

June 14, 2013

Dear Academy Import Vendor/Factory

Re: Importer Security Filings (ISF/10+2) Penalties

U.S. Customs and Border Protection (CBP) announced on June 7th that full enforcement of the Importer Security Filing (ISF) program starts on *July 9th*, and they will begin issuing importers liquidated damages up to \$10,000 (minimum \$5,000) for late or inaccurate ISF's. Any ISF penalty received by Academy resulting in inaccurate or incorrect data provided by the vendor/factory will be charged back to the vendor. In addition to the penalty from Customs, there will be an Academy chargeback for late ISF or incorrect factory information. (Please refer to our chargeback schedule for details located on <u>vendor.academy.com</u>).

In order to avoid any customs penalty chargeback, the factory listed on your Purchase Order must be the actual name and address of the factory that Academy has approved to manufacture our product (*not the entity that is on the business license*). Any factory change must be approved by the Vice President of Global Sourcing *prior to manufacturing* Academy product.

Shipments will not be approved should the factory provided on the ISF differ from the Purchase Order; therefore, it is critical to ensure this information on the Purchase Order is accurate. It is your responsibility to review Purchase Order data for accuracy, and contact Academy Global Sourcing or Buyer to have the Purchase Order revised and sent to you.

Since the beginning of the program on January 26, 2010, all import shipments must comply with the ISF regulation as mandated by U.S Customs and Border Protection (CBP). All importers must provide 10 data elements electronically to CBP at least 24 hours before cargo is loaded on a vessel leaving any foreign port. The vendor/factory making the booking with our freight forwarder is responsible for supplying the below 3 data elements in the freight forwarders on-line booking system *at the time the booking is being made*. A booking cannot be completed without the below 3 ISF data elements being provided.

Factory name and address Consolidator name and address Stuffing location name and address

As a certified member of C-TPAT, Academy is committed to legal compliance, ethical business practices and exceeding security criteria for our entire supply chain. Academy will only conduct business with suppliers that adhere to Academy's security requirements. Please refer to our website for previous ISF communication since January 2010.

Should you have any questions regarding the process for entering your ISF data into the freight forwarders system, please contact Yusen Logistics or Expeditors (freight forwarder determined by shipping origin) for instructions.

Any other ISF questions please email Academy's ISF team at: ISF@academy.com.

Regards,

Terri Ursery

Kristi Holder

Terri Ursery Sr. Director of Import Logistics & Customs & Compliance Kristi Holder, Sr. Manager, Customs Compliance