

General Order (GO)

Er is sprake van G.O. wanneer een zending niet binnen 15 dagen na lossing door ontvangers is afgenomen. De zending wordt dan verplaatst naar een overheidsloods (G.O. warehouse), waar de storage kosten zeer hoog zijn. Zendingen die eenmaal in GO gegaan zijn kunnen wel alsnog door de ontvanger afgenomen worden maar pas nadat eerst alle kosten hieronder (1 tm 10) door ontvangers voldaan zijn.

Kosten vrv ontvanger / verscheper

Onder 'standaard-kosten' die normaliter (bij CIF) door ontvangers betaald moeten worden, rekenen we :

- 1/DTC + STRIPPING : inkomsten voor Cleve – welke Cleve aan CTI opdraagt te collecteren
- 2/REFUND : inkomsten voor Cleve – momenteel (04.09.15) een afspraak die alleen voor freehand NY geldt
- 3/Standaard locale kosten : inkomsten voor Carotrans (deze verschillen per loshaven)
- 4/X-ray / examination costs : betaald door CTI en deze belast ze pro-rata aan ontvangers door

Mogelijke bijkomende kosten zijn :

- 5/In-out + Storage : in CTI's 'eigen' loods (AZ / St George / oa) – ingaande na de 5e dag na lossing
Deze worden 'overgenomen' door de GO facility zodra de goederen verplaatst worden naar de GO loods
- 6/Inklaringskosten (hier is normaliter geen sprake van als goederen in GO gaan)
- 7/Huisleverings-kosten (hier is sowieso geen sprake van als goederen in GO gaan)

Extra kosten ivm General Order (GO)

- 8/GO storage : loodshuur in de douane-/overheidsloods
- 9/Transportkosten : van de 'eigen' loods naar de douane-/overheidsloods
- 10/Administratieve kosten : eventueel

Procedure :

Drie (3) dagen voor GO intreedt horen wij een waarschuwing van CTI te krijgen, zodat we de klant kunnen waarschuwen. We moeten de klant hierbij melden dat als de goederen niet afgenomen worden, de items **1 en 4** volgens de B/L-condities voor zijn rekening komen.

Dit neemt niet weg dat, zodra de goederen in GO gaan, Carotrans een beslag-legging doet ('file a lien') tbv de eigen standard charges (3) en die van Cleve (**1**) maar men gaat er vanuit dat de zending uiteindelijk 'abandoned' verklaard zal gaan worden.

Wanneer wij van CTI de melding krijgen dat de goederen in GO zijn gegaan, dan moeten **wij** items 1/2 (+ 4) ook daadwerkelijk **crediteren** aan CTI (dat zal men ons vragen te doen) en aan onze klant doorbelasten *.

* De x-ray/exam charges (indien daar sprake van is) worden door Carotrans gelijkmatig over de lading verdeeld. Hier zit geen marge op voor Carotrans maar men moet deze kosten als ontvanger van onze consols wel betalen. Bij GO zendingen int men dit deel dus niet. Er is afgesproken dat men ook die kosten aan ons mag terug belasten. Wij moeten dit aan de klant belasten. Weigert hij dit te doen, dan is Carotrans bereid deze kosten 50/50 te delen.

De meeste GO facilities belasten op de eerste dag dat goederen ingeslagen worden, al een (minimum van) 1 maand storage, naast de transfer fees (9), de in/out fees en de storage kosten van de oorspronkelijke CFS aan de ontvangers. Echter, als de zending uiteindelijk 'abandoned' wordt, blijft deze rekening un-collected.

Als de ontvanger de zending alsnog inklaart en afhaalt, laat CTI de zending pas vrijstellen als de ontvanger eerst de kosten van Carotrans (3) en Cleve (**1**) + 4 betaald heeft. In dat geval moeten wij (1/2) alsnog weer aan Carotrans in rekening brengen. Realiteit is echter dat de kosten (**mn 5 + 8**) zó hoog zijn, dat men wel een deel van de eigen locals absorbeert, om het dossier te kunnen sluiten. Het kan voorkomen dat men ook aan ons vraagt om een stukje medewerking (lees : vraagt om onze fees onder 1 en 2 te reduceren).

Abandoned verklaring : als algemene regel kan aangehouden worden dat goederen 6 maanden in GO zijn, voordat ze 'abandoned' verklaard worden. Voor niet-ingeklaarde lading geldt dat de douane hier volledig

controle over heeft en dat zij **niemand hoeven te informeren** over de vervolg-actie (verkoop/vernietigen).

Echter, als de zending uitsluitend voor de beoogde ontvanger een zekere waarde heeft, zal de douane iom de ontvanger proberen de lading toch ingeklaard te krijgen om nog iets van de onkosten gedekt te krijgen.

De genoemde 6 maanden zijn niet een door de wet opgelegde beperking. Er kan van worden afgeweken.

Uitzonderingen (op 6 maanden regel): er zijn gevallen waarbij USCBP (US Customs and Border Protection) zéér snel over zal gaan tot vernietiging (bv. nep-wapens) van de partij (binnen 2 maanden) en het gebeurt dat de zending nog tot wel twee jaar in GO blijft voordat ze geveild wordt (bv. antieke auto's).

a/De zending kan door de douane verkocht worden (geveild) en uit de opbrengst worden de kosten zoveel mogelijk afgedekt. De eerste die betaald krijgt is US Customs (invoerrechten), de tweede is de GO facility, dan de carrier (Carotrans/Cleve) en tot slot de ontvanger zelf (indien hij ook een claim gelegd heeft). Vaak is de opbrengst al onvoldoende om I.R. af te dekken, laat staan dat de GO warehouse zijn kosten afgedekt krijgt. Om maar helemaal niet te spreken van Carotrans/Cleve. Dat lukt slechts bij wijze van uitzondering.

b/Bij vernietiging ontstaan er wederom extra kosten (en is er ook geen opbrengst uit verkoop). De USCBP claimt dan uiteraard geen IR en de GO loads claimt geen kosten voor opslag of voor vernietiging (noch van Carotrans, noch van de expediteur of de eindontvanger). Carotrans loopt dan haar inkomsten (3) wel mis, maar krijgt ook geen GO kosten belast (zie opmerking hierboven tav x-ray / exam charges).

Uitzondering hierop is bij de volgende omstandigheid: lading die niet binnen 15 dagen is afgenomen uit de loads van Carotrans, wèl door de ontvangers is ingeklaard, maar waarvan de inklarings-papieren niet aan de loads overhandigd zijn, gaan óók in GO, hier komen ook alle bijkomende kosten op te rusten (8/9/10) maar de kosten voor (uiteindelijk) abandonment/vernietiging kunnen door de douane alsnog belast worden aan de ontvangende expediteur, de eind-ontvangers of de carrier (Carotrans – die dan ongetwijfeld ook bij ons zal aankloppen).

c/Op enig moment kunnen wij (Cleve) overwegen de zending naar RTM terug te laten komen (heeft alleen zin als de zending een flinke waarde heeft en verkoopbaar is). Alle kosten onder items 1/2/3/4/5/8/9/10 + retourkosten, komen dan voor onze rekening. We moeten ons er dan op voorhand goed van vergewissen of de hoge kosten de opbrengst niet ver te boven gaat. In dit geval zullen wij (W.v.S.) ook eerst moeten zeker stellen dat we dit rechtmatig kunnen (accord van de 'eigenaar' van de goederen cq houder van het OHBL).

Mike Draer

Dealing with GO Cargo

If cargo is not customs cleared after 15 days of being unloaded at the container freight station, it is taken into a General Order warehouse. It is then in the custody of the port director, and stays at the GO warehouse at the risk and expense of the consignee until they provide a Customs Clearance.

	KEY TASK		DETAILS OF KEY TASK
1	<u>Receive GO notification from warehouse</u>		
2	<u>Advise Broker or Notify Party</u>	2.1	Fax or email the 'notify party': - a copy of the GO notice received, clearly showing the last free day - a copy of our arrival notice
		2.2	Keep the following copies in the job file, attached to the corresponding HBL. - GO advise from warehouse - Fax receipt or email sent
3	<u>Advise Overseas Agent</u>	3.1	Fax or email the sending overseas agent: - Copy of GO notice received - Copy of HBL or Arrival Notice
		3.2	Request our overseas agent to contact the shipper and get them to contact the consignee directly to organise for collection of the freight.
4	<u>If freight is not cleared and goes GO</u>	4.1	Ensure a Lien is placed against cargo for any outstanding charges due to Carotrans, including any charges Carotrans is to collect on behalf of the overseas agent. (Use attached lien form) NB: <i>If the freight has been sitting in your branches local warehouse-they will usually submit the lien on our behalf.</i>
5	<u>Freight is collected by GO warehouse</u>	5.1	Ensure you get a copy of the delivery ticket order number.
		5.2	Report the GO number to 'notify party' and overseas agent. The consignee will need this number

			if/when they make a customs entry on the shipment.
6	<u>Revise Profit and Loss accordingly after 30 days</u>	6.1	If after 30 days a customs entry has not been made by the broker, and the customer has shown no interest in taking possession of the cargo, you must: <u>IF AGENT IS OWED CHARGES</u> • Inform the overseas agent that due to GO status, we are unable to collect their charges. • Request a credit note from overseas agent to cancel their charges. Assure the agent that if the customer should attempt to claim the cargo, we will reinstate the charges in full to the customer and advise the agent to reinstate their charges to Carotrans. <u>IF THERE ARE NO AGENT CHARGES OWED</u> • Cancel the charges from the customer invoice/arrival notice, and revise the Profit and Loss if necessary.
7	<u>Receive Credit note from Overseas Agent as requested</u>	7.1 7.2	If a credit note is received from the overseas agent: • Cancel the charges from the customer invoice • Revise the Profit and Loss if necessary.
8	<u>You do not receive a Credit note from Overseas Agent as requested.</u>	8.1	If a credit note is NOT received from the overseas agent in a reasonable amount of time: • Issue a debit note in the system by creating an Arrival Notice in CaroTrack with the agent as the payer. NB: Do not issue a container level agent credit IF you debit the agent using an Arrival Notice, as this is doubling up the amount due.

9	<u>Revise Arrival Notice and Profit and Loss if Cargo is Claimed</u>		If the consignee does claim the cargo:
		9.1	Reinstate the charges on the arrival notice and resend to consignee/notify party.
		9.2	Inform the Overseas agent if charges were owed to them.
		9.3	Revise the Profit and Loss accordingly.

Onderwerp: RE: General Order (GO)

From: Mike Draer [<mailto:M.Draer@cleve.nl>]
Sent: Thursday, September 03, 2015 6:32 AM
To: JER Matt Spartz <matts@carotrans.com>
Subject: General Order (GO)

Hi Matt

Re this phrase from your message last Friday 08/28 :

If destroyed, the GO warehouse has no claim on the carrier, agent or consignee for storage or any destruction costs.
Does this simply mean : 'bad luck' for the carrier (no import locals recovery) ?

MS : Bad luck for no import locals collected – good luck in that there is no claim on the carrier for GO storage.

MD : noted

Then regarding this part :

I believe most GO facilities charge transfer fees, original bonded CFS warehouse in/out and storage fees and one month's GO storage on the first day of GO.

a/ they charge to whom ?

MS : Consignee or consignee's agent

MD : consignees (resp their forwarding agents) that have abandoned their shipment ... are they usually paying these charges ????

MS if the freight is abandoned, the charges go uncollected

b/ the GO facility charges (ao) **the original bonded CFS in/out fees and storage fees ...**

Are you telling the GO facility pays your bonded CFS (AZ, St George, ...) for in/out handling and for the storage charges (10 days, after 5 days free time till 15 days in store)

If so, there should never be an 'open bill' from your bonded CFS for such charges ...

MS : are you disputing a open CFS bill?

MD : no, I am just trying to present a clear and complete picture for internal future use. So again, if it is correct that the GO facility pays to your bonded CFS their in/out

charges and their storage charges ... these charges become part of their (GO facility) total bill to the consignee (or consignee's agent) ...

MS Yes

Thanks for clarifying again.

Regards, Mike

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- to forwarding activities: the Dutch Forwarding Conditions (General Conditions of the FENEX), including the law and arbitration clause;

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Van: Mike Draer
Verzonden: maandag 31 augustus 2015 16:43
Aan: 'JER Matt Spartz'
CC: LAX Lueder Bitter
Onderwerp: General Order (GO)

Hi Matt

Thanks for your feedback. No need for big scepticism really. We have had cases in the past where with the info below, we may have acted different but that's all water under the bridge, and we will leave as is. We have maybe 4 or 5 issues pending, where views may differ from below. Nothing massive. See my further response below yours (MD : ...).

I have been monitoring the settlement process lately and noticed that many of our invoices (on our export files to US) remained un-settled completely, because of sometimes one single mm shipment, which was not collected yet. Thousands of USD unsettled because you were waiting for a credit of USD 75 (mm DTC / STR). In some cases our teams were on same wavelength, on some others, we were not.

We managed to bring down the 'open files' to just 4 or 5 (JER + HOU), while this was a ten-fold at one stage. So again, nothing massive, we are on this with Nancy (on vacation last week), but if any remaining which appear hard to solve, will ask your assistance if you don't mind (you don't ☺).

Thanks and best regards, Mike

Van: JER Matt Spartz [<mailto:matts@carotrans.com>]
Verzonden: maandag 31 augustus 2015 14:59
Aan: Mike Draer
CC: LAX Lueder Bitter
Onderwerp: RE: General Order (GO)

Answers below

From: Mike Draer [<mailto:M.Draer@cleve.nl>]
Sent: Monday, August 31, 2015 4:52 AM
To: JER Matt Spartz <matts@carotrans.com>
Cc: LAX Lueder Bitter <LuederB@carotrans.com>
Subject: General Order (GO)

Hi Matt

Yep, this is what I referred to, though I assumed there had been some communications on this with Frank late 2008. But it doesn't matter really, thanks for providing an (almost 100 %) clear picture. Your suspicion is justified, of course ! We just needed a judge and a jury ☺.

The encl procedure under point 1, refers to the GO notification from your warehouse. Upon receipt, points 2 (inform broker / NP) and 3 (inform the agent, Cleve) are to be f/u instantly. How many days, prior to cargo actually going into GO, would this be ? We always thought this would be mm 3 days prior to GO, leaving us some time to inform the shipper of the possible consequences and to ask him to push consignees to clear the cargo, remit all charges due and arrange p/u instantly. Please advise.

MS : I would agree with your expectation of timely notification but would need to look at the specifics of the issue you are going to undoubtedly send me a bill on something.

MD : we are merely looking for a 'general rule' for future. We may have one case pending but if shipper pays for the fees, there is no problem.

=====

I am happy the enclosed procedure is clear on the following point :

6.1 : **if agent is owed charges** :

- Inform the overseas agent (Cleve) that due to GO status, we are unable to collect **their** charges
- Request a credit note from overseas agent to cancel **their** charges

Then point 7 resp point 8 merely refer to the administrative procedure : does Cleve send a credit-note for their collectables (MD : we should !),

or does Carotrans send a debit-note to Cleve for same, right ? This being said, please re-confirm we are **not** liable for **your** import locals ... ?

MS : You should not be liable for our locals. But in writing that, I'm sure someone in our vast network has found an exception to the rule. We don't like to issue debit notes and in all cases would push for a credit note. That said, if the agent is uncooperative, we need means beyond the import file to track what is owed. In those cases we put a bill for the disputed amount in our system so that accounting can monitor the progress.

MD : glad we are clear on this point. We may have 1 or 2 cases pending, unsolved yet, for this reason. I will get you involved, only when needed.

We have no problem to raise C/N to you.

=====

Abandoned : at what point of time do we consider the freight 'abandoned' ? Is there a last notice to the broker / NP / Agent (if not collected in

... days from today, your shipment is considered 'abandoned' ... and we remain the right to destroy / auction it) ... something like this?

MS : As to the question of ownership and permission granted to GO warehouse acting on behalf of customs to take irrevocable actions on the freight

– the uncleared freight is in their control and they are not required to notify anyone. However, if they think it has specific value to the consignee and

no value to anyone else (think machine parts), they will try to work with the consignee to get it cleared and recover some of their fees.

In their minds GO is the notice and all actions taken are theoretically in public view and again theoretically do not require notice of abandonment.

A good rule of thumb is that items remain in GO for 6 mos before auction or destruction. But it at USCBP's discretion when freight is destroyed as I've seen junk and commodities that have no shot at clearing customs (ie unsafe toys) quickly destroyed (2-3 mos) and antique cars sit there for a while (years) before auction.

MD : what you are saying is, it may vary ... and we may not hear anymore that the cargo actually was destroyed or auctioned. Maybe unless we tell you (prior to destruction / auctioning), that the shipper would like this cargo to be returned to RTM ?

Thanks for clearing the last few points ...

Best regards, Mike Draer

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If you are interested, please contact : sales@cleve.nl.

Van: JER Matt Spartz [<mailto:matts@carotrans.com>]

Verzonden: vrijdag 28 augustus 2015 18:03

Aan: Mike Draer

CC: LAX Lueder Bitter

Onderwerp: RE: General Order (GO)

Hi Mike

Attached is the GO procedure that I think you are referring to.

We've worked together long enough for me to suspect that there is a dispute with one of the branches that is necessitating this clarification....

So with that hesitation in the back of my mind – here we go.

Your question below assumes too many variables, so I'm just going to retrace the procedure and allow you to decide which rates apply

All charges normally for the account of the consignee are collected at time of CaroTrans release to consignee regardless of GO circumstances.

But that comes with a huge asterisk.

When shipments move into GO, we file a lien for our standard charges and your collect fees but we assume that the freight will be abandoned

and look for credit notes from the agent to offset originally debited amounts.

If the customer claims and clears the goods, we do not release from the GO facility until our/your charges are collected.

But the reality is that the storage and transfer costs are so high, we will usually waive a good portion of our charges to get the file closed.

We look for the same cooperation from you as well.

Uncleared import freight received in the US can remain up to 15 days in a bonded facility but after that time has to move to a customs controlled facility – GO Warehouse.

(Cleared freight in a bonded facility where the customs documents were not presented to the facility operators will also move to GO facility and experience all the same fees, but ironically won't benefit from the same level of customs protection...IE, destruction and abandonment charges can follow to the consignee, carrier or agent.)

If the freight is abandoned, The GO warehouse has the option to auction the cargo or destroy it if the cargo is of little value.

If destroyed, the GO warehouse has no claim on the carrier, agent or consignee for storage or any destruction costs.

If the freight is auctioned, US Customs is the first lien holder and holds for 100 % of duty.

The second lien holder is the GO facility, then the carrier(us), then the consignee if they had presence of mind to file a lien.

I believe most GO facilities charge transfer fees, original bonded CFS warehouse in/out and storage fees and one month's GO storage on the first day of GO.

Then they charge monthly after that. It is easily in the thousands of dollars. After 2-3 months, most shipments remaining in GO are a lost cause due to the high storage.

The GO Facility sets their rates as high as possible to recover on the few legitimate late pick ups and successful auctions keeping in mind that a lot of their stuff gets sent to the dump with no compensation. As a result, GO Auctions almost never produce anything for the third lien holder- CaroTrans.

(We've received checks for literally pennies on liens. It can bring a smile to any day seeing our government at work)

regards

Matt

Van: Mike Draer

Verzonden: dinsdag 25 augustus 2015 14:17

Aan: 'LAX Lueder Bitter'

Onderwerp: General Order (GO)

Dear Lueder

We do not seem to have an SOP for cases of GO. Do you have one ?

We are particularly interested to know whom should pay for the standard charges, the additional expenses, and the GO related expenses, when cargo goes into GO and when cargo is abandoned.

Expenses fao consignees (or shipper) :

So called 'standard' charges' (which are normally all collected from consignees under CIF terms) :

1/DTC : Cleve income

2/STRIPPING : Cleve income

3/Standard import locals : Carotrans' standard import fees (vary per POD)

Possible additional expenses : :

4/Storage : in your 'own' CFS (AZ / St George / other) – after 3 free days

5/Customs clearance (normally no expenses for clearance are made, when cargo goes into GO)

6/Door delivery charges (do not apply when cargo goes into GO)

Extra expenses re General Order (GO)

7/GO storage : in the customs/authorities GO warehouse

8/Transport cost : to move the shipment from CTI's CFS to the GO warehouse

9/Administrative cost : if any

Thanks for your feedback.

Regards, Mike