space in the warehouse building and the detention compound for the safe storage of in-bond goods. If it is determined that there is not enough space for the volume of traffic, the CBSA may ask the licensee to provide additional storage space.

54. Unless the sufferance warehouse licensee has made other arrangements with parties using the warehouse facilities, the licensee is responsible for providing proper equipment for unloading and moving shipments as well as personnel to locate, open, and close packages for CBSA examinations.

55. Licensees must take reasonable measures to restrict warehouse access to authorized persons only. Unauthorized persons are not allowed access without previous written authorization from the CBSA or in the attendance of a CBSA officer. Signs informing of this restriction must be posted at the warehouse entrance. A CBSA officer must accompany customs brokers and their employees who wish to get invoices or other documents from shipments stored in the warehouse. Special service charges may apply, as outlined in Memorandum D1-2-1, *Special Services*.

56. Licensees handling imported freight on behalf of carriers and importers must take reasonable measures to ensure that confidentiality regarding their clients' shipments is maintained at all times.

Building Requirements

57. Sufferance warehouse building requirements will be subject to approval by the local CBSA office and must have, as a minimum:

- (a) a storage area with access from the exterior of the building provided by a freight door;
- (b) a heated office area and an examining area or a combined office and examining room for use by CBSA examiners, where applicable. The office and examining room must be protected from the elements. If the warehouse is serviced by the CBSA on a call-out or part-time basis, the operator need only provide the use of an office when required by CBSA officials; and
- (c) a secure depository for CBSA documents, if requested by the CBSA.

58. A separate area exclusively for the storage of in-bond shipments is required in the warehouse building or in the detention compound. In-bond goods must not be co-mingled with domestic goods and access to in-bond goods must be restricted to authorized persons only.

59. If a group of sufferance warehouses is located in a building owned by a person or company other than the applicant, the landlord must provide accommodation, utilities, and furnishings for the CBSA examiners' office. Individual applicants are required to provide only space, equipment, and a worktable needed for examining goods.

60. When a sufferance warehouse is being constructed, the building must conform exactly to the original plans submitted to the CBSA unless the CBSA has given previous approval to deviate from the original plans.

Building Modifications

61. Licensees must get approval from the CBSA before starting modifications that will affect the sufferance warehouse area. Such modifications would include:

- (a) any reduction or expansion affecting the sufferance warehouse including the CBSA office area within the warehouse;
- (b) any change affecting freight doors, entrance doors, or windows; and
- (c) any change affecting other physical security requirements.

62. The licensee must submit a drawing showing the proposed changes to the local CBSA officer who will submit it to the appropriate District Manager. An amended application form is not required unless an extension to the warehouse structure is proposed.

63. For certain warehouse types, as discussed in paragraphs 104 (a) and 114 (c), (d), (e), the District Manager will submit a recommendation for approval of the alterations to the Manager, CSA and Warehouse Programs in Ottawa. The District Manager's letter will be accompanied by the drawing of the proposed changes.

Receipt and Refusal of Goods Into the Warehouse

64. The licensee must acknowledge receipt of all imported goods placed in the warehouse upon receipt of the goods from the carrier. This may be done by providing the carrier with a transfer document or endorsing the carrier's cargo control document, bill of lading, or other similar document. By acknowledging receipt, the licensee accepts responsibility for the applicable duties and taxes on the imported goods.

65. The licensee may refuse goods that are brought to the warehouse for safekeeping if storage is being requested by or on behalf of a person who has an unpaid account for storage fees at the warehouse.

Storage of Firearms and Other Weapons

66. Under the *Firearms Act*, a sufferance warehouse licensee will be required to possess a Carrier Licence or a Business Firearms Licence to store firearms, prohibited ammunition, prohibited devices or prohibited weapons. The Registrar of Firearms is responsible for issuing Carrier Licences, and the Chief Firearms Officer of the province or territory where the business will operate is responsible for issuing Business Firearms Licences.

67. Firearms, prohibited ammunition, prohibited devices and prohibited weapons are required to be stored according to the *Storage, Display and Transportation of Firearms and Other Weapons by Businesses Regulations*. The requirements in these Regulations must be applied in addition to current CBSA requirements.

68. The licensee is responsible for immediately informing the CBSA if the office of the Registrar or the Chief Firearms Office revokes their Carrier Licence or a Business Firearms Licence. Memorandum 19-13-2, *Importing and Exporting Firearms, Weapons, and Devices – Customs Tariff, Criminal Code, Firearms Act, and Export and Import Permits Act* provides general information for the importation and exportation of firearms, weapons, ammunition and prohibited devices.

Alteration of Goods

69. To facilitate the removal of goods from a sufferance warehouse for further transport, under the Regulations, goods may be manipulated, unpacked, packed, altered or combined with other goods while in a sufferance warehouse only for the purpose of:

(a) stamping the goods, if the goods consist of imported raw leaf tobacco or imported tobacco products that are placed in the sufferance warehouse in accordance with section 39 of the *Excise Act, 2001*;

(b) marking the goods, if the goods consist of special containers of spirits or wine, imported by an excise warehouse licensee, that are placed in the sufferance warehouse in accordance with section 80 or 85 of the *Excise Act, 2001*; or

(c) marking the goods, if the goods consist of goods in respect of which any regulations made under paragraph 19(10a) of the *Customs Tariff* apply.

70. Each request must be approved by the local CBSA office.

Record Keeping – Open and Closed

71. Under section 3.1 of the *Imported Goods Records Regulations*, licensees must maintain an open and a closed file for all imported goods delivered to and removed from their warehouse.

72. The CBSA document used to report the goods into the warehouse, such as the licensee's copy of Form A8A, *Customs Cargo Control Document*, or an electronic equivalent, must be kept on an open file until an acquittal is received from the CBSA authorizing the removal of the goods from the warehouse.

73. Sufferance warehouse licensees may not release goods from their warehouse until they are in receipt of one of the following:

(a) the original or facsimile CBSA-stamped delivery authority copy of the cargo control document; or

(b) a Release Notification System (RNS) message received directly from the system as an RNS participant; or

(c) an RNS message received through the intermediary of a dedicated service provider.

Note: Option (a) does not apply in situations where the importer/broker has used an Electronic Data Interchange (EDI) service option.

74. Where a Value Added Network (VAN) or Internet connection for RNS is not viable for a licensee, a dedicated service provider can receive the release notification electronically and give a facsimile copy to the licensee for release and record-keeping purposes. However, the service provider must provide a letter of authorization from the licensee to receive RNS on their behalf. A sample letter of authorization can be found in the RNS Participants Requirements Document (PRD), which is available from the Electronic Commerce Unit of the CBSA's Systems Operations and Business Support Division by calling **1-888-957-7224**.

75. Release notification for certain types of shipments, for example bulk mail, will continue to be paper-based as they are not processed through the Accelerated Commercial Release Operations Support System (ACROSS) and no RNS is generated. Other exceptions include sufferance warehouses located at a true non-terminal office (i.e. not automated for release in ACROSS) where RNS is not possible; and Type SH sufferance warehouses that are used exclusively for the storage of used household goods and personal effects.

76. The licensee must keep records of release documents or data in a closed file for possible future reference and audit.

77. The licensee must keep all records for six years from the date that the goods were removed from the warehouse. The records must be stored at the sufferance warehouse facility. Licensees wishing to store their records at another location must get permission from the CBSA District Manager. Records may be microfilmed provided the conditions in Memorandum D17-1-21, *Maintenance of Records and Books in Canada by Importers*, are met.

78. The CBSA accepts computer-generated printouts for audit purposes if the shipment information can be found through the cargo control numbers. The printout must also include the names of the consignees and details on the quantity and weight of the shipments.

79. When the master cargo control document is acquitted by freight forwarders' house bills, that is 8000 series advice notes, or by Forms A10, *Customs Cargo Control Abstract*, the acquittal copy of the master cargo control document must be returned to the licensee with a notation showing the number of house bills or abstracts issued for the shipment. The master cargo control document must be kept on the open file until copies of all 8000 bills or Forms A10 are received. All documents must then be filed in the closed file. More information on these forms can be found in Memorandum D3-3-1.

80. Those responsible for preparing Forms A10 or house bills will provide the licensee with the licensee's copies of the documents. These documents must be kept on the open file until the CBSA authorizes removal of the shipments.

81. If the shipment is transferred from the original warehouse to the freight forwarder's warehouse, the licensee's copies of the house bills will be given to the receiving warehouse licensee.

Unclaimed Goods

82. Under the *Customs Sufferance Warehouses Regulations*, licensees must provide the CBSA with a list of all goods that are not removed from the sufferance warehouse within the time limits specified in section 15 of the Regulations. The list must be provided on the first business day following the end of the specified time limits. Imported goods remaining in the warehouse beyond the specified time limits will be recorded by the CBSA as unclaimed and will be subject to disposal under the *Customs Act*.

Warehouse Checks

83. The CBSA conducts periodic warehouse checks to make sure the facility continues to meet the requirements of the Regulations. The CBSA will suspend or cancel the licence of licensees whose facilities, equipment, or accommodation do not meet the regulatory or operational requirements. The CBSA advises licensees in writing of licence suspensions or cancellations and allows a reasonable period of time to correct deficiencies, as discussed in paragraphs 30-35.

TYPES OF SUFFERANCE WAREHOUSES

84. There are five main types of sufferance warehouses: A, B, C, S, and PS.

Type A – General Merchandise

85. An airline, marine, or railway company can operate a Type A sufferance warehouse. This type of warehouse is used for storing imported goods carried in the company's system. A Type A warehouse may also be operated by a cargo handler acting under contract as an exclusive agent of an airline, marine, or railway company. Type A sufferance warehouses also include those located at a marine wharf and operated by a harbour commission, stevedoring company, or other person who provides equipment, personnel, and other services for unloading and storing imported goods arriving by vessel. Type A warehouses are classified into the following sub-types:

- AA – airline company
- AM – marine company;
- AR – railway company including rail yards and bond tracks;
- AH – cargo handler for any of the above; and

AW – harbour commissions, stevedoring companies, and others.

Air Sufferance Warehouses

86. Air carriers must apply to operate a Type AA sufferance warehouse for receiving general merchandise arriving by air if the facility is located on airport property and if the CBSA provides service for receiving commercial shipments at the airport.

Cargo Handler Warehouses

87. Specific carriers may contract the services of a cargo handler to handle their imported freight. In these cases, the cargo handler is subject to the same rules and regulations as the carrier.

88. A cargo handler must meet the following conditions for approval to operate a Type AH sufferance warehouse:

- (a) the cargo handler must act as the exclusive agent for the carrier. Exclusive agent means one cargo handler per carrier within the area of the CBSA office;
- (b) a copy of the cargo handling contract containing information as presented in Appendix D is submitted to the CBSA with the application;
- (c) the cargo handler owns or leases the warehouse facility. If the facility is leased, the CBSA may request a copy of the lease agreement; and
- (d) shipments transported by the carrier and consigned to deconsolidators and freight forwarders must be transferred through the cargo handler's warehouse.

89. Cargo handlers may not operate as a consolidator, deconsolidator, or freight forwarder. However, they may provide a cargo handling service on behalf of consolidators, deconsolidators, and freight forwarders if they have a written agreement to do so. When requested, cargo handlers must provide a copy of the agreement to the CBSA.

90. The CBSA must be given copies of any amendments to the cargo handling contract and, if applicable, confirmation that the contract has been renewed.

91. Cargo handlers must advise the CBSA in writing when a contract is terminated. The sufferance warehouse licence may be cancelled if the cargo handler does not have a cargo-handling contract with a carrier.

Rail Sufferance Warehouses

92. Railway carriers must apply for a Type AR rail sufferance warehouse licence for each company yard in the area of a CBSA office where vehicles containing imported goods are held until the CBSA releases the goods. Specific tracks within the yard may be designated for this purpose.

93. If warehouse facilities are not available within the company yard, the CBSA may ask the railway carrier to relocate a shipment to a suitable designated area for examination. If there is no suitable area within the company yard, the shipment will be relocated to a sufferance warehouse.

94. Requirements and restrictions for the operation of warehouse types AA, AM, AR, AH and AW are:

(a) Warehouse Type: AA

Delivery requirement: direct delivery permitted
Commodity type: general merchandise
Mode: air; rail (export only); marine (export only);
highway (export only)
Deconsolidation/consolidation: no
Application type: E400
Serviceability: on-site
Delegated licensing authority: region
Other restrictions: located on-site at airport

(b) Warehouse Type: AM

Delivery requirement: direct delivery permitted
Commodity type: general merchandise
Mode: marine; air (export only); rail (export only);
highway (export only)
Deconsolidation/consolidation: no
Application type: E400
Serviceability: on-site
Delegated licensing authority: region
Other restrictions: may store intact containers for
export only

(c) Warehouse Type: AR

Delivery requirement: direct delivery permitted
Commodity type: general merchandise
Mode: air, rail, marine, highway
Deconsolidation/consolidation: no
Application type: E400
Serviceability: on-site at the discretion of the region
Delegated licensing authority: region

(d) Warehouse Type: AH

Delivery requirement: direct delivery permitted
Commodity type: general merchandise
Mode: air; rail (export only); marine (export only),
highway (export only, transborder)
Deconsolidation/consolidation: no
Application type: E400
Serviceability: on-site
Delegated licensing authority: region
Other restrictions: located on-site at airport/exclusive
agent for the carrier

(e) Warehouse Type: AW

Delivery requirement: direct delivery permitted
Commodity type: general merchandise

Mode: marine; air (export only); rail (export only);
highway (export only)
Deconsolidation/consolidation: no
Application type: E400
Serviceability: on-site
Delegated licensing authority: region
Other restrictions: may store intact containers for
export only

Type B – General Merchandise

95. A Type B sufferance warehouse is used to store imported goods that arrive by highway in commercial vehicles. Type B warehouses are classified into the following sub-types:

BW – for imported goods deposited by highway carriers;
BL – operated by highway carrier;
BL Off-site – operated by highway carriers for
containerized freight only.

Highway Sufferance Warehouses

96. The CBSA restricts the number of Type BW highway sufferance warehouses to one within the area of a CBSA office. However, the CBSA may consider licensing additional warehouses under the following conditions:

- (a) the volume of commercial highway traffic processed at the CBSA office exceeds 40,000 shipments a year over a sustained period as determined by the Minister;
- (b) the CBSA is able to provide service to the newly proposed facility;
- (c) the applicant demonstrates the ability to attract enough shipments to justify providing a CBSA officer on a full-time basis; and
- (d) the applicant is prepared to fund the installation and maintenance of computer terminals and transmission lines as required by the CBSA.

97. The CBSA will not normally approve a licence to operate a Type BW sufferance warehouse for receiving general merchandise arriving by commercial vehicles at border locations as they are already serviced by frontier examining warehouses. Exceptions may be made if the frontier examining warehouse is unsuitable for storing and examining commercial shipments or if the volume of traffic justifies licensing a highway sufferance warehouse. Exceptions can only be made if the CBSA is able to provide service.

98. If the Minister determines that a new or an additional Type BW sufferance warehouse is required, applications will be invited through local newspaper advertisements. All applications must be submitted in triplicate on Form E400B, *Application for Licence to Operate a Customs Highway Sufferance Warehouse*, (see Appendix B) to the CBSA office indicated in the advertisement.

99. The CBSA will issue a licence to the successful applicant once all requirements are met and advise all applicants in writing of the Minister's decision.

100. Once a Type BW licence has been issued in an area, the CBSA will not consider applications for additional sufferance warehouse licences for at least two years unless otherwise directed by the Minister.

101. If a licensee surrenders a highway sufferance warehouse licence or sells the facility, the CBSA can invite applications through local newspaper advertisements.

Type BL

102. Type BL sufferance warehouses are operated by a bonded highway carrier leasing space within a BW warehouse to store imported goods carried in the bonded highway carrier's system, such as goods carried under the carrier code assigned by the CBSA.

Type BL Off-Site

103. Type BL off-site sufferance warehouse licences are issued if the following conditions are met:

- (a) the cargo is transported in containers;
- (b) appropriate container lifting equipment is available at the warehouse. This equipment must have the capability of lifting on and off 6 and 12 meter (20 and 40 foot) containers, up to a maximum weight of 45,360 kilograms (100,000 pounds);
- (c) the Type BW sufferance warehouse in the area lacks adequate equipment or space to ground the containers;
- (d) the off-site warehouse is within a reasonable distance of the CBSA office or Type BW highway sufferance warehouse, as determined by the CBSA;
- (e) if the CBSA wishes to examine goods, the carrier must return them to a Type BW highway sufferance warehouse. A separate written agreement is required between each Type BW highway sufferance warehouse licensee and each off-site warehouse; and
- (f) all other licensing requirements as specified in Parts 1 and 2 of this memorandum are met.

104. Requirements and restrictions for the operation of warehouse types BW, BL and BL Off-site are:

(a) Warehouse Type: BW

Delivery requirement: direct delivery permitted
 Commodity type: general merchandise
 Mode: rail, marine, highway
 Deconsolidation/consolidation: yes
 Application type: E400B
 Serviceability: on-site
 Delegated licensing authority: HQ
 Other restrictions: public facility – one per port

(b) Warehouse Type: BL

Delivery requirement: direct delivery permitted
 Commodity type: general merchandise
 Mode: highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: region
 Other restrictions: located on-site at BW

(c) Warehouse Type: BL Off-site

Delivery requirement: direct delivery permitted
 Commodity type: general merchandise
 Mode: highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site at the discretion of the region
 Delegated licensing authority: region
 Other restrictions: containerized freight only

Type C – General Merchandise

105. Type C sufferance warehouses are operated by a third party for the storage, deconsolidation and sorting of imported shipments. They are also used for the consolidation of shipments according to their destination. Type C sufferance warehouses are classified into the following sub-type:

CW – operated by a consolidator, deconsolidator, bonded freight forwarder or customs broker.

Type CW – Sufferance Warehouses

106. A Type CW sufferance warehouse licence will be issued if the applicant meets all of the regulatory requirements including volume of business, financial stability, physical structure, and location of the building. The CBSA may reject any application if the proposed facility is not located within a reasonable distance of locations where CBSA commercial service is currently provided, as determined by the CBSA. The application may also be rejected if the CBSA determines that providing service to the proposed facility will adversely affect service levels at other approved locations.

107. At locations where the CBSA will provide service on a full-time basis, the applicant must be prepared to fund the installation and maintenance of computer terminals and transmission lines as required by the CBSA.

108. If the CBSA is unable to provide service directly to these warehouses, operators are required to arrange for an existing sufferance warehouse to handle the goods requiring examination. These arrangements are subject to approval by the CBSA.

109. Regional officials will determine where release documents will be processed in their region.

110. The CBSA may consider an application for a licence to operate a Type CW sufferance warehouse that is not located on airport property if the CBSA is able to provide service. Approval is also subject to the following conditions:

- (a) each CBSA region will decide if there is a need to place geographical restrictions on the location of off-airport warehouses;
- (b) import shipments must be handled through a primary air sufferance warehouse of the applicant's choice before being moved to off-airport property;
- (c) where the CBSA is unable to provide service directly to these off-airport warehouses, operators must make arrangements, subject to the CBSA approval, with an existing sufferance warehouse to handle the goods requiring CBSA examination; and
- (d) regional CBSA officials will determine where release documents will be processed in their region.

111. Requirements and restrictions for operating a type CW sufferance warehouse are:

Warehouse Type: CW

Delivery requirement: direct delivery not permitted – must report through primary warehouse – exceptions overland movement, transborder and in-transit sea-air direct
 Commodity type: general merchandise
 Mode: air, rail, marine, highway
 Deconsolidation/consolidation: yes
 Application type: E400C
 Serviceability: on-site at the discretion of the region
 Delegated licensing authority: region
 Other restrictions: operated by a third party for storage/consolidation/ deconsolidation/sorting

Type S – Specific Classes of Goods

112. A Type S sufferance warehouse is one operated by a person or persons for the storage of specific classes of imported goods arriving by any mode of transportation. Type S sufferance warehouses are classified into the following sub-types:

- SF – perishable goods, e.g. fruits and vegetables, fresh meat, fish, poultry, flowers, human plasma, etc.
- SH – used household goods and personal effects;
- SL – provincial liquor jurisdictions;
- SO – other specific classes of goods as specified on the warehouse licence. Some examples include bulk and liquid products, products used in the oil drilling industry, and lumber.
- SO (CSA) – EDI-LTL goods transported by CSA carriers.

Type SO – (CSA) Sufferance Warehouses

113. A type SO (CSA) Sufferance warehouse will be issued if the applicant meets the regulatory requirements, as well as the requirements of the CSA program. See Memorandum D3-1-7, *Customs Self Assessment Program for Carriers*, for information on CSA program requirements. If the CBSA is unable to provide service directly to these warehouses, operators will be required to backhaul shipments requiring examination to an existing sufferance warehouse. When a backhaul arrangement is being used, the applicant will not be required to meet the examination requirements outlined in section 11b), c) of the regulations. These arrangements are subject to approval by the CBSA. However, the CBSA may reject any application if the proposed facility is not located within a reasonable distance of locations where commercial service is currently provided, as determined by the CBSA.

114. Requirements and restrictions for operating warehouse types SF, SH, SO and SO (CSA) are:

(a) **Warehouse Type: SF**

Delivery requirement: direct delivery permitted
 Commodity type: perishable goods, e.g. fruits and vegetables, fresh meat, fish, poultry, flowers, human plasma, etc.
 Mode: air, rail, marine, highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: region

(b) **Warehouse Type: SH**

Delivery requirement: direct delivery permitted
 Commodity type: household goods and personal effects
 Mode: air, rail, marine, highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: region

(c) **Warehouse Type: SL**

Delivery requirement: direct delivery permitted
 Commodity type: specific
 Mode: air, rail, marine, highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: Headquarters
 Other restrictions: operated by Provincial liquor jurisdictions

(d) Warehouse Type: SO

Delivery requirement: direct delivery permitted
 Commodity type: specific commodities, including bulk and liquid products, products used in the oil drilling industry, and lumber
 Mode: air, rail, marine, highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: Headquarters

(e) Warehouse Type: SO (CSA)

Delivery requirement: direct delivery permitted
 Commodity type: specific
 Mode: highway
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site at the discretion of the region
 Delegated licensing authority: Headquarters
 Other restrictions: CSA carrier/EDI-LTL

Type PS – Private Railway Siding

115. Type PS sufferance warehouses are railway sidings owned or operated by an importer where carloads of imported goods are held pending release by the CBSA.

116. The following conditions must be met before an application to operate a Type PS private railway siding will be approved:

- (a) the location is within an area serviced by the CBSA;
- (b) the CBSA is able to provide service; and
- (c) full carloads are shipped on one rail cargo control document and the goods are consigned to the importer with the private siding privilege.

117. For Type PS warehouses, you must submit your application with the following:

- (a) a site plan of the property showing the location of the siding within the company yard;
- (b) a letter confirming that full carloads will be shipped on one rail cargo control document and that the goods will be consigned to the importer with the private siding privilege; and
- (c) security as required under paragraph 4(1) of the *Customs Sufferance Warehouses Regulations* or confirmation that security will be provided upon receipt of the licence.

118. The “Sub-Leasing of Sufferance Warehouse” Section of Part 1 – Licensing of Sufferance Warehouses and the “Building Requirements” and the “Building Modifications” Sections of Part 2 – Sufferance Warehouse Requirements do not apply to private railway sidings. The application process

and other requirements for licensing sufferance warehouses can be found in Parts 1 and 2 of this Memorandum.

119. Requirements and restrictions for operating warehouse Type PS are:

Warehouse Type: PS

Delivery requirement: direct delivery permitted
 Commodity type: general merchandise
 Mode: rail
 Deconsolidation/consolidation: no
 Application type: E400
 Serviceability: on-site
 Delegated licensing authority: region
 Other restrictions: operated by importers

120. In all cases where the CBSA does not provide on-site service for examinations, operators will be required to make arrangements, subject to CBSA approval, with an existing sufferance warehouse for the handling of goods requiring examination.

PENALTIES**Penalty Information**

121. A sufferance warehouse licensee is responsible to the Government of Canada for the safekeeping of all goods stored in the warehouse pending their entry into the economy of Canada or lawful removal. The licensee is liable for all duties and taxes assessed on the goods unless the licensee can produce the goods or show to the satisfaction of CBSA officials that the goods have been duly entered into Canada, lawfully removed from the warehouse, or destroyed while in the warehouse.

122. Licensees will be subject to penalties under the *Customs Act* if the goods are unlawfully removed from the warehouse or if the licensee cannot provide satisfactory evidence that the goods were destroyed while in the warehouse. Licensees will also be subject to penalties if they fail to provide the CBSA with a list of goods that has not been removed from the sufferance warehouse within the deadline established in the *Sufferance Warehouse Regulations* (paragraphs 15(1), (2), (3), (4) or (4.1) on the first working day after the deadline expires.

ADDITIONAL INFORMATION

123. For more information concerning this Memorandum, please contact:

Commercial Border Policy Division
 Border and Compliance Programs Directorate
 Canada Border Services Agency
 4th Floor, 150 Isabella Street
 Ottawa ON K1A 0L8

APPENDIX A

FORM E400
APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE

 Canada Border Services Agency Agence des services frontaliers du Canada

Instructions on reverse
Instructions au verso

APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE
DEMANDE D'AGRÈMENT POUR L'EXPLOITATION D'UN ENTREPÔT D'ATTENTE DE DOUANE

1. <input type="checkbox"/> Application for licence Demande d'agrément	2. <input type="checkbox"/> Amendment(s) to field(s) Modifications à la (aux) zone(s)
3. Company name - Nom de la société	
4. Head office address - Adresse du bureau central	5. Postal/Zip code - Code postal/Zip code
6. Name and title of contact(s) - Nom et titre du ou des personnes-ressources	7. Telephone No. - N° de téléphone
Security information - Renseignements relatifs à la garantie	
8. <input type="checkbox"/> Surety bond Cautionnement de garantie	9. <input type="checkbox"/> Government of Canada bond Obligation du gouvernement canadien
10. <input type="checkbox"/> Other (specify) Autre garantie (précisez) _____	
11. Name and address of guarantee company - Nom et adresse de la société de cautionnement	12. Bond No. - N° de cautionnement
	13. Amount - Montant
14. Warehouse address - Adresse de l'entrepôt	15. Postal code - Code postal
16. Warehouse operator - Entrepeneur	17. Premises - Emplacement <input type="checkbox"/> Owned by applicant Propriété du demandeur <input type="checkbox"/> Leased by applicant Loué par le demandeur
18. Distance from customs office - Distance du bureau de douane	19. Name of lessor - Nom du bailleur
20. Type of goods to be warehoused - Genre de marchandises qui doivent être entreposées	
<input type="checkbox"/> General merchandise <input type="checkbox"/> Tobacco products <input type="checkbox"/> Spirits <input type="checkbox"/> Firearms, weapons, ammunition or prohibited devices * Marchandises générales Produits du tabac Spiritueux Armes à feu, armes, munitions ou matériel prohibé *	
<input type="checkbox"/> Specific class of goods (specify) Catégorie particulière de marchandises (précisez) _____	
* Note: Copy of Carrier or Business Licence must be submitted with application. - Nota : Une copie du permis de transport ou d'entreposage doit être présentée avec la demande.	
21. Cargo control document to warehouse - Document de contrôle du fret à l'entrepôt	22. Canadian point(s) of entry - Point(s) d'entrée canadien(s)
23. Mode of transportation from foreign country to Canada - Mode de transport de l'étranger au Canada	24. Mode of transportation to warehouse - Mode de transport à l'entrepôt
25. Number of bays/doors - Nombre de quais/portes	26. Goods are for - Marchandises doivent être <input type="checkbox"/> Clearance <input type="checkbox"/> Furtherance <input type="checkbox"/> Export Dédouanées Acheminées Exportées
I/We hereby certify that all information provided with this application is true and should I/we be granted a licence to operate a customs sufferance warehouse, I/we will conform with all the provisions of the customs and excise laws and regulations, requirements and procedures for the operation for a customs sufferance warehouse. Je certifie/nous certifions, par la présente, que les renseignements fournis sur cette demande sont véridiques et que si j'obtiens/nous obtenons un agrément pour l'exploitation d'un entrepôt d'attente des douanes, je respecterai/nous respecterons toutes les lois, tous les règlements de douane et de l'accise et toutes les exigences et les procédures pour l'exploitation d'un entrepôt d'attente.	
Signature of applicant - Signature du demandeur	Title - Titre
	Date

Do not use this area - N'inscrivez rien ici

<input type="checkbox"/> Premise examined Lieux examinés <input type="checkbox"/> Meets requirements Satisfait aux exigences <input type="checkbox"/> Does not meet requirements Ne satisfait pas aux exigences Remarks Remarques _____ _____ Authorized signature - Signature autorisée Date	<input type="checkbox"/> Recommended for approval Approbation recommandée <input type="checkbox"/> Not recommended for approval Approbation non recommandée _____ Authorized signature - Signature autorisée Date <input type="checkbox"/> Approved Approuvée <input type="checkbox"/> Not approved Refusée <small>Licence No. - N° de l'agrément</small> _____ For Minister of Public Safety Pour le ministre de la Sécurité publique Date
---	--

E400 (07)

Note: This does not constitute a valid licence.
Nota : La présente demande ne constitue pas un agrément valide.



INSTRUCTIONS	INSTRUCTIONS
Field	Zone
1 Indicate with a checkmark (✓) if the application is for an original licence.	1 Cochez (✓) s'il s'agit d'une demande d'agrément originale ou initiale.
2 Indicate amendments by referring to field numbers.	2 Indiquez les modifications en faisant mention des numéros de zone.
3 The legally registered name of the company as shown on the security posted and, in the case of limited companies, as shown on the corporate seal.	3 La raison sociale dûment enregistrée de la société indiquée sur la garantie déposée et, dans le cas des sociétés à responsabilité limitée, indiquée sur le sceau institutionnel.
4, 5 The full mailing address of the corporate head office including the postal or zip code. This address will be used for all correspondence concerning the application, and, after authorization is granted, all correspondence concerning the operations of the company.	4, 5 Adresse postale complète du bureau central y compris le code postal ou zip code. Cette adresse sera utilisée pour toute correspondance concernant la demande et après que l'autorisation aura été accordée, toute correspondance concernant les opérations de la société.
6, 7 Provide the name, title, and telephone number of the person(s) who should be contacted in regards to the general operations of the company. If the address(es) differs from the head office address, provide the address(es). Use an additional page if necessary.	6, 7 Donnez le nom, titre et numéro de téléphone de la ou des personnes qui doivent être contactées concernant les opérations générales de la société. Si la ou les adresses diffèrent de celle du bureau central, donnez la ou les adresses. Utilisez une page supplémentaire au besoin.
Security information	Information concernant la garantie
8 Indicate with a checkmark () if a surety bond from a guarantee company or financial institution is posted as security.	8 Cochez (✓) s'il s'agit d'un cautionnement provenant d'une société de cautionnement ou institution financière.
9 Indicate with a checkmark () if Government of Canada bonds are posted as security. Where an applicant has chosen to submit Government of Canada bonds, Form Y76 is to be completed and submitted with the bonds and this application. Form Y76 may be obtained from any customs office.	9 Cochez (✓) si des obligations du gouvernement canadien sont déposées à titre de garantie. Lorsqu'un demandeur a choisi de remettre des obligations du gouvernement canadien à titre de garantie, il lui faut remplir le formulaire Y76 et le présenter avec les obligations et la présente demande. Le formulaire Y76 peut être obtenu de n'importe quel bureau de douane.
10 Indicate with a checkmark () if security other than a surety or Government of Canada bond is posted. Identify the type of security being posted, i.e., cash or certified cheque.	10 Cochez (✓) si c'est un autre cautionnement qu'un cautionnement de garantie ou qu'une obligation du gouvernement canadien qui est déposé. Précisez le genre de garantie qui est déposée, c'est-à-dire espèces ou chèque visé.
11 When surety bonds are posted as security, provide the full, legally registered name of the guarantee company or financial institution which issued the bond. Where applicable, provide the head office address of the guarantee company or financial institution. If not known, leave blank.	11 Lorsque des cautionnements de garantie sont déposés, donnez au complet la raison sociale dûment enregistrée de la société de cautionnement ou institution financière où le cautionnement a été émis. S'il y a lieu, indiquez l'adresse du bureau central de la société de cautionnement ou institution financière. Si l'adresse n'est pas connue, laissez en blanc.
12 Where applicable, indicate the bond number of the surety bond.	12 S'il y a lieu, indiquez le numéro du cautionnement de garantie.
13 Provide the amount of security.	13 Indiquez le montant de la garantie.
14, 15 The full mailing address of the warehouse including the postal code.	14, 15 Adresse postale complète de l'entrepôt y compris le code postal.
16 Indicate the name of the company operating the warehouse, if different from field 4.	16 Indiquez le nom de la compagnie qui exploite l'entrepôt, si ce nom diffère de celui à la zone 4.
17 Place a checkmark () in the appropriate box.	17 Cochez (✓) la case appropriée.
18 Metres/kilometres or Yards/miles.	18 Mètres/kilomètres ou verges/milles.
19 Provide name of lessor, if applicable.	19 Donnez le nom du bailleur, s'il y a lieu.
20 Indicate type of goods, i.e., general merchandise, tobacco products, spirits, firearms, weapons, ammunition, or prohibited devices, specific class of goods (CSA-LTL, household goods and personal effects, bulk and liquid products, etc.).	20 Indiquez le genre de marchandises, c'est-à-dire marchandises générales, produits du tabac, spiritueux, armes à feu, armes, munitions ou matériel prohibé, catégorie particulière de marchandises (PAD-EDC, effets personnels et domestiques, produits en vrac et liquides, etc.).
21 Indicate type of cargo control document the goods will move on to warehouse, i.e., air waybill, rail billing, highway, or marine bill, freight forwarders' house bills.	21 Indiquez le genre de document de contrôle du fret sous lequel les marchandises seront acheminées à l'entrepôt, c'est-à-dire connaissance aérien, ferroviaire, grand route ou maritime, ou papier creux de transitaire.
22 Indicate point(s) of entry into Canada.	22 Indiquez le point(s) d'entrée au Canada.
23, 24 Indicate applicable mode, i. e., air, rail, highway or marine.	23, 24 Indiquez le mode approprié, c'est-à-dire aérien, ferroviaire, grand route ou maritime.
25 Indicate number of bays.	25 Indiquez le nombre de quais.
26 Place a checkmark () in the appropriate box(es). ✓	26 Cochez (✓) la ou les cases appropriées.
The completed application in triplicate and supporting documentation must be submitted to the customs office having jurisdiction over the area where the warehouse is located.	La demande remplie, en trois exemplaires, ainsi que les documents d'appui doivent être soumis au bureau de douane dont relève la région où se trouve l'entrepôt.

APPENDIX B

FORM E400B

APPLICATION FOR LICENCE TO OPERATE A CUSTOMS HIGHWAY SUFFERANCE WAREHOUSE



Canada Border
Services Agency

Agence des services
frontaliers du Canada

**Application for Licence
to Operate a Customs
Highway Sufferance
Warehouse**

Canada

E400B (07)

INTRODUCTION

The application package consists of the application form E400 and schedules A through D. The application form E400 as well as all schedules must be completed in detail and submitted in exact triplicate, together with all required documentation by the closing date for the receipt of applications. Applications should be forwarded to the address of the Canada Border Services Agency (CBSA) office indicated in the public call for applications.

Applications and/or additional information postmarked after the closing date for receipt of applications will not be eligible for consideration.

Applications not fully completed as to certification, schedules or required documentation will not be recommended for further consideration.

Responsibilities of the Canada Border Services Agency (CBSA)

The CBSA is responsible for the calling of applications for specified locations by way of advertisements, for receiving, analysing and processing applications, and for making recommendations to the Minister of Public Safety.

After licensing by the Minister, the CBSA monitors and controls the ongoing operation of the highway sufferance warehouses.

Responsibilities of the Applicants

Applicants are responsible for:

- Ensuring that they meet all the qualifying criteria for the operation of a highway sufferance warehouse;
- The selection of a suitable site for the highway sufferance warehouse. They are solely responsible for making all the necessary arrangements for the lease, purchase or construction of a suitable building or space and also for the lease or purchase of the land;
- The completion of the application package and the submission of the package together with all required documentation to the CBSA on or before the closing date for the receipt of applications for the site applied for. Registered mail or courier service is recommended;
- The accuracy and full disclosure of all information required in the application package.

The successful applicants may be responsible for the cost of providing full time customs service to the sufferance warehouses.

APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE


1. <input type="checkbox"/> Application for Licence		2. <input type="checkbox"/> Amendment(s) to Field(s)	
3. Company Name			
4. Head Office Address			5. Postal — Zip Code
6. Name and Title of Contact(s)			7. Telephone No.
Security Information			
8. <input type="checkbox"/> Surety Bond		9. <input type="checkbox"/> Government of Canada Bond	
10. <input type="checkbox"/> Other (Specify) _____			
11. Name and Address of Guarantee Company			12. Bond No.
			13. Amount
14. Warehouse Address			15. Postal Code
16. Warehouse Operator		17. Premises	
		<input type="checkbox"/> Owned by Applicant <input type="checkbox"/> Leased by Applicant	
18. Distance from Customs Office		19. Name of Lessor	
20. Type of goods to be warehoused			
<input type="checkbox"/> General merchandise <input type="checkbox"/> Tobacco products <input type="checkbox"/> Spirits <input type="checkbox"/> Firearms, weapons, ammunition or prohibited devices *			
<input type="checkbox"/> Specific class of goods (specify) _____			
* Note: Copy of Carrier or Business Licence must be submitted with application.			
21. Cargo control document to warehouse		22. Canadian point(s) of entry	
23. Mode of transportation from foreign country to Canada		24. Mode of transportation to warehouse	
25. Number of bays/doors		26. Goods are for	
		<input type="checkbox"/> Clearance <input type="checkbox"/> Furtherance <input type="checkbox"/> Export	
I/We hereby certify that all information provided with this application is true and should I/we be granted a Licence to operate a Customs Sufferance Warehouse, I/we will conform with all the provisions of the Customs and Excise Laws and Regulations, Requirements and Procedures for the Operation of a Customs Sufferance Warehouse.			
_____ Signature of Applicant		_____ Title	
		_____ Date	

DO NOT USE THIS AREA

<input type="checkbox"/> Premises Examined		<input type="checkbox"/> Meets Requirements		<input type="checkbox"/> Recommended for Approval		<input type="checkbox"/> Not Recommended for Approval	
		<input type="checkbox"/> Does Not Meet Requirements		_____ Authorized Signature		_____ Date	
Remarks _____				<input type="checkbox"/> Approved		<input type="checkbox"/> Not Approved	
				_____ Licence No.			
_____ Authorized Signature		_____ Date		_____ For Minister of Public Safety		_____ Date	

E400 (07)

Note: This does not constitute a valid licence.



INSTRUCTIONS

Field

- 1 Indicate with a checkmark (✓) if the application is for an original licence.
- 2 Indicate amendments by referring to field numbers.
- 3 The legally registered name of the company as shown on the security posted and, in the case of limited companies, as shown on the corporate seal.
- 4,5 The full mailing address of the corporate head office including the postal or zip code. This address will be used for all correspondence concerning the application, and, after authorization is granted, all correspondence concerning the operations of the company.
- 6,7 Provide the name, title and telephone number of the person(s) who should be contacted in regards to the general operations of the company. If the address(es) differs from the head office address, provide the address(es). Use an additional page if necessary.

Security Information

- 8 Indicate with a checkmark (✓) if a surety bond from a guarantee company or financial institution is posted as security.
- 9 Indicate with a checkmark () if Government of Canada Bonds are posted as security. Where an applicant has chosen to submit Government of Canada Bonds, Customs form Y76 is to be completed and submitted with the bonds and this application. Form Y76 may be obtained from any Customs office.
- 10 Indicate with a checkmark () if security other than a surety or Government of Canada Bond is posted. Identify the type of security being posted, i.e., cash or certified cheque.
- 11 When surety bonds are posted as security, provide the full, legally registered name of the guarantee company or financial institution which issued the bond. Where applicable, provide the head office address of the guarantee company or financial institution. If not known, leave blank.
- 12 Where applicable, indicate the bond number of the surety bond.
- 13 Provide the amount of security.
- 14,15 The full mailing address of the warehouse including the postal code.
- 16 Indicate the name of the company operating the warehouse, if different from Field 3.
- 17 Place a checkmark (✓) in the appropriate box.
- 18 Meters/Kilometers or Yards/Miles
- 19 Provide name of lessor, if applicable.
- 20 Indicate type of goods, i.e., general merchandise, tobacco products, spirits, firearms, weapons, ammunition, or prohibited devices, specific class of goods (CSA-LTL, household goods and personal effects, bulk and liquid products, etc.).
- 21 Indicate type of cargo control document the goods will move on to warehouse, i.e., air waybill, rail billing, highway or marine bill, freight forwarders' house bills.
- 22 Indicate point(s) of entry into Canada.
- 23, 24 Indicate applicable mode, i.e., air, rail, highway or marine.
- 25 Indicate number of bays.
- 26 Place a checkmark (✓) in the appropriate box(es).

The completed application in triplicate and supporting documentation must be submitted to the Customs office having jurisdiction over the area where the warehouse is located.


SITE AND BUILDING PROPOSALS
SITE

Supply detailed plans drawn to scale showing an overview of the area and the location of:

- Warehouse building;
- Detention compound or parking area.

Location relative to major transportation routes _____

BUILDING

Supply detailed plans of the building drawn to scale indicating the location of:

- Truck bays and docks;
- All partitions, doors, windows, stairs, etc.;
- Customs office and examining area;
- Telephones, lights and sources of heat in the Customs office and examining area;
- Computer terminals and transmission lines;
- Washroom facilities;
- Handicap facilities.

Dimensions

Building _____ Customs Office _____

Sufferance Area _____ Examination Area _____

Type of Construction (steel, concrete, etc.)

Security Systems/Safety Equipment (locks, windows, sprinkler system, etc.)

Personnel and Equipment for the handling of goods for examination by Customs

Other

Note: Indicate if site and building are existing or planned.

FINANCIAL STABILITY

STATEMENT OF NET WORTH

Net Income (Loss) After Expenses	Current Year Forecast	Prior Years		
		20	20	20
Business, Farming, Fishing or Professional Income — Net	\$	\$	\$	\$
Employment Income — Net	\$	\$	\$	\$
Pension and Annuity Income — Net	\$	\$	\$	\$
Rental and Property Income — Net	\$	\$	\$	\$
Interest Income	\$	\$	\$	\$
Dividend Income	\$	\$	\$	\$
Other Investment Income (capital gains and losses)	\$	\$	\$	\$
Other	\$	\$	\$	\$
Total	\$	\$	\$	\$

Gross Revenues Before Expenses Relative to the Above

Gross Business, Farming, Fishing or Professional Income	\$	\$	\$	\$
Gross Rental or Property Income (i.e., gross rent)	\$	\$	\$	\$
Total	\$	\$	\$	\$

CERTIFICATION

I/We certify that the information above is a true and accurate representation of my/our net worth, and I/we hereby authorize whatever credit and other checks which may be required to ensure that the above information is true and accurate.

Signature of Applicant

Title

Date

NOTES:

APPLICANTS ARE REQUIRED TO SUBMIT CORROBORATING EVIDENCE FROM THIRD PARTIES TO SUBSTANTIATE ITEMS LISTED IN THEIR STATEMENT OF NET WORTH.

APPLICANTS ARE ENCOURAGED TO PROVIDE AS MUCH DETAIL AS POSSIBLE TO AID IN THE EVALUATION OF THEIR APPLICATION.


EMPLOYMENT/BUSINESS EXPERIENCE

This form should be completed by the applicant or by each of the individuals who will be assuming responsibility for the day to day operations of the customs sufferance warehouse.

Name	Date of birth
Address	
Position or role in the operation of the sufferance warehouse	

Current Employment Profile

Description of your current position or function	
Name of company	
Type of business	
Position title	Years in this position
Profile of company	
Your responsibilities	

EMPLOYMENT/BUSINESS EXPERIENCE

Describe any experience you have in the following areas:

1. In dealing with the Canada Border Services Agency (CBSA)
2. In the warehouse industry
3. In the transportation industry (e.g. carrier, freight forwarder)
4. Other business experience

PRO-FORMA BUSINESS PLAN

Applicants must provide a detailed business plan containing sufficient information for the Canada Border Services Agency (CBSA) to assess the viability of the proposed warehouse. To this end, the CBSA will require projected volume figures for the number of highway shipments to be received by the warehouse over a three year period. These volumes must be substantiated by corroborating data such as market surveys and letters of intent from potential clients along with an indication as to how the operator intends to capture a share of the market.

In addition to projected volume figures, the applicant must provide a detailed cash flow projection for the same three-year period.

While the application package specifies essential data required for the evaluation process, applicants are encouraged to provide as much information as they feel necessary to support their application.

	Year 1	Year 2	Year 3
Projected Volume of Shipments			

DETAILED PROJECTION — YEARLY CASH FLOW

Receipts	Year 1	Year 2	Year 3
	(\$000)	(\$000)	(\$000)
Storage Charges			
Rental Income			
Other Services			
Total Receipts			

Disbursements

Payroll and Benefits			
Land Rental			
Building Rental			
Equipment Rental			
Advertising			
Licence Fees			
Insurance			
Property and Capital Taxes			
Property Maintenance			
Equipment Maintenance			
Bank and Loan Charges			
Legal and Audit			
Utilities and Fuel			
Office Expenses			
Telephone			
All Other Expenses			
Total Disbursements			

Cash Flow

Surplus (Deficit)			
Beginning Cash Balance			
Ending Cash Balance			

APPENDIX C

FORM E400C
APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE



Canada Border Services Agency
 Agence des services frontaliers du Canada

Instructions on reverse
 Instructions au verso

APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE
DEMANDE D'AGRÉMENT POUR L'EXPLOITATION D'UN ENTREPÔT D'ATTENTE DE DOUANE

1. <input type="checkbox"/> Application for licence Demande d'agrément	2. <input type="checkbox"/> Amendment(s) to field(s) Modifications à la (aux) zone(s)
3. Company name - Nom de la société	
4. Head office address - Adresse du bureau central	5. Postal/Zip code - Code postal/Zip code
6. Name and title of contact(s) - Nom et titre du ou des personnes-ressources	
7. Telephone No. - N° de téléphone	
Security information - Renseignements relatifs à la garantie	
8. <input type="checkbox"/> Surety bond Cautionnement de garantie	
9. <input type="checkbox"/> Government of Canada bond Obligation du gouvernement canadien	
10. <input type="checkbox"/> Other (specify) Autre garantie (précisez) _____	
11. Name and address of guarantee company - Nom et adresse de la société de cautionnement	
12. Bond No. - N° de cautionnement	
13. Amount - Montant	
14. Warehouse address - Adresse de l'entrepôt	
15. Postal code - Code postal	
16. Warehouse operator - Entreposeur	
17. Premises - Emplacement <input type="checkbox"/> Owned by applicant Propriété du demandeur <input type="checkbox"/> Leased by applicant Loué par le demandeur	
18. Distance from customs office - Distance du bureau de douane	
19. Name of lessor - Nom du bailleur	
20. Type of goods to be warehoused - Genre de marchandises qui doivent être entreposées	
<input type="checkbox"/> General merchandise Marchandises générales	
<input type="checkbox"/> Tobacco products Produits du tabac	
<input type="checkbox"/> Spirits Spiritueux	
<input type="checkbox"/> Firearms, weapons, ammunition or prohibited devices * Armes à feu, armes, munitions ou matériel prohibé *	
<input type="checkbox"/> Specific class of goods (specify) Catégorie particulière de marchandises (précisez) _____	
* Note: Copy of Carrier or Business Licence must be submitted with application. - Nota : Une copie du permis de transport ou d'entreposage doit être présentée avec la demande.	
21. Cargo control document to warehouse - Document de contrôle du fret à l'entrepôt	
22. Canadian point(s) of entry - Point(s) d'entrée canadien(s)	
23. Mode of transportation from foreign country to Canada - Mode de transport de l'étranger au Canada	
24. Mode of transportation to warehouse - Mode de transport à l'entrepôt	
25. Number of bays/doors - Nombre de quais/portes	26. Goods are for - Marchandises doivent être <input type="checkbox"/> Clearance Dédouanées <input type="checkbox"/> Furtherance Acheminées <input type="checkbox"/> Export Exportées
I/We hereby certify that all information provided with this application is true and should I/we be granted a licence to operate a customs sufferance warehouse, I/we will conform with all the provisions of the customs and excise laws and regulations, requirements and procedures for the operation for a customs sufferance warehouse.	
Je certifie/nous certifions, par la présente, que les renseignements fournis sur cette demande sont véridiques et que si j'obtiens/nous obtenons un agrément pour l'exploitation d'un entrepôt d'attente des douanes, je respecterai/nous respecterons toutes les lois, tous les règlements de douane et de l'accise et toutes les exigences et les procédures pour l'exploitation d'un entrepôt d'attente.	
Signature of applicant - Signature du demandeur _____	
Title - Titre _____	
Date _____	

Do not use this area - N'inscrivez rien ici

<input type="checkbox"/> Premise examined Lieux examinés	<input type="checkbox"/> Meets requirements Satisfait aux exigences	<input type="checkbox"/> Recommended for approval Approbation recommandée	<input type="checkbox"/> Not recommended for approval Approbation non recommandée
Remarks Remarques _____	<input type="checkbox"/> Does not meet requirements Ne satisfait pas aux exigences	Authorized signature - Signature autorisée _____	
		Date _____	
Authorized signature - Signature autorisée _____		Date _____	
		<input type="checkbox"/> Approved Approuvée <small>Licence No. - N° de l'agrément</small>	<input type="checkbox"/> Not approved Refusée
		For Minister of Public Safety Pour le ministre de la Sécurité publique	
		Date _____	

E400 C (07)

Note: This does not constitute a valid licence.
 Nota : La présente demande ne constitue pas un agrément valide.

INSTRUCTIONS	INSTRUCTIONS
Field	Zone
1 Indicate with a checkmark (✓) if the application is for an original licence.	1 Cochez (✓) s'il s'agit d'une demande d'agrément originale ou initiale.
2 Indicate amendments by referring to field numbers.	2 Indiquez les modifications en faisant mention des numéros de zone.
3 The legally registered name of the company as shown on the security posted and, in the case of limited companies, as shown on the corporate seal.	3 La raison sociale dûment enregistrée de la société indiquée sur la garantie déposée et, dans le cas des sociétés à responsabilité limitée, indiquée sur le sceau institutionnel.
4, 5 The full mailing address of the corporate head office including the postal or zip code. This address will be used for all correspondence concerning the application, and, after authorization is granted, all correspondence concerning the operations of the company.	4, 5 Adresse postale complète du bureau central y compris le code postal ou zip code. Cette adresse sera utilisée pour toute correspondance concernant la demande et après que l'autorisation aura été accordée, toute correspondance concernant les opérations de la société.
6, 7 Provide the name, title, and telephone number of the person(s) who should be contacted in regards to the general operations of the company. If the address(es) differs from the head office address, provide the address(es). Use an additional page if necessary.	6, 7 Donnez le nom, titre et numéro de téléphone de la ou des personnes qui doivent être contactées concernant les opérations générales de la société. Si la ou les adresses diffèrent de celle du bureau central, donnez la ou les adresses. Utilisez une page supplémentaire au besoin.
Security Information	Information concernant la garantie
8 Indicate with a checkmark () if a surety bond from a guarantee company or financial institution is posted as security.	8 Cochez (✓) s'il s'agit d'un cautionnement provenant d'une société de cautionnement ou institution financière.
9 Indicate with a checkmark () if Government of Canada bonds are posted as security. Where an applicant has chosen to submit Government of Canada bonds, Form Y76 is to be completed and submitted with the bonds and this application. Form Y76 may be obtained from any customs office.	9 Cochez (✓) si des obligations du gouvernement canadien sont déposées à titre de garantie. Lorsqu'un demandeur a choisi de remettre des obligations du gouvernement canadien à titre de garantie, il lui faut remplir le formulaire Y76 et le présenter avec les obligations et la présente demande. Le formulaire Y76 peut être obtenu de n'importe quel bureau de douane.
10 Indicate with a checkmark () if security other than a surety or Government of Canada bond is posted. Identify the type of security being posted, i.e., cash or certified cheque.	10 Cochez (✓) si c'est un autre cautionnement qu'un cautionnement de garantie ou qu'une obligation du gouvernement canadien qui est déposé. Précisez le genre de garantie qui est déposée, c'est-à-dire espèces ou chèque visé.
11 When surety bonds are posted as security, provide the full, legally registered name of the guarantee company or financial institution which issued the bond. Where applicable, provide the head office address of the guarantee company or financial institution. If not known, leave blank.	11 Lorsque des cautionnements de garantie sont déposés, donnez au complet la raison sociale dûment enregistrée de la société de cautionnement ou institution financière ou le cautionnement a été émis. S'il y a lieu, indiquez l'adresse du bureau central de la société de cautionnement ou institution financière. Si l'adresse n'est pas connue, laissez en blanc.
12 Where applicable, indicate the bond number of the surety bond.	12 S'il y a lieu, indiquez le numéro du cautionnement de garantie.
13 Provide the amount of security.	13 Indiquez le montant de la garantie.
14, 15 The full mailing address of the warehouse including the postal code.	14, 15 Adresse postale complète de l'entrepôt y compris le code postal.
16 Indicate the name of the company operating the warehouse, if different from field 4.	16 Indiquez le nom de la compagnie qui exploite l'entrepôt, si ce nom diffère de celui à la zone 4.
17 Place a checkmark () in the appropriate box.	17 Cochez (✓) la case appropriée.
18 Metres/kilometres or yards/miles.	18 Mètres/kilomètres ou verges/milles.
19 Provide name of lessor, if applicable.	19 Donnez le nom du bailleur, s'il y a lieu.
20 Indicate type of goods, i.e., general merchandise, tobacco products, spirits, firearms, weapons, ammunition, or prohibited devices, specific class of goods (CSA-LTL, household goods and personal effects, bulk and liquid products, etc.).	20 Indiquez le genre de marchandises, c'est-à-dire marchandises générales, produits du tabac, spiritueux, armes à feu, armes, munitions ou matériel prohibé, catégorie particulière de marchandises (PAD-EDC, effets personnels et domestiques, produits en vrac et liquides, etc.).
21 Indicate type of cargo control document the goods will move on to warehouse, i.e., air waybill, rail billing, highway or marine bill, freight forwarders' house bills.	21 Indiquez le genre de document de contrôle du fret sous lequel les marchandises seront acheminées à l'entrepôt, c'est-à-dire connaissance aérien, ferroviaire, grand'route ou maritime, ou papier creux de transitaire.
22 Indicate point(s) of entry into Canada.	22 Indiquez le point(s) d'entrée au Canada.
23, 24 Indicate applicable mode, i.e., air, rail, highway or marine.	23, 24 Indiquez le mode approprié, c'est-à-dire aérien, ferroviaire, grand'route ou maritime.
25 Indicate number of bays.	25 Indiquez le nombre de quais.
26 Place a checkmark () in the appropriate box(es). ✓	26 Cochez (✓) la ou les cases appropriées.
The completed application in triplicate and supporting documentation must be submitted to the customs office having jurisdiction over the area where the warehouse is located.	La demande remplie, en trois exemplaires, ainsi que les documents d'appui doivent être soumis au bureau de douane dont relève la région où se trouve l'entrepôt.

**SITE AND BUILDING PROPOSALS
EMPLACEMENT ET BÂTIMENT — PROPOSITIONS**

Site - Emplacement

Supply detailed plans drawn to scale showing an overview of the area and the location of:
Donnez les plans détaillés à l'échelle indiquant un aperçu du secteur et de l'emplacement de :

- Warehouse building - L'entrepôt;
- Detention compound or parking area - L'endroit de détention ou l'aire de stationnement.

Location relative to major transportation routes
Emplacement par rapport aux routes principales _____

Building - Bâtiment

Supply detailed plans of the building drawn to scale indicating the location of:
Donnez les plans détaillés à l'échelle du bâtiment en indiquant l'emplacement de ce qui suit :

- Truck bays and docks - Quais et rampes pour véhicules;
- All partitions, doors, windows, stairs, etc. - Toutes les cloisons, les portes, les fenêtres, les escaliers, etc.;
- Customs office and examining area - Bureau de douane et espace d'examen;
- Telephones, lights, and sources of heat in the customs office and examining area - Téléphones, lumières et sources de chaleur dans le bureau de douane et l'espace d'examen;
- Computer terminals and transmission lines - Terminaux et lignes de transmission;
- Washroom facilities - Toilettes;
- Handicap facilities - Installations pour les handicapés.

Dimensions

Building _____ Customs office _____
Bâtiment _____ Bureau de douane _____

Sufferance area _____ Examination area _____
Aire d'attente _____ Espace d'examen _____

Type of construction (steel, concrete, etc.) - Type de construction (acier, béton, etc.)

Security systems/safety equipment (locks, windows, sprinkler systems, etc.)
Systèmes et matériel de sécurité (verrous, fenêtres, systèmes d'arrosage automatique, etc.)

Personnel and equipment for the handling of goods for examination by customs
Personnel et équipement pour permettre la manutention des marchandises à être examinées par les douanes

Other - Autre

**Note: Indicate if site and building are existing or planned.
Nota : Indiquez si l'emplacement et le bâtiment existent déjà ou s'ils sont à l'état de projet.**

Shipment volumes

In order to assess the viability of the proposed warehouse, the CBSA requires projected volume figures for the number of shipments to be received in the warehouse over the first three years of operation as well as (if applicable) figures for the number of shipments handled by the applicant over the past three years.

Applicants must also provide a narrative evaluation indicating how he/she intends to capture and/or retain the projected volumes provided.

In addition, projected volumes indicated should be substantiated by corroborating data such as surveys and letters of intent from either current or potential clients.

Volume d'expéditions

Pour que la viabilité de l'entrepôt proposé puisse être jugée, l'ASFC aura besoin de chiffres sur le volume projeté d'expéditions que l'entrepôt doit recevoir sur les trois premières années d'exploitation, ainsi que (s'il y a lieu) le volume d'expéditions reçu par le demandeur au cours des trois années précédentes.

Les demandeurs doivent aussi fournir une évaluation narrative concernant la manière par laquelle ces volumes projetés seront réalisés ou retenus.

Les volumes projetés doivent aussi être justifiés à l'aide des données d'appui, telles que les études du marché et les déclarations d'intention des clients actuels ou prévus.

Prior years (if applicable) - Années précédentes (s'il y a lieu)			Projected volumes - Volumes projetés		
_____	_____	_____	Year 1 - Année 1	Year 2 - Année 2	Year 3 - Année 3

Narrative evaluation - Évaluation narrative

APPENDIX D**CARGO HANDLING CONTRACT****Import Cargo**

1. (a) Offload bulk cargo from vehicles when applicable.
 - (b) Break down and/or empty unit load devices, e.g., pallets, containers.
 - (c) Check incoming cargo against document(s).
2. (a) Sort and
 - (b) Store import cargo for a period to be mutually agreed and in accordance with CBSA requirements.
3. Place cargo under CBSA control, clearing discrepancies in accordance with CBSA requirements.
4. Notify consignee/agent of arrival in accordance with the carrier's instructions and in accordance with CBSA requirements.
5. Provide facilities for collection of collect charges.
6. Take action in accordance with the carrier's instructions where the consignee refuses to accept the shipment.

Cargo Services

7. Clear cargo through CBSA in accordance with the instruction(s) of the carrier's clients and in concurrence with CBSA requirements.
8. Store cargo in accordance with CBSA requirements.

Transfer Cargo

9. (a) Offload bulk cargo from vehicles.
 - (b) Break down and/or empty unit load devices, e.g., pallets, containers.
 - (c) Check incoming cargo against document(s).
10. In accordance with CBSA requirements put cargo under CBSA control, clearing discrepancies.
11. (a) Sort and
 - (b) Store transfer cargo for a period to be mutually agreed prior to dispatch in accordance with the nature of goods and the routing of the cargo.
12. Provide essential equipment and storage facilities for special cargo for example perishables, live animals, valuables, news films, and other special items.
13. Prepare transfer manifest(s) for cargo to be transported by another carrier.
14. Provide transport to the warehouse of the receiving carrier, for transfer cargo under cover of a transfer document or any other document required by the CBSA.

Export Cargo (where applicable)

15. Provide accommodation and services for acceptance of cargo and ensure adequate control that shipments and documents when delivered for transportation by shipping either directly or through the intermediary of carrier's agent are made "ready for carriage," any irregularity to be reported to the carrier.
16. In accordance with CBSA requirements, put cargo under CBSA control.
17. (a) Sort and
 - (b) Store export cargo for a period to be mutually agreed prior to dispatch in accordance with the nature of goods and the routing of the cargo.
18. Tally and assemble for dispatch by weight and volume cargo up to capacity available on the carrier's vehicles.

19. Prepare for delivery onto vehicles:
 - (a) Bulk cargo and
 - (b) Unit load devices, e.g., pallets, containers.
20. (a) Prepare cargo control documents.
 - (b) Split waybill/probill sets. Forward applicable copy of the cargo control document and waybills, probills as mutually agreed.
 - (c) Where applicable, return copy of the waybill/probill to the shipper endorsed with shipping details.
21. Obtain CBSA export clearance.

General

22. Present to CBSA, as required, cargo for physical examination.
23. Deal with lost, found, and damaged cargo and report such irregularities to the carrier.
24. Notify the carrier of any complaints and claims made by the carrier's clients.

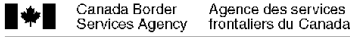
For Air Only

25. The cargo handler undertakes to convey and deliver documents between aircraft and appropriate airport buildings.
26. The cargo handler undertakes to provide transport for CBSA personnel from warehouse to aircraft and ramp area as and when required.

APPENDIX E

FORM L61

NOTICE OF APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE,



<p>NOTICE OF APPLICATION FOR LICENCE TO OPERATE A CUSTOMS SUFFERANCE WAREHOUSE</p>	<p>AVIS DE DEMANDE D'AGRÉMENT POUR L'EXPLOITATION D'UN ENTREPÔT D'ATTENTE DES DOUANES</p>
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Date	Warehouse type - Catégorie d'entrepôt	Page of de
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An application for a licence to operate a customs sufferance warehouse has been received from the following:

Une demande d'agrément pour l'exploitation d'un entrepôt d'attente des douanes a été reçu de :

Name and address of applicant Nom et adresse du demandeur	Warehouse address Adresse de l'entrepôt

If anyone has just and reasonable cause as to why a licence should not be granted to the above applicant(s), a protest must be filed within 14 days of the posting of this notice with the Canada Border Services Agency (CBSA) at the following location:

Toute personne ayant un motif juste et raisonnable de s'opposer à ce qu'un agrément soit octroyé au(aux) demandeur(s) susmentionné(s) doit déposer une protestation dans les quatorze jours qui suivent l'affichage du présent avis auprès de l'Agence des services frontaliers du Canada (ASFC) à :

Under the *Privacy Act*, protests containing personal information concerning an individual must be disclosed to the individual if requested. Such information cannot be received in confidence by the CBSA.

En vertu de la *Loi sur la protection des renseignements personnels*, les protestations comportant des renseignements personnels sur un particulier doivent être communiquées à cette personne sur demande. Ces renseignements ne peuvent être reçus à titre confidentiel par l'ASFC.

Chief officer of the CBSA - Agent en chef de l'ASFC

APPENDIX F

FORM D120, CUSTOMS BOND



Help

Restore

Bond No. _____

CUSTOMS BOND

In accordance with the Acts, Regulations and other authorities governing the customs activity identified below, we, the "principal" and "surety", jointly and severally bind ourselves, our respective heirs, executors, administrators, successors and assigns in the amount stated below unto Her Majesty in right of Canada, her heirs and successors. We, the principal, further acknowledge that we are required to furnish and maintain security in the amount noted.

1. Activity to be secured

Relevant legislative authority _____

Bond amount _____
(in words) _____ dollars (\$) _____

2. Legislative authorities

*Customs Brokers Licensing Regulations
Transportation of Goods Regulations
Customs Bonded Warehouse Regulation
Customs Sufferance Warehouse Regulations*

*Duty Free Shop Regulations
Temporary Importation (Tariff Item No. 9993.00.00) Regulations
Accounting for Imported Goods and Payment of Duties Regulations
Other authorities may be accepted*

The condition of the above written obligation is such that, if the obligation imposed by these legislative authorities is well and truly performed, this obligation shall be void and of no effect, but, otherwise, shall be and remain in full force, virtue and effect. Notwithstanding the foregoing, it is understood and agreed that the liability of the surety under this bond shall be limited to the amount stated herein and shall not be cumulative during the existence of this bond.

3. Specify the period of validity of this bond as determined by the relevant Regulations (check one box only)

a) Continuous bond — Effective date: _____

b) Bond for a specified period — Starting on the _____ day of _____ year _____
and terminating on the _____ day of _____ year _____

4. It is understood that the above-written obligation shall apply to activities conducted at _____

5. a) Provided that the surety gives the CBSA office holding the security 30 days notice by registered mail of its intention to terminate the obligation undertaken, this obligation and all liability shall cease insofar as any act or dealing by the principal subsequent to the termination date is concerned, but, otherwise, shall remain in full force and effect.

b) The liability of the principal and of the surety hereunder, shall arise upon receipt by the surety of a written demand from the Canada Border Services Agency (CBSA) containing relevant documentation to substantiate the claim. However, if the principal or the surety provides, within 60 days of the date of such demand, evidence to disprove the claim, then such liability, if any, arises on the date of the notice confirming that the demand is valid. All such demands shall be given to the surety within one year following the date of termination of this bond.

6. Notwithstanding this bond, it is understood that the CBSA may, at any time, as it sees fit, refuse the privileges associated with this bond.

7. In witness whereof, the principal has hereunto set his hand and seal and the surety has caused those present to be sealed with its corporate seal, attested to be the signature of its duly authorized officials, the day and year written below. We the principal further testify that we have read and understand the relevant Acts, Regulations and other authorities indicated herein, and hereby undertake to be strictly governed by the provisions thereof.

Principal (name and address)	Signature and seal
	President's name
	Signature
	Secretary or treasurer's name
Business number	
Surety (name and address)	Signature and seal
	Name and title
	Signature
	Name and title

8. Signed, sealed, and delivered in the presence of _____
(witness for principal, notary public, commissioner of oath or by a lawyer)

9. Dated this _____ **day of** _____ **year** _____

D120 E (08)

Print

BSF259 E



REFERENCES

<p>ISSUING OFFICE – Commercial Border Policy Division Border and Compliance Programs Directorate Canada Border Services Agency</p>	<p>HEADQUARTERS FILE – 7795-0</p>
<p>LEGISLATIVE REFERENCES – <i>Regulations Respecting Customs Sufferance Warehouses Customs Act, sections 30, 37(1), 164, and 166</i></p>	<p>OTHER REFERENCES – D1-2-1, D1-5-1, D1-7-1, D3-1-7, D3-3-1, D17-1-21</p>
<p>SUPERSEDED MEMORANDA “D” – D4-1-4 dated July 11, 1997</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

