

Summary of Changes:

A Guide for the Public: How CBP Sets Bond Amounts (Publication # 3569-0224)

1991 Directive:	2024 Public Guidance:
Directive 3510-004, Monetary Guidelines for Setting Bond Amounts, was available to the public.	Directive is now marked 'For Internal Use Only'. The public is being provided a guidance document titled, 'A Guide for the Public: How CBP Sets Bond Amounts,' for reference.
References made to Customs	Removed and replaced with U.S. Customs and Border Protection (CBP) as appropriate.
References to Districts, District and Area Directors, and Regional Commissioners	Removed and replaced with Directors – Field Operations, Center Directors, and Port Directors as appropriate.
References to Automated Commercial System (ACS)	Removed and replaced with Automated Commercial Environment (ACE) as appropriate.
Customs Inspectors	Removed. The term 'CBP personnel' is now used generally.
Action section	Replaced with 'Procedures' section.
No Legal Authorities/References section	Added 'Legal Authorities/References' Section to document United States Code (USC) and Code of Federal Regulations (CFR) citations.
No Definitions section	Added a 'Definitions' section to define and clarify common terms.
Responsibilities listed for District and Area Directors and Regional Commissioners	Updated to include Office of Finance – Revenue Division, Office of Trade – Trade Policy and Programs – Commercial Operations, Revenue, and Entry (CORE) Division, the Office of Field Operations – Trade Operations Division, Office of Field Operations – Cargo and Conveyance Security, Directors – Field Operations, Port Directors, and Center Directors.

1991 Directive:	2024 Public Guidance:
Supersedes section	Supersedes section removed.
Included a ‘Guidelines for Determining Amounts of Bond’ section.	Replaced with ‘Procedures’ section.
No ‘Bond Transmission’ section	Added a sub-section under ‘Procedures’ called ‘Bond Transmission’ to address the ACE eBond test and transmission for eBond versus non-eBond test participants. This section also clarifies that for CBP bond purposes, a principal is identified by the 11-digit identification number and that only one continuous bond for a particular activity will be authorized for each 11-digit identification number.
No ‘Record Retention’ section	Added a sub-section under ‘Procedures’ called ‘Record Retention’ to address CBP recordkeeping requirements for bonds. This section clarifies that under no circumstance shall CBP personnel give back a primary or only record of a bond to the originator of the bond if the bond is to be cancelled.
No ‘Bond Amounts’ section	Added a sub-section under ‘Procedures’ called ‘Bond Amounts’ to describe the bond minimum, rounding, guidelines for determining bond sufficiency, and periodic CBP review of bond sufficiency described in 19 CFR § 113.13.
Only provided guidance for activity codes 1, 1a, 2, 3, 3a,4, 5, 6, 7, 8, 9, and 10.	Added guidance for activity codes 3a3, 11, 12, 14, 15, 16, 17, and the Bond for Deferral of Duty on Large Yachts Imported for Sale at United States Boat Shows.
No ‘Cash-in-lieu of Surety’ section	Added a section called ‘Cash-in-lieu of Surety’ to provide the requirements for a principal who opts to use cash-in-lieu of surety on a bond.
References to the Activity 1 – Importer or Broker bond	Changed to Activity Code 1 – Basic Importation and Entry to match 19 CFR § 113.62 naming convention.

1991 Directive:	2024 Public Guidance:
<p>Activity Code 1 – Importer or Broker – Continuous Bond</p> <p>‘Reviewer’ formula language reads 10 percent of duties, taxes, and fees <u>paid</u> by the importer or broker acting as importer of record during the calendar year preceding the date of the application.</p>	<p>Changed ‘Reviewer’ formula language to 10% of the <u>total estimated</u> duties, taxes, and fees <u>in the previous 12-month period, for all principals, co-principals, and users appearing on the bond</u>, unless otherwise specified.</p>
<p>Activity Code 1 – Importer or Broker – Continuous Bond</p> <p>No reference to which entry types are not included in CBP’s ‘Reviewer’ formula computation.</p>	<p>Added reference to which entry types are NOT included in the ‘Reviewer’ formula computation.</p>
<p>Activity 1 – Importer or Broker – Continuous Bond</p> <p>No reference to the ‘Reviewer’ and ‘Analytical’ formulas used in bond sufficiency computations for the Activity Code 1 bond.</p>	<p>Added references to the ‘Reviewer’ and ‘Analytical’ formulas in the Activity Code 1 bond type sub-section and a visual representation of the formulas in Appendix B.</p>
<p>Activity Code 1 – Importer or Broker – Continuous Bond</p> <p>Only this activity code continuous bond was set in increments of \$10,000 up to \$100,000 and then in increments of \$100,000 for larger bonds.</p>	<p>ALL continuous bonds are set in increments of \$10,000 up to \$100,000 and then in increments of \$100,000 for larger bonds.</p>
<p>Activity 1 – Importer or Broker – Single Transaction Bond</p> <p>Merchandise subject to other agency requirements where failure to redeliver could pose a threat to public health and safety and merchandise subject to quota/visa requirements required to have a bond in an amount not less than three times the total entered value of the merchandise.</p>	<p>Added a table in Appendix A to list the special classes of merchandise subject to other agency requirements that pose a threat to public health and safety, environmental safety, or have other restrictions (merchandise subject to quota/visa requirements, merchandise subject to Agriculture Marketing Service marketing orders, or alcohol and distilled spirits). Required bond amounts are listed in the table.</p>

1991 Directive:	2024 Public Guidance:
<p>Activity Code 1a – Drawback Payment Refunds – Continuous Bond</p> <p>Refers to exporter’s summary procedure.</p>	<p>Updated to remove reference to exporter’s summary procedure.</p> <p>Added clarification that the bond must have an effective date that is on or before the accelerated payment (AP) request date, and that the bond is decremented at the time ACE accepts and pays the AP request in an amount equal to the accelerated payment.</p>
<p>References to Activity 2 – Custodian of Bonded Merchandise</p>	<p>Changed to Activity Code 2 - Basic Custodial – Continuous Bond Only to match 19 CFR § 113.63 naming convention.</p>
<p>Activity 2 – Custodian of Bonded Merchandise</p> <p>Does not mention requirements for express consignment carrier facilities or express consignment carriers.</p>	<p>Updated to include bond requirements for express consignment carrier facilities and express consignment carriers.</p>
<p>Activity 3 – International Carrier – Continuous</p> <p>Minimum bond amount set at \$25,000.</p> <p>No bond requirements specified for various international carrier bond scenarios.</p> <p>References higher bond amounts, up to \$250,000, for carriers with past narcotics violations and/or those originating from high-risk drug areas.</p>	<p>Minimum bond amount updated to \$50,000, unless otherwise stated.</p> <p>International carrier bond requirements added for commercial aircraft, commercial vessels, non-vessel operating common carriers (NVOCCs), railroad carriers, express consignment carrier facilities, and vessel repairs.</p> <p>Language removed. No longer in force.</p>

1991 Directive:	2024 Public Guidance:
<p>Activity 3 – International Carrier – Single Transaction</p> <p>Included language regarding the bond requirement for the landing in foreign ports of a vessel of less than 500 net tons, of spirits, wines, or other alcoholic beverages not covered by a certificate of shipment.</p>	<p>Language removed. No longer in force.</p>
<p>No references to the Activity Code 3a3 – Carrier of International Traffic Bond</p>	<p>Added guidelines for setting the bond amount for the Activity Code 3a3 bond which combines the conditions of the international carrier bond (3) and the instruments of international traffic bond (3a) into a single bond.,</p> <p>The bond minimum is \$70,000, the sum of the Activity Code 3 – International Carrier Bond minimum of \$50,000 and the Activity Code 3a – Instruments of International Traffic bond minimum of \$20,000.</p>
<p>Activity 4 – Foreign Trade Zone Operator – Continuous</p> <p>Bond minimum is \$50,000.</p>	<p>Updated bond minimum to \$50,000 per FTZ activated location.</p> <p>Added a list of circumstances for when FTZ bond amount increases may be required.</p>
<p>Named Activity 5 – Public Gauger – Continuous</p> <p>Bond minimums were established for gaugers and laboratories based on size: \$20,000 for small (one site), \$30,000 to \$50,000 for medium (two to ten sites), and \$100,000 to \$120,000 (more than ten sites).</p>	<p>Changed to Activity Code 5 – Commercial Gauger and Commercial Laboratory to match 19 CFR § 113.67 naming convention.</p> <p>Removed bond minimums based on size. Bond minimum is \$20,000.</p>
<p>No references to the Activity 1 ‘Reviewer’ and ‘Analytical’ Formulas graphic posted to CBP.gov.</p>	<p>Added Appendix B: Activity Code 1 – Basic Importation and Entry Continuous Bond Formulas graphic.</p>

1991 Directive:	2024 Public Guidance:
<p>Activity 1 ‘Reviewer’ and ‘Analytical’ Formulas graphic reflects four additions (B-E) to the ‘Reviewer’ formula to get the ‘Analytical Amount.’</p> <p>B: 10% - unpaid bills not protested and less than 210 days or protested</p> <p>C: \$ for \$ - delinquent bills not protested and over 210 days or denied protest</p> <p>D: \$ for \$ debit vouchers unpaid</p> <p>E: \$ for \$ bills paid by surety</p>	<p>Formulas graphic updated to remove E: \$ for \$ bills paid by surety as CBP does not currently have the ability to determine this.</p>
<p>No references to the Activity Code 11 – Airport Customs Security Area Bond.</p>	<p>Added information regarding the minimum continuous bond amounts by number of employees requiring access to the Airport Customs Security Area.</p> <ul style="list-style-type: none"> • Fewer than 15 employees <u>requiring access</u> - \$25,000. • Between 15 and 25 employees <u>requiring access</u> - \$50,000. • More than 25 employees <u>requiring access</u> - \$100,000.
<p>No references to the Activity Code 12 – International Trade Commission (ITC) Exclusion Bond.</p>	<p>Added information to reflect that the bond amount will be determined by the ITC.</p> <p>In addition, the bond must be transmitted to the relevant Port of Entry or Center via Document Image System (DIS), email or fax to an appropriate CBP contact, or presented in paper form.</p>
<p>No reference to the Activity Code 14 – In-Bond Export Consolidation (IBEC) bond</p>	<p>Added information regarding the Federal Register Notice that established the phase out timeline and procedures for this bond.</p>
<p>No references to the Activity Code 15 – IPR Sample Bond.</p>	<p>Added information regarding the minimum continuous bond amount. The minimum continuous bond amount is \$5,000.</p>

1991 Directive:	2024 Public Guidance:
	<p>Added link to the IPR Sample Bond template on CBP.gov.</p> <p>In addition, communicated that this bond cannot be transmitted to ACE through the eBond EDI and must be transmitted by a surety, surety agent, broker, or principal in accordance with 19 CFR § 113.11, as follows:</p> <ul style="list-style-type: none"> • Continuous Bonds: via fax or email to the OF-RD at bondquestions@cbp.dhs.gov, for manual input. • Single Transaction Bonds: via fax, email, or hard copy to OF-RD at bondquestions@cbp.dhsg.gov, or Port Director.
<p>No references to the Activity Code 16 – Importer Security Filing (ISF) Bond.</p>	<p>Added information regarding the minimum continuous and single transaction bond amounts.</p> <p>The minimum continuous bond amount is \$50,000.</p> <p>The minimum single transaction bond amount is \$10,000.</p>
<p>No references to the Activity Code 17 – Marine Terminal Operator Bond</p>	<p>Added a hyperlink to the Notice of Special Instructions in Customs Bulletin and Decisions, Vol. 40, No. 52, dated December 20, 2006 that lists the terms and conditions of the bond.</p> <p>In addition, communicated that this bond cannot be transmitted to ACE through the eBond EDI and must be transmitted by a surety, surety agent, broker, or principal in accordance with 19 CFR § 113.11, via fax or email to the OF-RD at bondquestions@cbp.dhs.gov, for manual input.</p>

1991 Directive:	2024 Public Guidance:
<p>No references to the Deferral of Duty on Large Yachts Imported for Sale at United States Boat Shows</p>	<p>Added information to reflect that the bond must be in an amount equal to two times (2x) the amount of duties, taxes, and fees on the large yacht that would otherwise be imposed under the appropriate Harmonized Tariff Schedule of the United States (HTSUS) classification.</p> <p>In addition, the bond must be transmitted by a surety, surety agent, broker, or principal in accordance with 19 CFR § 113.11, via fax, email, or hard copy to the OF-RD or Port Director.</p>