

CUSTOMS AND BORDER MANAGEMENT

INTERNAL AND EXTERNAL

COMPLETION MANUAL FOR

CUSTOMS BONDS AND ADDENDUMS

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1 SCOPE

- a) This manual describes the completion of the Customs Bonds (CB) and Customs Addendums (CA) which are lodged for security as required and prescribed in the Bonds Policies (SC-SE-04 and SC-SE-05).

2 FORM REQUIREMENTS

- a) All fields are mandatory for completion of the bond/addendum.
- b) The bond/addendum must be –
- i) Printed portrait on A4 paper size;
 - ii) Printed in black ink on white paper; and
 - iii) Be on two (2) or more separate pages. No back to back or more than one (1) page to a page printing is allowed.
- c) Information entered on the bond/addendum must be typed or printed in block letters and must be legible.
- d) The bond/addendum must be issued by a South African registered bank or an insurer registered with the Financial Services Board (FSB) with the legal authority of issuing bonds/addendum.
- e) A list of the insurers approved to issue guarantees can be found at www.fsb.co.za. A list of South African registered banks can be found at www.reservebank.co.za.
- a) No tippex (correction fluid) is allowed on the bond/addendum. If any errors are made during the completion of the form, the incorrect information must be crossed out by drawing two (2) parallel lines through it and writing the correct information above or under the incorrect information. All corrections must be initialled by all signatories of the bond/addendum, including the witnesses.
- b) Authorised representatives and their witness(es) whose name(s) appear on the bond/addendum must initial at the bottom of each page of the bond/addendum except for the last page.
- c) Authorised representatives and their witness(es) whose name(s) appear on the bond/addendum must sign in full wherever signatures are required of the representatives and their witnesses.
- d) If there is a change in legal identity, change of ownership, etc. the client must replace all current bonds/addendums [including addendums to these bond(s)/addendum(s)] with a new bond/addendum which must reflect the new name. (Refer to SC-CF-04 and SC-CF-05)
- e) **Additional information is required by the IDZ Operator who will request a bond on behalf of the CCAE and the SARS Office for completion of bonds CB19 – CB20. (Refer to paragraph 4.3 below)**

3 CROSS REFERENCE OF FIELDS

CUSTOMS BOND: CLEARING AGENT		CB04
Financial Institution's reference: 		
WHOM IT MAY CONCERN –		
That _____		
Full Name of Registrant/Licensee*		
Registration/Identification Number*		
as Principal Debtor (“the Principal”) herein represented by		

CUSTOMS BOND: CLEARING AGENT

CB04

Financial Institution's reference: _____

(1) _____
(2) _____

in their capacities as:

(1) _____
(2) _____

being duly authorised thereto

- by virtue of a resolution passed at a meeting of the Board of Directors held*; or
- with the express consent in writing of all the members of the close corporation/partners of a partnership/trustees of the trust, association or organ of State* obtained at a members meeting held

at _____ on the _____ day of _____
Name of Town or City No. Month and Year

and _____

Registration Number

as Financial Institution and Co-Principal Debtor *in solidum* herein represented by:

(1) _____
(2) _____

in their capacities as:

(1) _____
(2) _____

they being duly authorised thereto by virtue of standard internal banking/insurance* regulations relating to signing powers, are truly and lawfully indebted and are held and firmly bound to the Commissioner for the South African Revenue Service in the sum of

R _____ (insert amount in figures)
rand only _____ (insert amount in words)

to be paid on demand to the Commissioner for the South African Revenue Service for which payment well and truly to be made, we bind ourselves jointly and severally each for the whole, our heirs, executors, administrators, trustees, liquidators and assigns.

and, **WHEREAS** –

the Principal is desirous of transacting business with the Commissioner subject to the applicable, rules and regulations of the laws of the Republic of South Africa relating to Customs and Excise.

NOW THEREFORE THE CONDITIONS OF THE OBLIGATIONS ARE

such that if the Principal shall, to the satisfaction of the Commissioner, observe the applicable Customs and Excise laws of South Africa governing such business, then this obligation shall be void; otherwise it shall be and remain of full force and effect.

CUSTOMS BOND: CLEARING AGENT

CB04

Financial Institution's reference:  _____

FURTHERMORE we, the Principal and Co-Principal Debtor renounce and waive the:

Initials of all signatories and witnesses

- a) *Beneficium ordinis seu excussionis*;
- b) *Beneficium divisionis*; and
- c) Any other exception that may be taken in law,
with the meaning and effect of which we are fully acquainted.

This bond is neither transferable nor negotiable.

All admissions or acknowledgements of indebtedness made by the Principal shall be binding upon the Co-Principal Debtor.

The Commissioner or his/her delegated officer shall be at liberty, without affecting the Commissioner's rights hereunder, to release the surety proportionately for such amount(s) provided by or on behalf of the Principal by any person, association of persons, partnership, trust, firm, close corporation or company and to give time to, or compound or make other arrangements with the Principal or its legal representative in insolvency, liquidation, corporate rescue proceedings or otherwise.

Any claim arising hereunder may be recovered in any division of the High Court of South Africa as the Commissioner may elect and the Co-Principal Debtor hereby consents and submits to the jurisdiction of such a Court in respect of any such claim.

Signed by the Principal:

(1)  _____ (2) _____
Signature of Principal Signature of Principal

at  _____ on the _____ day of _____
Name of Town or City No Month and Year

In the presence of the subscribed witnesses:

Witnesses (1)  _____ (1) _____
Signature Signature

(2) _____ (2) _____
Signature Signature

Signed by the Financial Institution and Co-Principal Debtor:

(1) _____ (2)  _____
Signature of Financial Institution and Co-Principal Debtor Signature of Financial Institution and Co-Principal Debtor

at  _____ on the _____ day of _____
Name of Town or City No Month and Year

In the presence of the subscribed witnesses:

Witnesses (1)  _____ (1) _____
Signature Signature

(2) _____ (2) _____
Signature Signature

FINANCIAL INSTITUTION'S STAMP IMPRESSION



CUSTOMS BOND: CLEARING AGENT

CB04

Financial Institution's reference: _____

1

FOR OFFICIAL USE	
Customs client number	22 21
Detail of Premises	
Warehouse or Rebate Store Number*	23
Physical address of premises (warehouse or rebate store*)	24
File reference	25

*Delete whichever is not applicable

26

4 COMPLETION EXPLANATION

4.1 Completion of Bond and Addendum

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
1. Financial Institution's Reference	The reference number issued by the financial institution must be inserted here.
2. Full Name of Registrant/Licensee* and Registration/Identification Number*	The company, close corporation, partnership, trust, association or organ of State's name must be entered in this field, e.g. DEF Clearing Agents Proprietary Limited. It is the Companies and Intellectual Property Registration Office (CIPC) registration which must be inserted here. Either the word registrant/licensee must be deleted, whichever is not applicable. If the registrant/licensee is an individual, then the full name and surname of the person as indicated in their identification document (ID) must be inserted here, e.g. Joe Elgar Soap. The registration number issued by the CIPC must be inserted here. The ID number can only be used if a private individual applies in his/her own capacity.
3. Herein represented by: (1) and (2)	The full names and surname of the representative person(s) whose name(s) appear on the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State, as indicated in their identification document (ID), must be inserted here.
4. In their capacities as: (1) and (2)	The designations of the representative(s) as indicated in the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State must be inserted here.
5. Resolution passed at a meeting of the board of directors held* or with the express consent in writing of all the members of the close corporation/partners of a partnership/trustees of the trust*	The resolution or the express of consent as prescribed must be attached to the bond/addendum. Depending on whether the applicant is a company, a close corporation, partners of a partnership, trustees of the trust, association or organ of State, the correct sentence must remain and the other one (1) deleted by drawing one (1) line through it.

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
6. Initial corrections and bottom of pages	Authorised representatives and their witness(es) whose name(s) appear on the bond/addendum must initial all corrections as well as at the bottom of each page of the bond/addendum except for the last page.
7. At (Name of Town/City) on the (No.) day of (Month and Year)	This is the date and place on which the resolution or consent was issued, e.g. Johannesburg, 8 January 2012.
8. And Financial Institution Name/Registration Number	The correct name of the financial institution i.e. the name of the approved South African registered bank or approved registered insurer as well as the registration number must be inserted here.
9. Herein represented by the financial institution: (1) and (2)	The full names and surname of the person(s) as indicated on their identification document (ID) and authorised by the financial institution must be inserted here, e.g. Joe David Soap.
10. In their capacities as: (1) and (2)	The designations of the representative(s) of the person(s) who has been authorised by the financial institution to sign the bond/addendum must be inserted here, e.g. financial manager or managing director.
11. In the sum of: (insert amount in figures)	The amount of the bond/addendum is inserted here in figures e.g. R1000.00. There must be no spaces between the R and the first figure.
12. In the sum of: (insert amount in words)	The amount of the bond/addendum is inserted here in words e.g. One thousand rand only.
13. The terms and conditions of the obligations are	The terms and conditions i.e. the wording as contained in the bond/addendum document must not be altered or changed. No additional information or alteration must be made to the prescribed conditions.
14. Signature of Principal(s): (1) and (2)	The original signature of the person(s) who has/have been authorised to sign on behalf of the principal must be inserted here. A signatory signs in his/her own capacity and not on behalf of someone else.
15. At (Name of Town/City) on the (No.) day of (Month and Year)	This is the date and place on which the bond/addendum was signed by the principal, e.g. Pretoria, 20 January 2012.
16. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond/addendum on behalf of the principal must be inserted here.
17. Signature of Financial Institution and Co-Principal Debtor	The original signature of the person(s) who has/have been authorised to sign on behalf of the financial institution must be inserted here. A signatory signs in his/her own capacity and not on behalf of someone else.
18. At (Name of Town/City) on the (No.) day of (Month and Year)	This is the date and place on which the bond/addendum was signed by the financial institution, e.g. Pretoria, 28 January 2012.

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
19. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond/addendum on behalf of the financial institution must be inserted here. The same witnesses may not sign for both financial institution and the principal representatives.
20. Financial Institution's Stamp Impression	The corporate seal (stamp) of the financial institution must be impressed on the bond/addendum.
21. For Official Use	This is for the sole use of SARS representatives. If the bond/addendum covers more than one (1) warehouse or rebate store then an additional page for this purpose must be added to the bond/addendum.
22. Customs client number	The allocated Customs client number must be endorsed by the SARS official e.g. 123456.
Detail of Premises	
23. Warehouse/Rebate Store/Degrouping Depot/Container Operator*Number	The warehouse, rebate store, degrouping depot, container depot or container operator number issued to the specific warehouse, rebate store, degrouping depot, container depot or container operator must be inserted here by the SARS official e.g. DBN (OS) 123 or 234123.
24. Physical address of premises (Warehouse/Rebate Store/Degrouping Depot/Container Operator)	The physical street address of the premises of the warehouse, rebate store, degrouping depot, container depot or container operator must be inserted here by the SARS official e.g. 172 Commissioner Street, Johannesburg.
25. File reference	The correspondence file reference of the client allocated by the Branch Office must be inserted here e.g. 1/10/4/3/S1.
26. *Delete whichever is not applicable	A neat straight line must be drawn through the word(s) or paragraph if such is not applicable.

4.2 Additional completion information for IDZ bonds (CB19 - CB21)

4.2.1 For completion by IDZ Operator

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
IDZ Operator Customs client number	The allocated Customs client number must be endorsed by the SARS official e.g. 123456.
CCA number where rebate/warehouse store is located	The warehouse or rebate store number issued to the specific warehouse, rebate store, degrouping depot, container depot or container operator must be inserted here by the SARS official e.g. DBN (OS) 123 or 234123.
Physical address of rebate/warehouse store	The physical street address of the premises of the warehouse or rebate store must be inserted here by the SARS official e.g. 172 Commissioner Street, Johannesburg.

4.2.2 For official use

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
CCAER Rebate/warehouse store Number	The physical street address of the premises of the warehouse or rebate store must be inserted here by the SARS official e.g. 172 Commissioner Street, Johannesburg.

4.3 Additional completion information for Addendum (CA01)

- a) The following additional information of the addendum (CA01) must be completed in addition to paragraph 4.1 (1) – (25) above:

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
To the bond in the sum of (insert amount in figures)	The original bond amount is inserted here in figures e.g. R1000.00.
(insert amount in words)	The original bond amount is inserted here in words e.g. One thousand rand only.
Hereby increased by the amount of (insert amount in figures)	The amount by which the bond amount is increased with (R2000.00) must be inserted here in figures.
(Insert amount in words)	The amount of the bond which is increased must be inserted here in words e.g. Two thousand rand or five hundred rand.
Hereby increased To (insert amount in figures)	The new total amount of the bond (amount of original bond plus amount of addendum) must be reflected here in figures - (R1000.00 plus [increase] R500.00 = R1500.00).
(Insert amount in words)	The new total amount of the bond (amount of original bond plus amount of addendum) must be reflected here in words, e.g. One thousand five hundred rand.

4.4 Additional completion information for Addendum (CA02)

- a) The following additional information of the deferment addendum (CA02) must be completed in addition to paragraphs 4.1 (1) – (25) and 4.2 above:

- i) Increase in liability

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
With effect from	The effective date on which the increase becomes effective must be inserted in this field e.g. 1 February 2012.

- ii) Temporarily increased - the following additional information of the deferment addendum (CA02) must be completed in addition to paragraphs 4.1 (1) – (25) and 4.2(a)(i) above:

FIELD DESCRIPTION	COMPLETION FIELD EXPLANATION
Until the last day	This date refers to the end date of which the amount has been increased temporarily e.g. 28 February 2012

5 MEASURES

- a) Bonds and addendums must be verified every six (6) months as part of the Management Control Programme.

6 QUALITY RECORDS

- a) These forms once completed create the Quality Records that show that the requirements of the procedure have been fulfilled.

NUMBER	TITLE
CA01	Customs Addendum: Amend Bond Amount
CA02	Customs Addendum: Amend Deferment Amount
CB03	Customs Bond: Rebates (Schedule 3)
CB04	Customs Bond: Clearing Agent
CB05	Customs Bond: Deferment
CB06	Customs Bond: Rebate (Item 410.03)
CB07	Customs Bond: Rebate (Item 470.03)
CB08	Customs Bond: Rebate (Item 498.01)
CB09	Customs Bond: Rebate (Item 498.02)
CB10	Customs Bond: Manufacturer In CCA
CB11	Customs Bond: Warehouses
CB12	Customs Bond: Degrouping Depot
CB13	Customs Bond: Container Depot
CB14	Customs Bond: Ship Wrecks
CB16	Customs Bond: ATA Carnets
CB17	Customs Bond: CPD Carnets
CB18	Customs Bond: Rebate (Item 470.01)
CB19	Customs Bond: IDZ Operator - CCA Rebate
CB20	Customs Bond: IDZ Operator - CCA SOS Warehouse
CB21	Customs Bond: IDZ Operator - CCA Manufacturing Warehouse
CB22	Customs Bond: Registered Agent

7 REFERENCES

7.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Customs and Excise Act No. 91 of 1964: Sections 39(1)(B), 47B(6), 54E(4), 59A(2)(a), 60(1)(c), 61(1) and (2), 64A(2) and (3), 64B(3) and (4), 64C(1), 64D(5), 64E, 64(G), 75(10)(a), 101, 101A, 107(2)(a), 114, 120(1)(mA) Customs and Excise Rules: 18A.08, 18A.10(a), 19A.02(a), 19A.08(c), 20.17(b), 26.01(f), 37A.14(b), 46A.2.16(c), 49A(12)(b), 49B.10(9)4(b), 54F.04(a), 59A.07(2), 59A.08(2), 60.01(1)(e), 60.02(1)(d), 60.07(2), 64B.01(1,2,3,4), 64D.01(1,3)(c), 64D.04(1), 64D.09(4), 64D.10(5), 64D.11(5), 64D.13(9), 64D(19), 64F.02, 64G.03, 64G.04, 64G.06, 120.08, 120.09. Value-added Tax Act No. 89 of 1991: 7, 11 and 13
Other Legislation:	Credit Agreements Act No. 75 of 1980: Section 1 General Law Amendment Act No. 50 of 1956: Section 6 National Credit Act No. 34 of 2005: All National Small Business Act No. 102 of 1996: Section 1, Schedule to the Act Promotion of Administrative Justice Act No. 3 of 2000: Section 3 and 5
International Instruments:	Istanbul Convention: Annex A and C Kyoto Convention: General Annex, Chapter 5: Security Standard: 5.1 -5.7; Specific Annex D: Chapter 1, Standard 14; Specific Annex E: Chapter 1, Standard 3

7.2 Cross References

DOCUMENT #	DOCUMENT TITLE	APPLICABILITY
QMS-01	Quality Management System Manual	All
SC-CF-05	Licensing, Registration and Designation – Internal Policy	All

DOCUMENT #	DOCUMENT TITLE	APPLICABILITY
SC-CF-19	Licensing, Registration and Designation – External Policy	All
SC-SE-04	Bonds – Internal Policy	All
SC-SE-05	Bonds – External Policy	All
SC-TA-01-03	ATA Carnet - Internal Policy	All
SC-TA-01-04	ATA Carnet - External Policy	All
SC-TA-01-05	CPD Carnet - Internal Policy	All
SC-TA-01-06	CPD Carnet - External Policy	All

8 DEFINITIONS AND ACRONYMS

CA	Customs Addendum
CB	Customs Bond
CCA	Customs Control Area in an Industrial Development Zone
CCAE	Customs Control Area Enterprise
CIPC	Companies and Intellectual Property Registration Office formerly known as CIPRO
Financial Institution	Banking or Insurance institution approved by the Financial Services Board
Foreign Principal	The foreign principal is a registered importer, registered exporter or licensed remover of goods in bond not located in South Africa as prescribed in Rule 59A.01(a).
FSB	Financial Services Board
ID	Identity document
IDZ	Industrial Development Zone
OS	Storage warehouse commonly known as a bond store
Registered Agent	An agent of a foreign principal who is located in South Africa and registered as prescribed in Rule 59A.01(a).
Registration or Identification Number	Refers to the allocated CIPC number for a company, trust, close corporation, financial institution, etc. or the identification number of the Registrant/Licensee if he/she is a private individual.
SOS	Special storage warehouse

9 DOCUMENT MANAGEMENT

Business Owner	Group Executive: Customs Trade Operations
Document Owner	Executive: Process Solutions Customs and Support Services
Author	M. van Vuuren
Detail of change from previous revision	Inserting additional registration/ID number information required by all principals and financial institutions as well as other information required from the IDZ Operator on bonds CB19 – CB21
Template number and revision	ECS-TM-16 – Rev 1