

C008

Contravention	Person (carrier) failed to use his authorized carrier code, or failed to present the letter of authorization when using another bonded carrier's code, or failed to provide a bar coded cargo control number.
Penalty	1st: \$1,000 2nd: \$2,000 3rd and Subsequent: \$3,000
Penalty Basis	Per Instance
Legislation	<i>Customs Act</i> , section 7.1
D Memo	D3-1-1, Regulations Respecting the Importation, Transportation and Exportation of Goods, paragraph 30
Other Reference	D17-1-10, Coding of Customs Accounting Documents Customs Notice N402, Use of letter of Authorization Customs Notice N417, Reporting Requirements for Commercial Shipments
Guidelines	Applied by an officer. This penalty applies to: <ul style="list-style-type: none">• A carrier or freight forwarder using a carrier code belonging to a bonded carrier without a letter of authorization. The carrier should be afforded an opportunity to obtain the letter of authorization. The carrier will NOT BE ALLOWED TO PROCEED INLAND USING THE UNAUTHORIZED CARRIER CODE. The carrier will have to either use his own bonded carrier code or obtain a single trip bond.• A carrier using a carrier code belonging to a non-bonded carrier.• A highway carrier or freight forwarder has been assigned a carrier code for over a month but is still not presenting bar coded documents or is still presenting pre-printed A8A 77YY cargo control documents. Monitoring sheets are <u>not required</u>, contravention C008 must be issued for each trip.• A carrier who crosses more than five times a year and who has not obtained his own carrier code. The 77YY monitoring sheet must be completed and faxed to Carrier and Cargo Policy at 613-957-9717. <u>The Customs office will be notified and authorized by HQ to issue a carrier penalty once the carrier exceeds the five times.</u>

This penalty does not apply to:

- Unreadable bar codes
 - The carrier must be advised that his bar codes are unreadable. The cargo control number must be input manually. Refer to D3-1-1, Appendix H for bar code specifications and testing procedures. (Contravention C005 is not applicable in these circumstances.)
- Failed Pars
 - A failed Pars is replaced by a handwritten or typed CCD using the cargo control number of the original PARS document.
 - Alternatively, carriers may use their pre-printed CCDs and cross out the existing bar coded cargo control number and show the cargo control number of the failed PARS in the "Previous cargo control number" field.
 - In both cases, the wording "Failed Pars" must be written on the CCD to clarify why a bar code is not being used.

Letters of authorizations are not required for:

- conveyance registered to the carrier whose code is being used (Owner /operator under exclusive contract and conveyance is registered or co-registered to the primary carrier)
- shipments moving under an authorized "marine overland movement" (D3-5-2)
- shipments transferred under an interline agreement
- transborder air shipments in highway service (flying trucks D3-2-2)

Bar coded cargo control numbers are not required for:

- shipments being abstracted by a broker or sole importer for release purposes
- goods moving in-transit on a "Canada – US Intransit manifest"
- Air (AXX- or IATA assigned code)
- Rail (6000 series)
- Marine (9000 series)
- Mail (E14 series)

**Retention
Period**

12 months

C046

Contravention	When requested by an officer, operator of a bonded warehouse or duty free shop failed to allow an officer free access to the warehouse or duty free shop or any premises or place under his control that is attached to or forms part of the warehouse or duty free shop.
Penalty	1st: \$1,000 2nd: \$5,000 3rd: \$10,000 4th and Subsequent: \$25,000
Penalty Basis	Per Instance
Legislation	<i>Customs Act, section 27</i>
D Memo	D7-4-4, Customs Bonded Warehouses
Other References	D4-3-1, Duty Free Shops Regulations D7-4-1, Duty Deferral Program
Guidelines	Applied by an officer. Applied against operator of a bonded warehouse or duty free shop or, when approved for the Duty Deferral Program, applied against the processor, importer or exporter. The officer must first request to enter premises. Ensure that entry is prevented or refused by person in charge or responsible for facility. Suspension of license should be considered and may be applied simultaneously with the AMP. Apply a penalty per instance. For failure to allow access to a sufferance warehouse, see C356

C047

Contravention	When requested by an officer, operator of a bonded warehouse or duty free shop failed to open any package or container of goods therein or remove any covering therefrom to allow free access to the goods.
Penalty	1st: \$1,000 2nd: \$2,000 3rd and Subsequent: \$3,000
Penalty Basis	Per Instance
Legislation	<i>Customs Act</i> , section 27
D Memo	D7-4-4, Customs Bonded Warehouses
Other Reference	D4-3-1, Duty Free Shops Regulations D7-4-1, Duty Deferral Program
Guidelines	Applied by an officer. Applied when operator fails or refuses to open any package, container of goods or remove any covering. Applied against operator of a bonded warehouse or duty free shop or, when approved by Duty Deferral Program, may be applied against the processor, importer or exporter. Officer must request goods be made available for examination. Request will detail what is expected of operator. Suspension of license should be considered and may be applied simultaneously with the AMP. Apply a penalty per instance. For failure to allow access to goods in a sufferance warehouse, see C357.

C066

Contravention Person removed goods from a bonded warehouse or duty free shop prior to release by an officer.

Penalty 1st: \$1,000 or 5% of the value for duty, whichever is greater
2nd: \$2,000 or 10% of the value for duty, whichever is greater
3rd and Subsequent: \$3,000 or 20% of the value for duty, whichever is greater

Penalty Basis Value for Duty

Legislation *Customs Act*, section 31

D Memo D7-4-4, Customs Bonded Warehouses

Other References D4-1-2, Customs Bonded Warehouse Regulations
D17-1-10, Coding of Customs Accounting Document
D4-3-1, Duty Free Shops Regulations

Guidelines Applied by an officer.

Applied against the person or licensed operator who physically removes goods from a bonded warehouse or duty free shop prior to release by an officer.

In the case of partial removal of the goods, the FIFO (First In First Out) principle will apply.

For all goods, an AMP will apply, and in addition, Specified Goods shall be seized.

Specified Goods not located will be subject to an ascertained forfeiture in addition to an AMP.

For removal of goods from a customs office or sufferance warehouse, see C358.

C069

Contravention	Person generated or used a false Release Notification System (RNS) notice to remove goods from a bonded warehouse, or duty free shop.
Penalty	1st: \$1,000 or 5% of the value for duty, whichever is greater 2nd: \$3,000 or 10% of the value for duty, whichever is greater 3rd and Subsequent: \$5,000 or 20% of the value for duty, whichever is greater
Penalty Basis	Value for Duty
Legislation	<i>Customs Act</i> , section 31
D Memo	D17-1-5, Importing Commercial Goods
Other References	Release Notification System (RNS) Participants' Requirements Document D7-4-4, Customs Bonded Warehouse D17-1-10, Coding of Customs Accounting Document D4-3-1, Duty Free Shop - Regulations
Guidelines	Applied by an officer. Assessed against warehouse operator or person who generated a false message (i.e. importer). Applied when it is discovered during a bonded warehouse examination or verification or a duty free shop audit that goods believed to be on site have been removed by the use of a false RNS. For Specified Goods, ascertained forfeiture to be applied in addition to AMPS penalty. For using a false RNS message to remove goods from a customs office or sufferance warehouse, see C359.

C315

Contravention Exporter failed to provide to customs, according to the legislative timeframes, any export permit, licence or certificate required.

Penalty 1st: \$1,000
2nd: \$2,000
3rd and Subsequent: \$3,000

Penalty Basis Per Document

Regulation *Reporting of Exported Goods Regulations*, section 5

D Memo D20-1-1, Export Declaration

Other References D19-10-3, Export and Import Permit Act (Exportations); Export Control List, Appendix B

Guidelines Applied by an officer.

Applied against the exporter.

Exporter failed to provide an export permit, licence or certificate according to the legislative timeframes.

Softwood lumber permits are exempt from this requirement. (DFAIT Notice to Exporters - No. 136 dated May 2002).

For strategic goods controlled by the Export and Import Permits Act, follow existing Regional Intelligence and Contraband Division's communication procedures.

This penalty applies only to exported goods under section 5 of the Reporting of Exported Goods Regulations.

Although a penalty may be applied under this contravention all OGD admissibility requirements must be met. OGD may also apply their own administrative monetary penalties.

Apply a penalty per permit, certificate or license.

For missing, incorrect or untrue information on a permit, licence or certificate, see C005.

For failure to submit export declarations, see C170.

For failure to report goods subject to export control, see C345.

For false information intentionally provided on a permit, licence or certificate, see C348.

For a missing General Export Permit (GEP) number, see C362.

Retention Period 12 months

C356

Contravention When requested by an officer, operator of a sufferance warehouse failed to afford the officer free access to the warehouse or any premises or place under his control that is attached to or forms part of the warehouse.

Penalty 1st: \$1,000
2nd: \$5,000
3rd: \$10,000
4th and Subsequent: \$25,000

Penalty Basis Per Instance

Legislation *Customs Act, Section 27*

D Memo D4-1-4, Customs Sufferance Warehouses

Guidelines Applied by an officer.

Applied against the operator of a sufferance warehouse for failure to allow an officer free access to the warehouse.

The officer must first request to enter premises.

Ensure that entry is prevented or refused by person in charge or responsible for facility.

Suspension of licence should be considered and may be applied simultaneously with the AMP.

Apply a penalty per instance.

For failure to allow access to a bonded warehouse or duty free shop, see C046.

Retention Period 12 months

C357

Contravention when requested by an officer, operator of a sufferance warehouse failed to open any package or container of goods therein or remove any covering therefrom to allow free access to the goods.

Penalty 1st: \$1,000
2nd: \$2,000
3rd and Subsequent: \$3,000

Penalty Basis Per Instance

Legislation *Customs Act, Section 27*

D Memo D4-1-4, Customs Sufferance Warehouses

Guidelines Applied by an officer.

Applied against the operator of a sufferance warehouse for failure to open any package, container of goods or remove any covering.

Officer must request goods be made available for examination.

Request will detail what is expected of operator.

Suspension of licence should be considered and may be applied simultaneously with the AMP.

Apply a penalty per instance.

For failure to allow access to goods in a bonded warehouse or duty free shop, see C047.

Retention Period 12 months

C358

Contravention	Person removed goods from a customs office or sufferance warehouse prior to release or authorization by an officer.
Penalty	1st: \$1,000 or 5% of the value for duty, whichever is greater. 2nd: \$2,000 or 10% of the value for duty, whichever is greater. 3rd and Subsequent: \$3,000 or 20% of the value for duty, whichever is greater.
Penalty Basis	Value for duty
Legislation	<i>Customs Act</i> , Section 31
D Memo	D4-1-4, Customs Sufferance Warehouses
Other Reference	<i>Customs Act</i> , Section 19
Guidelines	Applied by an officer. Applied against a carrier for removing goods from a customs office or against a sufferance warehouse operator for allowing the removal of goods from the warehouse prior to release or authorization by an officer. Also applied when a carrier has been directed to report to a Customs Warehouse on form Y28 and fails to do so. For all goods, an AMP will apply, and in addition, Specified Goods shall be seized. Specified goods not located will be subject to an ascertained forfeiture in addition to an AMP. For removal of goods from a bonded warehouse or duty free shop, see C066.
Retention Period	12 months

C359

Contravention	Person generated or used false Release Notification System (RNS) notice to remove goods from a customs office or sufferance warehouse.
Penalty	1st: \$1,000 or 5% of the value for duty, whichever is greater. 2nd: \$3,000 or 10% of the value for duty, whichever is greater. 3rd and Subsequent: \$5,000 or 20% of the value for duty, whichever is greater.
Penalty Basis	Value for duty
Legislation	<i>Customs Act</i> , Section 31
D Memo	D17-1-5, Importing Commercial Goods
Other References	Customs Notice N-347 - Sufferance Warehouse Operators and the Release Notification System Release Notification System (RNS) Participant's Requirements Document D17-1-10, Coding of Customs Accounting Document
Guidelines	Applied by an officer. Assessed against a sufferance warehouse operator or person who generated a false message (i.e. importer). Applied when it is discovered during a sufferance warehouse check or examination that goods believed to be on site have been removed by the use of a false RNS. For Specified Goods, ascertained forfeiture to be applied in addition to AMPS penalty. For use of a false RNS message for removal of goods from a bonded warehouse or duty free shop, see C069.
Retention Period	12 months

C360

Contravention Person (Importer) failed to account for all imported goods valued at \$1,600 or greater at time of the release request.

Penalty 1st: \$2,000 or 20% of the value for duty, whichever is greater
2nd: \$4,000 or 40% of the value for duty, whichever is greater
3rd and Subsequent: \$6,000 or 60% of the value for duty, whichever is greater

Penalty Basis Value for duty

Legislation *Customs Act*, paragraph 32(1)(a) and (2)(a)

D Memo D17-1-0, Accounting for Imported Goods and Payment of Duties Regulations

Other References D17-1-5, Importing Commercial Goods
Customs Enforcement Manual

Guidelines Applied by an officer.

Applied against the importer.

Occurs when it is found during an examination of goods based on a referral of the release request (e.g. RMD, PARS, FIRST, B3), or as a result of a verification, that goods were not accounted for by the importer at time of interim accounting or presentation of a B3 prior to the release of the goods, at a customs office.

Penalty applies on the portion of the shipment that was not accounted on the release request.

Although a penalty may be applied under this contravention all OGD admissibility requirements must be met prior to release. OGDs may also apply their own administrative monetary penalties.

For administrative type errors, see C005.

For failure to account for imported goods valued at less than \$1,600 at time of release request, see C361.

Retention Period 12 months

C361

Contravention Person (Importer) failed to account for all imported goods valued at less than \$1,600 at time of release request.

Penalty 1st: \$100 or 20% of the value for duty, whichever is greater
2nd: \$200 or 40% of the value for duty, whichever is greater
3rd and Subsequent: \$300 or 60% of the value for duty, whichever is greater

Penalty Basis Value for duty

Legislation *Customs Act*, paragraph 32(1)(a) and (2)(a)

D Memo D17-1-0, Accounting for Imported Goods and Payment of Duties Regulations

Guidelines Applied by an officer.

Applied against the importer.

Occurs when it is found during an examination of goods based on a referral of the release request (e.g. RMD, PARS, FIRST, B3), or as a result of a verification, that goods were not accounted for by the importer at time of interim accounting or presentation of a B3 prior to the release of the goods, at a customs office.

Penalty applies on the portion of the shipment that was not accounted on the release request.

Although a penalty may be applied under this contravention all OGD admissibility requirements must be met prior to release. OGDs may also apply their own administrative monetary penalties.

For administrative type errors, see C005.

For failure to account for imported goods valued at \$1,600 or greater at time of release request, see C360.

Retention Period 12 months

C362

Contravention	Exporter failed to indicate the General Export Permit (GEP) number in the permit field of the export declaration.
Penalty	1st: \$100 2nd: \$200 3rd and Subsequent: \$300
Penalty Basis	Per missing GEP Number
Regulation	Reporting of Exported Goods Regulations, Section 5
D Memo	D20-1-1, Export Declaration
Other References	D19-10-3, Export and Import Permits Act (Exportations); Export Control List, Appendix B Customs Notice N-558 Export – Application of General Export Permit 12 and Document Requirements
Guidelines	Applied by an officer. Applied against the exporter. Applied when the exporter fails to insert the GEP number in the permit field of the export declaration (B13A, CAED or EDI/G7). Although a penalty may be applied under this contravention all OGD admissibility requirements must be met. OGDs may also apply their own administrative monetary penalties. Apply a penalty per missing GEP number. For missing, incorrect or untrue information on a permit, licence or certificate, see C005. For failure to submit export declarations, see C170. For failure to provide required export permit, licence or certificate, see C315. For failure to report goods subject to export control, see C345. For false information intentionally provided on a permit, licence or certificate, see C348.
Retention Period	12 months