

Schenker of Canada Limited
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Instruction for importer providing a **GST Direct Payment Option Agreement
to Canada Border Services Agency through Schenker of Canada Limited**

Dear Customer,

The GST Direct Payment Option provides Canadian Resident Importers the privilege of “**release of shipments prior to payment**”. By completing the GST Direct form you agree to provide payment for the full amount of GST for all transactions processed during the current Accounts Receivable Ledger (ARL) billing period. As per the D Memo: 17-5-1, the payment must be sent to CBSA Headquarters in Ottawa either via cheque or electronic bill payment.

Upon activation of the GST Direct Payment Option you will start receiving Month-End GST statements from email address CA.dl.YYZ.CBSAStatements@dbschenker.com. The Month-End GST Statement reports all the transactions under your unique BN (Business Number) for the ARL period and will have visibility to other details such as B2 refunds/payables, payments received by CBSA, and any penalties/interest. You will receive the excel Month-End GST Statement via email on the 25th of every month which will indicate the total amount owing for your payment preparation. All payments must be made in Canadian funds and received by CBSA before 4:00 P.M. of the last business day of each month (unless otherwise specified). As mentioned earlier, cheque and electronic payments (i.e. Online Bill payment and EDI) are acceptable methods of payments. If sending a cheque, please make payable to “Receiver General of Canada” and clearly state your business number on the front of the cheque. If requested, you can also be set up to receive a Daily Notice. This Daily Statement continuously reports the accumulated transactions, detailing all shipments released within the current ARL period. This is for reference only; payments to CBSA should be made on the Month-End GST Statement only.

Kindly refer to the attached GST Direct Payment Option Agreement which outlines your payment responsibilities. Should you have any further questions, please do not hesitate to contact us.

Yours truly,
Schenker of Canada Limited:

CBSA’s ARL Period:
25th of previous
Month **TO** the **24th** of
the current month.

Month End Statement:
delivered every **25th**

Completing the GST Direct Payment Option Agreement: The attached template is auto-fill. Once completed, the form can be printed on your corporate letterhead, signed and the ORIGINAL copy returned to our office. A scanned copy emailed to our office will be processed ahead while waiting for the original.

GST DIRECT PAYMENT OPTION AGREEMENT

_____ is a resident of Canada.

The business number of _____ is _____.

Schenker of Canada Limited will release and account for imports by _____ under the broker's account security number A/S 13888.

Schenker of Canada Limited and _____ agree that:

_____ will pay the Canada Border Services Agency (CBSA) directly, by the last business day of the month, the full amount of the Goods and Services Tax (GST) and the federal portion of the Harmonized Sales Tax (HST) levied under the Excise Tax Act on imported goods, for all transactions processed on their behalf during a billing period under the account security of Schenker of Canada Limited.

_____ will make payments in accordance with the payment procedures outlined in CBSA Memorandum D17-5-1, Payment of Duties and Taxes on Imported Commercial Goods. Payments must comply with the deadline as outlined in this Memorandum. In most cases, payment is to be made electronically. For instances where Memorandum D17-5-1 still allows importers to pay by cheque, it is to be made payable to the Receiver General for Canada and provided to the CBSA or to their broker for remittance to the CBSA by the payment due date.

_____ accepts responsibility and liability for the payment of penalties and interest applied by the CBSA resulting from any late payment of GST/HST. Failure to provide payment to the CBSA by the due date will result in the application of penalties and interest to _____ on any amounts owing.

Importers who are late paying 3 times in a one-year period may be removed from this option and cannot be on the GST Direct Payment Option for another broker for the one-year period.

_____ may benefit once again from the option program after one year from the date of suspension;

_____ is reminded that although they may choose to use the services of a licensed customs broker to transact business with the CBSA on their behalf, the importer is ultimately responsible for the accounting documentation, payment of all duties and taxes, and subsequent corrections;

_____ authorizes Schenker of Canada Limited to communicate with the Canada Revenue Agency (CRA) regarding collections activity related to amounts owing on imported goods released under this agreement, and to release information on these transactions to the CRA.

_____ authorizes the release of information by the CBSA pertaining to their account security profile to Schenker of Canada Limited should be directed to:

All queries regarding this letter and the payment of GST on imported goods by

_____ should be directed to:

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| <i>GST Main Contact:</i> | |
| <i>Title/Position:</i> | |
| <i>Address:</i> | |
| <i>Phone#:</i> | |
| <i>Main Email:</i> | |
| <i>GST Backup Contact:</i> | |
| <i>Backup Title/Position:</i> | |
| <i>Backup Email:</i> | |

Authorized Client Signature:

Authorized Broker Signature:

