

2011 Instructions for Execution of the Fill-able Customs Power of Attorney

The 2011 Instructions for Execution of the Fill-able Customs Power of Attorney provide a comprehensive guideline for your use. It is intended to serve as a roadmap for the proper execution of a valid Customs Power of Attorney. This blank and the following instructions supersede and replace any earlier instructions and blanks which may have been previously provided. If you are not already familiar with this process, it is strongly recommended that you read the remainder of this section as it contains useful background information for general knowledge as the information has changed to provide a comprehensive guide through the fill-able fields.

I. How to use the FPoA Fill-able Form

- You must have at least Adobe Acrobat Reader 7.0 (or later) installed on your computer to view, complete and print the K+N fill-able form.
- Click on the form **Customs Power of Attorney** on the Kuehne + Nagel, Inc. website; http://www.kn-portal.com/locations/north_america/united_states/. Adobe Acrobat Reader should immediately launch and the form display within the browser window.
- If Adobe Acrobat Reader does not launch and you are asked for what type of application to open the file with, [download a free copy of the latest Adobe Acrobat Reader from the Adobe web site](#).

Note: Acrobat Reader does not allow you to save what you key into the form, nor can you e-mail the completed form to anyone.

II. How to Complete a Fill-able Form

1. Click on the link to open the fill-able form in Adobe Acrobat Reader through your browser.
2. Use either the hand tool in the Adobe Acrobat window or the scroll bar on the right side of the Internet browser window to move the form around to view all areas.
3. To enter text in a form field: Your mouse pointer hand will change to an “I-beam” over the form field where you can enter text. Just click in the field and enter text or make a selection offered in the drop down menu (where applicable).
4. Once you have entered text in a field, press TAB to accept text entered and go to the next field.
5. Press SHIFT+TAB to accept text entered and go to the previous field.
6. RETURN takes you down another line in a multi-line field.
7. When in a check box, you can click the space bar to put in or take out a check mark.
8. Be sure to fill out the form completely before you print it.
9. After completing the fill-able form, you must first print and later sign the form. All signatures, where required, must be hand written in blue ink on the form. Signature blocks are not fill-able via your keyboard. The form can only be submitted electronically for preliminary review not for pre-validation. Original signatures are always required.
10. To print the completed form, click the “PRINT” icon found on the top left of the fill-able form or the  icon on the Adobe Acrobat tool bar. **Ensure** “CHOOSE PAPER SOURCE BY PDF PAGE SIZE” or “AUTO ROTATE AND CENTER” is checked off for proper page orientation in the PRINT box. If you click the “PRINT” icon on the browser tool bar, you will get a copy of the form embedded in the web page.
11. If you want to save a completed “fill-able” form, [you will need to purchase and download an additional Adobe Acrobat product](#).

III. General Information

A. What is a Customs Power of Attorney?

A Customs Power of Attorney is a legal instrument by which a principal (importer) grants certain powers and authority in favor of an agent (Customs broker). Essentially, the Customs Power of Attorney empowers Kuehne + Nagel, Inc. to act on behalf of its clients in transacting their Customs business. That includes those activities involving transactions with Customs concerning the entry and admissibility of merchandise, its classification and valuation, and the payment of duties, taxes or other charges collected by Customs.

B. When do I need a Customs Power of Attorney from the shipper?

Under the terms of sale Delivered Duty Paid (DDP), the seller of the merchandise bears title and risk for the merchandise until delivered, Customs cleared and duty paid. That means that the seller is responsible for all costs incurred (including Customs clearance and duty) up to the time that the goods are delivered to the buyer. Only the owner or purchaser has the right to declare and make entry of goods imported into the United States. The term "owner" is defined as a party with a demonstrable financial interest in the imported merchandise. Therefore, under DDP terms, since the seller retains ownership and risk for the goods at the time of entry, it will have the right to declare and enter the goods as importer of record.

C. What is the step-by-step process?

1. Once it is determined that you must obtain a Customs Power of Attorney (FPoA) from your client, it is important that this is done **BEFORE** cargo is shipped to the United States. That will avoid unnecessary and often costly delays when the cargo arrives at the port of entry.
Provide the customer with a blank Customs Power of Attorney control number **KNU004 e-POA/BALZC 11/11** and the detailed instructions in the next section for completion of the form. It is not acceptable to provide the K+N power of attorney form by faxcopy or to print and scan to eMail to an importer for execution. **This is an unequivocal policy statement; there are no exceptions.**
2. For Non-Resident Entities (foreign powers of attorney), have the completed and signed numbered FPoA sent to the attention of Bal ZC-I at (410) 412-7326 via facsimile or scan the copy to eMail to fpoa.prevalidation@kuehne-nagel.com when sending a faxcopy, a cover page that identifies the K+N employee and branch location representing the customer must always be provided. Cover information for Bal ZC-I's reply should also include the K+N contact's department code, telephone/telefax numbers, and e-mail address.
3. If on review of the faxcopy or scanned numbered FPoA Bal ZC-I believes that the original can be validated on receipt, then a pre-validation notice will be sent by e-mail instructing for the transmittal of the original page numbered FPoA by overnight courier. If the faxcopy or scanned copy reveals that corrections are necessary, then a message will be sent to the sender with detailed advice for that purpose.
4. The original FPoA in original numbered form must be sent by overnight courier directly to the attention of Bal ZC-I at K+N Baltimore. Once the original numbered FPoA has been received and validated, it will be added to the current list of valid FPoA's, which can be accessed through the K+N US Intranet site. An official validation notice will be sent to the K+N US office designated for managing the customer's Customs business with a copy to the K+N contact at the origin office.
5. **All US Resident or domestic powers of attorney are to be directly to the local KNU branch that will handle the business.**
6. PoA's with amendments, strike-outs, white-outs, erasures, lined out terms, modifications, or changes of any kind made by the donor, will not be accepted for the purposes of transacting the customs business of a client without the express prior approval of Bal ZC-I.

D. Additional Required Information

The following information is required in addition to the PoA:

1. The U.S. ports of entry for which the client will require Customs Brokerage services. If the client will be shipping to multiple destinations, it is necessary that a single K+N US branch/department/contact is designated to coordinate the business at our end. That is not done by Bal ZC-I. The designation of a single K+N US branch/department/contact will allow K+N US to provide a satisfactory level of service.
2. It is very important that you ask your customer if they have previous experience as Importer of Record in the United States. If they have previously acted as Importer of Record, then we will need their Customs assigned importer identification number.
3. We must know if the client has a continuous Customs bond.
4. We must know if the client has any binding rulings issued by the U.S. Customs Service.

E. Customs Bonds

In general, a Customs bond is required for entry of imported merchandise into the United States. A Customs bond acts as a security for compliance with U.S. law and payment of duties, taxes, and/or fees due the U.S. government by reason of importation. For entry purposes, there are two types of Customs bonds, a “single transaction” bond, and a “continuous term” bond. A single transaction bond will apply to only one Customs entry. A continuous bond is self-renewing and billed annually and may be applied to all Customs entries filed by the principal during the term of the bond. Information and pricing for Customs bonds should be requested from the K+N US Customs brokerage manager you have designated to coordinate the customer’s Customs business. This service is not arranged through Bal ZC-I.

IV. Step-by-step Instructions

A. Principal Types

Before going forward, it is important to know how the principal granting the PoA has organized its business. In general there are four principal types:

Individual – A person.

Partnership – A business owned by two or more parties personally at risk for the company's debts.

Corporation – A business owned by shareholders whose risk is limited to their investment.

Sole Proprietorship – A business owned by an individual.

Limited Liability Company – For U.S. resident companies only! (An entity obtaining some characteristics of both a corporation and a partnership and managed by its members, managers or officers.)

For identification purposes, it is recommended that the person granting the Customs Power of Attorney check mark “✓” the appropriate principal type box in the upper right hand corner of the form.

B. Completing the form:

1. Enter the full legal name in the first blank space labeled “**(Full name of individual, partnership, corporation, sole proprietorship, or limited liability company) (Identify)**”. Unless a trade name will also be used, this name must match exactly the name to be shown on commercial invoices and the principal's Customs bond.

Individuals – The person's full (first and last) name should be shown.

Corporations – Enter the full legal name of the corporation as appears on its articles of incorporation. If the corporation is doing business under a separate trade name (d/b/a), then both the full legal name and d/b/a name should be shown (e.g., XYZ Limited d/b/a ABC Company).

Partnership – Enter the full name of each partner. In the case of a limited partnership, only the name(s) of the general partner(s) authorized to act on behalf of the partnership should be shown.

Sole Proprietorship – Enter the full name of the individual proprietor followed by the business name (e.g., John Doe d/b/a XYZ Enterprises).

Joint Ventures should follow the instructions specified for *Partnerships*.

2. Except in the case of partnerships, **select from the drop down menu** the appropriate principal type (Individual, corporation, sole proprietorship, or limited liability company) in the blank space labeled “**(Individual, partnership, corporation, sole proprietorship, or limited liability company) (select one)**”. For partnerships, the full name of the partnership should be entered in this space.
3. Enter the country name in which the company is chartered, incorporated, or otherwise established in the blank space following the words, “**under the laws of the State of...**”
4. Enter the complete street address including: street number, street name, city/town, county/state/province, country **and** postal code of the company headquarters, or other location (where all official government correspondence will be sent), on the blank line following the words, “**residing or having a principal place of business at...**” For individuals, the complete address of the person's principal residence should be shown. **This is a multi-line wrap around text box that allows you to enter 2 complete lines of text.**

5. For corporations and limited liability companies, enter the official company name again on the blank line following the words, **“IN WITNESS WHEREOF, the said...”** For partnerships, enter either the names of each of the general partners or the partnership name, if registered to do business under that name with the State/Country. For individuals and sole proprietorships, enter the name of the person signing the Power of Attorney. **This field defaults to the full legal entity name entered above in step 1.**
6. Have the Power of Attorney signed by a **duly authorized** company official on the blank line following the words **“caused these presents to be sealed and signed: (Signature)...”** **If the blank Power of Attorney has been printed from electronic format, then the signature must be made in blue ink. The Signature blocks are not fill-able via your keyboard.** Electronic signatures will not be accepted.

Individual – must be signed by the individual.

Partnership – must be signed by any one of the general partners. If the principal is a limited partnership, the Power of Attorney must be signed by the general partner authorized to bind the partnership unless the partnership agreement states otherwise, in which case a copy of the partnership agreement must be provided with the Power of Attorney. If the principal is a limited liability partnership, then the Power of Attorney must be signed by a partner.

Corporation – must be signed by a duly authorized company official. The president, vice president, secretary or treasurer of the corporation, is assumed to have this authority; any other person signing for a corporation must be authorized to do so by resolution of the Board of Directors and a letter from the corporate secretary certifying to that effect should accompany the Power of Attorney.

Sole Proprietorship – must be signed by the owner.

7. **Select from the drop down calendar** the date of execution on the blank line following the word **“(Date)”**.
8. **ON THE RIGHT SIDE OF THE FORM.** For individuals and sole proprietorships, the “Individual or Partnership Certification” is **OPTIONAL** provided that a copy of the signer’s government issued photo identification is furnished with the Customs Power of Attorney. Otherwise, the certification must be completed by a person authorized by local government to attest to the authenticity of signatures. If the grantor is a corporation, or a corporation acting in the capacity of general partner, then go on to step 10.
9. The section titled **“CERTIFICATION (FOR NON-RESIDENT ENTITIES ONLY)”** is **REQUIRED for all nonresident corporations** and must be completed by a company official **OTHER** than the one who granted the Customs Power of Attorney by signing on the left hand side .
10. The individual making the non-resident certification should enter his/her job title or capacity in the first blank space labeled **“(Title of Certifier)”**; enter the full company name in the blank space labeled **“(Company Name)”**; enter the name of the company official who granted the Customs Power of Attorney in the blank space labeled **“(Grantor’s Name)”**; then enter the date, **from the drop down calendar**, that the Customs Power of Attorney was signed in the space labeled **“(DD/MM/YY)”**.
11. Enter the name of the company official who granted the Customs Power of Attorney in the blank space labeled **“(Grantor’s Name)”**; enter the job title of the company official who granted the Customs Power of Attorney in the blank space labeled **“(Grantor’s Title)”**; enter the full company name again in the blank space labeled **“(Company Name)”**; then enter the country in which the

company is legally registered in the blank space labeled “**(Country of Company’s Jurisdiction)**”.

12. The individual making the certification must sign his/her name and date in the spaces provided following the words “**(Signature).....(Date).....**” **If the blank Power of Attorney has been printed from electronic format, then the signature must be made in blue ink.**
13. The individual making the certification must enter his/her name and job title or capacity in the spaces provided following the words “**(Print Name).....(Title of Certifier).....**”

C. Once the Form Has Been Completed

1. Foreign Powers of Attorney

Once completed, please send a copy of the numbered form to the attention of “Bal ZC-I” at fax #410-412-7326 or scan completed copy to eMail to fpoa.prevalidation@kuehne-nagel.com. The faxcopy or scanned copy will be reviewed for “pre-validation”. Either a notice of pre-validation or correction advice will be provided via e-mail. Once a notice of “pre-validation” has been provided, the original control numbered form, **intact**, with **ORIGINAL signatures** must be sent to the attention of “Bal ZC-I” at the following address:

Kuehne + Nagel, Inc.
810 Landmark Drive
Suites 221-229
Glen Burnie, MD 21061

2. U.S. Resident/Domestic Powers of Attorney

Once completed, printed and signed please send the original numbered form to the attention the customs manager at the KNU local clearing office that will be controlling the business.

PoA forms completed on a facsimile will not be validated despite containing original signatures.

It is recommended that the sender keep a copy of the completed and signed Customs Power of Attorney for their records.