



April 10, 2007

Customs Memorandum Order

No. 8 - 2007

To: Directors, Legal And Collection Service
All District Collectors of Customs
Chiefs, Bonds Division
Misc. Mfg. Bonded Warehouse Division
Public/Private Bonded Warehouse Division
Garments/ Textile Mfg. Bonded Warehouse Division
Warehousing Documentation and Records Division
Common Bonded Warehouse Division
Liquidation and Billing Division
Collector, FTI- customhouse
CBW operator / Surety and Bonding Company
and all others concerned

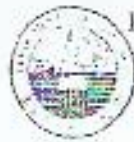
Subject: Addendum to CMO No. 28-90, Procedure in Forfeiture of Bonds

To further strengthen the provisions of the above-cited CMO, the following procedure is hereby prescribed:

I. Forfeiture process

The Chief, Bonds Division or its equivalent unit thru the District Collector concerned shall submit to the Commissioner of Customs (Attn: Director, Legal Service) the list of principal and surety and bonding company with outstanding matured and expired bonds, stating the name of the CBW operator/ importer, name of bonding company, bond numbers, amount of bonds/equivalent duties and taxes, and expiry date, and recommend for the immediate issuance of the order of forfeiture of bonds.

Upon issuance of such order by the Commissioner, the Director, Legal Service shall transmit copies of the same to the Director, Collection Service and the District Collector concerned for the information and guidance of the Chiefs, Bonds Division, Operating Division, Liquidation and Billing Division, CBW Operators, Surety and Bonding Company.



II. Liquidation of Entry and Cancellation of Bonds

Within forty-five (45) days from the date of an order of forfeiture, the CBW operator/ Importer and Surety and Bonding company may still be allowed to submit to the Operating Division a request for liquidation of raw material / entry together with the pertinent export documents and / or payment of customs duties and taxes due thereon before cancellation of bond be effected. After expiration of such date, the Operating Division concerned shall not accept request or application for liquidation other than payment of duties, taxes and other charges without prior written clearance from the Directors, Legal and Collection Service.

III. Filing in Court

After expiration of the forty- five (45) day period, the District Collectors of the Port Attn: The Chiefs, Bonds Division, Liquidation and Billing Division and Warehousing Documentation and Records Division shall recommend to the Commissioner of Customs thru the Legal Service the filing of cases in court or any administrative body against the erring CBW operator, importer and Surety and Bonding company attaching the following documents; a) import entries; b) bond policy; c) authority to charge bonds; d) and other related documents necessary to the filing of cases in court. The Director, Collection Service shall likewise be notified for purposes of determining and consolidating the true accountabilities of the principal / surety and bonding company arising from the matured / expired bonds.

The Director, Legal Service shall regularly update the Commissioner, Insurance Commission and the District Collector of the Port Attn: The Chief, Bonds Division, on the action taken by the Commissioner of Customs particularly the number of cases to be filed in court and the number of pending cases in court and their status.

IV. Repealing Clause

All customs Memorandum Orders inconsistent with this order are hereby repealed and / or modified accordingly.

V. Effectivity Clause

This order shall take effect immediately.

Napoleon D. Morales
Commissioner

