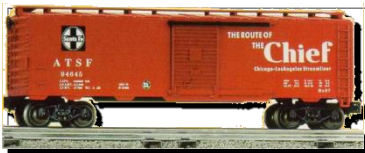
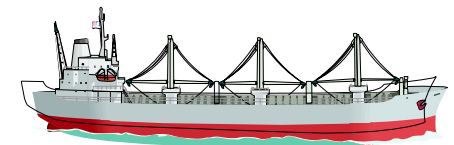
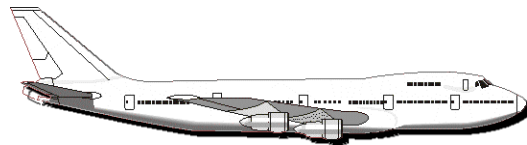


Daystar International, Inc.

SECURITY AND COMPLIANCE

C-TPAT

Security & Threat Awareness
Training



Customs-Trade Partnership Against Terrorism

- What is C-TPAT?
 - CBP and Industry Leaders working together to enhance national security and facilitate legitimate cargo.
 - Strengthening the international supply chain through the exchange of ideas, knowledge, and “best practices”.
 - Builds upon existing Customs Industry Partnership Programs (IPP).
 - Carrier Initiative Program (CIP)
 - Americas Counter Smuggling Initiative (ACSI)

C-TPAT

- C-TPAT is the largest government-private sector partnership to emerge from the terrorist attacks on September 11, 2001.
- C-TPAT was launched in November 2001 with seven major importers who also saw the need for the focus on supply chain security.
- The guiding principles for C-TPAT have been enhanced supply chain security, partnership, and a voluntary program.

Who is Eligible to Participate?

- U.S. Importers of Record
- Carriers (Highway, Rail, Sea, Air)
- U.S. Marine Port Authority/Terminal Operators
- U.S. Air Freight Consolidators
- Ocean Transportation Intermediaries and Non-Vessel Operating Common Carriers (NVOCC)
- Mexican and Canadian Manufacturers
- Licensed U.S. Customs Brokers



C-TPAT Security Criteria

Business Partner Requirements

- Documentation that they are a C-TPAT member
- Non-C-TPAT member, written or electronic confirmation meeting C-TPAT security criteria

Container Security

- Written sealing procedures (PAS ISO 17712 seal)
- Seven-point inspection prior to loading / upon receipt
- Container Storage, secure locations, preventing of unauthorized entry into container or storage area

Physical Access Controls

- Visitor procedures (including deliveries and mail) – Logbooks, visitor badges, escorted access
- Employment Procedures – Identification system

C-TPAT Security Criteria

Personnel Security

- Procedures must be in place to screen prospective employees and to periodically check current personnel (Background, employment history)
- Personnel termination procedures must be in place to remove access

Procedural Security –

- Document processing – accurate, complete & safeguarded
- Manifesting procedures – accurate and timely

Security Training and Awareness

- A threat and security awareness program should be established for all employees
- Employees must be made aware of the procedures the company has in place to address a situation and how to report it

C-TPAT Security Criteria

Physical Security

- Cargo handling and storage facilities must have physical barriers that guard against unauthorized access

Information Technology Security

- Anti-virus software/ Firewalls
- IT security policies, procedures and standards must be in place and provided to employees in the form of training

C-TPAT Benefits

- Securing the Homeland
- As part of contingency planning, C-TPAT partners will be the first to participate in the restoration of trade
- Reduced Examinations
- Front of line treatment
- Assigned Supply Chain Security Specialist
- Access to other programs (Free And Secure Trade (FAST), Importer Self Assessment (ISA))
- Supply Chain Security Conferences hosted by C-TPAT yearly

Mutual Recognition

C-TPAT and a foreign customs administration jointly recognize the security provisions of each other's business partnership programs.



Origin

Partnership Program

Transportation

**Partnership Program or
C-TPAT**



Destination

C-TPAT



Seals

Approved/Non-approved

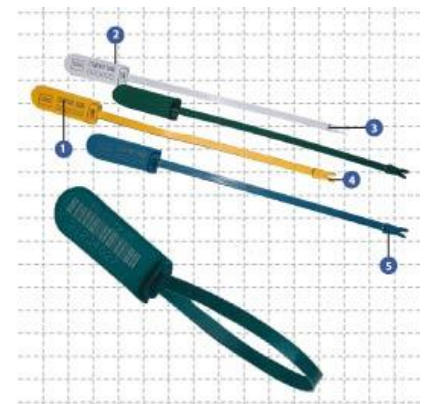
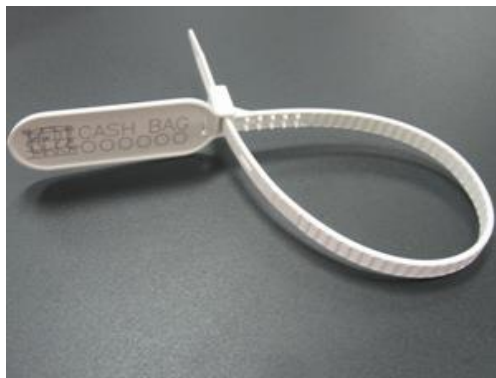
What Is ISO/PAS 17712?

- International Organization for Standardization (ISO)
- Publicly Available Specification (PAS)#17712 establishes “*uniform procedures for the classification, acceptance, and withdrawal of acceptance of mechanical freight container seals.*”
- High security seals are security seals that are constructed and manufactured of material such as metal or metal cable with the intent to delay intrusion; they generally must be removed with quality bolt cutters or cable cutters. They require inspection to indicate whether tampering has occurred or entry has been attempted.
- ISO 17712 was prepared by *Technical Committee*
- *ISO/TC 104, Freight Containers* based on existing material available from national customs organizations, national testing bodies and the World Customs Organization.

CTPAT Approved Seals



Not Approved Seals



Tampered seals

- Verify the seal is intact or is there evidence of tampering along the route.
- Properly document the original seal and second seal.

THREAT AWARENESS



Criminal Organizations

- Criminal organizations never sleep. They are constantly seeking ways to further their criminal enterprise.
- They will exploit any means to introduce their illicit products into the market within the United States.



