



September 8, 2014

## **BLOCK DESIGNATION NOTICE**

The Department of Homeland Security (the "Department") has completed its review of the Block Designation for Tier 3 Customs-Trade Partnership Against Terrorism (C-TPAT) Services, pursuant to the Support Anti-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441–444 (the "SAFETY Act"), and the Regulations Implementing the Support Anti-terrorism by Fostering Effective Technologies Act of 2002, 6 C.F.R. Part 25, 71 Fed. Reg. 33147, 33159 (June 8, 2006) (the "Regulations"). Pursuant to Section 25.3 of the Regulations, the Secretary of the Department of Homeland Security has delegated responsibilities, powers, and functions under the SAFETY Act, except the authority to declare that an act is an Act of Terrorism for purposes of Section 444(2) of the SAFETY Act, to the "Under Secretary for Science and Technology of the Department of Homeland Security or the Under Secretary's designees."

In accordance with Sections 25.4(b) and 25.6(h) of the Regulations, I have determined that Tier 3 Customs-Trade Partnership Against Terrorism ("C-TPAT") Services affirmatively satisfy the criteria for a SAFETY Act Block Designation, and therefore are eligible to apply for inclusion in this Block Designation. Tier 3 C-TPAT partners may apply under this Block Designation for an expedited review of the application, subject to the terms and conditions below.

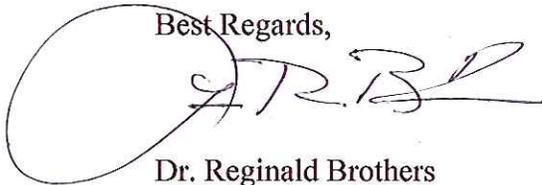
### **TERMS AND CONDITIONS**

- **Block Designation for the U.S. Customs and Border Protection ("CBP") Tier 3 C-TPAT Services.** Participation in the CBP C-TPAT program at a Tier 3 level has relevance to the Department's anti-terrorism mission and Tier 3 partners may apply for this Block Designation.
- **Timeline for Expedited Review.** Pursuant to Section 25.6(h)(1) of the Regulations, the Office of SAFETY Act Implementation ("OSAI") expects to process complete applications related to this Block Designation Notice within 90 days of receipt. This will allow for a complete review of an Applicant's insurance and financial information as well as to allow OSAI to coordinate with CBP.

- Application Requirements.
  - OSAI will coordinate with CBP to verify the names of Applicants under the Block Designation as Tier 3 partners in good standing.
  - Applicants under this Block Designation Notice will be required to submit a Block Designation Application via the SAFETY Act Website ([www.safetyact.gov](http://www.safetyact.gov)).
  - For the purposes of Section 25.6(h), if the Department approves an application submitted pursuant to a Block Designation, that applicant is considered a Seller of a Qualified Anti-terrorism Technologies. Pursuant to Section 443(a) of the SAFETY Act and Sections 25.5(a) and (g) of the Regulations, Sellers of Qualified Anti-terrorism Technologies shall obtain or maintain liability insurance for otherwise compensable third-party claims arising out of, relating to, or resulting from an Act of Terrorism when the Qualified Anti-terrorism Technology has been deployed in defense against, response to, or recovery from such an act. To establish such a limit, the Applicant will submit answers to Items BD.11 and BD.12 in the Block Designation Application.
- Term of this Block Designation Notice. This Block Designation Notice will expire on October 31, 2019. The expiration of this Notice is independent from, and will have no effect on, the term of any preexisting Designation received by Applicants under the Block.
- Other Conditions.
  - This Block Designation may be reviewed and modified at any time by the Under Secretary for Science and Technology.

**Note: Please refer to specific “Tier 3 Customs-Trade Partnership Against Terrorism (C-TPAT) Services” instructions posted on [www.safetyact.gov](http://www.safetyact.gov) for further guidance on filing an application pursuant to this Block Designation Notice.** Any questions regarding this Block Designation Notice should be directed to the SAFETY Act Help Desk by e-mail at [SAFETYActHelpDesk@dhs.gov](mailto:SAFETYActHelpDesk@dhs.gov) or by phone at 1-866-788-9318. Please reference “Tier 3 Customs-Trade Partnership Against Terrorism (C-TPAT) Services” in all correspondence.

Best Regards,



Dr. Reginald Brothers  
Under Secretary for Science and Technology

## EXHIBIT A

*[Tier 3 C-TPAT Company Name]*, a state of *[State name]* corporation, provides Tier 3 Customs-Trade Partnership Against Terrorism (C-TPAT) Services (the "Technology"). The Seller provides shipping services that are currently certified under the Customs and Border Protection ("CBP") C-TPAT program, and that are validated by CBP as exceeding C-TPAT minimum security criteria to perform at a Tier 3 level. CBP identifies a partner in good standing which exceeds the minimum security criteria for a company, as Tier 3 after individual review of its international supply chain security program. The Technology includes implementation of policies and procedures which exceed the minimum security criteria of the C-TPAT program's layered security model listed below:

- An annual security profile review;
- An annual risk assessment process that includes mapping cargo flows, conducting threat assessments, and creating action plans to address vulnerabilities;
- A verifiable, written selection process of business partners;
- Personnel security practices such as background checks and termination procedures as a part of processes for the hiring, vetting, and screening of personnel;
- Procedural security measures including documentation of manifesting procedures, detecting cargo discrepancies, etc.;
- Physical security measures such as fencing, gates/gate houses, parking, building structures, lock and key controls, security lighting, alarms and video surveillance cameras;
- Access control measures for employees, visitors, deliveries, etc.;
- Container security through container inspection, storage, and seals;
- Security training of employees in all areas of the security criteria;
- Information technology security measures such as administrative controls, password protection, employee accountability and network security; and,
- Outreach to ensure business partners are in compliance with the C-TPAT minimum security standards as applicable to Tier 3.

Together, these security elements function as a system to prevent cargo tampering in the international supply chain.

The Technology also includes the training of personnel, including training materials encompassing: the C-TPAT program, international supply chain concerns, transportation and logistics information, and other relevant supply chain security issues for Tier 3.