

2022 A-Class Catamaran World Championships: Houston Yacht Club, TX

Admirals Cup: April 25th to April 28th, 2022

A-Class worlds: April 29th to May 6th, 2022

Hecny Group is current working with our primary carrier partners to negotiate and provide an extremely competitive international logistics and shipping program for the International competitors. The designed program will require booking and shipping using Hecny's contract and preferred that you make the booking with Hecny's Local office.

Things to know and procedures to follow, the below procedures are based on boats and gear being shipped to the US for the event and that after the event all boats and gear will be shipped back to the original country of export.

- Documentation
 - \circ $\;$ Shipper will be required to generate a Commercial Invoice and Packing List $\;$
 - Please make sure any and all items being shipped are listed on said commercial Invoice and Packing List
 - The invoice must list all items and must have a commercial value in either (EUR/USD)
 - Commercial Value is a requirement by US Customs and Border Protection (US CBP)
- Carnet
 - If boats will be return to each origin country after the event and to avoid paying duties in the US, a carnet will need to be opened by individual shipper or company shipping boats to the regattas
 - If a carnet is not opened, a commercial entry will have to be prepared and submitted to US CBP.
 - o US Duties will have to be paid
 - Hecny can file duty drawback at time of export, but it will take at least 6 months to a year for shipper to receive refund
 - A Carnet will also avoid issues with your local Customs Authority when boats are shipped back to the respective country of initial export
 - Contact Hecny's local office who will be able to refer a company that can procure and produce the carnet
- Booking
 - Based on Hecny negotiating a specific ocean rate and said rate being filed under Hecny's contract, it is required the ocean booking be made using Hecny's local office or nominated agent
 - Applicable local handling and drayage charges will need to paid to Hecny's Local Office and or Handling Agent at time of export



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- Loading
 - Shippers will be required to coordinate the loading with Hecny's Local Office and or Handling Agent
 - Shippers will be required to:
 - Check container is clean
 - Load their boats and gear
 - Block and Brace boats and equipment in the container for shipping
 - Recommend Pictures are taken before, during and prior to the container doors being closed
- Packaging Material
 - If wood packaging material is used to block and brace boats and gear, please note:
 - Wooden packing must comply with ISPM15 requirements
 - Wood must be stamped with applicable stamps
 - If wood is not treated the container will need to be fumigated and fumigation certificate provided
 - Please avoid using wood packing when possible
 - o Boats and container should be swept clean prior to loading
 - Check there are no insects and or spider webs etc.
 - We want to ensure there is no issue at time of arrival into the US if US Customs choose to inspect and open the container
- Ocean Freight
 - Hecny is currently in the process of negotiating a round trip ocean freight rate with specific carrier partners
 - Initial Ocean Freight rates have be confirmed through the end of December on CMA/CGM
 - CMA/CGM have confirmed they will confirm the locked rate in Jan 2022
 - o Current rate levels and quotes are available
 - Our expectation is current rate levels will be extended by CMA/CGM in Jan
- Equipment Free Time
 - Carriers normally provide 4 free days for equipment usage once the container has been pulled from the port
 - o After that they bill per-diem (daily usage charge) on a sliding scale
 - Day1-5 after free time: Est; \$175/day
 - Day 6-12: Est. \$225/day
 - Day 12 and on: Est: \$250/day
 - We are attempting to negotiate additional free time so the containers can remain at regatta venue without additional charges being incurred



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- Due to the current Global Equipment shortages the carrier is reluctant to extend free time
- If additional free time cannot be negotiated and competitors do not want to be billed per-diem charges, the empty containers will have to be returned to the port
- Regatta organizers are looking at storage pods being on-site and available to international competitor's
 - Cost TBA
- Marine Insurance
 - Ocean carriers provide basic insurance of \$500 per HBL
 - In the event the container is lost at sea, damaged in transit, the carrier is only liable to pay \$500
 - If the vessel is involved in a collision, runs aground and or lost at sea, each shipper is liable to pay their percentage for the salvage costs of the vessel. The percentage is based on the value of their cargo vs. the overall value of all cargo on the vessel, vs. the overall salvage costs.
 - o To protect yourselves, an "All Risk Marine Policy is available"
 - o I will coordinate the procurement of insurance if requested at the time of shipping
 - The cost for an "All Risk" Marine Insurance @ \$0.20/\$100 value + shipping costs
- ISF (Importer Security Filing) also known as 10+2:
 - \circ $\,$ 48 Hrs. prior to a vessel departing for a US Port of Entry, ISF has to be filed
 - Based on Hecny handling shipping, our local office will work with our ISF team to ensure ISF is filed
 - If ISF is not filed, import could potentially face a \$5000 fine imposed and collected by US CBP
- US Customs Entry
 - Hecny will prepare, submit and clear carnet entries through US CBP
 - If boats will remain in the US after the event, Hecny can prepare and submit commercial Entries to US CBP
 - Importer of record will be needed
 - Duties will have to be paid
 - \circ $\;$ Hecny will require a Power of Attorney (POA) from each shipper $\;$
 - POA is limited and only allows Hecny to clear your shipments into the USA and act as your nominated agent to perform the services
 - Hecny will require ID and required back up documents per US CBP requirements and regulations
 - Each shipper will have to be set up as an importer, prior to the container being loaded on the vessel



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- I will take the lead working with each shipper and coordinate the collection of said documentation to have the company and or individual set up with US Customs: <u>richardstevens@hecny.com</u>
- Container Drayage: Port of Houston to Yacht Club
 - Hecny will coordinate with our nominated trucker, regatta organizers, point of contact at Houston Yacht Club and shippers, to schedule the containers being delivered to the Yacht Club
 - Depending on free-time, the containers will either be:
 - Dropped at the HYC for offloading and the empty returned to the terminal within free time
 - Dropped at the HYC for the duration of the regatta and returned to the port for export after the event
- US Export Booking
 - Hecny will book return shipping to each respective country so that the export date is within 4-6 days of the completion date of the worlds
- Documentation
 - Import Documentation will be used for the export declarations
- Loading
 - Shippers will be responsible to load their containers, block and brace for return shipping
- Return Shipping:
 - See Ocean Freight information above
- Importation Country of Origin
- Hecny's Office that made the booking and handled the original export will facilitate the return Customs Entry
- Submit paperwork to close the carnet
- Arrange the delivery of the container to pre-determined location for the offload

If you have any questions, need more information or need to discuss any additional options, please contact me as I will be taking the lead to help facilitate the International Logistics and Shipping Program

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