

DESCARTES™



Descartes Solutions

Customs & Regulatory Compliance

The right tools for complying with the rules

Innovative, Cost Effective and Flexible Compliance Solutions

The need for compliance filings with governments and regulatory agencies all over the world for safety, security and commercial reasons has become a de facto part of global commerce. Failing to adequately integrate technology that supports regulatory compliance into your international logistics operations can result in inefficient performance and potentially costly fines.

Because of the filing diversity that exists across different countries, transportation modes and filing processes (e.g. import, export, in-transit and customs declarations), you need to work with experts who understand region and mode specific requirements and have the ability to get and leverage critical data from not only your operations, but also your trading partners. You need to work with a technology provider that provides innovative, cost effective and flexible solutions that help your business meet today's compliance mandates while preparing you to address the compliance requirements of the future. You need to work with Descartes.

Addressing the Challenge

Descartes' Customs & Regulatory Compliance solutions keeps goods moving across borders, whether by air, land or sea. It helps to bridge the information gap between trading partners and regulatory authorities to enable efficient cargo security screening, customs declaration filings and compliance across multiple regulatory requirements and industry-sponsored initiatives affecting international transportation. These solutions are based on Descartes' 30+ years of domain expertise, technology innovation and broad reaching logistics community connectivity and empower organizations to streamline the compliance and regulatory complexities of global trade.

Built on years of experience in working with regulatory authorities, Descartes' platform enables collaboration between multiple parties to address a broad spectrum of filing requirements across transportation modes as new requirements are mandated. Data and documents that are already moving through Descartes' Global Logistics Network™ (Descartes GLN™) can be leveraged and automatically re-purposed for completing customs filings. We can help streamline the use of business rules for merging data from multiple documents or validating content through master reference data.

Descartes' Customs & Regulatory Compliance solutions provide you with the industry's widest array of customs and regulatory solutions. Our modular approach also enables businesses to select specific features and functions based on compliance requirements, available in-house resources, technology infrastructure, budgets and relationships with trading partners. Combined with the Descartes GLN, these solutions help you:

- Gather data from multiple parties and integrate it for filings;
- Move goods across borders without disruption;
- Reduce the risks of penalties or fines;
- Meet a wide range of safety, security and commercial compliance mandates; and
- Store data for all filings and compliance agency responses to enable complete audit and reporting capabilities.

Descartes' Customs & Regulatory Compliance solution capabilities include:

Cargo Security Compliance (Security Filings)* – Descartes provides importers, customs brokers, forwarders and carriers with a solution toolset created to address their respective roles and obligations including:

- Advanced manifest filing solutions and system integration to address import security mandates around the world;
- Dash-boarding and reporting functionality to monitor, audit and report on security initiatives;
- Screening tools for parties and products to ensure anti-terrorism screening and compliance with corporate procedures on purchasing;
- Electronic shipment folder of documents and automated routing to customs and brokers; and
- Validation and routing engines, which allow for ERP initiated messaging without need for user interaction to send messages to and from governments.

Declaration and Fiscal Compliance* – Descartes is unique in the market in that it offers Canadian, American, and key European Union solutions to comprehensively manage the customs declaration and fiscal compliance processes, including:

- Entry process including the starting of entries based on commercial data integrated to our systems from our customers or their suppliers;
- Compliance validation on correct rating, trade agreement and post-entry processing;
- Maintaining detailed and full product masters including all necessary information for Other Government Agencies (OGA), Participating Government Agencies (PGA) and trade agreement use;
- Reporting and auditing at the highest levels of informed compliance; and
- A customs warehouse management solution to comply with the rigorous requirements of a bonded warehouse.

Ocean Regulatory Services – Descartes assists ocean carriers and intermediaries meet requirements across a variety of compliance initiatives including the U.S. Federal Maritime Commission's (FMC) Shipping Act. Our solutions include a broad spectrum of tariff publication, bond, and archiving services for rates, charges, classifications and rules governing ocean cargo.

Data Management Services – Descartes Data Management services help customers comply with regulatory requirements through its experienced data management teams for ocean tariff and contract management maintenance and security filing services. For time sensitive cross border filings, Descartes provides several service offerings for carriers to comply with U.S. Customs and Border Protection's Automated Commercial Environment (ACE) and Canadian Border Services Agency's Advanced Commercial Information ACI system requirements. Through fax/email of information via Descartes for data entry and submission to Customs, reception of e-Alerts status messages, and viewing of waybills and status messages through web based tools, our team works to ensure smooth and timely processing at the border.

Industry Program Support: CSA, C-TPAT, EU Green Lanes – As customs compliance requirements grow in terms of volume of filings and complexity, importers and exporters are seeking better ways to accelerate the movement of cargo across international borders. The trade and government authorities have developed a number of industry programs such as U.S. C-TPAT (Customs – Trade Partnership Against Terrorism), U.S. ISA (Importer Self Assessment), Canadian CSA (Customs Self Assessment), EU Green Lanes, and others offering qualified participants considerable time savings in the transport of cross border freight.

Descartes provides importers and exporters effective ways to manage and audit, assess and report on shipment data, classifications and other key compliance elements to help qualify for and maintain special trade status. Since importers/exporters are ultimately responsible and potentially subject to heavy penalties and fines for any errors uncovered in information submitted to customs agencies, an integral part of compliance is having resources in place to effectively monitor broker activities, verify accuracy and identify commercial violation.

The Descartes Advantage

With a track record of innovation and delivering value to the world's leading logistics-intensive businesses, Descartes has the proven solutions and domain expertise to help your organization drive best-in-class supply chain operations.

Our on-demand, cloud-based solutions which leverage the Descartes Logistics Technology Platform can be configured to suit a wide variety of business needs. Customers benefit from feature-rich applications for managing logistics processes without the associated capital cost of on-premise software licenses and stand-alone hardware, implementation and maintenance costs.

Descartes' Logistics Technology Platform fuses the Global Logistics Network — the world's most extensive logistics network covering multiple transportation modes — with the industry's broadest array of modular, interoperable web and wireless logistics management solutions. It enables companies to quickly and cost-effectively connect and collaborate. It's a new paradigm in logistics technology, designed to accelerate time-to-value and increase productivity, safety and performance for businesses of all sizes.

** Contact Descartes for current list of supported regulations*

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Descartes (TSX: DSG) (NASDAQ: DSGX) is the global leader in logistics technology. If logistics is critical to your business, Descartes connects the people and technology to put your organization in motion. Descartes' Logistics Technology Platform combines the power of the Global Logistics Network with the industry's broadest array of modular and interoperable web and wireless logistics applications. Descartes is headquartered in Waterloo, Ontario, Canada and has offices and partners around the world.

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