

**MOL (Brasil) Ltda**

Avenida Paulista, 287, 14º andar - Bela Vista - São Paulo  
SP - Brasil - CEP 01311-000

January 29<sup>th</sup>, 2008

Dear Valued Customer,

Based on Brazil Regulatory Instruction number 800 as of December, 27<sup>th</sup> 2007 from Secretary of Federal Revenue in conjunction to Merchant Marine Department, the rules for the new customs control system named "SISCARGA" was defined.

It will be mandatory that shipping companies or their representatives provide detailed information about cargoes in loaded, transhipped, discharged or on board status of any ship. This instruction will cover all Brazilian ports and will take place as from March, 31<sup>st</sup> 2008.

Non compliance to that instruction will lead our customers to have their cargoes blocked as well as be subject to penalties. Amounts involved are yet to be officially defined by competent authorities.

Kindly find below the summary of the changes affecting current data submitted by our customers and to be required upon Siscarga implementation.

## **I – EXPORT FROM BRAZIL**

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### **New deadline for shipping instructions/Bill of Lading draft submission:**

To enable us to fully comply with Siscarga rules, the new deadline will be 72 working hours prior to vessels' estimated time of arrival at the loading port. The new deadline will be effective for vessels arriving Brazil as from **March, 1<sup>st</sup> 2008**. In case this new deadline can not be complied with, the cargo will be subject to remain unloaded.

### **Mandatory information**

On top of the data that our customers already provide us currently, following additional requirements will be necessary:

- Cargo gross weight (without container tare) in kilograms for **each container**.
- The total cargo measure in cubic meters for **each container**.
- All Container seal numbers **for each container**
- Shipper's Taxpayer code for companies or Individual Taxpayer Identity Card or passport number (for foreigners)
- Notify party
- Harmonized Codes: in line with cargo **Export Registration** data **for each container**. The NCM is composed of 8 digits but only the first 4 of them will be mandatory to be declared. In case the cargoes in a container correspond to more than one NCM number, they must be all listed up.

For reference, we would like to explain:

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The World Customs Organization has created the HS – Harmonized System for universal use of customs authorities and the international trade community. The HS is

composed of 6 digits where the first 4 are the “heading” numbers and the following 2 digits are “sub-headings”.

NCM stands for “Nomenclatura Comum do Mercosul” in portuguese and its free translation “Mercosul Commom Nomenclature”. Total number of digits for NCM is 8 digits. While the 6 first ones match with the HS and the remaining 2 digits have been created to specifically attend countries in the Mercosul.

In other countries, we can see the same “adjustment” made as per each location interest.

- For automobiles shipments, chassi number, brand name and against mark

## **II – IMPORT TO BRAZIL**

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### **Mandatory information**

On top of the data that our customers already provide us currently, following additional requirements will be necessary:

- Cargo gross weight (without container tare) in kilograms for **each container**.
- The total cargo measure in cubic meters for **each container**.
- All Container seal numbers **for each container**
- Consignee’s Taxpayer code for companies or Individual Taxpayer Identity Card or passport number (for foreigners)
- Notify party
- Harmonized Codes (in portuguese: NCM) in line with cargo **Import Registration** data **for each container**. The NCM is composed of 8 digits but only the first 4 of them will be mandatory to be declared. In case the cargoes in a container correspond to more than one NCM number, they must be all listed up.

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The World Customs Organization has created the HS – Harmonized System for universal use of customs authorities and the international trade community. The HS is composed of 6 digits where the first 4 are the “heading” numbers and the following 2 digits are “sub-headings”.

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**Import Bills of Lading consigned as “TO ORDER”**

The indication of the final consignee must be provided to us till 72 hours before the

estimated time of vessel's arrival at the first Brazilian port called. Once received, the shipping agent will be able to update the Siscarga avoiding cargo to be blocked.

**Endorsement**

The endorsement will now be made by the original consignee directly into Siscarga system through a specific function. The conclusion on the endorsement will only be performed after the confirmation from the new consignee who will also make it through an specific function in Siscarga

**New deadline for CORRECTIONS IN THE MANIFEST before data is submitted to Siscarga**

Considering that shipping lines deadline to submit complete import manifest data to Siscarga will be considered as the first Brazilian calling port and no longer each call at each brazilian port, the deadline for any corrections in the manifest to avoid issuance of Correction Advises must be performed not less than 5 days from the estimated time of vessel's arrival in the first Brazilian port called.

**New deadline for CORRECTIONS ADVISE after data has been submitted to Siscarga**

It will be impossible to submit any Correction Advise between 5 days before vessel's arrival at the first Brazilian port called by a vessel and the effective vessel arrival at each delivery port in Brazil. After vessel's arrival in each port, Correction Advises can be submitted up to 30 days after that date respecting articles 24 and 25 of Section IX from the above mentioned Regulatory Instruction.