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**FEDERAL COURT**

BETWEEN:

**RONSCO INC.**

Plaintiff (Responding Party)

-and-

**HER MAJESTY THE QUEEN, THE MINISTER OF PUBLIC SAFETY AND  
EMERGENCY PREPAREDNESS, CANADA BORDER SERVICES AGENCY**

Defendants (Moving Party)

**MOTION RECORD OF THE DEFENDANTS (MOVING PARTY)**  
**(Hearing Date: September 27, 2021)**

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**RONSCO INC.**

Plaintiff (Responding Party)

-and-

**HER MAJESTY THE QUEEN, THE MINISTER OF PUBLIC SAFETY AND  
EMERGENCY PREPAREDNESS, CANADA BORDER SERVICES AGENCY**

Defendants (Moving Party)

**NOTICE OF MOTION**

**TAKE NOTICE THAT** the Defendants/Moving Party, will make a motion to the Court on September 27, 2021 at 9:30 a.m.

**THE MOTION IS FOR:**

1. An Order striking out the portions of the Fresh as Amended Statement of Claim which disclose no reasonable cause of action, are outside the Court's jurisdiction, and/or are an abuse of process, without leave to amend, pursuant to Rule 221(a) and (f) of the *Federal Courts Rules*. These including paragraphs 1(a), 1(b), 1(c), 1(d), the second sentence of paragraph 36, 46-60, 61-66, 67(a), 67(b), and 67(c)(i) and (ii);
2. An Order granting the defendant leave to file an amended statement of defence within 30 days from the issuance the Order determining this motion;
3. The Costs of this motion; and

4. Such other and further relief as this Honourable Court may allow.

**THE GROUNDS FOR THE MOTION ARE:**

5. The Plaintiff's action is brought in the context of a verification audit conducted by the Canada Border Services Agency ("CBSA") on the Plaintiff's importations of railway wheels into Canada. Following the audit, the Plaintiff was required to correct its tariff classification of the wheels it imported from 2015-2018, which had incorrectly been declared under a duty-free tariff item, and pay the related duties and interest. The Plaintiff was also required to pay a penalty for not having made corrections earlier when it had "reason to believe" its initial declarations were incorrect.
6. The Plaintiff's action is brought pursuant to section 135 of the *Customs Act*, but seeks to challenge the decision upholding the imposition of duties and interest, consisting of a Detailed Adjustment Statement ("DAS") issued by the CBSA on July 30, 2020 issued (the "July 2020 DAS"). It also includes claims in negligence and "breach of public law duties".
7. A section 135 action is the culmination of an appeal process, provided in sections 129 to 135 of the *Customs Act*, allowing an importer to appeal only a finding that the importer has contravened the *Customs Act* such that a penalty may be imposed, by way of an action.
8. The Plaintiff's claim goes beyond the scope of a section 135 appeal and primarily focusses on issues that are properly the subject of a separate and distinct *Customs Act* appeal scheme, are outside this Court's jurisdiction, are not the proper subject of an action, disclose no reasonable cause of action, and/or are an abuse of process.

9. The *Customs Act* provides a separate appeal scheme concerning determinations of tariff classification and related duties, including the validity of a DAS, such as the July 2020 DAS. That scheme is set out in sections 59 to 68 of the *Customs Act* and includes an appeal to the Canadian International Trade Tribunal (“CITT”) and potentially an appeal to the Federal Court of Appeal on a question of law.
10. The CITT has exclusive jurisdiction to adjudicate matters relating to the validity of a DAS issued pursuant to section 60 of the *Customs Act*, such as the July 30, 2020 DAS. The scheme set out in sections 59 to 68 of the *Customs Act* ousts the jurisdiction of the Federal Court.
11. Pleadings that frame the duties and interest owing pursuant to the July 2020 DAS as “damages” do not change the claim’s essential character as being administrative in nature with only a thin pretense to a private wrong. The Plaintiff seeks to “undo what was done” by having the duties quashed or reimbursed. Furthermore, monetary relief through an action is not necessary or appropriate, as administrative remedies would have the same effect.
12. Seeking the duties and interest as “damages” in negligence or “breach of public law duties” also constitutes a collateral attack on the July 30, 2020 DAS, for which the CITT has jurisdiction.
13. Accordingly, the Plaintiff’s claims for the following relief are outside this court’s jurisdiction, do not properly form the subject of an action, under s. 135 of the *Customs Act* or otherwise, and/or constitute a collateral attack on the July 2020 DAS. They should be struck out:
- a. an order quashing the “July 30, 2020 DAS” as unreasonable;
  - b. “damages” for duties and interest charged to the Plaintiff by the CBSA.

14. The plaintiff's remaining claims for general damages and damages for "professional fees incurred", based on a "breach of public law duties" and negligence, also do not disclose a reasonable cause of action, and/or constitute an abuse of process and should be struck out:

- a. No private law duty of care exists between the CBSA and the Plaintiff in the current circumstances. The necessary relationship of proximity is absent, and runs contrary to the statutory regime. In any event, strong policy reasons exist not to recognize a duty of care, including that recognizing such a duty would give rise to indeterminate liability.
- b. The claim for \$1,000,000 in general damages fails to plead what loss or injury this amount is associated with, or how such loss or injury was caused by a breach of duty of care or of public law duties, as required.
- c. The Plaintiff cannot indirectly recover, under the guise of "damages", its costs incurred in relation to the *Customs Act* appeal avenues it has pursued. Further, it is Parliament's intention that parties bear their own costs in appeals before the CITT. Costs related to other court proceedings should be dealt with accordingly, in those proceedings.

15. The Defendant relies on: *Canadian International Trade Tribunal Act*, RSC 1985, c 47 (4th Supp); *Customs Act*, RSC 1985, c. 1 (2nd Supp), ss. 32, 32.2, 42.01, 58-68, 109.1, 109.3, 129, 131, 135; *Customs Tariff*, SC 1997, c 36; *Federal Courts Act*, R.S.C. 1985, c. F-7, ss. 17, 18, 18.5; *Federal Courts Rules*, rules 8, 174, 221; *Designated Provisions (Customs) Regulations*, SOR/2002-336; *Tariff Classification Advance Rulings Regulations*, SOR/2005-256, ss. 8-10, 12-13.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of this motion:

- a) The Affidavit of Marc Roy dated July 23, 2021.

July 23, 2021



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Solicitors for the Plaintiff (Responding Party)

File No.: T-1295-20

**FEDERAL COURT**

B E T W E E N:

**RONSCO INC.**

**Plaintiff**

**- and -**

**HER MAJESTY THE QUEEN, THE MINISTER OF PUBLIC SAFETY AND  
EMERGENCY PREPAREDNESS, CANADA BORDER SERVICES AGENCY**

**Defendants**

**ACTION UNDER** s. 135 of the *Customs Act*, R.S.C. 1985, c. 1 (2nd Supp.).

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**FRESH AS AMENDED STATEMENT OF CLAIM**

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A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a solicitor acting for you are required to prepare a statement of defence in Form 171B prescribed by the Federal Courts Rules serve it on the plaintiff's solicitor or, where the plaintiff does not have a solicitor, serve it on the plaintiff, and file it, with proof of service, at a local office of this Court, WITHIN 30 DAYS after this statement of claim is served on you, if you are served within Canada.

If you are served in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period for serving and filing your statement of defence is sixty days.

Copies of the Federal Court Rules information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court at Ottawa (telephone 613-992-4238) or at any local office.

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

October 29, 2020

Amended: May 7, 2021

Issued by: Kimberly Lalonde  
(Registry Officer)

Address of local office: Thomas D'Arcy McGee Building  
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## CLAIM

1. The plaintiff claims:
  - a. An order quashing as unreasonable the July 30, 2020 Detailed Adjustment Statements, titled Transaction No. 00003001046726 (the “July 2020 DAS”), which were issued on the basis that Ronsco Inc. (“Ronsco”) had “reason to believe” that its original tariff declaration with respect to forged railway wheels with unfinished bore holes (“rough bore wheels”) was incorrectly classified;
  - b. General damages in the amount of \$1,000,000, to be particularized before trial;
  - c. Special damages in the amount of \$1,006,641.91 compensating Ronsco for, *inter alia*, professional services incurred as a result of the Canada Border Services Agency’s (“CBSA”) actions;
  - d. \$2,544,628.30 compensating Ronsco for the administrative monetary penalties, the duties, and interest paid retroactively to the CBSA as a result of CBSA’s actions;
  - e. Costs of the proceedings; and
  - f. Such further and other relief as counsel may advise and the Court may permit.

### I. Background

2. Ronsco is the only Canadian-owned independent railway wheelset manufacturing shop in Canada. Ronsco is headquartered in Montreal, with five locations across Canada. Ronsco has been active for over 50 years.
3. Ronsco supplies products and services to North American and international rail, mining, and transit industries. A substantial part of Ronsco’s business involves supplying freight

and transit railway wheels and wheelsets (wheel and axle combinations) to Canadian consumers.

4. Ronsco imports rough bore wheels to meet its clients' requirements for loose wheels, and to manufacture wheelsets. The rough bore wheels Ronsco imports have unfinished bore holes, such that they must be further manufactured either in one of Ronsco's or its clients' wheelshops before they can be fitted with an axle.
5. Rough bore wheels are a manufacturing input (i.e., a good used to manufacture another good). As imported, they cannot be affixed to axles to make wheelsets. Instead, a very precise, computer-guided, boring operation must take place in a wheelshop to finish the borehole to fit the specific and unique axle to which the wheel will be affixed.
6. Rough bore wheels represent 80% of a wheelset's manufacturing cost.
7. Forged railway wheels have not been manufactured in Canada since 1994.
8. In 2005, Sumitomo Canada Limited ("Sumitomo"), one of Ronsco's competitors, requested and received from the CBSA an Advanced Ruling certifying that the rough bore wheels imported by Sumitomo for use on freight cars (i.e., which were identical in manufacture and use to those imported by Ronsco), could be imported duty-free under tariff item 8607.19.21 (re wheel blanks) ("Tariff 21").
9. At about the same time, in 2005, Ronsco began importing rough bore wheels. Ronsco sought tariff advice from its customs broker, FedEx. FedEx advised that rough bore wheels could be imported duty-free under Tariff 21.
10. Accordingly, Ronsco and Sumitomo (and the Canadian railway and customs brokerage industries as a whole) understood and reasonably believed that these wheels were to be

imported duty free under this tariff item. CBSA's own conduct since 2005 confirmed and reinforced this reasonable belief.

11. In or around the same period that Ronsco was importing rough bore wheels, numerous other competitor companies were similarly importing identical or substantially similar goods under Tariff 21 without any duty, penalty, or enforcement action by CBSA.
12. CBSA knew, or ought to have known, that Ronsco and the industry as a whole believed that Tariff 21 was the correct and appropriate classification for these imported goods.
13. In 2015, Ronsco was certified by the American Association of Railroads ("AAR") to produce wheelsets at its wheelshop in Hamilton, Ontario. This certification was the result of a \$10,000,000 capital investment by Ronsco. This investment was driven by the large demand for wheelsets in Eastern Canada and the Northeastern United States.
14. Ronsco competes with United States-based companies in supplying both the Canadian domestic wheelset market and the Northeastern United States market. In addition to "Buy American" policies (which have no equivalent in Canada), United States companies benefit from a duty-free tariff treatment of rough bore wheels for the wheelsets they will ultimately export for sale into Canada.
15. Prior to Ronsco opening its Hamilton wheelshop, there was no option for Canadian customers who did not have their own wheelshop to source wheelsets from a Canadian company. That demand was entirely fulfilled from the United States.
16. Prior to the events giving rise to this proceeding, Ronsco had plans to expand its operations in western Canada by opening a wheel shop. Due to the significant transport of bulk goods by rail, western Canada is the largest wheelset market in Canada. Ronsco's plan was to

invest \$10,000,000 in capital, which would have created 30 jobs. However, as described below, these plans were upended due to the CBSA's imposition of a 9.5% duty on rough bore wheels and its imposition of retroactive duties on Ronsco.

17. As a result, Ronsco has been unable expand its operations as planned and Canadian customers, many of whom do not have their own wheelshops, continue to be serviced by wheelsets supplied from American companies with facilities in Tacoma, Washington, and Chicago, Illinois. These American companies benefit from a significant cost advantage, due to the tariff treatment described at paragraph 14, above.

## **II. Unreasonable Imposition of Retroactive Duties on Ronsco's Imports of Rough Bore Wheels**

18. On July 11, 2017, the CBSA informed Ronsco that a Trade Compliance Verification would be conducted for goods imported by Ronsco between January 1, 2015 to December 31, 2015. Among the goods reviewed by the CBSA were "AAR approved H36 Wheels Class C, 8-3/8" bore diameter" ("rough bore wheels").
19. On April 20, 2018, Ronsco received an Interim Report from the CBSA which advised that it had determined that Tariff 21 (re wheel blanks) did not apply to the rough bore wheels imported by Ronsco, and that Tariff Item 8607.19.29 (wheels – other) ("Tariff 29), dutiable at 9.5%, applied. Ronsco was informed that it would have to make corrections and pay duties going back four years, purportedly on the basis that it had "reason to believe" that its initial tariff declaration was incorrect.
20. In response, Ronsco argued that Tariff Item 8607.19.30 (parts of wheels, duty free) was instead applicable, given that the rough bore wheels cannot perform the essential functions of a wheel (i.e., being fitted to an axle) when they are imported, as further manufacturing

is required. Ronsco also argued that it did not have, and had never had, “reason to believe” that the rough bore wheels fell into a category that was dutiable.

21. On June 26, 2018, Ronsco officials met with representatives from the office of the Minister of Public Safety and with Doug Band, the CBSA’s Director General responsible for the Trade and Anti-Dumping Programs Directorate. This meeting addressed the Interim Report. In this meeting, Mr. Band acknowledged that the wording of Tariff 21 was confusing and outdated and assured Ronsco that it would only be required to pay duties for the items identified in the Interim Report, and going forward.
22. These representations by Mr. Band are an admission that Ronsco had not had “reason to believe” that the rough bore wheels were dutiable, given the acknowledged unclear wording of Tarif 21.
23. Mr. Band’s assurances regarding retroactive duties were also consistent with CBSA policy.
24. Ronsco pleads and relies upon CBSA Memorandum D11-6-10 (“**D11-6-10**”), including section 27 thereof, and CBSA Memorandum Memorandum D-11-6-6.
25. On July 24, 2018, the CBSA issued its final Trade Compliance Verification Report (the “Verification Report”), confirming the conclusions in the Interim Report and stating that Ronsco would be required to pay \$461,446.21 in duties related to the five transactions covered by the Verification Report. The Verification Report concluded that Ronsco had “reason to believe” the goods were incorrectly classified under Tariff 21, that they should have been classified under Tariff 29, and that Ronsco would need to make corrections and pay retroactive duties on all transactions involving the rough bore wheels dating back four years.

26. On September 26, 2018, Ronsco made a request to the President of the CBSA for further re-determination, pursuant to section 60 of the *Customs Act*. Ronsco argued both that the rough bore wheels were properly classified under Tariff Item 8607.19.30 (parts of wheels) and that it did not have reason to believe that its prior selection of Tariff 21 was incorrect.
27. On November 8, 2018, Sue Ogilvie, an Appeals Officer with the CBSA's Toronto Trade Appeals Unit, Finance and Corporate Management Branch, advised that the CBSA's conclusion regarding Ronsco's "reason to believe" could only be challenged by appealing the Administrative Monetary Penalty that Ronsco would receive, under section 129 of the *Customs Act*.
28. Ronsco's appeals to the CBSA President, and subsequently to the Canadian International Trade Tribunal ("CITT"), were denied. In its ruling, the CITT acknowledged that the imposition of "historical duties" on these transactions placed a financial burden on Ronsco, particularly considering that it operates a small-margin business.
29. On December 19 2018, as required by the CBSA, Ronsco filed self-corrections for its importations of the goods at issue going back four years (i.e. for the years 2015 to 2018). The CBSA issued Detailed Adjustment Statements ("DAS") for the corrected transactions, pursuant to section 59 of the Customs Act, RSC 1985 c 1.
30. Ronsco requested a further re-determination. The CBSA issued the July 2020 DAS on July 30, 2020, pursuant to section 60 of the Customs Act. The July 2020 DAS upheld the earlier DAS and required Ronsco to pay duties and interest with respect to the corrected importations.

### **III. Ronsco's Notice of Penalty Assessment Appeal**

31. On October 11, 2019, Ronsco received a Notice of Penalty Assessment (“NPA”) from the CBSA. The NPA found that Ronsco had “reason to believe” that it had incorrectly selected Tariff 21 for the goods subject to the retroactive corrections.
32. On December 17, 2019, Ronsco filed its appeal of the NPA. It made further submissions on March 10, 2020 and June 1, 2020.
33. On August 17, 2020, Natasha Alimohamed, Director General of the CBSA’s Recourse Directorate, advised Ronsco that, contrary to Ms. Ogilvie’s representations in November 2018 (see paragraph 27, above), Ronsco ought to have brought an application for judicial review under the *Federal Courts Act* to challenge the CBSA’s conclusions with respect to Ronsco’s “reason to believe”. To preserve its rights, Ronsco filed the Notice of Application for Judicial Review in T-1037-20, taking the position in its Notice of Application that the judicial review should be placed in abeyance pending the outcome of Ronsco’s appeal under section 135 of the *Customs Act*.
34. On September 17, 2020, Ronsco received the CBSA’s decision, dated September 15, 2020, dismissing its NPA Appeal.
35. On October 14, 2020, as Ronsco was preparing to bring this appeal, counsel for Canada on the judicial review in T-1037-20 took the position that, contrary to Ms. Ogilvie’s advice (see paragraph 27 above) and to Ms. Alimohamed’s advice (see paragraph 33 above), Ronsco should have challenged the CBSA’s conclusion regarding “reason to believe” in an appeal to the CBSA President under section 60 of the *Customs Act*. To preserve its rights, Ronsco filed a Notice of Appeal to the CITT on October 22, 2020, taking the position in its Notice of Appeal that that appeal should also be placed in abeyance.

#### IV. Ronsco Should Not Have Been Required to Pay Retroactive Duties

36. Ronsco did not have “reason to believe” that its tariff classification of the imported rough bore wheels was incorrect. It should not have been required to pay the retroactive duties set out in the July 2020 DAS.
37. Tariff 21 is not a legislative provision that is *prima facie* evident and transparent, as required by CBSA policy. Rather, it is unclear and ambiguous.
38. CBSA knowingly took contradictory positions with respect to this Tariff Item with different importers. The CBSA’s Advance Ruling from 2005, which was in place for almost 14 years, evinces CBSA’s uneven, unfair, and contradictory positions.
39. The CBSA posts Advance Rulings online for the express purpose of serving as a reference point for providing meaningful guidance and help to other importers in complying with Canada’s trade legislation.
40. Ronsco’s American competitors benefit from ruling letters from U.S. Customs and Border Protection that address tariff classification. This allows U.S. importers to understand the laws that affect their imports and the consequences of particular transactions under those laws.
41. CBSA only rescinded the 2005 Advance Ruling after deciding against Ronsco in its July 2018 Verification Report to Ronsco. In so doing, the CBSA nevertheless granted Sumitomo a significant further exemption window from paying duties by timing the Advance Ruling amendment to coincide with the enactment of the Comprehensive and Progressive Trans-Pacific Partnership free trade agreement.

42. Industry behavior also shows that Tariff 21 is not *prima facie* evident and transparent, as from 2005 to 2019 it was the CBSA’s own conduct that drove importer behavior, rather than the Tariff Item’s wording (which remained unchanged).
43. Approximately ten companies have imported identical or substantially similar goods into Canada under Tariff 21 from Russia, China, Japan and Ukraine. CBSA knew that this was the case.
44. Only when the CBSA issued its Verification Report against Ronsco in 2018 and rescinded Sumitomo’s Advance Ruling, did many of these importers begin changing their tariff classifications from Tariff 21 to Tariff 29.
45. Finance Canada’s public posture is that Canada has a duty-free tariff regime for imports of manufacturing inputs. Specifically, in 2010, the Minister of Finance declared that Canada was a “tariff-free zone” for manufacturing inputs. Under this regime, it was, and still is, express government policy that goods imported to manufacture other goods are not subject to duty (as recognized by the CITT in its judgment, rough bore wheels must undergo further manufacturing after importation in order to be fitted to axles as part of the manufacture of wheelsets). These public statements further support Ronsco’s lack of “reason to believe” that its selection of Tariff 21 was improper.

## V. CBSA Breached its Public Law Duties

46. Ronsco pleads and relies upon *Paradis Honey Ltd. v. Canada*, 2015 FCA 89.
47. CBSA’s conduct, as set out above and below, was “unacceptable” and “indefensible in the administrative law sense”.

48. CBSA's conduct, as set out above and below, was inconsistent with, and offensive to, "public law values" and constituted "significant maladministration". CBSA's conduct requires an award of damages.
49. By imposing retroactive duties on Ronsco, CBSA treated Ronsco differently than similarly situated competitors, who were importing identical or substantially similar goods under the same Tariff as Ronsco, including Sumitomo and other companies. In doing so, CBSA unfairly favored certain importers over others, to the detriment of Ronsco, and affected the competitive landscape of the industry.
50. CBSA did not impose retroactive duties on any other importer for importing these goods under Tariff 21. CBSA did not conduct a trade compliance verification of any other importer for conduct similar to Ronsco's.
51. Numerous other companies were importing identical or substantially similar goods under the same tariff as Ronsco. None of them suffered the same unfair consequences at the hands of CBSA.
52. In particular, Sumitomo was allowed to import rough bore wheels without duty and without penalty until the 2005 Advanced Ruling was rescinded.
53. When Ronsco's representatives met with Doug Band in June 2018, his statements were an admission that Ronsco did not have "reason to believe" that its tariff declaration was incorrect. Further, he provided assurances indicating that CBSA would exercise its discretion in a manner consistent with CBSA policy so that Ronsco would not be required to pay unreasonable retroactive duties. He represented that Ronsco would only be required to pay duties for the verification period and going forward.

54. Contrary to CBSA's own internal policy, and the specific representations of its representative Mr. Band, CBSA imposed retroactive duties on Ronsco for a four-year period and denied Ronsco's appeals.
55. Throughout this appeals process, CBSA has taken inconsistent procedural positions that have created an unnecessary multiplicity of proceedings, causing Ronsco (and the Canadian public) to incur significant and unnecessary costs. Those inconsistent procedural positions include the following:
  - a. In November, 2018, Ms. Ogilvie advised that the CBSA's conclusion regarding Ronsco's "reason to believe" could only be challenged by appealing the Administrative Monetary Penalty that Ronsco would receive under section 129 of the *Customs Act*;
  - b. In August, 2020, Ms. Alimohamed, advised Ronsco that, contrary to Ms. Ogilvie's advice, Ronsco ought to have brought an application for judicial review under the *Federal Courts Act* to challenge the CBSA's conclusions with respect to Ronsco's "reason to believe";
  - c. In October 2020, as Ronsco was preparing to bring this action, counsel for the Minister on the judicial review in T-1037-20 took the position that, contrary to Ms. Ogilvie's advice and Ms. Alimohamed's advice, Ronsco should have challenged the CBSA's conclusion regarding "reason to believe" in an appeal to the CBSA President under section 60 of the *Customs Act*. Despite these inconsistent directions, Ronsco pursued each avenue of appeal to which it was directed.

56. CBSA now takes the position that it does not matter whether or not Ronsco had “reason to believe” at the time of the imports, because the *Customs Act* would require it to pay four years of retroactive duties regardless. That proposed interpretation would render the concept of “reason to believe” meaningless and would run directly contrary to CBSA’s internal policies as well as the representations by Mr. Band to Ronsco’s representatives.
57. Prior to commencing this action, and throughout the multi-year appeals process described above, CBSA never advised Ronsco of its interpretation that “reason to believe” has no application to the retroactive duties owed by Ronsco, despite Ronsco repeatedly challenging CBSA’s findings with respect to “reason to believe.”
58. CBSA’s position appears to be that the retroactive duties paid by Ronsco can only be recovered as damages.
59. Damages are necessary to cure Ronsco’s significant losses caused by CBSA’s conduct.
60. There is no public law justification for CBSA’s conduct.

## **VI. CBSA Breached its Duty of Care**

61. CBSA owed a duty of care to Ronsco, arising from:
  - a. Its role in administering and enforcing the *Customs Act*;
  - b. Its internal policies, including section 27 of CBSA Memorandum D-11-6-10;
  - c. The representations of Doug Band set out above;
  - d. CBSA’s conduct in allowing other importers to import identical or substantially similar goods under Tariff 21;

- e. CBSA's knowledge that Ronsco and the industry as a whole believed that Tariff 21 was the correct and appropriate classification for these imported goods; and
  - f. CBSA's knowledge that treating Ronsco differently from the rest of the industry would cause significant harm to Ronsco.
62. There is no public policy reason that would negate a duty of care. In particular, CBSA's duties to the broader public do not come into conflict with its duties to Ronsco, and a finding of a duty of care will not expose CBSA to indeterminate liability.
63. CBSA's duty of care required that it:
- a. Administer and enforce the *Customs Act* in a consistent manner;
  - b. Treat Ronsco in a manner that is consistent with other importers, importing substantially similar (or the same) goods;
  - c. Exercise its discretion with respect to reassessment in a manner consistent with its internal policies;
  - d. Act in a manner consistent with the representations of its representative Doug Band, including by not imposing retroactive duties;
  - e. Provide consistent and transparent directions to Ronsco in pursuing its various appeal routes; and
  - f. Interpret the *Customs Act* in a manner that attributes meaningful consequences to the concept of "reason to believe."
64. CBSA breached its duty of care, including by:

- a. Treating Ronsco differently than other similarly situated importers by imposing significant retroactive duties on Ronsco that were not imposed on other importers;
  - b. Failing to exercise its discretion in a manner consistent with its internal policies, by imposing retroactive duties on Ronsco despite Ronsco not having “reason to believe” at the time of import;
  - c. Failing to exercise its discretion in a manner consistent with the representations of Doug Band, including his representation that retroactive duties would not be imposed;
  - d. Providing inconsistent directions to Ronsco as to the appropriate appeals route to pursue;
  - e. Asserting that regardless of whether Ronsco has a “reason to believe,” it is still required to pay retroactive duties.
65. CBSA’s breaches of the standard of care have caused significant damages to Ronsco as set out below.
66. Ronsco pleads and relies upon the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50.

## VII. Damages

67. CBSA’s breaches of its public law duties and the applicable standard of care have caused the following damages to Ronsco:
- a. General damages in the amount of \$1,000,000, to be particularized before trial;

- b. Special damages in the amount of \$1,006,641.91 of professional fees incurred by Ronsco as a result of CBSA's breaches. Ronsco expressly asserts, and does not waive, privilege over any of the relevant privileged documents or information in this regard. Ronsco claims the following amounts:
  - i. Legal: \$347,378.15
  - ii. Trade Consultants: \$550,065.76
  - iii. Surety Bond: \$104,282.00
  - iv. Experts: \$4,916.00
- c. \$2,544,628.30 erroneously charged by CBSA to Ronsco as follows:
  - i. Duties: \$2,434,002.31;
  - ii. Interest: \$109,626.07; and
  - iii. Administrative Monetary Penalty: \$1,000

## **IX Ronsco's Right to Amend**

- 68. The causes of action alleged herein arise from substantially the same facts as those pleaded in Ronsco's statement of claim dated October 26, 2020. The defendant suffers no prejudice from these amendments.
- 69. No relevant limitations periods had expired at the time of the commencement of this proceeding on October 26, 2020. In particular, the claim was commenced well within 90 days of September 17, 2020 when Ronsco received the CBSA's decision, dated September 15, 2020, dismissing its NPA Appeal, and within 90 days of July 30, 2020,

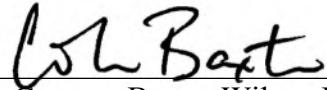
when Ronsco received the July 2020 DAS requiring it to pay duties and interest from 2015 to July 2018.

70. Rules 75, 76, 77, 200, and 201 of the *Federal Court Rules*.

The plaintiff proposes that this action be tried at Ottawa, Ontario.

October 26, 2020

Amended: May 7, 2021



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Solicitors for the Plaintiff

Court File No.: T-1295-20

**FEDERAL COURT**

BETWEEN:

**RONSCO INC.**

Plaintiff (Responding Party)

-and-

**HER MAJESTY THE QUEEN, THE MINISTER OF PUBLIC SAFETY AND  
EMERGENCY PREPAREDNESS, CANADA BORDER SERVICES AGENCY**

Defendants (Moving Party)

**AFFIDAVIT OF MARC ROY**

I, MARC ROY, of the City of Ottawa, in the Province of Ontario, SOLEMNLY AFFIRM:

1. I am a Legal Assistant with the Department of Justice Canada, Civil Litigation Section, assigned to work with Charles Maher and Peter Nostbakken, counsel for the Defendants. I have personal knowledge of the matters hereinafter deposed to, except where stated to be on information and belief. Where I do not have personal knowledge of matters hereinafter deposed to, I have identified the source of my information and believe it to be true.
2. A number of documents have been referenced by the Plaintiff in its Fresh as Amended Statement of Claim, including:
  - a. At paragraph 25, the Plaintiff references the final Verification Report it received as a result of the CBSA's trade compliance verification of the Plaintiff's importations of certain goods for the period between January 1, 2015 and December 31, 2015. A copy of the final Verification Report is attached as **Exhibit "A"**.

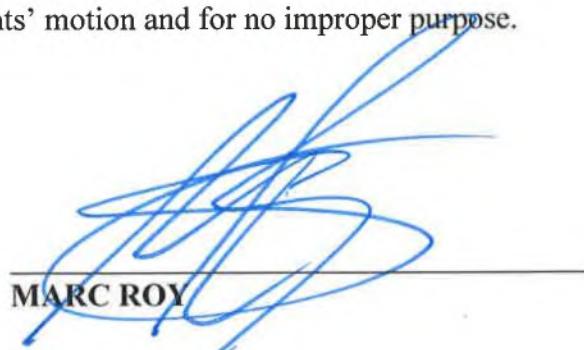
- b. At paragraphs 26, the Plaintiff references its request, dated September 26, 2018, for a further redetermination of the verified imported goods, under section 60 of the *Customs Act*. At paragraph 28, the Plaintiff references the CBSA's denial of this section 60 "appeal". A copy of the decision, dated January 18, 2019, is attached as **Exhibit "B"**. A copy of the Detailed Adjustment Statements ("DAS") at issue in the section 60 request are attached as **Exhibit "C"**.
- c. At paragraph 28, the Plaintiff references its subsequent appeal of the CBSA's January 18, 2019 decision to the CITT, and the CITT's ruling dismissing that appeal. A copy of the CITT's decision, dated March 17, 2020, is attached as **Exhibit "D"**.
- d. At paragraph 29, the Plaintiff references self-corrections it filed with the CBSA for its importations of the goods at issue from 2015 to 2018. A copy of the self-corrections filed is attached as **Exhibit "E"**.
- e. At paragraph 29, the Plaintiff references the Detailed Adjustment Statements issued by the CBSA for the corrected transactions pursuant to section 59 of the *Customs Act*. A copy of the DASs, dated May 23, 2019, is attached as **Exhibit "F"**.
- f. At paragraph 30, the Plaintiff references its request for a further re-determination of the May 23, 2019 DASs under section 60 of the *Customs Act*. It further references the resulting July 30, 2020 decision upholding the earlier DASs. A copy of the decision, which was issued in the form of a further DAS (the "July 30, 2020 DAS"), is attached as **Exhibit "G"**.
- g. At paragraph 33, the Plaintiff references its application for judicial review, filed at the Federal Court, regarding the July 30, 2020 DAS (T-1037-20). A copy of the Notice of Application in T-1037-20 is attached as **Exhibit "H"**.
- h. At paragraph 35, the Plaintiff references its appeal of the July 30, 2020 DAS to the CITT, filed October 22, 2020. A copy of the Notice of Appeal, assigned file number AP-2020-018, is attached as **Exhibit "I"**.

- i. At paragraph 67(b)(iii), the Plaintiff references a “Surety Bond”. A copy of the email from counsel for the Defendants to counsel for the Plaintiff, confirming the extension and terms of the bond is attached as **Exhibit “J”**.
  - j. At paragraph 31, the Plaintiff references the Notice of Penalty Assessment issued to it by the CBSA. A copy of the Notice of Penalty Assessment is attached as **Exhibit “K”**.
  - k. At paragraph 32, the Plaintiff references its appeal of the Notice of Penalty Assessment to the Minister of Public Safety and Emergency Preparedness. At paragraph 34, the Plaintiff references the September 15, 2020 decision of the Minister dismissing the appeal. A copy of the Ministerial decision is attached as **Exhibit “L”**.
  - l. At paragraph 68, the Plaintiff references its original Statement of Claim, dated October 26, 2020. A copy of the October 26, 2020 Statement of Claim is attached as **Exhibit M**.
  - m. At paragraph 24, the Plaintiff references CBSA Memorandum D11-6-10 and CBSA Memorandum D11-6-6. A copy of Memorandum D11-6-10 is attached as **Exhibit N**, and a copy of Memorandum D11-6-6 is attached as **Exhibit O**.
3. I make this Affidavit in support of the Defendants’ motion and for no improper purpose.

AFFIRMED BEFORE ME  
at the City of Ottawa,  
in the Province of Ontario,  
this 23<sup>rd</sup> day of July, 2021.)

A Commissioner, etc.

LSO#P15813



MARC ROY

This is Exhibit "A"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



---

A Commissioner, etc.



Case No. C-2016-011118

July 24, 2018

**PRIORITY POST**

Ms. Mary Menanno  
 Traffic Manager  
 Ronsco inc.  
 75 Rue Industrielle  
 Coteau-du-Lac, Quebec J0P 1B0

Dear Ms. Menanno:

**Subject: Trade Compliance Verification Final Report – Tariff Classification**

This is the final report for the Trade Compliance Verification of selected transactions on goods imported by Ronsco Inc. -Business Number 104621065RM0001 - for the verification period of January 1, 2015 to December 31, 2015. The verification was conducted by the Canada Border Services Agency (CBSA) under the authority of sections 42 and 42.01 of the *Customs Act*.

The objective of this verification was to promote and ensure compliance with customs accounting obligations as they relate to the CBSA's Tariff Classification Program.

This report reflects the comments received from Ronsco inc. regarding the Trade Compliance Verification interim report that was sent on April 20, 2018 and the position expressed in the interim report have been modified for Sample #1. For Samples # 4, 5, 6, 10 and 13, the comments received have been reviewed, however, there have been no changes to the CBSA's position expressed in the interim report.

Based on the information that was made available to the CBSA, some of the goods were found to be classified incorrectly. The correct tariff classifications can be found in the "Findings, Requirements and Corrective Action" portion of this report. In addition, Detailed Adjustment Statements (DASs) have been issued to correct the tariff classification of the transactions in error for the samples verified and have been listed in the "Adjustment Summary" chart.

The tariff classification(s) specified affect not only the transactions verified but also:

- (i) other transactions of the goods verified; and
- (ii) other models of the goods verified, and any other goods that have the same function as the goods verified, that differ in a manner (e.g., size, colour, capacity, etc.) that is not relevant to the tariff classification of the goods to the tariff item level.

**Requirements**

Under section 32.2 of the *Customs Act*, importers have an obligation to make a correction to a declaration of origin, tariff classification, or value for duty within 90 days after the importer has reason to believe that the original declaration is incorrect. Importers have reason to believe when specific information is available respecting the correct accounting of the goods. The obligation under this section to make a correction ends four years after the goods are accounted for under subsection 32(1), (3) or (5).

**Canada**

The period over which you are required to make corrections to incorrect declarations was determined on the basis of the Reassessment Policy.

Refer to Memorandum D 11-6-10, Reassessment Policy, which can be found on the CBSA website at: <http://www.cbsa-asfc.gc.ca/publications/dm-md/d11/d11-6-10-eng.html>

Failure to make the required corrections within 90 days will result in administrative monetary penalties being applied. For details respecting the Administrative Monetary Penalty System (AMPS), refer to the CBSA website at: <http://www.cbsa-asfc.gc.ca/trade-commerce/amps/menu-eng.html>

### **Findings, Requirements and Corrective Actions**

The following provides the results of the Trade Compliance Verification of the tariff classification program and a description of the errors found, along with requirements and corrective actions.

#### **Summary of Errors**

Tariff Item as Declared	Invoice Lines Verified	Invoice Lines In Error	VFD Declared	Total VFD In Error	Total Duties & Taxes Re-assessed
8607.19.11	7	0			
8607.19.21	5	5			
8607.19.50	5	1			

#### **Sample # 1- Roller Bearing NP633994F**

##### **Transaction 13003153110814 line 1**

**Classification declared:** 8607.19.50.30 (0%)

**Classification determined:** 8482.20.00.14 (0%)

According to information provided, the verified goods are tapered roller bearings. The goods were classified under Tariff Number 8607.19.50.30 as «*Parts of railway or tramway locomotives or rolling-stock; Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof. Parts of bogies or bissel-bogies (truck assemblies); For non self-propelled rolling-stock*

Heading 84.82 provides for ball and roller bearings. In accordance with Note 2) e) of Section XVII, the expressions "parts" and "parts and accessories" do not apply to "articles of heading 84.81 or 84.82", whether or not they are identifiable as for the goods of this Section. Roller bearings are therefore excluded from Section XVII. The goods in issue are classified as «*Roller bearing; Tapered roller bearings; with cups having an outside diameter exceeding 102 mm*

Ronsco inc. had specific information available "reason to believe" with respect to the tariff classification of the goods verified. Different reassessment periods may apply depending on the type of the specific information.

**Reassessment Period - for goods in error – no customs duties payable** - specific information previously available was a legislative provision that was *prima facie*, evident, and transparent as identified in subparagraph 1(a) of Memorandum D11-6-6, “Reason to Believe” and Self-Adjustments to Declarations of Origin, Tariff Classification, and Value for Duty.

Ronsco inc. is required to correct, within 90 days of the date of this final report, all other transactions of the same goods that were accounted for during the verification period and forward up to the date of this final report, and all subsequent importations. Corrections will also be required for other models of the goods verified, and any other goods that have the same function as the goods verified that differ in a manner (e.g., size, colour, capacity, etc.) that is not relevant to the tariff classification of the goods to the tariff item level.

#### Conditional Relief Tariff Item 8607.19.21

#### Samples # 4, 5, 6, 10, 13 AAR approved H36 Wheels Class C, 8-3/8" bore diameter

**Transactions:**    **13003172664734 line 1**  
**13003172665074 line 1**  
**13003704306035 line 1**  
**13003704475201 line 1**  
**13003705530245 line 1**

**Classification declared:** 8607.19.21.00 (0%)

**Classification determined:** 8607.19.29.00 (9.5%)

According to information provided, the verified goods are H36 wide flange wheels for railway vehicles. They are not blanks. After import, the wheels were modified. The bore was widened and chamfered in order to fit either AAR Class F or K axles. The goods were classified under Tariff Number 8607.19.21.00 as «*Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches; For self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic; For use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes*

As per Note 2 (a) to Chapter 86, heading 86.07 applies to: axles, wheels, wheel sets (running gear), metal tyres, hoops and hubs and other parts of wheels.

In order to qualify for relief under tariff item 8607.19.21, the Imported Goods Records Regulations require certificates or other records, signed by the user of the commercial goods, indicating the actual use of the goods that have been released subject to conditional relief of duties. Two signed documents were provided by the importer to support the requirements of the conditional relief tariff item. One document was from *National Steel Car Limited* and the other one was from *Canadian National Railway*. Both documents confirmed that the wheel blanks purchased from Ronsco Inc. were used in the manufacture of wheelsets for railcars. As no satisfactory evidence that the actual use of the goods was for railway and tramway passenger coaches or self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic has been provided for the 5 sampled B3 transaction lines verified, the related goods below do not qualify for relief under tariff item 8607.19.21.

As a result, H36 Wheels Class C are classified as «*Parts of railway or tramway locomotives or rolling-stock; -Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof: Other, including parts; Wheels, whether or not fitted with axles : Other*

Refer to Customs Memorandum D11-8-5 (End-Use Program) and D17-1-21 (Maintenance of Records in Canada by Importers), found on the CBSA website at:

<http://cbsa-asfc.gc.ca/publications/dm-md/d11/d11-8-5-eng.pdf>  
<http://cbsa-asfc.gc.ca/publications/dm-md/d17/d17-1-21-eng.pdf>

Ronsco inc. had specific information available “reason to believe” with respect to the tariff classification of the goods verified.

**Reassessment Period - for goods in error – customs duties payable** - specific information previously available was a legislative provision that was *prima facie*, evident, and transparent as identified in subparagraph 1(a) of Memorandum D11-6-6, “Reason to Believe” and Self-Adjustments to Declarations of Origin, Tariff Classification, and Value for Duty.

Ronsco inc. is required to correct, within 90 days of the date of this final report, all other transactions of the same goods that were verified, back to the earliest date of the specific information, to a maximum of four years as provided for in the *Customs Act*. Corrections will also be required for other models of the goods verified, and any other goods that have the same function as the goods verified that differ in a manner (e.g., size, colour, capacity, etc.) that is not relevant to the tariff classification of the goods to the tariff item level.

### Summary of Errors, Reassessment Requirements and AMPS Contraventions

Sample Number	Description or Issue	Basis of Specific Information providing Reason to Believe	Specific Information Date	Reassessment Period	AMPS Contravention
1	Roller Bearing NP633994F	Customs Tariff, clear legislative provision D11-6-6 criteria 1(a) Non-dutiable	Earliest import transaction date within the verification period:	Verification period start date to final report date: January 1, 2015 to July 24, 2018	C082 See below
4, 5, 6, 10, 13	AAR approved H36 Wheels Class C, 8-3/8" bore diameter	Customs Tariff, clear legislative provision D11-6-6 criteria 1(a) dutiable	Earliest import transaction date within the four year reassessment period.	Starting with the earliest import transaction date (to a maximum of 4 years) to the final report date. (July 24, 2018)	C352 See below

### Administrative Monetary Penalty System Contraventions

#### Sample 1

##### *Memorandum D11-6-6 Reason to Believe – Criteria 1. (a)*

Ronsco inc. will receive a Notice of Penalty Assessment (NPA) for the AMPS contraventions applicable to the goods verified. Contravention C082 will be assessed per issue to each tariff classification error of a good that is corrected and submitted within the 90 days of the date of the final report. Per occurrence penalties will be assessed on each declaration (B3) in error not corrected within the 90 days.

#### Samples 4, 5, 6, 10, 13

##### *Memorandum D11-6-6 Reason to Believe – Criteria 1. (a)*

Ronsco inc. will receive a Notice of Penalty Assessment (NPA) for the AMPS contraventions applicable to the goods verified. Contravention C352 will be assessed per issue to each tariff classification error of a good that is corrected and submitted within the 90 days of the date of the final report. Per occurrence penalties will be assessed on each declaration (B3) in error not corrected within the 90 days.

For details respecting the Master Penalty Document (MPD), refer to the CBSA website at:  
<http://www.cbsa-asfc.gc.ca/trade-commerce/amps/mpd-dmi-eng.html>

Corrections are required whether or not there is a financial impact.

The CBSA has issued the following adjustments to correct the transactions in error for the samples verified.

#### Adjustment Summary

Sample Number	Transaction Number	Line Number	Adjustment Number	VFD in Error	Duties Payable	GST/HST Payable	Adjustment Total (not including interest)
1	13003153110814	1	00001004088550				
4	13003172664734	1	00001004088561				
5	13003172665074	1	00001004088572				
6	13003704306035	1	00001004088583				
10	13003704475201	1	00001004088594				
13	13003705530245	1	00001004088607				

As an importer you are required, under section 32.2 of the *Customs Act*, to self-adjust all transactions affected by the tariff classification(s) specified in this report. These self-adjustments must be sent by registered mail, by courier, or delivered by hand, to any CBSA office in the region where the goods were released under this Act.

Within ninety (90) days of the date of this report, please forward all self-adjustments (Form B2) or copies of the self-adjustments, received and date stamped by the CBSA, to my attention at the address below. In the remarks section of the adjustment, make reference to the Case No. C-2016-011118.

#### Appeals and Redress

Appeal rights are available under the *Customs Act*, should you disagree with any of the tariff classification(s) specified in this report. You may file a request for a re-determination or further re-determination under section 60 of the *Act*, within 90 days from the date of the DAS.

For more information on how to submit a request, please refer to Memorandum D11-6-7, Request under Section 60 of the Customs Act for a Re-determination, a further Re-determination or a Review by the President of the Canada Border Services Agency, which can be found on the CBSA website at: <http://www.cbsa-asfc.gc.ca/publications/dm-md/d11/d11-6-7-eng.html>

Clients wishing to appeal a Notice of Penalty Assessment (NPA) may request a Minister's decision pursuant to section 131 of the *Customs Act* **within 90 days** from the date of the NPA, provided they meet the criteria of subsection 129(1) of the *Customs Act*. Additional information concerning the redress process for AMPS can be found on the CBSA website at:

<http://www.cbsa-asfc.gc.ca/recourse-recours/howto-commentfaire-2-eng.html>

#### Follow-up

The self-adjustments submitted as a result of this verification will be reviewed for accuracy and completeness. In addition, future importations may be monitored to ensure compliance with the recommendations contained in this report.

Thank you for the cooperation that Ronsco inc. extended to the CBSA during the course of this verification. Please contact me should you require additional information concerning this report.

Sincerely,



Lucie Gagné  
Senior Officer Trade Compliance  
Trade Operations Division  
130 Rue Dalhousie  
Québec, Québec G1K 4C4

Telephone: (418) 648-3401 ext.2413

Facsimile: (418) 648-3040

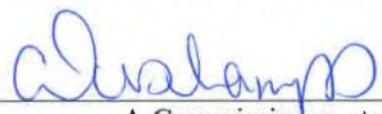
E-mail address: [lucie.gagne@cbsa-asfc.gc.ca](mailto:lucie.gagne@cbsa-asfc.gc.ca)

Enclosure: Sample Detail Sheet

c.c.: Peter Clark, Grey, Clark, Shih and Associates, Limited, 571 Blair Road, Ottawa, ON K1J 7M3

No d'échantillon	Date	Numéro Transaction	Numéro Ligne B3	Vendeur	Numéro Facture	Numéro Ligne Facture	Vendeur - Facture	Numéro Produit	Description du Produit	UdeM décl.	UdeM dét.	Quantité décl.	Quantité dét.	Numéro De Class Det	Numéro De Class Det	VD Det	Taux De Droits Det	Taux De Droits Det
1	2015-02-02	13003153110814	00001	TIMKEN/RAIL BEARING SERVICE	65160467	1	The Timken Corporation	NP633994F	Roller Bearing					8607.19.50.30	8482.20.00.14		0,00%	0,00%
2	2015-02-03	13003702972971	00001	TAIYUAN HEAVY INDUSTRY CO.,L	30014820EX14084-7	1	Taiyuan Heavy Industry Railway Transit Equipment C	AAR M-101	7 x 12 Semi-Finished Class G Axles, Grade F					8607.19.11.00	8607.19.11.00		0,00%	0,00%
3	2015-04-28	13003130139363	00001	COMET RAIL PRODUCTS	RC0051808	1	Comet Rail P5products	8607193010	Bolster					8607.19.50.30	8607.19.50.30		0,00%	0,00%
3	2015-04-28	13003130139363	00001	COMET RAIL PRODUCTS	RC0051808	2	Comet Rail P5products	8607193020	Side Frame					8607.19.50.30	8607.19.50.30		0,00%	0,00%
4	2015-05-15	13003172664734	00001	TAIYUAN HEAVY INDUSTRY RAILW	31014840EX15015-7	1	TAIYUAN HEAVY INDUSTRY RAILWAY TRANSIT EQUIPMENT C		AAR approved H36 Wheels Class C, 8-3/8" bore diameter	NMB	NMB			8607.19.21.00	8607.19.29.00		0,00%	9,50%
5	2015-05-25	13003172665074	00001	TAIYUAN HEAVY INDUSTRY CO.,L	31014840EX15015-8	1	TAIYUAN HEAVY INDUSTRY RAILWAY TRANSIT EQUIPMENT C		AAR approved H36 Wheels Class C, 8-3/8" bore diameter	NMB	NMB			8607.19.21.00	8607.19.29.00		0,00%	9,50%
6	2015-08-26	13003704306035	00001	TAIYUAN HEAVY INDUSTRY CO.,L	31014840EX15015-16	1	TAIYUAN HEAVY INDUSTRY RAILWAY TRANSIT EQUIPMENT C		AAR approved H36 Wheels Class C, 8-3/8" bore diameter	NMB	NMB			8607.19.21.00	8607.19.29.00		0,00%	9,50%
7	2015-09-01	13003704662333	00001	REGION LTD	RR-8/2	1	Region Ltd		Semi-finished axles					8607.19.11.00	8607.19.11.00		0,00%	0,00%
8	2015-09-14	13003704306649	00001	TAIYUAN HEAVY INDUSTRY RAILW	30014824EX14120-23	1	Taiyuan Heavy Industry Railway Transit Equipment C		6.5 x 12 Semi-Finished Class F Axles, Grade F					8607.19.11.00	8607.19.11.00		0,00%	0,00%
9	2015-09-29	13003704457109	00001	TAIYUAN HEAVY INDUSTRY CO.,L	30015813EX15085-10	1	Taiyuan Industry Railway Transit Equipment		7 x 12 semi Finished Class G Axles, Grade F					8607.19.11.00	8607.19.11.00		0,00%	0,00%
10	2015-10-23	13003704475201	00001	TAIYUAN HEAVY INDUSTRY CO.,L	31014840EX15015-21	1	Taiyuan Heavy Industry Railway transit Equipment C		AAR Approved H36 Wheels, Class C, 8.5" bore diameter	NMB	NMB			8607.19.21.00	8607.19.29.00		0,00%	9,50%
11	2015-11-02	13003704926115	00001	REGION LTD	RR-8/5	1	Region Ltd		Semi-Finished axles					8607.19.11.00	8607.19.11.00		0,00%	0,00%
12	2015-11-16	13003704842250	00001	TAIYUAN HEAVY INDUSTRY CO.,L	34015823EX15095-3	1	TAIYUAN HEAVY INDUSTRY RAILWAY TRANSIT EQUIPMENT C		6.5 x 12 Semi-Finished Axles, Class F Grade F					8607.19.11.00	8607.19.11.00		0,00%	0,00%
13	2015-11-23	13003705530245	00001	HAIYUAN HEAVY INDUSTRY RAIL	31014840EX15015-27	1	Taiyuan Heavy Industry Railway transit Equipment C		AAR Approved H36 Wheels, Class C, 8.5" bore diameter	NMB	NMB			8607.19.21.00	8607.19.29.00		0,00%	9,50%
14	2015-12-08	13003705621666	00001	TAIYUAN HEAVY INDUSTRY CO.,L	34015823EX15095-4	1	TAIYUAN HEAVY INDUSTRY RAILWAY TRANSIT EQUIPMENT C		6.5 X 12 SEMI-FINISHED AXLES, CLASS F GRADE F					8607.19.11.00	8607.19.11.00		0,00%	0,00%
15	2015-12-24	13003183279649	00001	COLUMBUS STEEL CASTINGS	14838	1	Colombus Steel Castings	F10107B85-04	Frames					8607.19.50.30	8607.19.50.30		0,00%	0,00%
15	2015-12-24	13003183279649	00001	COLUMBUS STEEL CASTINGS	14838	2	Colombus Steel Castings	810774AB85-05	Bolsters					8607.19.50.30	8607.19.50.30		0,00%	0,00%

This is Exhibit "B"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



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A Commissioner, etc.



Recourse Directorate,  
Toronto Trade Appeals Unit  
1 Front Street West, 3<sup>rd</sup> Floor  
Toronto, Ontario  
M5J 2X5

Ronesco Inc.  
75 Rue Industrielle  
Coteau-du-Lac, QC  
J0P 1B0

Date: January 18, 2019

File Number: 18-0501  
TRS Number: 281819

Dear Sir:

**Subject: President of the Canada Border Services Agency Decision**

This notice represents a decision of the President of the Canada Border Services Agency (CBSA) under subsection 60(4) of the *Customs Act* (the *Act*) in response to your dispute filed on October 11, 2018. This dispute was submitted to request a review of the decisions issued on the following notice of decisions under subsection 59(2) of the *Act*: 00001-004088561, 00001-004088572, 00001-004088583, 00001-004088594 and 00001-004088607.

The H36 Wheels are classified under tariff classification 8607.19.29.00 as “Wheels, whether or not fitted with axles, other”.

The wheels imported by Ronesco are forged, rolled and machined by the exporter to meet or exceed precise, detailed specifications. After the goods are imported they still require further processing in order to be able to become capable of being fitted with axles and used as wheels on rolling-stock. A cutting tool is applied to the bore hole to remove steel, widening the hole so that it will fit a specific axle. In addition, a chamfer (i.e. a beveled edge) is cut along the top of the bore hole, in order to facilitate guiding and centering the completed wheel body bore onto the axle during the pressing process. The bore hole must be chamfered before the wheel body can be fitted with an axle, as the 90-degree edge (which the wheel bodies have when they arrive in Canada) risks damaging the axle during the pressing process.

Both parties agree on the subheading of goods to be 8607.19. You have requested tariff item 8507.19.30 as “Parts of axles or wheels” with an alternative tariff classification under tariff item 8607.19.50, as parts of bogies or bissel-bogies.

The goods at issue have the shape form and all the visual characteristics of a finished wheel at the time of importation. The first part of Rule 2 (a) extends the scope of any heading (subheading, tariff item) which refers to a particular article to cover not only the complete article

but also that article incomplete or unfinished, **provided** that, as presented, it has the essential character of the complete or finished article.

8607.19	Other, including parts - - - Axles - - - Wheels, whether or not fitted with axles
8607.19.21. 00	- - - Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches; For self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic; For use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes.
8607.19.29. 00	- - - - Other
8607.19.30. 00	- - - Parts of axles or wheels

Subheading 8607.19 covers wheels, whether or not fitted with axles.

The goods are not parts of wheels. Chapter 86 Legal Note 2 (a) and Item 3 to the Explanatory Note to heading 86.07 provide examples of what are considered to be parts of wheels:

### Legal Notes to Chapter 86

#### Note 2:

- 2. Heading 86.07 applies, inter alia, to:
  - (a) Axles, wheels, wheel sets (running gear), **metal tyres, hoops and hubs and other parts of wheels;** (emphasis added)

#### Explanatory Note 3 to heading 86.07 states:

- (3) Wheels and parts thereof (**wheel centres, metal tyres, etc.**) (emphasis added)

The H36 Wheels requiring some further work after importation i.e. bore sizing, does not make it a part. The fact that at the time of importation, the goods at issue have not been mounted on the axles and that they need some further processing prior to being able to mount on axles does not mean that they do not have the essential character of wheels.

In AP-2012-060 Cycles Lambert Inc. the Tribunal referred to the Explanatory Notes to heading No. 87.14. The list of parts and accessories of vehicles cited as examples of goods covered by heading 87.14 are “wheels and parts thereof (hubs, rims, spokes, etc.) Therefore, the explanatory notes establish a distinction between the wheel as such and its parts, including the rim or *jante*. Consequently, in accordance with the ordinary and common sense of the term, a rim is likened to a part of a wheel in the explanatory notes.<sup>1</sup>

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<sup>1</sup> AP-2016-060 Cycles Lambert Inc. paragraph 40, 41, 42

Similarly the Legal Note 2 to Chapter 86 and Explanatory Note 3 to 86.07 cite examples of what are considered parts of wheels.

As an alternate tariff item 8607.19.50 was suggested for consideration. This tariff item covers parts of bogies or bissel-bogies (truck assemblies). One of the components of a bogie is a wheelset which is a wheel, axle, bearing combination. The wheels as imported cannot be used as wheelset as they still require further processing in order to be able to become capable of being fitted with axles and used as wheels.

The H36 wheels are classified under tariff classification 8607.19.29.00 by the application of General Interpretive Rule #1, with reference to Chapter 86 Legal Note 2 (A) and Heading 86.07 Explanatory Note (3).

This decision is based on the information available. Any changes to the material facts and circumstances on which this decision is based may impact on the validity of this decision.

To apply this decision to future importations of identical goods, the file number and TRS number referenced in the top right corner of this letter should be quoted in either the description field of the B3 entry document, on the certificate of origin, or on the Canada Customs Invoice, as applicable.

This decision confirms the original decision rendered by the CBSA on the B2 adjustment forms listed above.

You may appeal this decision to the Canadian International Trade Tribunal (CITT), under section 67 of the *Act*, by filing a written notice with both the CITT and the President of the CBSA within **90 days** from the date of this decision. You may obtain further information about the CITT process on its website at [www.citt.gc.ca](http://www.citt.gc.ca) or by contacting the CITT at (613) 990-2452.

If you wish to appeal this decision, the addresses are:

Registrar  
Canadian International Trade Tribunal  
Standard Life Centre  
333 Laurier Avenue West, 15<sup>th</sup> Floor  
Ottawa ON K1A 0G7  
Fax: (613) 990-2439

President  
Canada Border Services Agency  
Recourse Directorate  
Trade Litigation Unit  
333 North River Road  
Tower A, 11<sup>th</sup> floor  
Ottawa Ontario K1A 0L8  
Fax: (343) 291-7239

To avoid administrative monetary penalties and interest payments, you must account for future importations of same or similar goods in accordance with the terms of this decision until a decision on any further appeal is rendered. You are required to follow the procedures described in the Memorandum [D11-6-6, "Reason to Believe" and Self-adjustments to Declarations of Origin, Tariff Classification, and Value for Duty](#), or Memorandum [D11-6-7, Importers' Dispute](#)

Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods,  
whichever applies to your situation.

Please feel free to contact me if you have any questions concerning this decision.

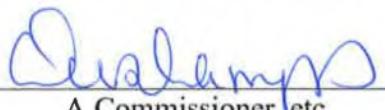
Yours truly,



Sue Ogilvie  
Appeals Officer  
Recourse Directorate, Finance and Corporate Management Branch  
Canada Border Services Agency, Government of Canada  
Phone: 416-973-1787  
Fax: 416-954-6740  
E-Mail: [sue.ogilvie@cbsa-asfc.gc.ca](mailto:sue.ogilvie@cbsa-asfc.gc.ca)

Cc: Grey, Clark, Shih and Associates Ltd.  
571 Blair Road,  
Ottawa, Ontario  
K1J 7M3  
Attention: Peter Clark

This is Exhibit "C"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



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A Commissioner, etc.

	Canada Border Services Agency	Agence des services frontaliers du Canada	CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT	PROTECTED (WHEN COMPLETED) PROTÉGÉ (UNE FOIS REMPLI)
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1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction			
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA		AUG 31 2018 <b>RECEIVED</b>		00001004088561	
JOP1B0		3. GST Registration NO. - N° de TPS 104621065		Business Number Numéro d'entreprise 10462 1065 RM0001	
4. Importer NO. N° de l'importateur 0808		5. Office NO. N° de bureau 0808		6. Original Transaction NO. N° de la transaction originale 13003172664734	
7. Y-A M D-J 2015/05/15					
9. Sub HDR NO. N° de sous en-tête 01	10. Broker / Agent - Courrier / agent GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3		11. Security NO. - N° de sécurité		Page NO. - N° de page 1
		12. Country of Origin Pays d'origine CN		13. Place of Export Lieu d'exportation CN	14. Tariff Treatment Traitemet tarifaire 02
		15. Direct Shipment Date Date d'expédition directe 04 23		16. Currency Code Code devise USD	17. Time Limit - Délai
				Date of Decision Date de la décision 2018/08/27	

## TAIYUAN HEAVY INDUSTRY RAILW

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision										20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28.	E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34.	Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour l'axe	36.	GST TPS		

18. 001	19. WIDE FLANGE WHEELS										20. PRES INT
21.	8607192900	22. 2520	23. NMB 013	24. 25.	26. 27. 9.5	28.	29. .00	30. 5.0	31. 1171800.00		
31.	1435455.00	32. 136368.23	33. .00	34. .00	35.	36.	37. 1571823.23	38. 78591.16			

18.	Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
18.	+136,368.23	+000.00	+000.00	+78,591.16	20. +214,959.39

21.	FOLLOWING VERIFICATION #C-2012016-011118 <sup>28</sup> , IT HAS BEEN DETERMINED THAT ACCORDING TO INFORMATION PROVIDED BY THE IMPORTER, THE VERIFIED GOODS ARE H36 <sup>29</sup> WIDE FLANGE WHEELS FOR RAILWAY VEHICLES. AS PER NOTE 2 (A) TO CHAPTER 86, HEADING 86.07 APPLIES TO: AXLES, WHEELS, WHEEL SETS (RUNNING GEAR), METAL TYRES, HOOPS AND HUBS AND										30.
31.											36.

18.	19.	OTHER PARTS OF WHEELS. THE GOODS WERE CLASSIFIED UNDER TARIFF NUMBER 8607.19.21.00 AS "BLANKS FOR USE IN THE MANUFACTURE OF WHEEL AND AXLE COMBINATIONS FOR RAILWAY AND TRAMWAY (INCLUDING SUBWAY CARS)"										30.
21.												36.
31.		PASSENGER COACHES" BUT THE GOODS ARE NOT <sup>30</sup> BLANKS AND NO SATISFACTORY EVIDENCE WAS PROVIDED THAT THE ACTUAL USE QUALIFIES FOR RELIEF UNDER TARIFF ITEM 8607.19.21. THEREFORE, THE GOODS IN ISSUE SHOULD HAVE BEEN										36.

18.	19.	CLASSIFIED UNDER TARIFF NUMBER 8607.19.29.00 OF CANADIAN CUSTOMS TARIFF AS PER THE GENERAL INTERPRETATIVE RULE # 1 <sup>31</sup> AND 6 <sup>27</sup> . FOR FURTHER INFORMATION, PLEASE CONTACT LUCIE GAGNE, SENIOR OFFICER, TRADE COMPLIANCE, AT 418-648-3401 EXT 2413										30.
31.		32.	33.	34.	35.	36.						

	Canada Border Services Agency	Agence des services frontaliers du Canada	CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT	PROTECTED (WHEN COMPLETED) PROTÉGÉ (UNE FOIS REMPLI)	B
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1. Importer Name and Address - Nom et adresse de l'importateur				2. Transaction NO. - N° de transaction 00001004088561				
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0				3. GST Registration NO. - N° de TPS 104621065				
				4. Importer NO. N° de l'importateur	5. Office NO. N° de bureau 0808	6. Original Transaction NO. N° de la transaction originaire 13003172664734	7. Y-A M D-J 2015/05/15	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courtier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3				11. Security NO. - N° de sécurité  12. Country of Origin Pays d'origine 13. Place of Export Lieu d'exportation 14. Tariff Treatment Traitemen tarifaire 15. Direct Shipment Date Date d'expédition directe 16. Currency Code Code devise 17. Time Limit - Délai			
					Page NO. - N° de page 2			
					Date of Decision Date de la décision 2018/08/27			

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28.	E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34.	Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS		

18.	19.	20.
A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE ON FORM B2, PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.		

VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.											
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THIS REPRESENTS A DECISION UNDER SUBSECTION 59(1) OF THE CUSTOMS ACT.  
THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT.

18.	19.	20.									
LE PRESENT AVIS EST ASSIMILE A UNE DECISION PRISE EN VERTU DU PARAGRAPHE 59(1) DE LA LOI SUR LES DOUANES, ET VOUS EST SIGNIFIÉ EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI.											
31.	32.	33.	34.	35.	36.						
AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.											

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
DUES SONT PAYABLES SUR RECEPTE DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
QUI DEMEURE IMPAYE APRES LA DATE D'ECHÉANCE SPECIFIÉE, POURRA FAIRE L'OBJET  
DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
RECOUVREMENT.



Canada Border Services Agency Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT

PROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction  00001004088561		
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		3. GST Registration NO. - N° de TPS 104621065 4. Importer NO. N° de l'importateur 0808		
		5. Office NO. N° de bureau 0808		
		6. Original Transaction NO. N° de la transaction originale 13003172664734		
		7. Y-A M D-J 2015/05/15		
9. Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courtier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3			
	11. Security NO. - N° de sécurité 12. Country of Origin Pays d'origine 13. Place of Export Lieu d'exportation 14. Tariff Treatment Traitement tarifaire 15. Direct Shipment Date Date d'expédition directe 16. Currency Code Code devise 17. Time Limit - Délai			
	18. Line Ligne 19. Description - As Ruled Designation - Selon la décision 20. Special Authority Autorisation spéciale			
21.	22.	23.	24.	
Classification No. N° de classement	Tariff CD CD tarif	Quantity Quantité	U - M	
25.	26.	27.	28.	
VDF Code Code VD	SIMA CD CD LMSI	Rate of Customs duty Taux de droit de douane	E.T. Rate Taux T.A.	
29.	30.	Value for Currency Conversion Conversion valeur pour change		
31.	32.	33.	34.	
Value for Duty Valeur en douane	Customs Duties Droits de douane	SIMA Assessment Cotisation de LMSI	Excise Tax Taxe d'accise	
35.	36.	Value for Tax Valeur pour taxe		
37.	38.	GST TPS		
18.	19.	20.		
<b>DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.</b>				
31.	32.	33.	34.	35.
<b>VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYÉ LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DÉPOSÉ UNE GARANTIE SATISFAISANTE À CET EGARD.</b>				
36.	37.	20.		
<b>AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.</b>				
38.	39.	21.		
<b>MEME SI VOUS PRÉSENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DÉPOSÉE À CET EGARD OU SI UNE GARANTIE A DÉJÀ ÉTÉ DÉPOSÉE. TOUT MONTANT QUI DEMEURE IMPAYÉ APRÈS LA DATE D'ÉCHÉANCE SPÉCIFIÉE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.</b>				
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712.	713.	714.	715.	716.
717.	718.	719.	720.	721.
722.	723.	724.	725.	726.
727.	728.	729.	730.	731.
732.	733.	734.	735.	736.
737.	738.	739.	740.	741.
742.	743.	744.	745.	746.
747.	748.	749.	750.	751.
752.	753.	754.	755.	756.
757.	758.	759.	760.	761.
762.	763.	764.	765.	766.
767.	768.	769.	770.	771.
772.	773.	774.	775.	776.
777.	778.	779.	780.	781.
782.	783.	784.	785.	786.
787.	788.	789.	790.	791.
792.	793.	794.	795.	796.
797.	798.	799.	800.	801.
802.	803.	804.	805.	806.
807.	808.	809.	810.	811.
812.	813.	814.	815.	816.
817.	818.	819.	820.	821.
822.	823.	824.	825.	826.
827.	828.	829.	830.	831.
832.	833.	834.	835.	836.
837.	838.	839.	840.	841.
842.	843.	844.	845.	846.
847.	848.	849.	850.	851.
852.	853.	854.	855.	856.
857.	858.	859.	860.	861.
862.	863.	864.	865.	866.
867.	868.	869.	870.	871.
872.	873.	874.	875.	876.
877.	878.	879.	880.	881.
882.	883.	884.	885.	886.
887.	888.	889.	890.	891.
892.	893.	894.	895.	896.
897.	898.	899.	900.	901.
902.	903.	904.	905.	906.
907.	908.	909.	910.	911.
912.	913.	914.	915.	916.
917.	918.	919.	920.	921.
922.	923.	924.	925.	926.
927.	928.	929.	930.	931.
932.	933.	934.	935.	936.
937.	938.	939.	940.	941.
942.	943.	944.	945.	946.
947.	948.	949.	950.	951.
952.	953.	954.	955.	956.
957.	958.	959.	960.	961.
962.	963.	964.	965.	966.
967.	968.	969.	970.	971.
972.	973.	974.	975.	976.
977.	978.	979.	980.	981.
982.	983.	984.	985.	986.
987.	988.	989.	990.	991.
992.	993.	994.	995.	996.
997.	998.	999.	1000.	1001.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

2. Transaction NO. - N° de transaction

00001004088561

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS 104621065	4. Importer NO. N° de l'importateur 0808	5. Office NO. N° de bureau 0808	6. Original Transaction NO. N° de la transaction originale 13003172664734	7. Y-A-M-D-J 2015/05/15
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8. Sub HDR NO. N° de sous entête	10. Broker / Agent - Courtier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	Page NO. - N° de page 4	
		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitemen tarifaire
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				

## Customs Duties/

## Droits de Douane

18.	19.								20.	+136,368.23
21.		22.	23.	24.	SIMA Assessment/ Cotisation de LMSI	28.	29.	30.		+0.00
31.		32.	33.	34.	Excise Tax/Taxe d'accise	35.	36.			+0.00

## Sub Total/Total partiel

+136,368.23

18.	19.								20.	+6,818.41
21.		22.	23.	24.	Total	28.	29.	30.		+143,186.64
31.		32.	33.	34.	INTEREST/INTÉRÊT	35.	36.			+3,039.28

## Amount due to Receiver

General/Montant dû au  
Receveur général

18.	19.								20.	\$146,225.92
21.		22.	23.	24.	25.	26.	27.	28.	29.	30.
31.		32.	33.	34.	Le paiement doit être effectué le	35.	36.			2018/09/26

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2018/08/28.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLEMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2018/08/28.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

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Canada Border Services Agency	Agence des services frontaliers du Canada	CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT DOUANES CANADA - RELEVÉ DÉTAILLE DE RAJUSTEMENT	PROTECTED (WHEN COMPLETED) PROTÉGÉ (UNE FOIS REMPLI)
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1. Importer Name and Address - Nom et adresse de l'importateur		AUG 31 2018	2. Transaction NO. - N° de transaction 00001004088572		
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA		RECEIVED	Business Number Numéro d'entreprise 104621065		
J0P1B0			4. Importer NO. N° de l'importateur 0808	5. Office NO. N° de bureau 0808	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courtier / agent:  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	6. Original Transaction NO., N° de la transaction originale 13003172665074	7. Y-A M D-J 2015/05/25	
				Page NO. - N° de page 1	
01		12. Country of Origin Pays d'origine CN	13. Place of Export Lieu d'exportation CN	14. Tariff Treatment Traitement tarifaire 02	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe 04	16. Currency Code Code devise 30	17. Time Limit - Délai USD	

TAIYUAN HEAVY INDUSTRY CO., L

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision							20.	Special Authority Autorisation spéciale	
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28.	E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour charge
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35.	36.	Vaue for Tax Valeur pour taxe	37.	GST TPS		

18.	19.	WIDE FLANGE WHEELS							PRES INT	20.
21.	8607192900	22. 2520	23.	24. NMB 013	25.	26.	27. 9.5	28.	29. .00	30. 5.0 1171800.00
31.	1400769.72	32. 133073.12	33.	34. .00	35.	36.	.00	1533842.84	76692.14	

18.	19.	Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
18.	+133,073.12		+000.00	+000.00	+76,692.14	20. +209,765.26
21.		FOLLOWING VERIFICATION #C-2012016-011118, IT HAS BEEN DETERMINED THAT ACCORDING TO INFORMATION PROVIDED BY THE IMPORTER, THE VERIFIED GOODS ARE H36 <sup>35</sup> WIDE FLANGE WHEELS FOR RAILWAY VEHICLES. AS PER NOTE 2 (A) TO CHAPTER 86, HEADING 86.07 APPLIES TO: AXLES, WHEELS, WHEEL SETS (RUNNING GEAR), METAL TYRES, HOOPS AND HUBS AND OTHER PARTS OF WHEELS. THE GOODS WERE CLASSIFIED UNDER TARIFF NUMBER 8607.19.21.00 AS "BLANKS FOR USE IN THE MANUFACTURE OF WHEEL AND AXLE COMBINATIONS FOR RAILWAY AND TRAMWAY (INCLUDING SUBWAY CARS)			30.	
31.		PASSENGER COACHES" BUT THE GOODS ARE NOT <sup>35</sup> BLANKS AND NO SATISFACTORY EVIDENCE WAS PROVIDED THAT THE ACTUAL USE QUALIFIES FOR RELIEF UNDER TARIFF ITEM 8607.19.21. THEREFORE, THE GOODS IN ISSUE SHOULD HAVE BEEN CLASSIFIED UNDER TARIFF NUMBER 8607.19.29.00 OF CANADIAN CUSTOMS TARIFF AS PER THE GENERAL INTERPRETATIVE RULE # 1 AND 6 <sup>25</sup> FOR FURTHER INFORMATION, PLEASE CONTACT LUCIE GAGNE, SENIOR OFFICER, TRADE COMPLIANCE, AT 418-648-3401			36.	
31.		EXT <sup>32</sup> 2413	33.	34.	35.	36.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTEGE (UNE FOIS REMPLI) B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction  00001004088572	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		3. GST Registration NO. - N° de TPS  104621065	
		4. Importer NO. N° de l'importateur  0808	5. Office NO. N° de bureau  6. Original Transaction NO. N° de la transaction originale  13003172665074
		7. Y-A M D-J  2015/05/25	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courtier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	Page NO. - N° de page  2
		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation
		14. Tariff Treatment Traitemet tarifaire	Date of Decision Date de la décision  2018/08/27
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise
		17. Time Limit - Délai	

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change	
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS					

18. 19.	20.
A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2, PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.	

18. 19.	20.
VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.	

THIS REPRESENTS A DECISION UNDER SUBSECTION 59(1) OF THE CUSTOMS ACT.  
THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT.

18. 19.	20.
LE PRESENT AVIS EST ASSIMILE A UNE DECISION PRISE EN VERTU DU PARAGRAPHE 59(1) DE LA LOI SUR LES DOUANES, ET VOUS EST SIGNIFIÉ EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI.	
31. 32. 33. 34. 35. 36.	
AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.	

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
RECOUVREMENT.

B2-1 (09)

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Canada



Canada Border  
Services Agency

Agence des services frontaliers du Canada

**CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT**

**PROTECTED (WHEN COMPLETED)**  
**PROTÉGÉ (UNE FOIS REMPLI)**

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision	20. Special Authority Autorisation spéciale							
21. Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				

18. 19. DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY  
21 SECURITY REQUIRED<sup>24</sup> BEFORE A<sup>24</sup>REQUEST MAY BE FILED UNDER SUBSECTION 60(1)  
OF THE CUSTOMS ACT.

31. 32. 33. 34. 35. 36.

VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA  
LOI SUR LES DOUANES AVANT D'AVOIR PAYE LES DROITS EXIGIBLES EN RAISON DE  
 CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET  
EGARD.

18. 20.

21 AMOUNTS PAYABLE ARE DUE UPON<sup>24</sup>RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
31 GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER<sup>35</sup>THE SPECIFIED DUE DATE  
WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -

<sup>18</sup>MEME<sup>19</sup> SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT <sup>20</sup>DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. <sup>21</sup>TOUT MONTANT QUI DEMEURE IMPAYE APRES LA DATE D'EACHEANCE SPECIFIEE, POURRA FAIRE L'OBJET <sup>22</sup>DE MESURES DE RECOUVREMENT<sup>23</sup> EN VERTU DE<sup>24</sup> LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.

18.	19.								20.
21.	22.	23.	24.	25.	26.	27.	28.	29.	30.
31.	32.	33.	34.	35.	36.				

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction  00001004088572	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		Business Number Numéro d'entreprise 104621065	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	4. Importer NO. N° de l'importateur 0808	5. Office NO. N° de bureau 6. Original Transaction NO. N° de la transaction originale 13003172665074
		7. Y-A M D-J	2015/05/25
11. Security NO. - N° de sécurité	Page NO. - N° de page 4		
12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitemet tarifaire	Date of Decision Date de la décision 2018/08/27
15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision	20. Special Authority Autorisation spéciale							
21. Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS		

## Customs Duties/

## Droits de Douane

18.	19.	20. +133,073.12					
21.	22.	23.	24. SIMA Assessment/ Cotisation de LMSI	28.	29.	30.	+0.00
31.	32.	33.	34. Excise Tax/Taxe d'accise	35.	36.		+0.00

## Sub Total/Total partiel

+133,073.12

18.	19.	20. +6,653.65								
21.	22.	23.	24. Total	25.	26.	27.	28.	29.	30.	+139,726.77
31.	32.	33.	34.	35.	36.					+2,871.67

## Amount due to Receiver

General/Montant dû au  
Receveur général

18.	19.	20. \$142,598.44								
21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	
31.	32.	33.	34.	35.	36.					+2,871.67

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2018/08/28.

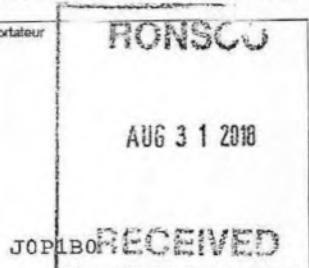
CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2018/08/28.

COPIE DU VERSEMENT/REMITTANCE COPY  
B2-1 (09)

COPY - COPIE 2

Canada

1. Importer Name and Address - Nom et adresse de l'importateur

 RONSCO INC.  
 75 RUE INDUSTRIELLE  
 COTEAU-DU-LAC  
 QC CA


2. Transaction NO. - N° de transaction

00001004088583

Business Number

Numéro d'entreprise

10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

7. Y-A M D-J

0495

13003704306035

2015/08/26

9. Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courier / agent  GREY, CLARK, SHIB AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitemen tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 1
01	CN	CN	07	23	USD				2018/08/27

TAIYUAN HEAVY INDUSTRY CO., L

18. Line Ligne	19.	Description - As Ruled Désignation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30.	Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS			

18.	19.	WIDE FLANGE WHEELS								PRES INT	20.
21.	8607192900	22.	1500	24.	25.	26.	27.	28.	29.	30.	697500.00
31.	908563.50	32.	86313.53	33.	34.	.00	.00	35.	994877.03	36.	49743.85

18.	19.	Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
18.		*\$86,313.53	+000.00	+000.00	+49,743.85	+\$136,057.38
21.		FOLLOWING VERIFICATION #C-2012016-011118, IT HAS BEEN DETERMINED THAT ACCORDING TO INFORMATION PROVIDED BY				
31.		THE IMPORTER, THE VERIFIED GOODS ARE H36.2. WIDE FLANGE WHEELS FOR RAILWAY VEHICLES. AS PER NOTE 2 (A) TO CHAPTER 86, HEADING 86.07 APPLIES TO: AXLES, WHEELS, WHEEL SETS (RUNNING GEAR), METAL TYRES, HOOPS AND HUBS AND OTHER PARTS OF WHEELS. THE GOODS WERE CLASSIFIED UNDER TARIFF NUMBER 8607.19.21.00 AS "BLANKS FOR USE IN THE				
21.		MANUFACTURE OF WHEEL AND AXLE COMBINATIONS FOR RAILWAY AND TRAMWAY (INCLUDING SUBWAY CARS)				
31.		PASSENGER COACHES" BUT THE GOODS ARE NOT BLANKS AND NO SATISFACTORY EVIDENCE WAS PROVIDED THAT THE ACTUAL USE QUALIFIES FOR RELIEF UNDER TARIFF ITEM 8607.19.21. THEREFORE, THE GOODS IN ISSUE SHOULD HAVE BEEN				
18.	19.	CLASSIFIED UNDER TARIFF NUMBER 8607.19.29.00 OF CANADIAN CUSTOMS TARIFF AS PER THE GENERAL INTERPRETATIVE RULE # 1 AND 6. FOR FURTHER INFORMATION, PLEASE CONTACT LUCIE GAGNE, SENIOR OFFICER, TRADE COMPLIANCE, AT 418-648-3401				
31.		EXT 2413				

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00001004088583

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.

5. Office NO.

N° de l'importateur

N° de bureau

0495

6. Original Transaction NO.

N° de la transaction originale

13003704306035

7. Y-A M D-J

2015/08/26

9. Sub HDR NO. N° de sous-en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIB AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	Page NO. - N° de page 2
		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation
		14. Tariff Treatment Traitement tarifaire	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise
		17. Time Limit - Délai	

18. Ligne	19. Description - As Ruled Designation - Selon la décision	20. Special Authority Autorisation spéciale
21. Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité
24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI
27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS
30. Value for Currency Conversion Conversion valeur pour charge		
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI
34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS

18. 19.	20.
A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2, PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.	

18. 19.	20.
VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRÉSENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT À L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.	

18. 19.	20.
THIS REPRESENTS A DECISION UNDER SUBSECTION 59(1) OF THE CUSTOMS ACT. THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT.	

18. 19.	20.
LE PRESENT AVIS EST ASSIMILE A UNE DECISION PRISE EN VERTU DU PARAGRAPHE 59(1) DE LA LOI SUR LES DOUANES, ET VOUS EST SIGNIFIÉ EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI.	

31. 32. 33. 34. 35. 36.					
AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.					

21. 22. 23. 24. 25. 26. 27. 28. 29. 30.									
MEME SI VOUS PRÉSENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DÉPOSÉE A CET ÉGARD OU SI UNE GARANTIE A DÉJÀ ÉTÉ DÉPOSÉE. TOUT MONTANT QUI DEMEURE IMPAYÉ APRÈS LA DATE D'ÉCHÉANCE SPÉCIFIÉE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.									

B2-1 (09)

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Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVE DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction 00001004088583	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		3. GST Registration NO. - N° de TPS 104621065	
		4. Importer NO. N° de l'importateur	5. Office NO. N° de bureau 0495
		6. Original Transaction NO. N° de la transaction originale 13003704306035	
		7. Y-A M D-J 2015/08/26	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIB AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	
		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation
		14. Tariff Treatment Traitemet tarifaire	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise
		17. Time Limit - Délai	

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision										20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change	
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Colisation de LMSI	34.	Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS		

18.	19.	20.
<b>DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.</b>		

31.	32.	33.	34.	35.	36.	20.
<b>VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYE LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET EGARD.</b>						

21. AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.	20.
--	-----

18. MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.	20.
--	-----

18.	19.	20.							
21.	22.	23.	24.	25.	26.	27.	28.	29.	30.
31.	32.	33.	34.	35.	36.				



Canada Border  
Services Agency

Agence des services  
frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT

PROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

AUG 31 2018

RECEIVED

2. Transaction NO. - N° de transaction

00001004088583

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0495

13003704306035

2015/08/26

9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIB AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai			

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision	20. Special Authority Autorisation spéciale							
21. Classification No. N° de classement	22. Tariff CD CD tariff	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				

**Customs Duties/**

**Droits de Douane**

18.	19.		20.	+86,313.53
21.	22.	23.	24.	<b>SIMA Assessment/ Cotisation de LMSI</b>
31.	32.	33.	34.	35. <b>Excise Tax/Taxe d'accise</b>

**Sub Total/Total partiel**

+86,313.53

**GST/TPS**

18.	19.		20.	+4,315.67
21.	22.	23.	24.	<b>Total</b>
31.	32.	33.	34.	35. <b>INTEREST/INTÉRÊT</b>

**Amount due to Receiver**

**General/Montant dû au  
Receveur général**

18.	19.		20.	\$92,349.48
21.	22.	23.	24.	<b>Payment is due by/</b>
31.	32.	33.	34.	35. Le paiement doit être effectué le 2018/09/26

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2018/08/28.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2018/08/28.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

COPY - COPIE 2

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

RONSCO	
AUG 31 2018	
JOP1BO	RECEIVED

2. Transaction NO. - N° de transaction

00001004088594

Business Number

Numéro d'entreprise

10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0495

13003704475201

2015/10/23

9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  01 GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 1
			CN	CN	02	10	01	USD	

TAIYUAN HEAVY INDUSTRY CO., L

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision							20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxes	36. GST TPS				

18.	19.	WIDE FLANGE WHEELS							PRES INT	20.
21.	8607192900	22. 1200	23.	24. NMB 013	25.	26.	27. 9.5	28. .00	29. 5.0	30. 558000.00
31.	747385.20	32. 71001.59	33.	34. .00	35. .00	36.	818386.79	37.	40919.34	

Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
18. *71,001.59	+000.00	+000.00	+40,919.34	20. +111,920.93
21. FOLLOWING VERIFICATION #C-2012016-011118 <sup>29</sup> , IT HAS BEEN <sup>30</sup> DETERMINED THAT ACCORDING TO INFORMATION PROVIDED BY				
31. THE IMPORTER, THE VERIFIED GOODS ARE H36 <sup>35</sup> WIDE FLANGE WHEELS FOR RAILWAY VEHICLES. AS PER NOTE 2 (A) TO CHAPTER 86, HEADING 86.07 APPLIES TO: AXLES, WHEELS, WHEEL SETS (RUNNING GEAR), METAL TYRES, HOOPS AND HUBS AND				
18. 19. OTHER PARTS OF WHEELS. THE GOODS WERE CLASSIFIED UNDER TARIFF NUMBER 8607.19.21.00 AS "BLANKS FOR USE IN THE				
21. MANUFACTURE OF WHEEL AND AXLE COMBINATIONS FOR RAILWAY AND TRAMWAY (INCLUDING SUBWAY CARS)				
31. PASSENGER COACHES" BUT THE GOODS ARE NOT <sup>35</sup> BLANKS AND NO SATISFACTORY EVIDENCE WAS PROVIDED THAT THE ACTUAL USE QUALIFIES FOR RELIEF UNDER TARIFF ITEM 8607.19.21. THEREFORE, THE GOODS IN ISSUE SHOULD HAVE BEEN				
18. 19. CLASSIFIED UNDER TARIFF NUMBER 8607.19.29.00 OF CANADIAN CUSTOMS TARIFF AS PER THE GENERAL INTERPRETATIVE RULE #				
21. 1 <sup>28</sup> AND 6 <sup>29</sup> FOR FURTHER INFORMATION, <sup>27</sup> PLEASE CONTACT LUCIE <sup>30</sup> GAGNE, SENIOR OFFICER, TRADE COMPLIANCE, AT 418-648-3401				
31. EXT 2413	33.	34.	35.	36.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) B

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00001004088594

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS 104621065	4. Importer NO. N° de l'importateur 0495	5. Office NO. N° de bureau 0495	6. Original Transaction NO. N° de la transaction originale 13003704475201	7. Y-A M D-J 2015/10/23
--	--	---------------------------------------	---	----------------------------

9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Décal	18. Line Ligne	19. Description - As Ruled Designation - Selon la décision	20. Page NO. - N° de page 2
											12.08/27

18. Line Ligne	19. Description - As Ruled Designation - Selon la décision	20. Special Authority Autorisation spéciale							
21. Classification No. N° de classement	22. Tariff CD CD tariff	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Colisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				

18. 19.	20.
A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE ON FORM B2, PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.	

18. 19.	20.
VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.	

THIS REPRESENTS A DECISION UNDER SUBSECTION 59(1) OF THE CUSTOMS ACT.  
THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT.

18. 19.	20.
LE PRESENT AVIS EST ASSIMILE A UNE DECISION PRISE EN VERTU DU PARAGRAPHE 59(1) DE LA LOI SUR LES DOUANES, ET VOUS EST SIGNIFIÉ EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI.	

AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE  
WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -  
COLLECTIONS.

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
RECOUVREMENT.

B2-1 (09)

COPY - COPIE 2

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLE DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction  00001004088594	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		Business Number Numéro d'entreprise 104621065 10462 1065 RM0001	
		4. Importer NO. N° de l'importateur 0495	5. Office NO. N° de bureau 6. Original Transaction NO. N° de la transaction originale 13003704475201
		7. Y-A M D-J 2015/10/23	
9. Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité 12. Country of Origin Pays d'origine 13. Place of Export Lieu d'exportation 14. Tariff Treatment Traitement tarifaire 15. Direct Shipment Date Date d'expédition directe 16. Currency Code Code devise 17. Time Limit - Délai	
		18. Line Ligne 19. Description - As Ruled Designation - Selon la décision 20. Special Authority Autorisation spéciale	
21. Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M 25. VDF Code Code VD 26. SIMA CD CD LMSI 27. Rate of Customs duty Taux de droit de douane 28. E.T. Rate Taux T.A. 29. GST Rate Taux TPS 30. Value for Currency Conversion Conversion valeur pour change
31. Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise 35. Value for Tax Valeur pour taxe 36. GST TPS

18.	19.	DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED. BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.		20.	
31.	32.	33.	34.	35.	36.
VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYE LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET EGARD.					
AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.					

18. MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT 21. DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET 31. DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.	19.	20.							
21. -	22. -	23. -	24. -	25. -	26. -	27. -	28. -	29. -	30. -
31. -	32. -	33. -	34. -	35. -	36. -				

18. -	19. -	20. -							
21. -	22. -	23. -	24. -	25. -	26. -	27. -	28. -	29. -	30. -
31. -	32. -	33. -	34. -	35. -	36. -				



Canada Border  
Services Agency

Agence des services frontières du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT

RONSCO

DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENT

PROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur

AUG 31 2018

2. Transaction NO. - N° de transaction

00001004088594

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

RECEIVED

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0495

13003704475201

2015/10/23

9. Sub HDR NO. N° de sous- entête	10. Broker / Agent - Courrier / agent				11. Security NO. - N° de sécurité				Page NO. - N° de page	
	GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3								4	
12. Country of Origin Pays d'origine				13. Place of Export Lieu d'exportation				14. Tariff Treatment Traitement tarifaire		Date of Decision Date de la décision
15. Direct Shipment Date Date d'expédition directe				16. Currency Code Code devise				17. Time Limit - Délai		2018/08/27

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30.	Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS			

#### Customs Duties/ Droits de Douane

18.	19.									20.	+71,001.59
21.		22.	23.	24.	SIMA Assessment/ Cotisation de LMSI	28.	29.	30.			+0.00
31.		32.	33.	34.	Excise Tax/Taxe d'accise	35.	36.				+0.00

#### Sub Total/Total partiel

+71,001.59

18.	19.	GST/TPS								20.	+3,550.08
21.		22.	23.	24.	Total	28.	29.	30.			+74,551.67
31.		32.	33.	34.	INTEREST/INTÉRÊT	35.	36.				+1,382.72

#### Amount due to Receiver

18.	19.	General/Montant dû au Receveur général								20.	\$75,934.39
21.		22.	23.	24.	25.	26.	27.	28.	29.	30.	
31.		32.	33.	34.	Payment is due by/ Le paiement doit être effectué le	35.	36.	2018/09/26			

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2018/08/28.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2018/08/28.

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Canada



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

AUG 31 2018  
**RECEIVED**

2. Transaction NO. - N° de transaction

00001004088607

## Business Number

Numéro d'entreprise  
10462 1065 RM00013. GST Registration NO. - N° de TPS  
1046210654. Importer NO.  
N° de l'importateur  
04955. Office NO.  
N° de bureau  
04956. Original Transaction NO.  
N° de la transaction originale  
130037055302457. Y-A M D-J  
2015/11/23

9. Sub HDR NO. N° de sous- en-tête 01	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	Page NO. - N° de page 1
		12. Country of Origin Pays d'origine CN	13. Place of Export Lieu d'exportation CN
		14. Tariff Treatment Traitemet tarifaire 02	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe 10 23	16. Currency Code Code devise USD

## HAIYUAN HEAVY INDUSTRY RAIL

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement 8607192900	22. Tariff CD CD tarif 600	23. Quantity Quantité 600	24. U-M VDF Code Code VD NMB 013	25. VDF Code Code VD 013	26. SMA CD CD LMSI 9.5	27. Rate of Customs duty Taux de droit de douane 9.5	28. E.T. Rate Taux T.A. .00	29. GST Rate Taux TPS 5.0	30. Value for Currency Conversion Conversion valeur pour change 279000.00
31.	Value for Duty Valeur en douane 365155.20	32. Customs Duties Droits de douane 34689.74	33. SIMA Assessment Cotisation de LMSI .00	34. Excise Tax Taxe d'accise .00	35. Value for Tax Valeur pour taxe 399844.94	36. GST TPS 19992.25				

18. 001	19. WIDE FLANGE WHEELS	PRES INT	20.
21. 8607192900	22. 600	23. NMB 013	24. 25. 26. 27. 28. 29. 30. 279000.00
31. 365155.20	32. 34689.74	33. .00	34. .00 35. 36. 19992.25

Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
18. +34,689.74	+000.00	+000.00	+19,992.25	20. +54,681.99

21.	FOLLOWING VERIFICATION #C-2012016-011118, IT HAS BEEN DETERMINED THAT ACCORDING TO INFORMATION PROVIDED BY	30.
31.	THE IMPORTER, THE VERIFIED GOODS ARE H36 WIDE FLANGE WHEELS FOR RAILWAY VEHICLES. AS PER NOTE 2 (A) TO CHAPTER 86, HEADING 86.07 APPLIES TO: AXLES, WHEELS, WHEEL SETS (RUNNING GEAR), METAL TYRES, HOOPS AND HUBS AND	36.

18.	19. OTHER PARTS OF WHEELS. THE GOODS WERE CLASSIFIED UNDER TARIFF NUMBER 8607.19.21.00 AS "BLANKS FOR USE IN THE	30.
21.	MANUFACTURE OF WHEEL AND AXLE COMBINATIONS FOR RAILWAY AND TRAMWAY (INCLUDING SUBWAY CARS)	29. 30.
31.	PASSENGER COACHES" BUT THE GOODS ARE NOT BLANKS AND NO SATISFACTORY EVIDENCE WAS PROVIDED THAT THE ACTUAL USE QUALIFIES FOR RELIEF UNDER TARIFF ITEM	36.

18.	19. 8607.19.21. THEREFORE, THE GOODS IN ISSUE SHOULD HAVE BEEN CLASSIFIED UNDER TARIFF NUMBER 8607.19.29.00 OF CANADIAN CUSTOMS TARIFF AS PER THE GENERAL INTERPRETATIVE RULE #	30.
21.	1 AND 6 FOR FURTHER INFORMATION, PLEASE CONTACT LUCIE GAGNE, SENIOR OFFICER, TRADE COMPLIANCE, AT 418-648-3401	27. 30.
31.	EXT 2413	33. 34. 35. 36.

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA		00001004088607	
		Business Number Numéro d'entreprise 10462 1065 RM0001	
		3. GST Registration NO. - N° de TPS 104621065	4. Importer NO. N° de l'importateur 0495
		5. Office NO. N° de bureau 0495	6. Original Transaction NO. N° de la transaction originale 13003705530245
		7. Y-A M D-J 2015/11/23	
8. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courtier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	Page NO. - N° de page 2
		12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation
		14. Tariff Treatment Traitement tarifaire	Date of Decision Date de la décision 2018/08/27
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise
		17. Time Limit - Délai	

18. Ligne	19.	Description - As Ruled Designation - Selon la désignation								20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Colisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				

18.	19.	20.
A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE ON FORM B2, PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.		

18.	19.	20.
VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRÉSENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.		

THIS REPRESENTS A DECISION UNDER SUBSECTION 59(1) OF THE CUSTOMS ACT.  
THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT.

18.	19.	20.
LE PRESENT AVIS EST ASSIMILE A UNE DECISION PRISE EN VERTU DU PARAGRAPHE 59(1) DE LA LOI SUR LES DOUANES, ET VOUS EST SIGNIFIÉ EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI.		

31.	32.	33.	34.	35.	36.
AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.					

21.	22.	23.	24.	25.	26.	27.	28.	29.	30.
MEME SI VOUS PRÉSENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DÉPOSÉE A CET ÉGARD OU SI UNE GARANTIE A DÉJÀ ÉTÉ DÉPOSÉE. TOUT MONTANT QUI DEMEURE IMPAYÉ APRÈS LA DATE D'ÉCHÉANCE SPÉCIFIÉE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.									

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVE DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

B

1. Importer Name and Address - Nom et adresse de l'importateur		2. Transaction NO. - N° de transaction	
RONSCO INC. 75 RUE INDUSTRIELLE COTEAU-DU-LAC QC CA J0P1B0		00001004088607	
		3. GST Registration NO. - N° de TPS 104621065	
		4. Importer NO. N° de l'importateur	5. Office NO. N° de bureau
		0495	6. Original Transaction NO. N° de la transaction originale 13003705530245
		7. Y-A M D-J 2015/11/23	
9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3	11. Security NO. - N° de sécurité	
		12. Country of Origin Pays d'origine	
		13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire
		15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise
		17. Time Limit - Délai	
		Page NO. - N° de page 3	
		Date of Decision Date de la décision 2018/08/27	

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30.	Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS					

18.	19.	20.					
<b>DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.</b>							
31.	32.	33.	34.	35.	36.	20.	
<b>VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYE LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET EGARD.</b>							
21. AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.							20.

18.	19.	20.								
<b>MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT QUI DEMEURE IMPAYE APRES LA DATE D'ECHÉANCE SPECIFIÉE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.</b>										
21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	20.
31.	32.	33.	34.	35.	36.					

18.	19.	20.								
21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	20.
31.	32.	33.	34.	35.	36.					

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00001004088607

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

3. GST Registration NO. - N° de TPS  
104621065Business Number  
Numéro d'entreprise  
10462 1065 RM00014. Importer NO.  
N° de l'importateur  
04955. Office NO.  
N° de bureau  
130037055302457. Y-A M D-J  
2015/11/23

9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  GREY, CLARK, SHIH AND ASSOCIATES, LIMITED 571 BLAIR ROAD OTTAWA ONT K1J 7M3		11. Security NO. - N° de sécurité				Page NO. - N° de page 4
			12. Country of Origin Pays d'origine		13. Place of Export Lieu d'exportation		14. Tariff Treatment Traité tarifaire
		15. Direct Shipment Date Date d'expédition directe		16. Currency Code Code devise		17. Time Limit - Délai	

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision						20. Special Authority Autorisation spéciale		
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36.	GST TPS		

## Customs Duties/

## Droits de Douane

18.	19.							20.	+34,689.74			
21.		22.	23.	24.	SIMA Assessment/ Cotisation de LMSI	25.	26.	27.	28.	29.	30.	+0.00
31.		32.	33.	34.	Excise	35.	36.					+0.00

## Sub Total/Total partiel

+34,689.74

18.	19.							20.	+1,734.49			
21.		22.	23.	24.	SIMA Assessment/ Cotisation de LMSI	25.	26.	27.	28.	29.	30.	+36,424.23
31.		32.	33.	34.	Excise	35.	36.					+659.22

## INTEREST/INTÉRÊT

18.	19.							20.	\$37,083.45			
21.		22.	23.	24.	Payment is due by/	25.	26.	27.	28.	29.	30.	
31.		32.	33.	34.	Le paiement doit être effectué le	35.	36.					2018/09/26

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2018/08/28.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2018/08/28.

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This is Exhibit "D"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



A Commissioner, etc.



Canadian International  
Trade Tribunal

Tribunal canadien du  
commerce extérieur

CANADIAN  
INTERNATIONAL  
TRADE TRIBUNAL

# Appeals

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## DECISION AND REASONS

Appeal No. AP-2019-003

Ronsco Inc.

v.

President of the Canada Border  
Services Agency

*Decision issued  
Tuesday, March 17, 2020*

*Reasons issued  
Wednesday, April 1, 2020*

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IN THE MATTER OF an appeal heard on October 24, 2019, pursuant to section 67 of the *Customs Act*, R.S.C., 1985, c. 1 (2nd Supp.);

AND IN THE MATTER OF a decision of the President of the Canada Border Services Agency, dated January 18, 2019, with respect to a request for re-determination pursuant to subsection 60(4) of the *Customs Act*.

**BETWEEN**

**RONSCO INC.**

**Appellant**

**AND**

**THE PRESIDENT OF THE CANADA BORDER SERVICES  
AGENCY**

**Respondent**

**DECISION**

The appeal is dismissed.

---

Cheryl Beckett  
Cheryl Beckett  
Presiding Member

The statement of reasons will be issued at a later date.

Place of Hearing: Ottawa, Ontario  
Date of Hearing: October 24, 2019

Tribunal Panel: Cheryl Beckett, Presiding Member

Support Staff: Heidi Lee, Counsel

**PARTICIPANTS:**

<b>Appellant</b>	<b>Counsel/Representatives</b>
Ronsco Inc.	Peter Clark Colin S. Baxter David Taylor Alyssa Edwards

<b>Respondent</b>	<b>Counsel/Representative</b>
President of the Canada Border Services Agency	Charles Maher

**WITNESSES:**

Kent D. Montgomery Executive Vice-President and Chief Operating Officer Ronsco Inc.	Peter (Pietro) Lepore Mechanical Engineer
---	--

Please address all communications to:

The Registrar  
Secretariat to the Canadian International Trade Tribunal  
333 Laurier Avenue West  
15th Floor  
Ottawa, Ontario K1A 0G7  
Telephone: 613-993-3595  
Fax: 613-990-2439  
E-mail: [citt-tcce@tribunal.gc.ca](mailto:citt-tcce@tribunal.gc.ca)

## STATEMENT OF REASONS

### OVERVIEW

[1] This is an appeal filed by Ronsco Inc. pursuant to subsection 67(1) of the *Customs Act*,<sup>1</sup> from a decision made by the President of the Canada Border Services Agency (CBSA) under subsection 60(4) of the *Act*.

[2] The issue in appeal is whether the goods in issue are properly classified under tariff item No. 8607.19.29 as “other wheels, whether or not fitted with axles”, as determined by the CBSA, or under tariff item No. 8607.19.30 as “parts of wheels”, as claimed by Ronsco.

[3] For the reasons that follow, the Tribunal finds that the goods in issue are wheels of tariff item No. 8607.19.29.

### GOODS IN ISSUE

[4] The goods in issue are H36 wheels, Class C, for use on freight rolling-stock. They are made of a single piece of forged steel and, at the time of importation, have a rough-cut bore. Due to the rough bore, the goods cannot be attached to axles.

[5] After importation, the rough bore is finished so that the goods can be attached to axles. Two finished wheels are mounted onto a single axle and secured with bearings to form a wheel set.<sup>2</sup>

[6] The parties agree that the goods in issue are properly classified in subheading No. 8607.19 under the two-dash breakout for “bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof”.

### PROCEDURAL HISTORY

[7] In 2015, Ronsco imported the goods in issue under five transactions and classified them under tariff item No. 8607.19.21 as “wheel blanks, for use in the manufacture of wheel and axle combinations”.

[8] In 2017, the CBSA commenced a trade compliance verification of these transactions, and on August 27, 2018, issued re-determinations classifying the goods under tariff item No. 8607.19.29 as “other wheels, with or without axles”.

[9] Ronsco requested a further re-determination of these decisions, pursuant to subsection 60(1) of the *Act*.

[10] On January 18, 2019, the CBSA upheld its previous decision and maintained that the goods were classified under tariff item No. 8607.19.29.

[11] Ronsco filed the present appeal on April 15, 2019.

[12] The Tribunal held a public hearing on October 24, 2019, in Ottawa, Ontario.

<sup>1</sup> R.S.C., 1985 (2nd Supp.), c. 1 [*Act*].

<sup>2</sup> Exhibit AP-2019-003-03A at para. 3, Vol. 1.

[13] Ronsco relied on fact testimony from Mr. Kent Montgomery, Executive Vice-President and Chief Operating Officer of Ronsco, and expert testimony from Mr. Peter (Pietro) Lepore, a consulting mechanical engineer. The CBSA did not call any witnesses nor did it object to the expert qualification of Mr. Lepore.

[14] Based on his education and experience, the Tribunal qualified Mr. Lepore as an expert witness in the areas of railroad operations; technical standards for rolling stock, freight cars and locomotives; components and operation of the supply chain in the rolling stock industry; manufacturing processes for rolling stock, including components such as wheelsets; and North America's integrated railway maintenance system.<sup>3</sup>

[15] After the hearing, the parties submitted additional written submissions at the direction of the Tribunal. The parties submitted reply comments on November 19, 2019. The record closed on that date.

## LEGAL FRAMEWORK

[16] The tariff nomenclature is set out in detail in the schedule to the *Customs Tariff*, which is designed to conform to the Harmonized Commodity Description and Coding System (the Harmonized System) developed by the World Customs Organization (WCO).<sup>4</sup> The schedule is divided into sections and chapters, with each chapter containing a list of goods categorized in a number of headings and subheadings and under tariff items.

[17] Subsection 10(1) of the *Customs Tariff* provides that the classification of imported goods shall, unless otherwise provided, be determined in accordance with the *General Rules for the Interpretation of the Harmonized System*<sup>5</sup> and the *Canadian Rules*<sup>6</sup> set out in the schedule.

[18] The *General Rules* comprise six rules. Classification begins with Rule 1, which provides that classification shall be determined according to the terms of the headings and any relative section or chapter notes and, provided such headings or notes do not otherwise require, according to the other rules.

[19] Section 11 of the *Customs Tariff* provides that, in interpreting the headings and subheadings, regard shall be had to the *Compendium of Classification Opinions to the Harmonized Commodity Description and Coding System*<sup>7</sup> and the *Explanatory Notes to the Harmonized Commodity Description and Coding System*,<sup>8</sup> published by the WCO. While classification opinions and explanatory notes are not binding, the Tribunal will apply them unless there is sound reason to do otherwise.<sup>9</sup>

<sup>3</sup> *Transcript of Public Hearing*, p. 105-106. See Mr. Lepore's expert witness report at Exhibit AP-2019-003-17A, Vol. 1.

<sup>4</sup> Canada is a signatory to the *International Convention on the Harmonized Commodity Description and Coding System*, which governs the Harmonized System.

<sup>5</sup> S.C. 1997, c. 36, schedule [General Rules].

<sup>6</sup> S.C. 1997, c. 36, schedule.

<sup>7</sup> World Customs Organization, 4th ed., Brussels, 2017.

<sup>8</sup> World Customs Organization, 6th ed., Brussels, 2017.

<sup>9</sup> See *Canada (Attorney General) v. Suzuki Canada Inc.*, 2004 FCA 131 (CanLII) at paras. 13, 17, and *Canada (Attorney General) v. Best Buy Canada Inc.*, 2019 FCA 20 at para. 4.

[20] The Tribunal must therefore first determine whether the goods in issue can be classified at the heading level according to Rule 1 of the *General Rules* as per the terms of the headings and any relative section or chapter notes in the *Customs Tariff*, having regard to any relevant classification opinions and explanatory notes. As the Supreme Court of Canada indicated in *Igloo Vikski*, it is “only where Rule 1 does not conclusively determine the classification of the goods that the other General Rules become relevant to the classification process”.<sup>10</sup>

[21] Once the Tribunal has used this approach to determine the heading in which the goods in issue should be classified, the next step is to use a similar approach to determine the proper subheading.<sup>11</sup> The final step is to determine the proper tariff item.<sup>12</sup>

[22] The relevant provisions of the *Customs Tariff* are as follows:

## Chapter 86

**RAILWAY OR TRAMWAY LOCOMOTIVES;  
ROLLING-STOCK AND PARTS THEREOF;  
RAILWAY OR TRAMWAY TRACK FIXTURES AND FITTINGS  
AND PARTS THEREOF; MECHANICAL (INCLUDING ELECTRO-MECHANICAL)  
TRAFFIC SIGNALLING EQUIPMENT OF ALL KINDS**

**86.07 Parts of railway or tramway locomotives of rolling-stock.**

**-Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof:**

8607.19 - -Other, including parts

- -Wheels, whether or not fitted with axles:

8607.19.29 - - - -Other

8607.19.30 - - -Parts of axles or wheels

[23] There are also several relevant notes to the chapter and explanatory notes.

[24] Note 2 to Chapter 86 provides in relevant part as follows:

<sup>10</sup> *Canada (Attorney General) v. Igloo Vikski Inc.*, 2016 SCC 38 (CanLII) at para. 21.

<sup>11</sup> Rule 6 of the *General Rules* provides that “the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related Subheading Notes and, mutatis mutandis, to [Rules 1 through 5] . . .” and that “the relative Section and Chapter Notes also apply, unless the context otherwise requires.”

<sup>12</sup> Rule 1 of the *Canadian Rules* provides that “the classification of goods in the tariff items of a subheading or of a heading shall be determined according to the terms of those tariff items and any related Supplementary Notes and, mutatis mutandis, to the [General Rules] . . .” and that “the relative Section, Chapter and Subheading Notes also apply, unless the context otherwise requires.” Classification opinions and explanatory notes do not apply to classification at the tariff item level.

Heading 86.07 applies, *inter alia*, to:

(a) Axles, wheels, wheel sets (running gear), metal tires, hoops and hubs and other parts of wheels;

- [25] The explanatory notes to heading 86.07 provide in relevant part as follows:

This heading covers parts of railway or tramway locomotives or rolling-stock, **provided** the parts fulfil **both** the following conditions:

- (1) They must be identifiable as being suitable for use solely or principally with the above-mentioned vehicles;
- (11) They must not be excluded by the provisions of the Notes to Section XVII.

Parts of railway or tramway locomotives or rolling-stock include:

- (3) Wheels and parts thereof (wheel centres, metal tyres, etc.).

## **POSITIONS OF THE PARTIES**

### **Ronsco**

[26] Ronsco submitted that the goods in issue are “wheel bodies” that are properly classified as “parts of wheels” under tariff item No. 8607.19.30.

[27] In Ronsco’s view, the goods cannot perform the essential function of a wheel at the time of importation. It is only after importation – that is, after the goods undergo the wheel boring process – that they can be mounted onto axles and be fixed onto a vehicle for use.

[28] Ronsco acknowledged that the goods in issue are commonly referred to as “wheels” within the rail industry, but argued that they are nevertheless functionally incapable of being used as wheels.

### **CBSA**

[29] The CBSA submitted that the goods in issue are “wheels” under tariff item No. 8607.19.29, in accordance with Rule 1.

[30] According to the CBSA, at the time of importation the goods in issue have the principal characteristics and features of a wheel according to industry standards. The CBSA also argued that the goods are referred to as “wheels” throughout the industry, including by Ronsco, the manufacturer of the goods, and the Association of American Railroads (AAR).

[31] In addition, the CBSA submitted that neither the *Customs Tariff* nor the AAR defines “wheels” as ready to be fitted with specific axles. Therefore, according to the CBSA, the fact that the goods have rough-cut bores instead of precise-cut bores is irrelevant to the definition of a wheel for the purposes of tariff classification.

[32] The CBSA submitted that the goods in issue cannot be classified as “parts of wheels” because they are not assembled to another part to form a whole or complete wheel. In the CBSA’s view, the goods are manufactured to such an extent that they exhibit the principal features and characteristics of wheels.

## TRIBUNAL’S ANALYSIS

[33] The issue in dispute is whether the goods in issue are “wheels” or “parts of wheels”.

### Evidence on the goods in issue

[34] Broadly speaking, the CBSA agreed with Ronsco’s evidence on the goods in issue, which was in large part presented through the fact testimony of Mr. Montgomery and the expert testimony of Mr. Lepore. Both witnesses were credible and provided evidence that was helpful to the Tribunal’s consideration of the present matter.

#### Finishing after importation

[35] As noted above, the goods in issue are imported with rough bores. In this state, the goods cannot be fitted onto axles “if you tried”.<sup>13</sup> Because the goods as imported cannot be used for their intended function, i.e. as wheels attached under a vehicle, Ronsco argued that they are therefore parts of a wheel within the meaning of tariff item No. 8607.19.30.

[36] After importation, the goods in issue are finished at Ronsco’s wheel shop. They undergo the wheel boring process, which shapes the bore to custom-match a specific axle.<sup>14</sup> This is a highly precise process with a tolerance of no more than the thickness of a sheet of paper.<sup>15</sup> In Ronsco’s view, it is only at this stage that the good in issue can be considered a “wheel” within the meaning of tariff item No. 8607.19.29.

[37] The finished wheel is then pressed onto the axle. The wheel and axle are held together by the friction between the two parts and not by any other attaching process, such as welding or bolting, which is why the wheel boring process requires such high precision.

[38] Though it would be theoretically possible to finish a wheel bore and press it onto an axle at a later time, such as hours or even months later, Mr. Lepore testified that this is simply not practical, as it requires space to store the finished wheels and risks mix ups between finished wheels and the corresponding axles.<sup>16</sup> The boring and pressing usually occurs one right after the other.

[39] For these reasons, Mr. Lepore explained that it would not be realistic or practical to purchase an unattached wheel with a finished bore.<sup>17</sup> As a result, in practice no rail wheel is ever imported into Canada with anything but a rough bore.<sup>18</sup>

<sup>13</sup> *Transcript of Public Hearing*, p. 31.

<sup>14</sup> *Transcript of Public Hearing*, p. 31. See also Section G II of the AAR Manual of Standards and Recommended Practices at Exhibit AP-2019-003-03A, Tab 10 at p. 141, Vol. 1; and Exhibit AP-2019-003-03A, Tab 12 at p. 150, Vol. 1.

<sup>15</sup> *Transcript of Public Hearing*, p. 45, 117.

<sup>16</sup> *Transcript of Public Hearing*, p. 171-172.

<sup>17</sup> *Transcript of Public Hearing*, p. 146-147.

<sup>18</sup> *Transcript of Public Hearing*, p. 60.

### Production of the goods in issue

[40] The Tribunal now briefly turns to the production of the goods in issue. The manufacture of rail wheels in North America is governed by the AAR.<sup>19</sup> AAR compliance allows goods to be used on railways throughout North America (i.e. “interchange service”).

[41] Section G of the AAR Manual of Standards and Recommended Practices (the AAR manual) establishes the industry standards for wheels and axles.<sup>20</sup> Ronsco submitted a summary of the 18 steps involved in the production of the goods in issue, which Mr. Lepore confirmed is in line with Section G of the AAR manual.<sup>21</sup>

[42] As highlighted by the CBSA, the AAR manual requires rail wheels to be manufactured with a rough bore<sup>22</sup>:

### **16.0 FINISH**

#### **16.1 Wheels shall be rough bored and shall not have black spots in the rough bore.**

[43] This is also reflected in Ronsco’s 18-step summary at step 14, which provides that “the bore diameter is left in its ‘rough’ state until after export”.<sup>23</sup>

[44] The Tribunal also notes that after the completion of step 6, the good “is no longer a blank”. Mr. Lepore agreed that, at this stage, the good is in the final shape of the class of wheel being manufactured, in this case an H36 wheel.<sup>24</sup> The final product, i.e. the goods in issue at the time of importation, have the required features of a wheel – specifically, a tread, flange, web, hub, rim and bore.<sup>25</sup>

### Industry terminology

[45] According to the witnesses, the goods in issue are commonly referred to in the North American rail industry as “wheel blanks”, “wheel plates” and “wheel bodies”.<sup>26</sup> In addition, Mr. Lepore confirmed that the goods are also simply referred to as a “wheel”.<sup>27</sup> These terms all reference a product that requires further processing.<sup>28</sup>

<sup>19</sup> *Transcript of Public Hearing*, p. 37.

<sup>20</sup> Exhibit AP-2019-003-11A, Tab 15 at p. 98, Vol. 1.

<sup>21</sup> *Transcript of Public Hearing*, p. 138.

<sup>22</sup> *Transcript of Public Hearing*, p 142, and Exhibit AP-2019-003-03A, Tab 8 at p. 104, Vol. 1.

<sup>23</sup> Exhibit AP-2019-003-03A, Tab 3 at p. 31, Vol. 1.

<sup>24</sup> *Transcript of Public Hearing*, p. 134.

<sup>25</sup> *Transcript of Public Hearing*, p. 157.

<sup>26</sup> *Transcript of Public Hearing*, p. 17.

<sup>27</sup> *Transcript of Public Hearing*, p. 109. According to Mr. Lepore, the term “wheel” is generally only used within the wheel shop. Outside of the wheel shop, that is, while in operation, the term “wheel” is used only in narrow circumstances, such as identifying a defective wheel on a wheel set. More commonly, in operation the plural “wheels” is used to refer to wheel sets. (See *Transcript of Public Hearing*, p. 110, 128-129). Based on the CBSA’s evidence, the Tribunal finds, as discussed in these reasons below, that the term “wheel” is used by the industry to refer to the goods in issue outside of wheel shops.

<sup>28</sup> *Transcript of Public Hearing*, p. 17, 26.

[46] Though there are other terms used to refer to the goods in issue, the CBSA submitted that they are nevertheless widely referred to as “wheels” throughout the industry. The CBSA emphasized that the AAR manual uses the term “wheel” throughout to refer to the goods in issue; Ronsco purchases, markets and sells the goods in issue as wheels;<sup>29</sup> Ronsco markets itself as a wheel supplier;<sup>30</sup> and the manufacturer of the goods markets itself as a manufacturer of railway wheels and is AAR-certified to sell “forged wheels”.<sup>31</sup> In this regard, Mr. Lepore agreed that the goods in issue are often marketed as wheels by manufacturers.<sup>32</sup>

[47] Altogether, it is the Tribunal’s view that despite the various terminologies used in the industry to refer to the goods in issue, there is no confusion that they refer to a wheel with a rough-cut bore.

[48] Throughout its submissions, Ronsco referred to the goods in issue as “wheel bodies”. To arrive at this terminology, Ronsco relied on the French version of the explanatory notes to heading No. 86.07, which provide: “Parmi ces parties de véhicules pour voies ferrées ou similaires, on peut citer: . . . roues et leur parties (corps de roues, bandages, flettes, centres, etc.)” [emphasis added]. Ronsco argued that the goods in issue are “corps de roues”, which Ronsco translated as “wheel bodies”.<sup>33</sup> The CBSA disagreed with Ronsco’s use of this term.

[49] The explanatory notes to heading No. 86.07 are not identical in English and French. While the French provides four examples of parts of wheels (“corps de roues, bandages, flettes, centres, etc.”), the English only provides two (“wheel centres, metal tyres, etc.”).

[50] The CBSA argued that the French term “corps de roues” is equivalent to “wheel centres”, as they are both the first listed example of parts of wheels. Ronsco argued that “wheel centre” is equivalent to “centres” in French.

[51] The CBSA argued that its translation is supported by note 2 to Chapter 86, which are equivalent in both languages. In English, the note states that heading 86.07 applies to “axles, wheels, wheel sets (running gear, metal tires, hoops and hubs and other parts of wheels”. In French, the note lists “les essieux, roues, essieux montés (trains de roulement), bandages, flettes, centres et autres parties de roues”. Based on the foregoing, the CBSA submitted that “centres” in French is the equivalent of “hubs”.

[52] Based on the above, the Tribunal is of the view that “corps de roues” translate to “wheel centres”. For completeness, the Tribunal notes that there is no evidence that indicates that the goods in issue may be “wheel centres”. The only evidence on the record suggests that a wheel centre is a part of a type of rail wheel that is unlike the goods in issue in both make and composition, and is not used in North America.<sup>34</sup>

<sup>29</sup> Confidential Exhibit AP-2019-003-03C, Tab 3, Tab 19 and Tab 20, Vol. 2.

<sup>30</sup> *Transcript of Public Hearing*, p. 51; Exhibit AP-2019-003-11A, Tab 10 at p. 81, Vol. 1.

<sup>31</sup> *Transcript of Public Hearing*, p. 65-66; Exhibit AP-2019-003-11A, Tab 11, Vol. 1.

<sup>32</sup> *Transcript of Public Hearing*, p. 130.

<sup>33</sup> Exhibit AP-2019-003-03A, paras. 34-35, Vol. 1; *Transcript of Public Hearing*, p. 86-87.

<sup>34</sup> Exhibit AP-2019-003-11A, Tab 13 at p. 93, Vol. 1; *Transcript of Public Hearing*, p. 165.

## Analysis

### The goods are wheels

[53] After careful consideration of the evidence set out above, it is the Tribunal's view that the goods in issue are wheels with rough-cut bores. At the time of importation, they are rail wheels produced to industry standards, which, the Tribunal notes, require a rough-cut bore. That they require additional finishing to be fitted onto an axle does not change the fact that the goods in issue are complete rail wheels.

[54] The Tribunal recalls that Ronsco submitted that the goods in issue are not "wheels" within the meaning of tariff item No. 8607.19.29 because they cannot function as wheels. In other words, Ronsco argued that tariff item No. 8607.19.29 is limited to wheels that are capable of being fitted with axles, i.e. with finished bores.

[55] There is no basis on which the Tribunal could find that tariff item No. 8607.19.29 is limited in this manner. The terms of the three-dash tariff item level cover "wheels, whether or not fitted with axles". In the Tribunal's view, a plain reading of this provision does not support Ronsco's arguments in this regard.

[56] Accordingly, the Tribunal finds that the fact that the goods have a rough bore does not preclude classification in tariff item No. 8607.19.29. The Tribunal finds that they are classifiable in tariff item No. 8607.19.29 as other wheels not fitted with axles, pursuant to Rule 1.<sup>35</sup>

### Not parts of wheels

[57] The Tribunal will now briefly address why the goods are not parts of wheels.

[58] The Tribunal has previously stated that while there is no universal test for what is a "part" of another good, it has set out the following general criteria for "parts":

- whether the product is essential to the operation of other goods;
- whether the product is a necessary and valid component of other goods;
- whether the product is installed in the other goods in the course of manufacture; and
- common trade usage and practice.<sup>36</sup>

[59] The CBSA submitted that the goods in issue are not assembled with another component to form an entire wheel, and that the purpose of wheel boring is not to transform the goods into wheels, but to adapt the rough-cut bore to fit a specific axle. In the CBSA's opinion, this does not change the fundamental nature of the wheel nor does it change the goods from a part of a wheel into a wheel.

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<sup>35</sup> Though the goods are described by the parties as "unfinished" because they undergo further working, the Tribunal does not find that they are not unfinished such that recourse to Rule 2 is required. The Tribunal also notes that both parties argued that classification of the goods can be determined by Rule 1 alone.

<sup>36</sup> *Alliance Mercantile Inc. v. President of the Canada Border Services Agency* (3 November 2017), AP-2016-038 (CITT) at para. 56.

[60] The Tribunal agrees with the CBSA. Though the goods in issue require additional finishing, the wheel-boring process does not transform the goods from parts of wheels into complete wheels. They simply cannot be characterized as parts. At the time of importation, the goods comprise, in and of themselves, the entire wheel – there is no other component to be joined with in order to form the wheel. Ronsco did not put forward evidence to convince the Tribunal otherwise.

#### CBSA advance ruling

[61] Finally, the Tribunal notes that Ronsco raised the existence of a CBSA advance ruling (the Advance Ruling) issued to its competitor in 2005 and which covered *inter alia* H36 wheels with rough bores. The Advance Ruling directed that such goods were classified as wheel blanks for passenger coaches in tariff item No. 8607.19.21.<sup>37</sup> The effect of the Advance Ruling was such that this competitor was able to import the same goods as the goods in issue on a duty-free basis for approximately 13 years.<sup>38</sup> Ronsco relied on its knowledge of the Advance Ruling to import the goods in issue duty-free utilizing the same tariff item No. 8607.19.21. Ronsco's counsel raised the relevance of the Advance Ruling in argument, stating that the change in the CBSA's position on the Advance Ruling will have a practical financial impact on Ronsco – i.e., while Ronsco's competitor was able to import similar goods at a duty-free rate in 2015 by relying on the Advanced Ruling, Ronsco, who relied on the same Advance Ruling, will now be subject to a 9.5-percent duty for the import of the same goods.<sup>39</sup>

[62] The Tribunal acknowledges that the imposition of historical duties on the goods in issue, imported in 2015, will place a financial burden on Ronsco, especially considering that it operates a small-margin business.<sup>40</sup> Though the Tribunal can sympathize with Ronsco's submissions in this regard, unfortunately it is well established that equitable considerations are not relevant to the tariff classification exercise.<sup>41</sup>

[63] Outcomes such as the one in the present case are an inherent risk when relying on an advance ruling issued to a third party. An advance ruling issued to a third party, even though it may cover the same type of goods, is not a relevant consideration for the tariff classification exercise that is undertaken by the Tribunal. It is well understood that advance rulings are not binding upon the Tribunal and they are not probative with respect to tariff classification, as appeals before the Tribunal are heard *de novo*.<sup>42</sup> The Tribunal's mandate in an appeal is simply to determine the correct tariff classification of the goods in issue. It has no power to determine how the tariff classification should ultimately impact the appellant with respect to the duties imposed, nor how the reliance of Ronsco upon an advance ruling should influence the CBSA's decisions on these matters.

<sup>37</sup> In full, tariff item No. 8607.19.21 covers “Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches; for self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic; for use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes”. The parties all agree that tariff item No. 8607.19.21 is not the correct classification as it requires the goods to be used in passenger cars (not freight cars).

<sup>38</sup> The advance ruling was amended in 2018 to classify such goods as wheels of tariff item No. 8607.19.29. Ronsco's competitor confirmed that it began importing similar goods in 2019 under tariff item No. 8607.19.29, pursuant to the revised advance ruling in its affidavit (see Exhibit AP-2019-003-31, Vol. 1).

<sup>39</sup> *Transcript of Public Hearing*, p. 231.

<sup>40</sup> *Transcript of Public Hearing*, p. 44.

<sup>41</sup> *Arcraft Company Inc. v. President of the Canada Border Services Agency* (8 March 2018), AP-2017-016 (CITT) at paras. 44-46.

<sup>42</sup> See *Helly Hansen Leisure Canada Inc. v. Canada (Border Services Agency)*, 2009 FCA 345 at para. 16.

**Conclusion**

[64] For the foregoing reasons, the Tribunal finds that the goods in issue are wheels of tariff item No. 8607.19.29, pursuant to Rule 1.

**DECISION**

[65] The appeal is dismissed.

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Cheryl Beckett  
Cheryl Beckett  
Presiding Member

This is Exhibit "E"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.

Chas Lampert

A Commissioner, etc.

CANADA CUSTOMS - ADJUSTMENT REQUEST  
 DOUANES CANADA - DEMANDE DE RAJUSTEMENT

 PROTECTED B when completed  
 PROTÉGÉ B une fois rempli

1 IMPORTER NAME AND ADDRESS NOM ET ADRESSE DE L'IMPORTATEUR	BUSINESS NO. - N° D'ENTREPRISE
	104621065 RM0001

 2 TRANSACTION NO.  
N° DE TRANSACTION  
13003101315936

 RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QUEBEC, CANADA

 POSTAL / ZIP CODE  
CODE POSTAL J0P1B0

 9 SUB HOR NO.  
N° DE SOUS  
EN-TÊTE  
001 10 MAIL TO - POSTER A:  
FEDEX TRADE NETWORKS CANADA INC.  
9800 CAVENDISH BLVD  
ST-LAURENT, QC

 3 GST REGISTRATION NO.  
N° DE TPS  
104621065

 5 OFFICE NO.  
N° DE BUREAU  
VARIOUS 6 ORIGINAL TRANSACTION NO.  
N° DE LA TRANSACTION ORIGINALE  
VARIOUS

 11 SECURITY NO.  
N° DE SÉCURITÉ

 4 PAGE  
1 OF 1  
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2015  
A.S.F.C. - C.B.S.A.

JAN 02 2019

 DOLEC  
Bureau de Québec


00000-673716820

18 LINE LIGNE	19 DESCRIPTION - AS ACCOUNTED FOR DÉSIGNATION - SELON LA DÉCLARATION BLANKET ADJUSTMENT YEAR 2015										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS ACCOUNTED FOR DÉSIGNATION - SELON LA DÉCLARATION										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						

37 DOCS ATTACHED CI-JOINTS	JUSTIFICATION FOR REQUEST - JUSTIFICATION DE LA DEMANDE  CORRECTION UNDER EN VERTU DE 32.2.2 OF CA  (TYPE OF REQUEST - GENRE DE DEMANDE)									
	(LEGISLATIVE REFERENCE - RÉFÉRENCE LÉGISLATIVE)									
EXPLANATION - EXPLICATION :										
BLANKET ADJUSTMENT TO CORRECT CLASSIFICATION FOR YEAR 2015										
REFERENCE TO CASE NO. C-2016-011118										
Period covered: January 1st 2015 to December 31st 2015										
Total: 41 entries										

38 CUSTOMS DUTIES DROITS DE DOUANE	-988158.56
39 SIMA ASSESSMENT COTISATION DE LMSI	0.00
40 EXCISE TAX TAXE D'ACCISE	0.00
41 SUB TOTAL TOTAL PARTIEL	-988158.56
42 GST TPS	-49407.92
43 INTEREST INTÉRêTS	0.00

DECLARATION - DÉCLARATION	OF DE FEDEX TRADE NETWORKS CANADA INC.
I JE	Jeremie Allard
PLEASE PRINT NAME - LETTRES MOULÉES S.V.P.	
DECLARE THE PARTICULARS OF THIS DOCUMENT TO BE TRUE, ACCURATE AND COMPLETE - DÉCLARE QUE LES RENSEIGNEMENTS CI-DESSUS SONT VRAIS ET COMPLETS	
Oct 15th 2018	SIGNATURE
DATE	1-514-845-1650 ext 277
TELEPHONE NUMBER - NUMÉRO DE TÉLÉPHONE	

44 AMOUNT DUE RECEIVER GENERAL FOR CANADA TOTAL DU AU RECEVEUR GÉNÉRAL DU CANADA	1037566.48
45 AMOUNT DUE CLAIMANT TOTAL DU AU REQUERANT	0.00

 Canada  
1068390.38

CANADA CUSTOMS - ADJUSTMENT REQUEST  
 DOUANES CANADA - DEMANDE DE RAJUSTEMENT

1 IMPORTER NAME AND ADDRESS NOM ET ADRESSE DE L'IMPORTATEUR	BUSINESS NO. - N° D'ENTREPRISE 104621065 RM0001
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2 TRANSACTION NO.  
N° DE TRANSACTION  
13003101315958

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QUEBEC, CANADA

POSTAL / ZIP CODE  
CODE POSTAL J0P1B0

3 GST REGISTRATION NO.  
N° DE TPS  
104621065

4 PAGE  
1 OF 1

9 SUB HDR NO. N° DE SOUS- EN-TÊTE 001	10 MAIL TO - POSTER À: FEDEX TRADE NETWORKS CANADA INC. 9800 CAVENDISH BLVD ST-LAURENT, QC
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5 OFFICE NO.  
N° DE BUREAU  
VARIOUS

6 ORIGINAL TRANSACTION NO.  
N° DE LA TRANSACTION ORIGINALE  
VARIOUS

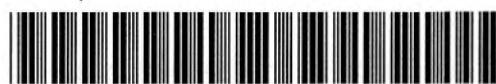
7 Y-A  
2016 M D-J

8 DATE RECEIVED  
DATE DE RECEPTION

A.S.F.C. - C.B.S.A.

JAN 02 2019

DOLEC  
Bureau de Québec



00000-673716762

MENT  
TARIFAIRES

ÉLAI

18 LINE LIGNE	19 DESCRIPTION - AS ACCOUNTED FOR DÉSIGNATION - SELON LA DÉCLARATION BLANKET ADJUSTMENT YEAR 2016										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
<hr/>											
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE

37 DOCS ATTACHED CI-JOINTS	JUSTIFICATION FOR REQUEST - JUSTIFICATION DE LA DEMANDE  CORRECTION UNDER EN VERTU DE 32.2.2 OF CA  (TYPE OF REQUEST - GENRE DE DEMANDE)										(LEGISLATIVE REFERENCE - RÉFÉRENCE LÉGISLATIVE)
EXPLANATION - EXPLICATION:  BLANKET ADJUSTMENT TO CORRECT CLASSIFICATION FOR YEAR 2016											
REFERENCE TO CASE NO. C-2016-011118											
Period covered: January 1st 2016 to December 31st 2016											
Total entries: 28											

38 CUSTOMS DUTIES DROITS DE DOUANE	-831526.20
39 SIMA ASSESSMENT COTISATION DE LMSI	0.00
40 EXCISE TAX TAXE D'ACCISE	0.00
41 SUB TOTAL TOTAL PARTIEL	-831526.20
42 GST TPS	-41576.29
43 INTEREST INTÉRêTS	0.00

DEclaration - DECLARATION	Jeremie Allard	OF DE FEDEX TRADE NETWORKS CANADA INC.
JE	PLEASE PRINT NAME - LETTRES MOULÉES S.V.P.	IMPORTER/AGENT - IMPORTATEUR/AGENT
DECLARE THE PARTICULARS OF THIS DOCUMENT TO BE TRUE, ACCURATE AND COMPLETE - DÉCLARE QUE LES RENSEIGNEMENTS CI-DESSUS SONT VRAIS ET COMPLETS		
Dec 17th 2018	SIGNATURE	1-514-845-1650 ext 277
DATE		TELEPHONE NUMBER - NUMÉRO DE TÉLÉPHONE

44 AMOUNT DUE RECEIVER GENERAL FOR CANADA TOTAL DU AU RECEVEUR GÉNÉRAL DU CANADA	873102.49
45 AMOUNT DUE CLAIMANT TOTAL DU AU REQUERANT	0.00

Canada

895764.04

CANADA CUSTOMS – ADJUSTMENT REQUEST  
 DOUANES CANADA – DEMANDE DE RAJUSTEMENT

1 IMPORTER NAME AND ADDRESS NOM ET ADRESSE DE L'IMPORTATEUR	BUSINESS NO. - N° D'ENTREPRISE 104621065 RM0001
--	--

2 TRANSACTION NO.  
N° DE TRANSACTION  
13003101315969



13003101315969

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QUEBEC, CANADA

POSTAL / ZIP CODE  
CODE POSTAL J0P1B0

3 GST REGISTRATION NO.  
N° DE TPS  
104621065

4 PAGE  
1 OF 1

9 SUB HDR NO. N° DE SOUS EN-TÊTE 001	10 MAIL TO - POSTER À: FEDEX TRADE NETWORKS CANADA INC. 9800 CAVENDISH BLVD ST-LAURENT, QC
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5 OFFICE NO.  
N° DE BUREAU  
VARIOUS

6 ORIGINAL TRANSACTION NO.  
N° DE LA TRANSACTION ORIGINALE  
VARIOUS

7 Y-A  
2017

M  
D-J

8 DATE RECEIVED  
DATE DE RECEPTION

A.S.F.C. - C.B.S.A.

JAN 02 2019

DOLEC  
Bureau de Québec

POSTAL / ZIP CODE  
CODE POSTAL H4M 2V9



00000-673716706

18 LINE LIGNE	19 DESCRIPTION – AS ACCOUNTED FOR DÉSIGNATION – SELON LA DÉCLARATION BLANKET ADJUSTMENT YEAR 2017										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION – AS CLAIMED DÉSIGNATION – SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE	19 DESCRIPTION – AS CLAIMED DÉSIGNATION – SELON LA DEMANDE										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHANGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						

37 DOCS ATTACHED CI-JOINTS	JUSTIFICATION FOR REQUEST - JUSTIFICATION DE LA DEMANDE									
A UNE	CORRECTION									
	UNDER EN VERTU DE 32.2.2 OF CA									
	(TYPE OF REQUEST - GENRE DE DEMANDE)									
(LEGISLATIVE REFERENCE - RÉFÉRENCE LÉGISLATIVE)										
EXPLANATION - EXPLICATION:										
BLANKET ADJUSTMENT TO CORRECT CLASSIFICATION FOR YEAR 2017										
REFERENCE TO CASE NO. C-2016-011118										
Period covered: January 1st 2017 to December 31st 2017										
Total entries: 17										

38 CUSTOMS DUTIES DROITS DE DOUANE	-224690.57
39 SIMA ASSESSMENT COTISATION DE LMSI	0.00
40 EXCISE TAX TAXE D'ACCISE	0.00
41 SUB TOTAL TOTAL PARTIEL	-224690.57
42 GST TPS	-11234.54
43 INTEREST INTÉRêTS	0.00

DECLARATION - DÉCLARATION										
JE	Jeremie Allard OF FEDEX TRADE NETWORKS CANADA INC.									
PLEASE PRINT NAME - LETTRES MOULÉES S.V.P.										
DECLARE THE PARTICULARS OF THIS DOCUMENT TO BE TRUE, ACCURATE AND COMPLETE - DÉCLARE QUE LES RENSEIGNEMENTS CI-DESSUS SONT VRAIS ET COMPLETS										
Dec 17th 2018	SIGNATURE	1-514-845-1650 ext 277 TELEPHONE NUMBER - NUMÉRO DE TÉLÉPHONE								
DATE	BSF18									

44 AMOUNT DUE RECEIVER GENERAL FOR CANADA TOTAL Dû AU RECEVEUR GÉNÉRAL DU CANADA	235925.11
45 AMOUNT DUE CLAIMANT TOTAL Dû AU REQUÉRANT	0.00

Canada

240571.23

CANADA CUSTOMS - ADJUSTMENT REQUEST  
DOUANES CANADA - DEMANDE DE RAJUSTEMENT

1 IMPORTER NAME AND ADDRESS NOM ET ADRESSE DE L'IMPORTATEUR	BUSINESS NO. - N° D'ENTREPRISE
	104621065 RM0001

2 TRANSACTION NO.  
N° DE TRANSACTION  
13003101315970

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QUEBEC, CANADA

POSTAL / ZIP CODE  
CODE POSTAL J0P1B0

9 SUB HDR NO.  
N° DE SOUS-  
EN-TÊTE  
001  
10 MAIL TO - POSTER À:  
FEDEX TRADE NETWORKS CANADA INC.  
9800 CAVENDISH BLVD  
ST-LAURENT, QC

3 GST REGISTRATION NO.  
N° DE TPS  
104621065

5 OFFICE NO.  
N° DE BUREAU  
VARIOUS

6 ORIGINAL TRANSACTION NO.  
N° DE LA TRANSACTION ORIGINALE  
VARIOUS

11 SECURITY NO.  
N° DE SÉCURITÉ



00000-673717262

4 PAGE  
1 OF 1  
8 DATE RECEIVED  
DATE DE RECEPTION  
**A.S.F.C. - C.B.S.A.**

JAN 02 2019

**DOLEC**  
Bureau de Québec

18 LINE LIGNE	19 DESCRIPTION - AS ACCOUNTED FOR DÉSIGNATION - SELON LA DÉCLARATION BLANKET ADJUSTMENT YEAR 2018										20 SPECIAL AUTHORITY AUTORISATION SPÉCIALE
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHARGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE 19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE											
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHARGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE 19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE											
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHARGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						
18 LINE LIGNE 19 DESCRIPTION - AS CLAIMED DÉSIGNATION - SELON LA DEMANDE											
21 CLASSIFICATION NO. N° DE CLASSEMENT	22 TARIFF CD CD TARIF.	23 QUANTITY QUANTITÉ	24 U/M	25 VFD CD CD VD	26 SIMA CD CD LMSI	27 CUSTOMS DUTY RATE TAUX-DROIT DE DOUANE	28 E.T. RATE TAUX T.A.	29 GST RATE TAUX TPS	30 VALUE FOR CURRENCY CONVERSION CONVERSION VALEUR POUR CHARGE		
31 VALUE FOR DUTY VALEUR EN DOUANE	32 CUSTOMS DUTIES DROITS DE DOUANE	33 SIMA ASSESSMENT COTISATION DE LMSI	34 EXCISE TAX TAXE D'ACCISE	35 VALUE FOR TAX VALEUR POUR TAXE	36 GST TPS						

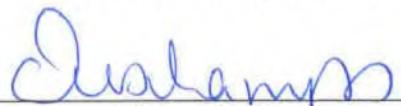
37 DOCS ATTACHÉS CI-JOINTS	JUSTIFICATION FOR REQUEST - JUSTIFICATION DE LA DEMANDE CORRECTION UNDER EN VERTU DE 32.2.2 OF CA (TYPE OF REQUEST - GENRE DE DEMANDE)						38 CUSTOMS DUTIES DROITS DE DOUANE -384953.73
A UNE	(LEGISLATIVE REFERENCE - RÉFÉRENCE LÉGISLATIVE)						39 SIMA ASSESSMENT COTISATION DE LMSI 0.00
EXPLANATION - EXPLICATION : BLANKET ADJUSTMENT TO CORRECT CLASSIFICATION FOR YEAR 2018							40 EXCISE TAX TAXE D'ACCISE 0.00
REFERENCE TO CASE NO. C-2016-011118							41 SUB TOTAL TOTAL PARTIEL -384953.73
Period covered: January 1st 2018 to July 24th 2018							42 GST TPS -19247.70
Total entries: 17							43 INTEREST INTÉRêTS 0.00

44 AMOUNT DUE RECEIVER GENERAL FOR CANADA TOTAL Dû AU RECEVEUR GÉNÉRAL DU CRNA	404201.43
45 AMOUNT DUE CLAMANT TOTAL Dû AU REQUÉRANT 409346.07	0.00

DECLARATION - DÉCLARATION Jeremie Allard PLEASE PRINT NAME - LETTRES MOULÉES S.V.P.	OF DE FEDEX TRADE NETWORKS CANADA INC. IMPORTER/AGENT - IMPORTATEUR/AGENT
DECLARE THE PARTICULARS OF THIS DOCUMENT TO BE TRUE, ACCURATE AND COMPLETE - DÉCLARE QUE LES RENSEIGNEMENTS CI-DESSUS SONT VRAIS ET COMPLETS	
Dec 17th 2018 DATE	SIGNATURE 1-514-845-1650 ext 277 TELEPHONE NUMBER - NUMÉRO DE TÉLÉPHONE

Canada  
409346.07

This is Exhibit "F"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



A Commissioner, etc.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

83

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315969

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

7. Y-A M D-J

0395

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2019/04/18

9. Sub  
HDR NO.  
N° de  
sous  
en-tête

10. Broker / Agent - Courier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

3

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

18.	19.	Description - As Ruled Designation - Selon la décision								20.	Special Authority Autorisation spéciale
Line Ligne		22.	23.	24.	25.	26.	27.	28.	29.	30.	
21.	Classification No. N° de classement	Tariff CD CD tarif	Quantity Quantité	U - M	VDF Code Code VD	SIMA CD CD LMSI	Rate of Customs duty Taux de droit de douane	E.T. Rate Taux T.A.	GST Rate Taux TFS	Value for Currency Conversion Conversion valeur pour charge	GST TFS
31.	Value for Duty Valeur en douane	32.	Customs Duties Droits de douane	33.	34.	35.	36.	37.	38.	39.	40.

18. 19. 20.  
**AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
 REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
 GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE  
 WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -  
 COLLECTIONS.**

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
 DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
 DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
 QUI DEMEURE EMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
 DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
 RECOUVREMENT.

18.	19.	20.
21.	22.	23.
31.	32.	33.
34.	35.	36.
18.	19.	20.
21.	22.	23.
31.	32.	33.
34.	35.	36.
18.	19.	20.
21.	22.	23.
31.	32.	33.
34.	35.	36.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

848

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315969

(164977)

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5 Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction ordinaire

7. Y A M D-J

0395

00000673716706

2019/04/18

9. Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courtier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 1
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18.	19.	Description - As Ruled Designation - Selon la décision							20.	Special Authority Autorisation spéciale	
		22. Classification No. N° de classement	23. Tariff CD CD tariff	24. Quantity Quantité	25. U - M	26. VDF Code Code VD	27. SIMA CD CD LMSI	28. Rate of Customs duty Taux de droit de douane	29. E.T. Rate Taux T.A.	30. GST Rate Taux TPS	31. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS					

18.	19.	Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total
21.		+224,690.57	+000.00	+000.00	+11,234.54	+235,925.11

31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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31.	32.	33.	34.	35.	36.
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<sup>21</sup>A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2,

<sup>31</sup>PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) 85

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315969

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

JOP1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

7. Y-A M D-J

0395

00000673716706

2019/04/18

9. Sub HDR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 2
									Date of Decision Date de la décision 2019/05/23

18. Line Ligne	19.	Description - As Fluided Designation - Selon la décision								20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change	
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS					

18. YOU POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS  
19. SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU  
PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN  
30. LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES  
EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT  
31. A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.

18. YOUR 19. CORRECTION FILED UNDER SECTION 32.2 OF THE CUSTOMS ACT HAS 20.  
BEEN ACCEPTED AND AS SUCH IS TREATED AS A RE-DETERMINATION UNDER  
21. SUBSECTION 59(1)(A) OF THE CUSTOMS ACT. THIS NOTICE IS ISSUED 30.  
UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT. THE CANADA BORDER  
31. SERVICES AGENCY RESERVES THE RIGHT TO FURTHER REVIEW AND  
RE-DETERMINE AT A LATER DATE UNDER SUBSECTION 59(1)(B) OF THE  
CUSTOMS ACT.

18. LA CORRECTION QUE VOUS AVEZ EFFECTUEE EN VERTU DE L'ARTICLE 32.2 DE LA  
LOI SUR LES DOUANES A ETE ACCEPTEE, ET SON ACCEPTATION, QUI EST  
21. ASSIMILEE A LA REVISION PREVUE A L'ALINEA 259(1)A) DE LA MEME LOI 30. VOUS EST  
NOTIFIEE EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI. L'AGENCE DES  
31. SERVICES FRONTALIERS DU CANADA SE RESERVE CEPENDANT LE DROIT DE PROCEDER  
PLUS TARD A UN REEXAMEN EN VERTU DE L'ALINEA 59(1)B).

DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY  
18. SECURITY REQUIRED, BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1)  
OF THE CUSTOMS ACT.

21. VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA  
LOI SUR LES DOUANES AVANT 30. D'AVOIR PAYE 34. LES DROITS EXIGIBLES EN RAISON DE  
31. CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET  
EGARD.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED WHEN COMPLETED  
PROTÉGÉ (UNE FOIS REMPLI) 86

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315969

9 Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courtier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	3. GST Registration NO. - N° de TPS 104621065	Business Number Numéro d'entreprise 10462 1065 RM0001
		4. Importer NO. N° de l'importateur 0395	5. Office NO. N° de bureau 6. Original Transaction NO. N° de la transaction originale 00000673716706

7. Y-A M D-J 2019/04/18

9 Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courtier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitemen tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 4
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18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U - M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32.	Customs Duties Droits de douane	33.	SIMA Assessment Cotisation de LMSI	34.	Excise Tax Taxe d'accise	35.	Value for Tax Valeur pour taxe	36. GST TPS

Customs Duties/  
Droits de Douane

+224,690.57

21.	22.	23.	24. <b>SIMA Assessment/ Cotisation de LMSI</b>	26.	27.	28.	29.	30.	+0.00
31.	32.	33.	34. <b>Excise Tax/Taxe d'accise</b>	35.	36.				+0.00

## Sub Total/Total partiel

+224,690.57

18.	19.	22.	23.	24.	25.	26.	27.	28.	29.	30.	GST/TPS
31.	32.	33.	34. <b>Total</b>	35.	36.						+235,925.11

31.	32.	33.	34. <b>INTEREST/INTÉRÊT</b>	35.	36.	+4,646.12
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18.	19.	22.	23.	24.	25.	26.	27.	28.	29.	30.	Amount due to Receiver General/Montant dû au Receveur général
31.	32.	33.	34. <b>Payment is due by/</b>	35.	36.	\$240,571.23					

31.	32.	33. <b>Le paiement doit être effectué le</b>	35.	36.	2019/06/22
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PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

87B

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315969

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0395

00000673716706

2019/04/18

9. Sub  
HDR NO  
N° de  
sous-  
en-tête

10. Broker / Agent - Courier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

5

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

18. Line  
Ligne

19.

Description - As Ruled  
Designation - Selon la décision

20.

Special Authority  
Autorisation spéciale

21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Colisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe					36. GST TPS

Payment can be presented or mailed to any CBSA's office. Payment can be in the form of cash, traveller's cheques, official money orders, or certified cheques made payable to the Receiver General of Canada. Uncertified cheques may be accepted if security has been deposited with CBSA.

28. 29. 30.

Le paiement peut être fait en espèces, par chèque de voyage, par mandat-poste ou par chèque visé libellé à l'ordre du Receveur général du Canada. Les chèques non certifiés seront acceptés si une garantie a été déposée au bureau de l'ASFC.

FOR IMMEDIATE ACTION: SHOULD BE DIRECTED TO YOUR  
CUSTOMS/TRAFFIC DEPARTMENT OR CUSTOMS BROKER/AGENT

20.

POUR ACTION IMMÉDIATE: ACHEMINEZ À VOTRE SERVICE DE  
DOUANE OU À VOTRE COURTIER/AGENT EN DOUANE

35. 36.

MARZENA BRONES

MONTREAL

QUEBEC

20.

REASSESSMENT PROCESSING  
TRAITEMENT DE REEVALUATION

24. 25. 26. 27. 28. 29. 30.

31. 32. 33. 34. 35. 36.

18. 19. 20.

31. 32. 33. 34. 35. 36.

31. 32. 33. 34. 35. 36.



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

88

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315969

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

7. Y-A M D-J

0395

00000673716706

2019/04/18

9. Sub HOR NO. N° de sous en-tête	10. Broker / Agent - Courrier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	11. Security NO. - N° de sécurité	12. Country of Origin Pays d'origine	13. Place of Export Lieu d'exportation	14. Tariff Treatment Traitement tarifaire	15. Direct Shipment Date Date d'expédition directe	16. Currency Code Code devise	17. Time Limit - Délai	Page NO. - N° de page 6
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18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision								20. Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD Tarif	23. Quantity Quantité	24. U-M U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS				
<b>Customs Duties/ Droits de Douane</b>										
18.	19.									20. +224,690.57
21.	22.	23.	24. <b>SIMA Assessment/ Cotisation de LMSI</b>	25.	26.	27.	28.	29.	30.	+0.00
31.	32.	33.	34. <b>Excise Tax/Taxe d'accise</b>	35.	36.					+0.00
<b>Sub Total/Total partiel</b>										
18.	19.									+224,690.57
			<b>GST/TPS</b>							+11,234.54
21.	22.	23.	24. <b>Total</b>	25.	26.	27.	28.	29.	30.	+235,925.11
31.	32.	33.	34. <b>INTEREST/INTÉRÊT</b>	35.	36.					+4,646.12
18.	19.									
<b>Amount due to Receiver General/Montant dû au Receveur général</b>										
21.	22.	23.	24. <b>Payment is due by/</b>	25.	26.	27.	28.	29.	30.	\$240,571.23
31.	32.	33. Le paiement doit être effectué le	34.	35.	36.					2019/06/22

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY

\*\*\*\*\*

B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) 89

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315970

45-1977  
(6)

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P 1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau

0395

6. Original Transaction NO.  
N° de la transaction originale7. Y-A M-D  
2019/04/189. Sub  
HDR NO.  
N° de  
sous  
entête

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M 2V9

11. Security NO. - N° de sécurité

Page NO. - N° de page

1

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit Délai

[REDACTED]

18. Line Ligne	19.	Description - As Ruled Designation - Selon la décision										20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CD CD tarif	23. Quantity Quantité	24. U-M	25. VDF Code Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux TA	29. GST Rate Taux TPG	30.	Value for Currency Conversion Conversion value pour charge	31.	
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Colisation de LMSI	34.		Excise Tax Taxe d'accise	35.		Value for Tax Valeur pour taxe	36.	GST TPG		
18. 19.	Duties/Droits	SIMA/LMSI	Excise/Accise	GST/TPS	Total								
21.	+384,953.73	23. +000.00	25. 26. +000.00	27. 28. +19,247.70	29. +404,201.43								
31.	32.	33.	34.	35.	36.								

VOTRE DEMANDE EST ACCEPTEE DANS LE CAS PRESENT SEULEMENT.  
VEUILLEZ NOTER QUE CETTE DECISION NE CONSTITUE PAS UN  
PRECEDENT.

CE RAJUSTEMENT B2 GENERAL EST EN LIEN AVEC LES RESULTATS DE  
LA VÜRIFICATION C-2016-011118 (2018)

DES INTERETS ONT ETE CALCULES AU TAUX REGLEMENTAIRE A PARTIR  
DU MILIEU DE LA PERIODE DE CHAQUE TRIMESTRE JUSQU'A LA  
DATE DE LA PRESENTE DECISION.

POUR PLUS D'INFORMATION, VEUILLEZ COMMUNIQUER AVEC :  
LUCIE GAGNE  
AGENTE PRINCIPALE, OBSERVATION DES ECHANGES COMMERCIAUX  
(418) 648-3401 EXT 2413

A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE  
MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2,  
PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN  
EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR  
PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.



1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315970

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur

5. Office NO.  
N° de bureau

6. Original Transaction NO.  
N° de la transaction originale

7. Y-A M D-J

0395 00000673717262

2019/04/18

9. Sub HDR NO. N° de sous- en-tête	10. Broker / Agent - Courier / agent  FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. 9800 CAVENDISH BLVD 3RD FLOOR ST-LAURENT QC H4M2V9	11. Security NO. - N° de sécurité  12. Country of Origin Pays d'origine 13. Place of Export Lieu d'exportation 14. Tariff Treatment Traitement tarifaire  15. Direct Shipment Date 	Page NO - N° de page 2 Date of Decision Date de la décision 2019/05/23
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18. Ligne Line Ligne	19.	Description - As Ruled Designation - Selon la décision										20.	Special Authority Autorisation spéciale
21.	Classification No. N° de classement	22. Tariff CO CD Tarif	23. Quantity Quantité	24. U-M	25. VDF Code/ Code VD	26. SIMA CD CD LMSI	27. Rate of Customs duty Taux de droit de douane	28. E.T. Rate Taux T.A.	29. GST Rate Taux TPS	30. Value for Currency Conversion Conversion valeur pour change			
31.	Value for Duty Valeur en douane	32. Customs Duties Droits de douane	33. SIMA Assessment Cotisation de LMSI	34. Excise Tax Taxe d'accise	35. Value for Tax Valeur pour taxe	36. GST TPS							

18. 19. VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS

20. 21. SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN

31. 32. LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.

18. 19. YOUR CORRECTION FILED UNDER SECTION 32.2 OF THE CUSTOMS ACT HAS 20. BEEN ACCEPTED AND AS SUCH IS TREATED AS A RE-DETERMINATION UNDER 21. SUBSECTION 59(1)(A) OF THE CUSTOMS ACT. THIS NOTICE IS ISSUED 30. UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT. THE CANADA BORDER 31. SERVICES AGENCY RESERVES THE RIGHT TO FURTHER REVIEW AND 36. RE-DETERMINE AT A LATER DATE UNDER SUBSECTION 59(1)(B) OF THE CUSTOMS ACT.

18. 19. LA CORRECTION QUE VOUS AVEZ EFFECTUEE EN VERTU DE L'ARTICLE 32.2 DE LA LOI SUR LES DOUANES A ETE ACCEPTEE, ET SON ACCEPTATION, QUI EST

21. ASSIMILEE A LA REVISION PREVUE A L'ALINEA 259(1)A) DE LA MEME LOI 30. VOUS EST NOTIFIEE EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI. L'AGENCE DES 31. SERVICES FRONTALIERS DU CANADA SE RESERVE CEPENDANT LE DROIT DE PROCEDER PLUS TARD A UN REEXAMEN EN VERTU DE L'ALINEA 59(1)B).

18. 19. DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED, BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.

21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. VOUS NE POUVEZ PRESENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYE LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DEPOSE UNE GARANTIE SATISFAISANTE A CET EGARD.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

91 B

1 Importer Name and Address - Nom et adresse de l'importateur

2 Transaction NO. - N° de transaction

13003101315970

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

3 GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4 Importer NO.  
N° de l'importateur5 Office NO.  
N° de bureau6 Original Transaction NO.  
N° de la transaction originale

7 Y A M D J

0395

00000673717262

2019/04/18

9 Sub HDR NO  
N° de  
sous-  
en-tête

10 Broker / Agent - Courrier / agent

11 Security NO. - N° de sécurité

Page NO. - N° de page

3

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

12 Country of Origin - Pays d'origine

13 Place of Export - Lieu d'exportation

14 Tariff Treatment - Traitement tarifaire

Date of Decision - Date de la décision

2019/05/23

15 Direct Shipment Date - Date d'expédition directe

16 Currency Code - Code devise

17 Time Limit - Délai

| 18.           | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |                                    |       |                                     |                    |   |                       |                      |   |     | 20.        | Special Authority<br>Autorisation spéciale |
|---------------|--|---|------------------------------------|-------|-------------------------------------|--------------------|---|-----------------------|----------------------|---|-----|------------|--|
| Line<br>Ligne |  | 22.   | 23.                                | 24.   | 25.                                 | 26.                | 27.   | 28.                   | 29.                  | 30.   |     |            |  |
| 21.           | Classification No.<br>N° de classement | Tariff CD<br>CD tarif                                     | Quantity<br>Quantité               | U - M | VDF Code<br>Code VD                 | SIMA CD<br>CD LMSI | Rate of Customs duty<br>Taux de droit de douane | E.T. Rate<br>Taux T.A | GST Rate<br>Taux TPS | Value for Currency Conversion<br>Conversion vête et pour chaque |     |            |  |
| 31            | Value for Duty<br>Valeur en douane     | 32.   | Customs Duties<br>Droits de douane | 33.   | SIMA Assessment<br>Cotation de LMSI | 34.                | Excise Tax<br>Taxe d'excise                     | 35.                   |                      | Value for Tax<br>Valeur pour taxe                               | 36. | GST<br>TPS |  |

18. 19. 20.  
**AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
 REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
 GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE  
 WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -  
 COLLECTIONS.**

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
 DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
 DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
 QUI DEMEURE EMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
 DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
 RECOUVREMENT.

|     |     |     |     |     |     |     |     |     |     |     |  |  |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|--|
| 18. | 19. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |  |  |
| 21  |     | 32. | 33. | 34. | 35. |     |     |     |     |     |  |  |
| 31  |     | 32. | 33. | 34. | 35. |     |     |     |     |     |  |  |
| 18. | 19. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |  |  |
| 21  |     | 32. | 33. | 34. | 35. |     |     |     |     |     |  |  |
| 31  |     | 32. | 33. | 34. | 35. |     |     |     |     |     |  |  |



1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

2. Transaction NO. - N° de transaction

13003101315970

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS  
104621065

4. Importer NO.  
N° de l'importateur  
0395

5. Office NO.  
N° de bureau  
0395

6. Original Transaction NO.  
N° de la transaction originale  
00000673717262

7. Y-A M D-J  
2019/04/18

|   |  |   |   |  |   |
|---|--|---|---|--|---|
| 9. Sub<br>HDR NO<br>N° de<br>sous-<br>en-tête | 10. Broker / Agent - Courier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité                     | Page NO. - N° de page<br>4                |  |   |
|   |  | 12. County of Origin<br>Pays d'origine                | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | Date of Decision<br>Date de la décision<br>2019/05/23 |
|   |  | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          | 17. Time Limit - Décal                       |   |

| 18. Line<br>Ligne  | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |  |                                     |                                       |                        |   |                            |                          |  |  | 20. | Special Authority<br>Autorisation spéciale |
|--|--|---|--|-------------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|--|-----|--|
| 21.  | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                           | 24. U-M                             | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour charge |  |     |  |
| 31.  | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI          | 34. Excise Tax<br>Taxe d'accise     | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |  |     |  |
| <b>Customs Duties/<br/>Droits de Douane</b>                                  |  |   |  |                                     |                                       |                        |   |                            |                          |  |  |     |  |
| 18.  | 19.                                    |   |  |                                     |                                       |                        |   |                            |                          |  |  | 20. | +384,953.73                                |
| 21.  |  | 22. 23.   | 24. <b>SEMA Assessment/<br/>Cotisation de LMSI</b> | 28.                                 | 29.                                   | 30.                    |   |                            |                          |  |  |     | +0.00                                      |
| 31.  |  | 32.   | 33.  | 34. <b>Excise Tax/Taxe d'accise</b> | 35.                                   | 36.                    |   |                            |                          |  |  |     | +0.00                                      |
| <b>Sub Total/Total partiel</b>   |  |   |  |                                     |                                       |                        |   |                            |                          |  |  |     |  |
| 18.  | 19.                                    |   |  |                                     |                                       |                        |   |                            |                          |  |  |     | +384,953.73                                |
| 21.  |  | 22. 23.   | 24. <b>Total</b>                                   | 25.                                 | 26.                                   | 27.                    | 28.   | 29.                        | 30.                      |  |  |     | +19,247.70                                 |
| 31.  |  | 32.   | 33.  | 34.                                 | 35.                                   | 36.                    |   |                            |                          |  |  |     | +404,201.43                                |
| <b>INTEREST/INTÉRÊT</b>  |  |   |  |                                     |                                       |                        |   |                            |                          |  |  |     |  |
| 18.  | 19.                                    |   |  |                                     |                                       |                        |   |                            |                          |  |  |     | +5,144.64                                  |
| <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> |  |   |  |                                     |                                       |                        |   |                            |                          |  |  |     |  |
| 18.  | 19.                                    |   |  |                                     |                                       |                        |   |                            |                          |  |  |     | \$409,346.07                               |
| 21.  |  | 22. 23.   | 24. <b>Payment is due by/</b>                      | 25.                                 | 26.                                   | 27.                    | 28.   | 29.                        | 30.                      |  |  |     |  |
| 31.  |  | 32.   | 33. <b>Le paiement doit<br/>être effectué le</b>   | 34.                                 | 35.                                   | 36.                    |   |                            |                          |  |  |     |  |
|  |  |   |  |                                     |                                       |                        |   |                            |                          |  |  |     | 2019/06/22                                 |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

93

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315970

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

4. Importer N°  
N° de l'importateur5. Office N°  
N° de bureau6. Original Transaction N°  
N° de la transaction originale7. Y A M D-J  
2019/04/18

0395

00000673717262

|  |   |                                   |   |   |  |   |                                  |                        |                            |
|--|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|----------------------------|
| 9. Sub<br>HDR NO.<br>N° de<br>sous-<br>en-tête | 10. Broker / Agent - Courtier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité | 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Délai | Page NO. - N° de page<br>5 |
|--|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|----------------------------|

|                   |  |   |   |                                 |                                       |                        |   |                            |  |  |
|-------------------|--|---|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--|--|
| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |                                 |                                       |                        |   | 20.                        | Special Authority<br>Autorisation spéciale |  |
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS                   | 30. Value for Currency Conversion<br>Conversion valeur pour change |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |  |  |

Payment can be presented or mailed to any CBSA's office. Payment can be in the form of cash, traveller's cheques, official money orders, or certified cheques made payable to the Receiver General of Canada. Uncertified cheques may be accepted if security has been deposited with CBSA.

Le paiement peut être fait en espèces, par chèque de voyage, par mandat-poste ou par chèque visé libellé à l'ordre du Receveur général du Canada. Les chèques non certifiés seront acceptés si une garantie a été déposée au bureau de l'ASFC.

**FOR IMMEDIATE ACTION: SHOULD BE DIRECTED TO YOUR  
CUSTOMS/TRAFFIC DEPARTMENT OR CUSTOMS BROKER/AGENT**

21. 22. 23. 24. 25. 26. 27. 28. 29. 30.  
POUR ACTION IMMÉDIATE: ACHEMINEZ À VOTRE SERVICE DE  
DOUANE OU À VOTRE COURTIER/AGENT EN DOUANE 35. 36.

MARZENA BRONES  
MONTREAL  
REASSESSMENT PROCESSING  
TRAITEMENT DE REEVALUATION

QUEBEC

24. 25. 26. 27. 28. 29. 30.  
31. 32. 33. 34. 35. 36.

18. 19. 20.  
21. 22. 23. 24. 25. 26. 27. 28. 29. 30.

31. 32. 33. 34. 35. 36.



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DÔUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) 94

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315970

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO. - N° de TPS

104621065

4. Importer N°.  
N° de l'importateur5. Office NO.  
N° de bureau

0395

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

6. Original Transaction NO.  
N° de la transaction originale

00000673717262

7. Y-A M D-J  
2019/04/18

|   |   |                                   |   |   |   |   |                                  |                        |                            |
|---|---|-----------------------------------|---|---|---|---|----------------------------------|------------------------|----------------------------|
| 9. Sub<br>HDR NO<br>N° de<br>sous-<br>en-tête | 10. Broker / Agent - Courtier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité | 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitemet tarifaire | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Délai | Page NO. - N° de page<br>6 |
|---|---|-----------------------------------|---|---|---|---|----------------------------------|------------------------|----------------------------|

| 18. Line<br>Ligne | 19. Description - As Ruled<br>Designation - Selon la décision | 20. Special Authority<br>Autorisation spéciale                               |                                    |  |                                       |                        |   |                            |                                   |  |                         |
|-------------------|---|--|------------------------------------|--|---------------------------------------|------------------------|---|----------------------------|-----------------------------------|--|-------------------------|
| 21.               | Classification No.<br>N° de classement                        | 22. Tariff CD<br>CD tarif  | 23. Quantity<br>Quantité           | 24. U - M                                      | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS          | 30. Value for Currency Conversion<br>Conversion valeur pour change |                         |
| 31.               | Value for Duty<br>Valeur en douane                            | 32.  | Customs Duties<br>Droits de douane | 33.  | SIMA Assessment<br>Cotisation de LMSI | 34.                    | Excise Tax<br>Taxe d'accise                         | 35.                        | Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS   |                         |
| 18.               | 19.   | <b>Customs Duties/<br/>Droits de Douane</b>                                  |                                    |  |                                       |                        |   |                            |                                   |  | 20. +384,953.73         |
| 21.               | 22.   | 23.  | 24.                                | <b>SIMA Assessment/<br/>Cotisation de LMSI</b> |                                       |                        |   | 28.                        | 29.                               | 30.  | +0.00                   |
| 31.               | 32.   | 33.  | 34.                                | <b>Excise Tax/Taxe d'accise</b>                |                                       |                        |   | 35.                        | 36.                               |  | +0.00                   |
| 18.               | 19.   | <b>Sub Total/Total partiel</b>   |                                    |  |                                       |                        |   |                            |                                   |  | +384,953.73             |
| 21.               | 22.   | 23.  | 24.                                | 25.  | 26.                                   | 27.                    | 28.   | 29.                        | 30.                               | GST/TPS  | +19,247.70              |
| 31.               | 32.   | 33.  | 34.                                | 35.  | 36.                                   |                        |   |                            |                                   | Total  | +404,201.43             |
| 18.               | 19.   | <b>INTEREST/INTÉRÊT</b>  |                                    |  |                                       |                        |   |                            |                                   |  | +5,144.64               |
| 18.               | 19.   | <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> |                                    |  |                                       |                        |   |                            |                                   |  | \$409,346.07            |
| 21.               | 22.   | 23.  | 24.                                | 25.  | 26.                                   | 27.                    | 28.   | 29.                        | 30.                               | Payment is due by/<br>Le paiement doit<br>être effectué le         | 35. 36. 37. 38. 39. 40. |
| 31.               | 32.   | 33.  | 34.                                | 35.  | 36.                                   | 37.                    | 38.   | 39.                        | 40.                               | 2019/06/22   |                         |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY

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B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTEGÉ (UNE FOIS REMPLI) **95**

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO - N° de transaction

1041978

13003101315936

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

|                                       |                               |  |                   |
|---------------------------------------|-------------------------------|--|-------------------|
|                                       |                               | Business Number  |                   |
|                                       |                               | Numéro d'entreprise  |                   |
|                                       |                               | 104621065  | 10462 1065 RM0001 |
| 4. Importer NO<br>N° de l'importateur | 5. Office NO.<br>N° de bureau | 6. Original Transaction NO<br>N° de la transaction originale | 7. Y-A M D-J      |
|                                       | 0395                          | 00000673716820   | 2019/04/18        |

|  |                                      |                                  |                      |
|--|--------------------------------------|----------------------------------|----------------------|
| 9. Sub<br>HDR NO<br>N° de<br>sous<br>en-tête | 10. Broker / Agent - Courier / agent | 11. Security NO - N° de sécurité | Page NO - N° de page |
|--|--------------------------------------|----------------------------------|----------------------|

1

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

|   |   |  |   |
|---|---|--|---|
| 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | Date of Decision<br>Date de la décision |
|   |   |  | 2019/05/23                              |
| 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          | 17. Time Limit - Défai                       |   |

| 18.           | 19.                                    | Description - As Ruled<br>Designation - Selon la décision               |                                    |                      |                                       |                     |                             |   |                       |                                   |     | 20.  | Special Authority<br>Autorisation spéciale |
|---------------|--|---|------------------------------------|----------------------|---------------------------------------|---------------------|-----------------------------|---|-----------------------|-----------------------------------|-----|--|--|
| Line<br>Ligne |  | 22.   | 23.                                | Quantity<br>Quantité | 24.                                   | 25.                 | 26.                         | 27.   | 28.                   | 29.                               | 30. |  |  |
| 21.           | Classification No.<br>N° de classement | Tariff CD<br>CD tarif   |                                    |                      | U - M                                 | VDF Code<br>Code VD | SIMA CD<br>CD LMSI          | Rate of Customs duty<br>Taux de droit de douane | E.T. Rate<br>Taux T.A | GST Rate<br>Taux TPS              |     | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.           | Value for Duty<br>Valeur en douane     | 32.   | Customs Duties<br>Droits de douane | 33.                  | SIMA Assessment<br>Cotisation de LMSI | 34.                 | Excise Tax<br>Taxe d'accise | 35.   |                       | Value for Tax<br>Valeur pour taxe | 36. | GST<br>TPS   |  |
| 18.           | 19.                                    | Duties/Droits      SIMA/LMSI      Excise/Accise      GST/TPS      Total |                                    |                      |                                       |                     |                             |   |                       |                                   |     | 20.  |  |
| 21.           | +988,158.66                            | 23.   | +000.00                            | 25.                  | +000.00                               | 26.                 | +000.00                     | 28.   | +49,407.92            | +1,037,566.58                     |     |  |  |
| 31.           | 32.                                    | 33.   | 34.                                | 35.                  | 36.                                   |                     |                             |   |                       |                                   |     |  |  |

|     |     |  |     |
|-----|-----|--|-----|
| 18. | 19. | VOTRE DEMANDE EST ACCEPTEE DANS LE CAS PRESENT SEULEMENT.<br>VEUILLEZ NOTER QUE CETTE DECISION NE CONSTITUE PAS UN<br>PRECEDENT. | 20. |
|-----|-----|--|-----|

|     |     |   |     |
|-----|-----|---|-----|
| 18. | 19. | CE RAJUSTEMENT B2 GENERAL EST EN LIEN AVEC LES RESULTATS DE<br>LA VERIFICATION C-2016-011118 (2015)   | 20. |
| 31. | 32. | DES INTERETS ONT ETE CALCULES AU TAUX REGLEMENTAIRE A PARTIR<br>DU MILIEU DE LA PERIODE DE CHAQUE TRIMESTRE JUSQU'A LA<br>DATE DE LA PRESENTE DECISION. | 33. |

|     |     |   |     |
|-----|-----|---|-----|
| 18. | 19. | POUR PLUS D'INFORMATION, VEUILLEZ COMMUNIQUER AVEC :<br>LUCIE GAGNE<br>AGENTE PRINCIPALE, OBSERVATION DES ECHANGES COMMERCIAUX<br>(418) 648-3401 EXT 2413 | 20. |
|-----|-----|---|-----|

|     |  |     |
|-----|--|-----|
| 21. | A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE<br>MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2,<br>PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN<br>EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR<br>PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT. | 22. |
|-----|--|-----|

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

96 B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

2. Transaction NO. - N° de transaction

13003101315936

Business Number

Numéro d'entreprise

10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A

M

D-J

00000673716820

2019/04/18

|   |  |   |   |  |   |
|---|--|---|---|--|---|
| 9. Sub<br>HDR NO.<br>N° de<br>sous<br>en-tête | 10. Broker / Agent - Courier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité                     | Page NO. - N° de page<br>2                |  |   |
|   |  | 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | Date of Decision<br>Date de la décision<br>2019/05/23 |
|   |  | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          | 17. Time Limit - Décal                       |   |

| 18<br>Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |                                 |                         |                                   |   |                            |                          | 20. | Special Authority<br>Autorisation spéciale                     |
|---------------------|--|---|---|---------------------------------|-------------------------|-----------------------------------|---|----------------------------|--------------------------|-----|--|
| 21.                 | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD | 26. SIMA CD<br>CD LMSI            | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |
| 31.                 | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35.                     | Value for Tax<br>Valeur pour taxe | 36.   | GST<br>TPS                 |                          |     |  |

VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS  
SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU  
PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN  
LE FORMULAIRE 32. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES  
EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT  
A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.

YOUR CORRECTION FILED UNDER SECTION 32.2 OF THE CUSTOMS ACT HAS BEEN ACCEPTED AND AS SUCH IS TREATED AS A RE-DETERMINATION UNDER SUBSECTION 59(1)(A) OF THE CUSTOMS ACT. THIS NOTICE IS ISSUED UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT. THE CANADA BORDER SERVICES AGENCY RESERVES THE RIGHT TO FURTHER REVIEW AND RE-DETERMINE AT A LATER DATE UNDER SUBSECTION 59(1)(B) OF THE CUSTOMS ACT.

LA CORRECTION QUE VOUS AVEZ EFFECTUÉE EN VERTU DE L'ARTICLE 32.2 DE LA LOI SUR LES DOUANES A ÉTÉ ACCEPTÉE, ET SON ACCEPTATION, QUI EST ASSIMILÉE À LA REVISION PRÉVUE À L'ALINEA 59(1)A DE LA MÊME LOI. VOUS EST NOTIFIÉE EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI. L'AGENCE DES SERVICES FRONTALIERS DU CANADA SE RESERVE CEPENDANT LE DROIT DE PROCÉDER PLUS TARD À UN REEXAMEN EN VERTU DE L'ALINEA 59(1)B).

DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY SECURITY REQUIRED, BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1) OF THE CUSTOMS ACT.

VOUS NE POUVEZ PRÉSENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES AVANT D'AVOIR PAYÉ LES DROITS EXIGIBLES EN RAISON DE CETTE DECISION OU AVANT D'AVOIR DÉPOSÉ UNE GARANTIE SATISFAISANTE À CET EGARD.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PRÉTÉGÉ (UNE FOIS REMPLI) 97

1 Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315936

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.  
N° de importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale7. Y-A M D J  
2019/04/18

0395

00000673716820

9. Sub  
HOR NO.  
N° de  
sous  
en-tête

10. Broker / Agent - Courier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

3

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Décal

| 18<br>Line<br>Ligne | 19.                                   | Description - As Ruled<br>Designation - Selon la décision |   |                                    |                            |                           |  |     |                       |                             |     | 20   | Special Authority<br>Autorisation spéciale |
|---------------------|---------------------------------------|---|---|------------------------------------|----------------------------|---------------------------|--|-----|-----------------------|-----------------------------|-----|--|--|
| 21                  | Classification No<br>N° de classement | 22.<br>Tariff CD<br>CD tarif                              | 23.<br>Quantity<br>Quantité                 | 24.<br>U - M                       | 25.<br>VDF Code<br>Code VD | 26.<br>SIMA CD<br>CD LMSI | 27.<br>Rate of Customs duty<br>Taux de droit de douane | 28. | E T Rate<br>Taux T.A. | 29.<br>GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31                  | Value for Duty<br>Valeur en douane    | 32.<br>Customs Duties<br>Droits de douane                 | 33.<br>SIMA Assessment<br>Collation de LMSI | 34.<br>Excise Tax<br>Taxe d'excise | 35.                        |                           |  | 35. |                       | 36.                         |     | GST<br>TPS   |  |

18 19. 20  
**AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE  
WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -  
COLLECTIONS.**

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
RECOUVREMENT.

|     |     |     |     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 31  | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. | 31. | 32. | 33. |
| 34. |     |     |     |     |     |     | 35. |     |     | 36. |     |     |

|     |     |     |     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 31  | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. | 31. | 32. | 33. |
| 34. |     |     |     |     |     |     | 35. |     |     | 36. |     |     |

|     |     |     |     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 31  | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. | 31. | 32. | 33. |
| 34. |     |     |     |     |     |     | 35. |     |     | 36. |     |     |

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

98

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315936

Business Number

Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0395

00000673716820

2019/04/18

|                                      |  |   |   |   |   |
|--------------------------------------|--|---|---|---|---|
| 9. Sub-HDR NO.<br>N° de sous-en-tête | 10. Broker / Agent - Courtier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité                     | Page NO. - N° de page<br>4                |   |   |
|                                      |  | 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitemen tarifaire | Date of Decision<br>Date de la décision<br>2019/05/23 |
|                                      |  | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          | 17. Time Limit - Délai                      |   |

|   |   |  |                                 |                                       |                        |   |                            |                          |  |
|---|---|--|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|
| 18. Line<br>Ligne                           | 19. Description - As Ruled<br>Designation - Selon la décision | 20. Special Authority<br>Autorisation spéciale |                                 |                                       |                        |   |                            |                          |  |
| 21. Classification No.<br>N° de classement  | 22. Tariff CD<br>CD tarif                                     | 23. Quantity<br>Quantité                       | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |
| 31. Value for Duty<br>Valeur en douane      | 32. Customs Duties<br>Droits de douane                        | 33. SIMA Assessment<br>Cotisation de LMSI      | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |
| <b>Customs Duties/<br/>Droits de Douane</b> |   |  |                                 |                                       |                        |   |                            |                          |  |

|  |                   |  |  |  |  |  |  |  |  |
|--|-------------------|--|--|--|--|--|--|--|--|
| 18. 19.  | 20. +988,158.66   |  |  |  |  |  |  |  |  |
| 21. 22. 23. 24. <b>SIMA Assessment/<br/>Cotisation de LMSI</b> | 28. 29. 30. +0.00 |  |  |  |  |  |  |  |  |
| 31. 32. 33. 34. <b>Excise Tax/Taxe d'accise</b>                | 35. 36. +0.00     |  |  |  |  |  |  |  |  |
| <b>Sub Total/Total partiel</b>                                 |                   |  |  |  |  |  |  |  |  |

|                              |                                       |
|------------------------------|---------------------------------------|
| 18. 19.                      | 20. +49,407.92                        |
| 21. 22. 23. 24. <b>Total</b> | 25. 26. 27. 28. 29. 30. +1,037,566.58 |

|   |                    |
|---|--------------------|
| 31. 32. 33. 34. <b>INTEREST/INTÉRÊT</b> | 35. 36. +30,823.90 |
|---|--------------------|

|  |                         |
|--|-------------------------|
| 18. 19.  | 20. \$1,068,390.48      |
| 21. 22. 23. 24. <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> | 25. 26. 27. 28. 29. 30. |

|   |                    |
|---|--------------------|
| 31. 32. 33. <b>Payment is due by/<br/>Le paiement doit<br/>être effectué le</b> | 35. 36. 2019/06/22 |
|---|--------------------|

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY  
B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

99B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315936

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale7. Y-A M D-J  
2019/04/18

|  |   |                                   |   |   |  |   |                                  |                        |                            |
|--|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|----------------------------|
| 9. Sub<br>HDR NO.<br>N° de<br>sous-<br>en-tête | 10. Broker / Agent - Courtier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité | 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Délai | Page NO. - N° de page<br>5 |
|--|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|----------------------------|

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |                                 |                                       |                        |   |                            |                          | 20. Special Authority<br>Autorisation spéciale                     |
|-------------------|--|---|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GS1 Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Colisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |

Payment can be presented or mailed to any CBSA's office. Payment can be in the form of cash, traveller's cheques, official money orders, or certified cheques made payable to the Receiver General of Canada. Uncertified cheques may be accepted if security has been deposited with CBSA.

Le paiement peut être fait en espèces, par chèque de voyage, par mandat-poste ou par chèque visé libellé à l'ordre du Receveur général du Canada. Les chèques non certifiés seront acceptés si une garantie a été déposée au bureau de l'ASFC.

**FOR IMMEDIATE ACTION: SHOULD BE DIRECTED TO YOUR  
CUSTOMS/TRAFFIC DEPARTMENT OR CUSTOMS BROKER/AGENT**

21. 22. 23. 24. 25. 26. 27. 28. 29. 30.  
POUR ACTION IMMÉDIATE: ACHEMINEZ À VOTRE SERVICE DE  
DÔUANE OU À VOTRE COURTIER/AGENT EN DOUANE 35. 36.

MARZENA BRONES

MONTREAL

QUEBEC

REASSESSMENT PROCESSING

TRAITEMENT DE REEVALUATION

|     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
|-----|-----|-----|-----|-----|-----|

|         |     |
|---------|-----|
| 18. 19. | 20. |
|---------|-----|

|   |
|---|
| 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. |
|---|

|                         |
|-------------------------|
| 31. 32. 33. 34. 35. 36. |
|-------------------------|

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

100 B

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315936

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.  
N° de l'importateur5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

0395

00000673716820

7. Y-A M D-J  
2019/04/18

|   |   |                                   |   |   |  |   |                                  |                        |  |
|---|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|--|
| 9. Sub<br>HDR NO.<br>N° de<br>sous<br>en-tête | 10. Broker / Agent - Courrier / Agent<br><br>FEDEX TRADE NETWORKS TRANSPORT<br>& BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité | 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Délai | 18. Page NO. - N° de page<br>6<br>2019/05/23 |
|---|---|-----------------------------------|---|---|--|---|----------------------------------|------------------------|--|

| 18. Line<br>Ligne   | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |  |                                       |                        |   |                            |                          | 20. Special Authority<br>Autorisation spéciale                     |
|---|--|---|---|--|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|
| 21.   | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U-M  | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |
| 31.   | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise  | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |
| <b>Customs Duties/<br/>Droits de Douane</b>                         |  |   |   |  |                                       |                        |   |                            |                          |  |
| 18.   | 19.                                    |   |   |  |                                       |                        |   |                            | 20.                      | +988,158.66  |
| 21.   |  | 22.   | 23.                                       | 24. <b>SEIMA Assessment/<br/>Cotisation de LMSI</b>                              | 25.                                   | 26.                    | 27.   | 28.                        | 29.                      | 30. +0.00  |
| 31.   |  | 32.   | 33.                                       | 34. <b>Excise Tax/Taxe d'accise</b>  | 35.                                   | 36.                    |   |                            |                          | +0.00  |
| <b>Sub Total/Total partiel</b>                                      |  |   |   |  |                                       |                        |   |                            |                          |  |
| 18.   | 19.                                    |   |   |  |                                       |                        |   |                            | 20.                      | +49,407.92   |
| 21.   |  | 22.   | 23.                                       | 24. <b>Total</b>   | 25.                                   | 26.                    | 27.   | 28.                        | 29.                      | 30. +1,037,566.58  |
| 31.   |  | 32.   | 33.                                       | 34.  | 35.                                   | 36.                    |   |                            |                          | +30,823.90   |
| <b>INTEREST/INTÉRÊT</b>   |  |   |   |  |                                       |                        |   |                            |                          |  |
| 18.   | 19.                                    |   |   |  |                                       |                        |   |                            | 20.                      |  |
| 21.   |  | 22.   | 23.                                       | 24.  | 25.                                   | 26.                    | 27.   | 28.                        | 29.                      | 30. \$1,068,390.48   |
| 31.   |  | 32.   | 33.                                       | 34. <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> | 35.                                   | 36.                    |   |                            |                          |  |
| <b>Payment is due by/<br/>Le paiement doit<br/>être effectué le</b> |  |   |   |  |                                       |                        |   |                            |                          |  |
| 31.   |  | 32.   | 33.                                       | 34. Le paiement doit<br>être effectué le   | 35.                                   | 36.                    |   |                            |                          | 2019/06/22   |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY  
B2-1 (09)

\*\*\*\*\*

COPY - COPIE 1

Canada



1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315958

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

Business Number

Numéro d'entreprise

104621065

10462 1065 RM0001

4. Importer NO.

5. Office NO.

6. Original Transaction NO.

7. Y-A M D-J

N° de l'importateur

N° de bureau

0395

N° de la transaction originale

00000673716762

2019/04/18

9. Sub  
HDR NO.  
N° de  
sous-  
en-tête

10. Broker / Agent - Courrier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

1

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

12. Country of Origin

13. Place of Export

14. Tariff Treatment

Date of Decision

Pays d'origine

Lieu d'exportation

Traitement tarifaire

Date de la décision

2019/05/23

15. Direct Shipment Date

16. Currency Code

17. Time Limit - Délai

Date d'expédition directe

Code devise

18. Line  
Ligne

Description - As Ruled  
Designation - Selon la décision

20.

Special Authority  
Autorisation spéciale

|  |  |   |                                 |                                       |                        |   |                            |                          |  |
|--|--|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|
| 21. Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif              | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour charge |
| 31. Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane | 33. SIMA Assessment<br>Colisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |

18.

19.

SIMA/LMSI

Excise/Accise

GST/TPS

Total

|                         |             |                |                |                    |
|-------------------------|-------------|----------------|----------------|--------------------|
| 21. +831,526.20         | 23. +000.00 | 25. 26.+000.00 | 27. +41,576.29 | 28. 29.+873,102.49 |
| 31. 32. 33. 34. 35. 36. |             |                |                |                    |

18.

19.

VOTRE DEMANDE EST ACCEPTEE DANS LE CAS PRESENT SEULEMENT.  
VEUILLEZ NOTER QUE CETTE DECISION NE CONSTITUE PAS UN  
PRECEDENT.

31.

33.

34.

35.

36.

CE RAJUSTEMENT B2 GENERAL EST EN LIEN AVEC LES RESULTATS DE  
LA VERIFICATION C-2016-011118 (2016)

18.

19.

DES INTERETS ONT ETE CALCULES AU TAUX REGLEMENTAIRE A PARTIR  
DU MILIEU DE LA PERIODE DE CHAQUE TRIMESTRE JUSQU'A LA  
DATE DE LA PRESENTE DECISION.

31.

.

33.

34.

35.

36.

POUR PLUS D'INFORMATION, VEUILLEZ COMMUNIQUER AVEC :  
LUCIE GAGNE  
AGENTE PRINCIPALE, OBSERVATION DES ECHANGES COMMERCIAUX  
(418) 648-3401 EXT 2413

18.

19.

A REQUEST FOR A FURTHER RE-DETERMINATION RESPECTING THIS DECISION MAY BE  
MADE WITHIN 90 DAYS OF THE DATE OF DECISION ON THIS NOTICE, ON FORM B2,  
PURSUANT TO SUBSECTION 60(1) OF THE CUSTOMS ACT. THE PRESIDENT MAY, IN  
EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO ONE ADDITIONAL YEAR  
PURSUANT TO SECTION 60.1 OF THE CUSTOMS ACT.



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROJECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REPRIS) 102

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315958

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.  
N° de l'importateur

0395

5. Office NO.  
N° de bureau

0395

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

6. Original Transaction N°.  
N° de la transaction originale

00000673716762

7. Y-A M D-J  
2019/04/189. Sub-HDR NO.  
N° de sous-en-tête

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

10. Broker / Agent - Courrier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page  
212. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision  
2019/05/2315. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Désignation - Selon la décision |   |           |                             |                        |   |     |                        | 20.                      | Special Authority<br>Autorisation spéciale                         |
|-------------------|--|---|---|-----------|-----------------------------|------------------------|---|-----|------------------------|--------------------------|--|
| 21                | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD     | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       | Excise Tax<br>Taxe d'accise | 35.                    | Value for Tax<br>Valeur pour taxe                   | 36. | GST<br>TPS             |                          |  |

18. 19. VOUS POUVEZ DEMANDER UN REEXAMEN DE CETTE DECISION DANS LES 90 JOURS  
20. SUIVANT LA DATE DE LA DECISION DANS LE PRESENT AVIS, CONFORMEMENT AU  
PARAGRAPHE 60(1) DE LA LOI SUR LES DOUANES, EN UTILISANT A CETTE FIN  
31. LE FORMULAIRE B2. LE PRESIDENT PEUT, EN PRESENCE DE CIRCONSTANCES  
EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT  
A L'ARTICLE 60.1 DE LA LOI SUR LES DOUANES.

18. YOUR 19. CORRECTION FILED UNDER SECTION 32.2 OF THE CUSTOMS ACT HAS 20.  
BEEN ACCEPTED AND AS SUCH IS TREATED AS A RE-DETERMINATION UNDER  
21. SUBSECTION 59(1)(A) OF THE CUSTOMS ACT. THIS NOTICE IS ISSUED 30.  
UNDER SUBSECTION 59(2) OF THE CUSTOMS ACT. THE CANADA BORDER  
31. SERVICES AGENCY RESERVES THE RIGHT TO FURTHER REVIEW AND 36.  
RE-DETERMINE AT A LATER DATE UNDER SUBSECTION 59(1)(B) OF THE  
CUSTOMS ACT.

18. LA CORRECTION QUE VOUS AVEZ EFFECTUÉE EN VERTU DE L'ARTICLE 32.2 DE LA  
LOI SUR LES DOUANES A ÉTÉ ACCEPTÉE, ET SON ACCEPTATION, QUI EST  
21. ASSIMILÉE À LA REVISION PRÉVUE À L'ALINEA 259(1)A) DE LA MEME LOI 30. VOUS EST  
NOTIFIÉE EN APPLICATION DU PARAGRAPHE 59(2) DE CETTE LOI. L'AGENCE DES  
31. SERVICES FRONTALIERS DU CANADA SE RESERVE CEPENDANT LE DROIT DE PROCÉDER  
PLUS TARD À UN REEXAMEN EN VERTU DE L'ALINEA 59(1)B).

DUTIES OWING AS A RESULT OF THIS DECISION ARE PAYABLE, OR SATISFACTORY  
SECURITY REQUIRED, BEFORE A REQUEST MAY BE FILED UNDER SUBSECTION 60(1)  
OF THE CUSTOMS ACT.

21. 22. 23. 24. 25. 26. 27. 28. 29. 30.  
VOUS NE POUVEZ PRÉSENTER UNE DEMANDE EN VERTU DU PARAGRAPHE 60(1) DE LA  
31. LOI SUR LES DOUANES AVANT D'AVOIR PAYÉ 34. LES DROITS EXIGIBLES EN RAISON DE  
 CETTE DECISION OU AVANT D'AVOIR DÉPOSÉ UNE GARANTIE SATISFAISANTE À CET  
EGARD.



1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - Nº de transaction

13003101315958

3. GST Registration NO. - Nº de TPS

104621065

4. Importer NO.  
Nº de l'importateur5. Office NO.  
Nº de bureau6. Original Transaction NO.  
Nº de la transaction originale

7 Y-A M D-J

0395

00000673716762

2019/04/18

Business Number

Numéro d'entreprise

10462 1065 RM0001

Page NO. - Nº de page

3

9. Sub  
HDR NO.  
Nº de  
sous-  
en-tête

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

10. Broker / Agent - Courrier / agent

11. Security NO. - Nº de sécurité

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Défai-

18. Line  
Ligne

| Description - As Ruled<br>Designation - Selon la décision |  |  |   |                                 |                                       |                        |   |                            |                          | Special Authority<br>Autorisation spéciale |  |
|---|--|--|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|--|
| 21.   | Classification No.<br>Nº de classement | 22. Tariff CD<br>CD tarif              | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30.  | Value for Currency Conversion<br>Conversion valeur pour charge |
| 31.   | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |  |

18.

19. **AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY  
REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN  
GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE  
WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -  
COLLECTIONS.**

MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES  
DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT  
DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT  
QUI DEMEURE IMPAYEE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET  
DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -  
RECOUVREMENT.

18.

|     |     |
|-----|-----|
| 19. | 20. |
| 21. | 22. |
| 31. | 32. |

18.

|     |     |
|-----|-----|
| 19. | 20. |
| 21. | 22. |
| 31. | 32. |



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

104

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315958

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

Business Number  
Numéro d'entreprise  
10462 1065 RM0001

|  |  |                                       |   |                            |
|--|--|---------------------------------------|---|----------------------------|
| 3. GST Registration NO. - N° de TPS<br>104621065 | 4. Importer NO.<br>N° de l'importateur<br>0395 | 5. Office NO.<br>N° de bureau<br>0395 | 6. Original Transaction NO.<br>N° de la transaction originale<br>00000673716762 | 7. Y-A M D-J<br>2019/04/18 |
|--|--|---------------------------------------|---|----------------------------|

|                                      |   |                                   |                            |
|--------------------------------------|---|-----------------------------------|----------------------------|
| 9. Sub HDR NO.<br>N° de sous-en-tête | 10. Broker / Agent - Courtier / agent<br>FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC. | 11. Security NO. - N° de sécurité | Page NO. - N° de page<br>4 |
|--------------------------------------|---|-----------------------------------|----------------------------|

9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

|   |   |  |   |
|---|---|--|---|
| 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | Date of Decision<br>Date de la décision<br>2019/05/23 |
|---|---|--|---|

|   |                                  |                        |
|---|----------------------------------|------------------------|
| 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Delay |
|---|----------------------------------|------------------------|

| 18. Line<br>Ligne                         | 19. Description - As Ruled<br>Désignation - Selon la décision | 20. Special Authority<br>Autorisation spéciale |           |                         |                        |   |                            |                          |  |
|---|---|--|-----------|-------------------------|------------------------|---|----------------------------|--------------------------|--|
| 21. Classification No<br>N° de classement | 22. Tariff CD<br>CD tariff                                    | 23. Quantity<br>Quantité                       | 24. U - M | 25. VDF Code<br>Code VD | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |

|  |  |   |                                 |                                       |                |
|--|--|---|---------------------------------|---------------------------------------|----------------|
| 31. Value for Duty<br>Valeur en douane | 32. Customs Duties<br>Droits de douane | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS |
|--|--|---|---------------------------------|---------------------------------------|----------------|

Customs Duties/  
Droits de Douane

+831,526.20

|     |     |     |  |     |     |     |       |
|-----|-----|-----|--|-----|-----|-----|-------|
| 21. | 22. | 23. | 24. SIMA Assessment/<br>Cotisation de LMSI | 28. | 29. | 30. | +0.00 |
|-----|-----|-----|--|-----|-----|-----|-------|

|     |     |     |                              |     |     |       |
|-----|-----|-----|------------------------------|-----|-----|-------|
| 31. | 32. | 33. | 34. Excise Tax/Taxe d'accise | 35. | 36. | +0.00 |
|-----|-----|-----|------------------------------|-----|-----|-------|

## Sub Total/Total partiel

+831,526.20

|         |         |  |  |  |  |  |                |
|---------|---------|--|--|--|--|--|----------------|
| 18. 19. | GST/TPS |  |  |  |  |  | 20. +41,576.29 |
|---------|---------|--|--|--|--|--|----------------|

|     |     |     |     |     |     |     |     |     |     |             |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. | +873,102.49 |
|     |     |     |     |     |     |     |     |     |     |             |

## Total

+22,661.55

|     |     |     |     |     |     |            |
|-----|-----|-----|-----|-----|-----|------------|
| 31. | 32. | 33. | 34. | 35. | 36. | +22,661.55 |
|-----|-----|-----|-----|-----|-----|------------|

## INTEREST/INTÉRÊT

|         |   |  |  |  |  |  |                  |
|---------|---|--|--|--|--|--|------------------|
| 18. 19. | Amount due to Receiver<br>General/Montant dû au<br>Receveur général |  |  |  |  |  | 20. \$895,764.04 |
|---------|---|--|--|--|--|--|------------------|

|     |     |     |     |     |     |     |     |     |     |              |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------------|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. | \$895,764.04 |
|     |     |     |     |     |     |     |     |     |     |              |

## Payment is due by/

|     |     |     |                                      |     |     |            |
|-----|-----|-----|--------------------------------------|-----|-----|------------|
| 31. | 32. | 33. | Le paiement doit<br>être effectué le | 35. | 36. | 2019/06/22 |
|-----|-----|-----|--------------------------------------|-----|-----|------------|

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY  
B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTEGÉ (UNE FOIS REMPLI)

105

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

13003101315958

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

|  |  |  |                            |
|--|--|--|----------------------------|
| 3. GST Registration NO. - N° de TPS    | Business Number<br>Numéro d'entreprise |  |                            |
| 104621065                              | 10462 1065 RM0001                      |  |                            |
| 4. Importer NO.<br>N° de l'importateur | 5. Office NO.<br>N° de bureau          | 6. Original Transaction NO.<br>N° de la transaction initiale | 7. Y-A M D J<br>2019/04/18 |
|  | 0395                                   | 00000673716762   |                            |

9. Sub HDH NO.

N° de  
sous-  
en-tête

FEDEX TRADE NETWORKS TRANSPORT  
& BROKERAGE (CANADA) INC.  
9800 CAVENDISH BLVD  
3RD FLOOR  
ST-LAURENT  
QC H4M2V9

11. Security NO. - N° de sécurité

Page NO. - N° de page

5

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2019/05/23

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Décal

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Désignation - Selon la décision |   |                                 |                         |                                   |   |            |                      |                          |     | 20.  | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|---------------------------------|-------------------------|-----------------------------------|---|------------|----------------------|--------------------------|-----|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD | 26. SIMA CD<br>CD LMSI            | 27. Rate of Customs duty<br>Taux de droit de douane | 28.        | E.T. Rate<br>Taux FA | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35.                     | Value for Tax<br>Valeur pour taxe | 36.   | GST<br>TPS |                      |                          |     |  |  |

Payment can be presented or mailed to any CBSA's office. Payment can be in the form of cash, traveller's cheques, official money orders, or certified cheques made payable to the Receiver General of Canada. Uncertified cheques may be accepted if security has been deposited with CBSA.

Le paiement peut être fait en espèces, par chèque de voyage, par mandat-poste ou par chèque visé libellé à l'ordre du Receveur général du Canada. Les chèques non certifiés seront acceptés si une garantie a été déposée au bureau de l'ASFC.

FOR IMMEDIATE ACTION: SHOULD BE DIRECTED TO YOUR  
CUSTOMS/TRAFFIC DEPARTMENT OR CUSTOMS BROKER/AGENT

21. 22. 23. 24. 25. 26. 27. 28. 29. 30.  
POUR ACTION IMMÉDIATE: ACHEMINEZ À VOTRE SERVICE DE  
DOUANE OU À VOTRE COURTIER/AGENT EN DOUANE 35. 36.

MARZENA BRONES  
MONTREAL  
REASSESSMENT PROCESSING  
TRAITEMENT DE REEVALUATION

QUEBEC

31. 32. 33. 34. 35. 36.

18. 19. 20.  
21. 22. 23. 24. 25. 26. 27. 28. 29. 30.  
31. 32. 33. 34. 35. 36.



1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

13003101315958

Business Number

Numéro d'entreprise  
10462 1065 RM0001

3. GST Registration NO. - N° de TPS

104621065

4. Importer NO.

5. Office NO.

6. Original Transaction NO.

7. Y-A M D-J

N° de l'importateur

N° de bureau

N° de la transaction originale

0395

00000673716762

2019/04/18

|                                      |  |                                   |   |   |   |   |                                  |                       |                            |
|--------------------------------------|--|-----------------------------------|---|---|---|---|----------------------------------|-----------------------|----------------------------|
| 9. Sub HDR NO.<br>N° de sous-en-tête | 10. Broker / Agent - Courrier / agent<br><br>FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE (CANADA) INC.<br>9800 CAVENDISH BLVD<br>3RD FLOOR<br>ST-LAURENT<br>QC H4M2V9 | 11. Security NO. - N° de sécurité | 12. Country of Origin<br>Pays d'origine | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitemen tarifaire | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise | 17. Time Limit - Déla | Page NO. - N° de page<br>6 |
|--------------------------------------|--|-----------------------------------|---|---|---|---|----------------------------------|-----------------------|----------------------------|

| 18. Line<br>Ligne  | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |                                 |                         |                        |   |                            |                          | 20.   | Special Authority<br>Autorisation spéciale |
|--|--|---|---|---------------------------------|-------------------------|------------------------|---|----------------------------|--------------------------|---|--|
| 21.  | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tariff                                | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion value pour change |  |
| 31.  | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35.                     | 36.                    | Value for Tax<br>Valeur pour taxe                   | 37.                        | 38.                      | GST<br>TPS  |  |
| <b>Customs Duties/<br/>Droits de Douane</b>                                  |  |   |   |                                 |                         |                        |   |                            |                          |   |  |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          | +831,526.20   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   | +0.00                                      |
| 31.  | 32.                                    | 33.   | 34.                                       | 35.                             | 36.                     | 37.                    | 38.   | 39.                        | 40.                      | 41.   | +0.00                                      |
| <b>SEMA Assessment/<br/>Cotisation de LMSI</b>                               |  |   |   |                                 |                         |                        |   |                            |                          |   |  |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   | +831,526.20                                |
| 31.  | 32.                                    | 33.   | 34.                                       | 35.                             | 36.                     | 37.                    | 38.   | 39.                        | 40.                      | 41.   | +41,576.29                                 |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   | +873,102.49                                |
| 31.  | 32.                                    | 33.   | 34.                                       | 35.                             | 36.                     | 37.                    | 38.   | 39.                        | 40.                      | 41.   | +22,661.55                                 |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| <b>INTEREST/INTÉRÊT</b>  |  |   |   |                                 |                         |                        |   |                            |                          |   |  |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   | \$895,764.04                               |
| 31.  | 32.                                    | 33.   | 34.                                       | 35.                             | 36.                     | 37.                    | 38.   | 39.                        | 40.                      | 41.   |  |
| <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> |  |   |   |                                 |                         |                        |   |                            |                          |   |  |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   |  |
| 31.  | 32.                                    | 33.   | 34.                                       | 35.                             | 36.                     | 37.                    | 38.   | 39.                        | 40.                      | 41.   |  |
| <b>Payment is due by/<br/>Le paiement doit<br/>être effectué le</b>          |  |   |   |                                 |                         |                        |   |                            |                          |   |  |
| 18.  | 19.                                    | 20.   |   |                                 |                         |                        |   |                            |                          |   |  |
| 21.  | 22.                                    | 23.   | 24.                                       | 25.                             | 26.                     | 27.                    | 28.   | 29.                        | 30.                      | 31.   | 2019/06/22                                 |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2019/05/24.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2019/05/24.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

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COPY - COPIE 1

Canada

This is Exhibit "G"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.

  
A Commissioner, etc.

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

108

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction No. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

3. GST Registration No. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer No.

N° de l'importateur

5. Office No.

N° de bureau

6. Original Transaction No.

N° de la transaction originale

7. Y-A M D-J

0395

00000673716820

2019/04/18

9. Sub  
HDR NO.  
N° de  
sous-  
en-tête

10. Broker / Agent - Courtier / agent

11. Security No. - N° de sécurité

Page No. - N° de page

1

GREY, CLARK, SHIH AND ASSOCIATES  
LTD. ATTN: PETER CLARK  
571 BLAIR ROAD  
OTTAWA  
ON K1J 7M3

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitemet tarifaireDate of Decision  
Date de la décision

2020/07/30

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise17. Time Limit  
Décal

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |           |                          |                             |   |     |                        |                                       |     |  |                | 20. | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|-----------|--------------------------|-----------------------------|---|-----|------------------------|---------------------------------------|-----|--|----------------|-----|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD  | 26. SIMA CD<br>CD LMSI      | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS              | 30. | Value for Currency Conversion<br>Conversion valeur pour change |                |     |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       |                          | Excise Tax<br>Taxe d'accise | 35.   |     |                        | 36. Value for Tax<br>Valeur pour taxe |     |  | 39. GST<br>TPS |     |  |
| 18.               | 19.                                    | Duties/Droits<br>+988,158.66                              | SIMA/LMSI<br>+000.00                      |           | Excise/Accise<br>+000.00 |                             | GST/TPS<br>+49,407.92                               |     |                        | Total<br>+1,037,566.58                |     |  |                |     |  |
| 31.               |  | 32.   | 33.                                       | 34.       | 35.                      | 36.                         |   |     |                        |                                       |     |  |                |     |  |
| 18.               | 19.                                    |   |   |           |                          |                             |   |     |                        |                                       |     |  | 20.            |     |  |
| 21.               | 22.                                    | 23.   | 24.                                       | 25.       | 26.                      | 27.                         | 28.   | 29. | 30.                    |                                       |     |  |                |     |  |
| 31.               | 32.                                    | 33.   | 34.                                       | 35.       | 36.                      |                             |   |     |                        |                                       |     |  |                |     |  |
| 18.               | 19.                                    |   |   |           |                          |                             |   |     |                        |                                       |     |  | 20.            |     |  |
| 21.               | 22.                                    | 23.   | 24.                                       | 25.       | 26.                      | 27.                         | 28.   | 29. | 30.                    |                                       |     |  |                |     |  |
| 31.               | 32.                                    | 33.   | 34.                                       | 35.       | 36.                      |                             |   |     |                        |                                       |     |  |                |     |  |
| 18.               | 19.                                    |   |   |           |                          |                             |   |     |                        |                                       |     |  | 20.            |     |  |
| 21.               | 22.                                    | 23.   | 24.                                       | 25.       | 26.                      | 27.                         | 28.   | 29. | 30.                    |                                       |     |  |                |     |  |
| 31.               | 32.                                    | 33.   | 34.                                       | 35.       | 36.                      |                             |   |     |                        |                                       |     |  |                |     |  |
| 18.               | 19.                                    |   |   |           |                          |                             |   |     |                        |                                       |     |  | 20.            |     |  |
| 21.               | 22.                                    | 23.   | 24.                                       | 25.       | 26.                      | 27.                         | 28.   | 29. | 30.                    |                                       |     |  |                |     |  |
| 31.               | 32.                                    | 33.   | 34.                                       | 35.       | 36.                      |                             |   |     |                        |                                       |     |  |                |     |  |

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) **109**

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

|  |                               |   |              |
|--|-------------------------------|---|--------------|
| 3. GST Registration NO. - N° de TPS    |                               | Business Number<br>Numéro d'entreprise                        |              |
| 104621065                              |                               | 10462 1065 RM0001   |              |
| 4. Importer NO.<br>N° de l'importateur | 5. Office NO.<br>N° de bureau | 6. Original Transaction NO.<br>N° de la transaction originale | 7. Y-A M D-J |
|  | 0395                          | 00000673716762  | 2019/04/18   |

9. Sub 10. Broker / Agent - Courrier / agent  
HDR NO.  
N° de  
sous  
en-tête

11. Security NO. - N° de sécurité

Page NO. - N° de page

2

GREY, CLARK, SHIH AND ASSOCIATES  
LTD. ATTN: PETER CLARK  
571 BLAIR ROAD  
OTTAWA  
ON K1J 7M3

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2020/07/30

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |     |                                       |           |                             |                        |   |                            |                          |     | 20.  | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|-----|---------------------------------------|-----------|-----------------------------|------------------------|---|----------------------------|--------------------------|-----|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. | Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD     | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. | SIMA Assessment<br>Cotisation de LMSI | 34.       | Excise Tax<br>Taxe d'accise | 35.                    | Value for Tax<br>Valeur pour taxe                   | 36.                        | GST<br>TPS               |     |  |  |

| 18. 19. | Duties/Droits | SIMA/LMSI | Excise/Accise | GST/TPS    | Total         |
|---------|---------------|-----------|---------------|------------|---------------|
| 21.     | +831,526.20   | +000.00   | +000.00       | +41,576.29 | 30+873,102.49 |

|     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
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| 18. 19. | 20. |
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| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
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| 31. | 32. | 33. | 34. | 35. | 36. |
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| 18. 19. | 20. |
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|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
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|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
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| 18. 19. | 20. |
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|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

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|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
|-----|-----|-----|-----|-----|-----|

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO - N° de transaction

00003001046726

## Business Number

Numéro d'entreprise

104621065

10462 1065 RM0001

7 Y-A M D-J

5 Office NO  
N° de bureau6 Original Transaction NO  
N° de la transaction originale

0395

00000673716706

2019/04/18

|   |  |   |   |  |   |
|---|--|---|---|--|---|
| 9. Sub<br>HDR NO.<br>N° de<br>sous<br>en-tête | 10. Broker / Agent - Courier / agent   | 11. Security NO - N° de sécurité                      | Page NO - N° de page                      |  |   |
|   | GREY, CLARK, SHIH AND ASSOCIATES LTD. ATTN: PETER CLARK 571 BLAIR ROAD OTTAWA ON K1J 7M3 |   | 3   |  |   |
|   |  | 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation | 14. Tariff Treatment<br>Traitement tarifaire | Date of Decision<br>Date de la décision |
|   |  | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          | 17. Time Limit - Délai                       | 2020/07/30                              |
|   |  |   |   |  | [REDACTED]                              |

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |           |                         |                             |   |     |                                  |                          |     | 20.  | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|-----------|-------------------------|-----------------------------|---|-----|----------------------------------|--------------------------|-----|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD | 26. SIMA CD<br>CD LMSI      | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A.           | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       |                         | Excise Tax<br>Taxe d'accise | 35.   |     | Vaue for Tax<br>Valeur pour taxe | 36.                      |     | GST<br>TPS   |  |

| 18. | 19.         | Duties/Droits | SIMA/LMSI | Excise/Accise | GST/TPS    | Total      |
|-----|-------------|---------------|-----------|---------------|------------|------------|
| 21. | +224,690.57 | 23.           | +000.00   | 25.           | 26.+000.00 | *11,234.54 |

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| 31. | 32. | 33. | 34. | 35. | 36. |
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|     |     |     |     |     |     |     |     |     |     |     |  |     |  |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|--|
| 18. | 19. |     |     |     |     |     |     |     |     |     |  | 20. |  |
| 21. |     | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |  |     |  |
| 31. |     | 32. | 33. | 34. | 35. | 36. |     |     |     |     |  |     |  |

|     |     |     |     |     |     |     |     |     |     |     |  |     |  |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|--|
| 18. | 19. |     |     |     |     |     |     |     |     |     |  | 20. |  |
| 21. |     | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |  |     |  |
| 31. |     | 32. | 33. | 34. | 35. | 36. |     |     |     |     |  |     |  |

|     |     |     |     |     |     |     |     |     |     |     |  |     |  |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|--|
| 18. | 19. |     |     |     |     |     |     |     |     |     |  | 20. |  |
| 21. |     | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |  |     |  |
| 31. |     | 32. | 33. | 34. | 35. | 36. |     |     |     |     |  |     |  |

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

| 3. GST Registration NO. - N° de TPS    |                               | Business Number<br>Numéro d'entreprise                        |              |
|--|-------------------------------|---|--------------|
| 104621065                              |                               | 10462 1065 RM0001   |              |
| 4. Importer NO.<br>N° de l'importateur | 5. Office NO.<br>N° de bureau | 6. Original Transaction NO.<br>N° de la transaction originale | 7. Y-A M D-J |
|  | 0395                          | 00000673717262  | 2019/04/18   |

9. Sub 10. Broker / Agent - Courrier / agent  
HDR NO.  
N° de  
sous-  
en-tête

11. Security NO - N° de sécurité  
Page NO. - N° de page

4

GREY, CLARK, SHIH AND ASSOCIATES  
LTD. ATTN: PETER CLARK  
571 BLAIR ROAD  
OTTAWA  
ON K1J 7M3

12. Country of Origin 13. Place of Export  
Pays d'origine Lieu d'exportation  
14. Tariff Treatment  
Traitement tarifaire  
Date of Decision  
Date de la décision

2020/07/30

15. Direct Shipment Date 16. Currency Code  
Date d'expédition directe Code devise  
17. Time Limit - Délai

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Désignation - Selon la décision |   |           |                             |                        |   |     |                        |                          |  | 20.        | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|-----------|-----------------------------|------------------------|---|-----|------------------------|--------------------------|--|------------|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD     | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |            |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Colisation de LMSI | 34.       | Excise Tax<br>Taxe d'accise | 35.                    | Value for Tax<br>Valeur pour taxe                   | 36. |                        |                          |  | GST<br>TPS |  |

| 18. | 19.         | Duties/Droits | SIMA/LMSI      | Excise/Accise  | GST/TPS                 | Total |
|-----|-------------|---------------|----------------|----------------|-------------------------|-------|
| 21. | +384,953.73 | 23. +000.00   | 25. 26.+000.00 | 27. +19,247.70 | 28. 29. 30. +404,201.43 |       |
| 31. | 32.         | 33.           | 34.            | 35.            | 36.                     |       |

|     |   |                          |     |     |     |     |     |     |
|-----|---|--------------------------|-----|-----|-----|-----|-----|-----|
| 18. | 19.   | RE COURSE FILE # 19-0269 | 25. | 26. | 27. | 28. | 29. | 30. |
| 21. | THE WHEELS FOR RAILWAY VEHICLES AT ISSUE ARE SAME AND<br>SIMILAR TO THE H36 WHEELS, CLASS C, WHICH WERE DETERMINED TO BE<br>CLASSIFIED UNDER TARIFF ITEM NO. 8607.19.29 AS OTHER WHEELS<br>NOT FITTED WITH AXLES, IN THE DECISION ISSUED BY THE CANADIAN<br>INTERNATIONAL TRADE TRIBUNAL ON MARCH 17, 2020, IN THE APPEAL<br>NO. AP-2019-003. |                          |     |     |     |     |     |     |

|     |     |  |     |
|-----|-----|--|-----|
| 18. | 19. | THE DECISION AND REASONS TO THIS APPEAL EXPLAIN THAT: "AFTER<br>CAREFUL CONSIDERATION OF THE EVIDENCE SET OUT ABOVE, IT IS<br>THE TRIBUNAL'S VIEW THAT THE GOODS IN ISSUE ARE WHEELS WITH<br>ROUGH-CUT BORES. AT THE TIME OF IMPORTATION, THEY ARE RAIL<br>WHEELS PRODUCED TO INDUSTRY STANDARDS, WHICH, THE TRIBUNAL<br>NOTES, REQUIRE A ROUGH-CUT BORE. THAT THEY REQUIRE ADDITIONAL<br>FINISHING TO BE FITTED ONTO AN AXLE DOES NOT CHANGE THE FACT<br>THAT THE GOODS IN ISSUE ARE COMPLETE RAIL WHEELS." | 20. |
|-----|-----|--|-----|

|     |  |     |
|-----|--|-----|
| 21. | THE WHEELS FOR RAILWAY VEHICLES AT ISSUE ARE SAME AND SIMILAR TO THE H36 WHEELS, CLASS C, IN THE APPEAL<br>NO. AP-2019-003, THEY ARE ALSO CLASSIFIED UNDER TARIFF ITEM<br>8607.19.29 AS OTHER WHEELS NOT FITTED WITH AXLES, IN ACCORD<br>ANCE WITH G.I.R. 1 AND 6, AND CANADIAN RULE 1 OF THE CUSTOMS<br>TARIFF. | 20. |
|-----|--|-----|

|     |  |     |
|-----|--|-----|
| 31. | THE WHEELS FOR RAILWAY VEHICLES AT ISSUE ARE SAME AND SIMILAR TO THE H36 WHEELS, CLASS C, IN THE APPEAL<br>NO. AP-2019-003, THEY ARE ALSO CLASSIFIED UNDER TARIFF ITEM<br>8607.19.29 AS OTHER WHEELS NOT FITTED WITH AXLES, IN ACCORD<br>ANCE WITH G.I.R. 1 AND 6, AND CANADIAN RULE 1 OF THE CUSTOMS<br>TARIFF. | 20. |
|-----|--|-----|

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTEGE (UNE FOIS REMPLI)

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

2. Transaction NO. - N° de transaction

00003001046726

Business Number

Numéro d'entreprise

104621065

10462 1065 RM0001

7. Y-A M D-J

5. Office NO.  
N° de bureau6. Original Transaction NO.  
N° de la transaction originale

0395 00000673717262

2019/04/18

9. Sub  
HDR NO.  
N° de  
sous  
en-tête

10. Broker / Agent - Courtier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

5

GREY, CLARK, SHIH AND ASSOCIATES  
LTD. ATTN: PETER CLARK  
571 BLAIR ROAD  
OTTAWA  
ON K1J 7M3

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2020/07/30

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

[REDACTED]

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |           |                              |                        |   |     |                        |                         |     | 20.  | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|-----------|------------------------------|------------------------|---|-----|------------------------|-------------------------|-----|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD      | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Tax TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       | Excise Tax,<br>Taxe d'accise | 35.                    | Value for Tax<br>Valeur pour taxe                   | 36. |                        |                         |     | GST<br>TPS   |  |

|   |     |     |
|---|-----|-----|
| 18.   | 19. | 20. |
| <b>THEREFORE THE AMOUNTS ASSESSED ON ADJUSTMENTS 13003101315936<br/>13003101315958, 13003101315969 AND 13003101315970 AND SECURED<br/>BY BOND ARE NOW DUE AND OWING PLUS THE ADDITIONAL INTEREST<br/>ASSESSED ON THIS ADJUSTMENT.<br/>PLEASE DIRECT ANY INQUIRIES TO ROBERT DOYON, APPEALS OFFICER<br/>TEL: 514-286-7879 EXT 5222 / MOB: 343-571-8098</b> |     |     |
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|   |     |     |
|---|-----|-----|
| 18.   | 19. | 20. |
| <b>AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY<br/>REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN<br/>GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE<br/>WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 -<br/>COLLECTIONS.</b> |     |     |
|   |     |     |
|   |     |     |
|   |     |     |

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|---|-----|-----|
| 18.   | 19. | 20. |
| <b>MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES<br/>DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT<br/>DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT<br/>QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET<br/>DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 -<br/>RECOUVREMENT.</b> |     |     |
|   |     |     |
|   |     |     |
|   |     |     |

|  |     |     |
|--|-----|-----|
| 18.  | 19. | 20. |
| <b>THIS REPRESENTS A DECISION OF THE PRESIDENT OF THE CANADA BORDER<br/>SERVICES AGENCY UNDER SUBSECTION 60(4) OF THE CUSTOMS ACT.</b>   |     |     |
|  |     |     |
| <b>LA PRESENTE EST UNE DECISION RENDUE PAR LE PRESIDENT DE L'AGENCE<br/>DES SERVICES FRONTALIERS DU CANADA, EN APPLICATION DU PARAGRAPHE 60 (4)<br/>DE LA LOI SUR LES DOUANES.</b> |     |     |
|  |     |     |

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| 31. | 32. | 33. | 34. | 35. | 36. |
|-----|-----|-----|-----|-----|-----|



Canada Border Services Agency

Agence des services frontaliers du Canada

CANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI) 113

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA J0P1B0

|  |                               |   |              |
|--|-------------------------------|---|--------------|
| 3. GST Registration NO. - N° de TPS    |                               | Business Number<br>Numéro d'entreprise                        |              |
| 104621065                              |                               | 10462 1065 RM0001   |              |
| 4. Importer NO.<br>N° de l'importateur | 5. Office NO.<br>N° de bureau | 6. Original Transaction NO.<br>N° de la transaction originale | 7. Y-A M D-J |
|  | 0395                          | 00000673717262  | 2019/04/18   |

|  |                                       |   |   |
|--|---------------------------------------|---|---|
| 9. Sub<br>HDR NO.<br>N° de<br>sous<br>en-tête  | 10. Broker / Agent - Courtier / agent | 11. Security NO. - N° de sécurité                     | Page NO. - N° de page<br>6                            |
| GREY, CLARK, SHIH AND ASSOCIATES LTD. ATTN: PETER CLARK 571 BLAIR ROAD OTTAWA ON K1J 7M3 |                                       | 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation             |
|  |                                       | 14. Tariff Treatment<br>Traitement tarifaire          | Date of Decision<br>Date de la décision<br>2020/07/30 |
|  |                                       | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise                      |
|  |                                       | 17. Time Limit - Délai                                |   |

| 18. Line<br>Ligne                          | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |                                 |                                       |                        |   |                            |                          |  |  |  | 20. Special Authority<br>Autorisation spéciale |
|--|--|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|--|--|--|
| 21. Classification No.<br>N° de classement | 22. Tariff CD<br>CD tauf               | 23. Quantity<br>Quantité                                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |  |  |  |
| 31. Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane | 33. SIMA Assessment<br>Cotisation de LMSI                 | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |  |  |  |

18. 19. 20.

**AN APPEAL OF THIS DECISION MAY BE MADE UNDER SECTION 67 OF THE CUSTOMS ACT BY FILING A WRITTEN NOTICE WITH BOTH THE PRESIDENT OF THE CANADA BORDER SERVICES AGENCY AND THE SECRETARY OF THE CANADIAN INTERNATIONAL TRADE TRIBUNAL WITHIN 90 DAYS FROM THE DATE OF THIS NOTICE. THE CITT MAY, IN EXCEPTIONAL CIRCUMSTANCES, EXTEND THIS TIME LIMIT UP TO AN ADDITIONAL YEAR PURSUANT TO SECTION 67.1 OF THE CUSTOMS ACT.**

18. 19. 20.

**EN VERTU DE L'ARTICLE 67 DE LA LOI SUR LES DOUANES, ON PEUT INTERJETER APPEL DE CETTE DECISION, EN PRESENTANT UN AVIS ECRIT AU PRESIDENT DE L'AGENCE DES SERVICES FRONTALIERS DU CANADA ET AU SECRETAIRE DU TRIBUNAL CANADIEN DU COMMERCE EXTERIEUR, DANS LES 90 JOURS QUI SUIVENT LA DATE DE CETTE NOTE. LE TCCE PEUT, EN PRESENCE DE CIRCONSTANCES EXTRAORDINAIRES, PROROGER CE DELAI D'UNE ANNEE ADDITIONNELLE CONFORMEMENT A L'ARTICLE 67.1 DE LA LOI SUR LES DOUANES.**

18. 19. 20.

**AMOUNTS PAYABLE ARE DUE UPON RECEIPT OF THIS NOTICE, NOTWITHSTANDING ANY REQUEST OR APPEAL, OTHER THAN THAT FOR WHICH SECURITY MAY BE AND HAS BEEN GIVEN. ANY AMOUNT WHICH REMAINS OUTSTANDING AFTER THE SPECIFIED DUE DATE WILL BE SUBJECT TO COLLECTION ACTIONS UNDER THE CUSTOMS ACT, PART V.1 - COLLECTIONS.**

18. 19. 20.

**MEME SI VOUS PRESENTEZ UNE AUTRE DEMANDE OU UN APPEL, TOUS LES SOMMES DUES SONT PAYABLES SUR RECEPTION DE CET AVIS, A MOINS QU'UNE GARANTIE SOIT DEPOSEE A CET EGARD OU SI UNE GARANTIE A DEJA ETE DEPOSEE. TOUT MONTANT QUI DEMEURE IMPAYE APRES LA DATE D'ECHEANCE SPECIFIEE, POURRA FAIRE L'OBJET DE MESURES DE RECOUVREMENT EN VERTU DE LA LOI SUR LES DOUANES, PARTIE V.1 - RECOUVREMENT.**

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

114

1. Importer Name and Address - Nom et adresse de l'importateur

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

2. Transaction No. - N° de transaction

00003001046726

|   |   |  |  |
|---|---|--|--|
| 9. Sub<br>HDR NO.<br>N° de<br>sous<br>en-tête | 10. Broker / Agent - Courrier / agent   | 11. Security No. - N° de sécurité                  | Page No. - N° de page                  |
|   | GREY, CLARK, SHIH AND ASSOCIATES LTD. ATTN: PETER CLARK<br>571 BLAIR ROAD<br>OTTAWA<br>ON K1J 7M3 |  | 7                                      |
|   |   | 12. Country of Origin Pays d'origine               | 13. Place of Export Lieu d'exportation |
|   |   | 15. Direct Shipment Date Date d'expédition directe | 16. Currency Code Code devise          |
|   |   | 17. Time Limit - Délai                             | Date of Decision Date de la décision   |
|   |   |  | 2020/07/30                             |

| 18. Line<br>Ligne  | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |                                    |           |  |                        |   |     |                        |                          |     | 20.  | Special Authority<br>Autorisation spéciale |
|--|--|---|------------------------------------|-----------|--|------------------------|---|-----|------------------------|--------------------------|-----|--|--|
| 21.  | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité           | 24. U - M | 25. VDF Code<br>Code VD                        | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valeur pour change |  |
| 31.  | Value for Duty<br>Valeur en douane     | 32.   | Customs Duties<br>Droits de douane | 33.       | SIMA Assessment<br>Cotisation de LMSI          | 34.                    | Excise Tax<br>Taxe d'accise                         | 35. |                        | 36.                      |     | GST<br>TPS   |  |
| <b>Customs Duties/<br/>Droits de Douane</b>                                  |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 18.  | 19.                                    |   |                                    |           |  |                        |   |     |                        | 20.                      |     |  | +0.00                                      |
| 21.  |  | 22.   | 23.                                | 24.       | <b>SIMA Assessment/<br/>Cotisation de LMSI</b> |                        |   | 28. | 29.                    | 30.                      |     |  | +0.00                                      |
| 31.  |  | 32.   | 33.                                | 34.       |  |                        |   | 35. |                        | 36.                      |     |  | +0.00                                      |
| <b>Excise Tax/Taxe d'accise</b>  |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| <b>Sub Total/Total partiel</b>   |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 18.  | 19.                                    |   |                                    |           |  |                        |   |     |                        | 20.                      |     |  | +0.00                                      |
| <b>GST/TPS</b>   |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 21.  |  | 22.   | 23.                                | 24.       | 25.  | 26.                    | 27.   | 28. | 29.                    | 30.                      |     |  | +0.00                                      |
| 31.  |  | 32.   | 33.                                | 34.       |  |                        |   | 35. |                        | 36.                      |     |  | +0.00                                      |
| <b>Total</b>   |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 31.  |  | 32.   | 33.                                | 34.       |  |                        |   | 35. |                        | 36.                      |     |  | +46,149.75                                 |
| <b>INTEREST/INTÉRÊT</b>  |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 18.  | 19.                                    |   |                                    |           |  |                        |   |     |                        | 20.                      |     |  |  |
| <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 21.  |  | 22.   | 23.                                | 24.       | 25.  | 26.                    | 27.   | 28. | 29.                    | 30.                      |     |  | \$46,149.75                                |
| <b>Payment is due by/<br/>Le paiement doit<br/>être effectué le</b>          |  |   |                                    |           |  |                        |   |     |                        |                          |     |  |  |
| 31.  |  | 32.   | 33.                                | 34.       |  |                        |   | 35. |                        | 36.                      |     |  | 2020/08/29                                 |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2020/07/31.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2020/07/31.

COPIE DU VERSEMENT/REMITTANCE COPY

B2-1 (09)

COPY - COPIE 1

Canada

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTÉGÉ (UNE FOIS REMPLI)

115

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA  
J0P1B0

3. GST Registration NO. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

4. Importer NO.

N° de l'importateur

5. Office NO.

N° de bureau

6. Original Transaction NO.

N° de la transaction originale

7. Y-A M D-J

0395

00000673717262

2019/04/18

9. Sub  
HDR NO.  
N° de  
sous  
en-tête

10. Broker / Agent - Courtier / agent

11. Security NO. - N° de sécurité

Page NO. - N° de page

8

GREY, CLARK, SHIH AND ASSOCIATES  
LTD. ATTN: PETER CLARK  
571 BLAIR ROAD  
OTTAWA  
ON K1J 7M3

12. Country of Origin  
Pays d'origine13. Place of Export  
Lieu d'exportation14. Tariff Treatment  
Traitement tarifaireDate of Decision  
Date de la décision

2020/07/30

15. Direct Shipment Date  
Date d'expédition directe16. Currency Code  
Code devise

17. Time Limit - Délai

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Désignation - Selon la décision |   |           |                             |                        |   |     |                       |                          |  | 20.        | Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|-----------|-----------------------------|------------------------|---|-----|-----------------------|--------------------------|--|------------|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD     | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux TA. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |            |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       | Excise Tax<br>Taxe d'accise | 35.                    | Value for Tax<br>Valeur pour taxe                   | 36. |                       |                          |  | GST<br>TPS |  |

Payment can be presented or mailed to any CBSA's office. Payment can be in the form of cash, traveller's cheques, official money orders, or certified cheques made payable to the Receiver General of Canada. Uncertified cheques may be accepted if security has been deposited with CBSA.

Le paiement peut être fait en espèces, par chèque de voyage, par mandat-poste ou par chèque visé libellé à l'ordre du Receveur général du Canada. Les chèques non certifiés seront acceptés si une garantie a été déposée au bureau de l'ASFC.

**FOR IMMEDIATE ACTION: SHOULD BE DIRECTED TO YOUR  
CUSTOMS/TRAFFIC DEPARTMENT OR CUSTOMS BROKER/AGENT**

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

**POUR ACTION IMMÉDIATE: ACHEMINEZ À VOTRE SERVICE DE  
DOUANE OU À VOTRE COURTIER/AGENT EN DOUANE**

|     |     |
|-----|-----|
| 35. | 36. |
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JOHN D TUCKER

OTTAWA 19

ONTARIO

20.

HQ APPEALS PROCESSING

TRAITEMENT DES APPELS - AC

|     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|
| 24. | 25. | 26. | 27. | 28. | 29. | 30. |
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|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
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| 18. | 19. | 20. |
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|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

|     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|
| 31. | 32. | 33. | 34. | 35. | 36. |
|-----|-----|-----|-----|-----|-----|

Canada Border  
Services AgencyAgence des services  
frontaliers du CanadaCANADA CUSTOMS - DETAILED ADJUSTMENT STATEMENT  
DOUANES CANADA - RELEVÉ DÉTAILLÉ DE RAJUSTEMENTPROTECTED (WHEN COMPLETED)  
PROTEGE (UNE FOIS REMPLI)

116

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction No. - N° de transaction

00003001046726

RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC  
QC CA

J0P1B0

3. GST Registration No. - N° de TPS

104621065

Business Number

Numéro d'entreprise

10462 1065 RM0001

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N° de l'importateur

5. Office No.

N° de bureau

6. Original Transaction No.

N° de la transaction originale

7. Y-A M D-J

0395

00000673717262

2019/04/18

|                                      |   |  |  |   |  |
|--------------------------------------|---|--|--|---|--|
| 9. Sub HDR No.<br>N° de sous en-tête | 10. Broker / Agent - Courtier / agent   | 11. Security No. - N° de sécurité                    | Page No. - N° de page                    |   |  |
|                                      | GREY, CLARK, SHIH AND ASSOCIATES LTD. ATTN: PETER CLARK<br>571 BLAIR ROAD<br>OTTAWA<br>ON K1J 7M3 | 12. Country of Origin - Pays d'origine               | 13. Place of Export - Lieu d'exportation | 14. Tariff Treatment - Traitement tarifaire | Date of Decision - Date de la décision |
|                                      |   | 15. Direct Shipment Date - Date d'expédition directe | 16. Currency Code - Code devise          | 17. Time Limit - Décal                      | 2020/07/30                             |
|                                      |   |  |  |   | [Redacted]                             |

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |           |  |                             |   |     |                                   |                          |     | 20.   | Special Authority<br>Autorisation spéciale |  |
|-------------------|--|---|---|-----------|--|-----------------------------|---|-----|-----------------------------------|--------------------------|-----|---|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M | 25. VDF Code<br>Code VD  | 26. SIMA CD<br>CD LMSI      | 27. Rate of Customs duty<br>Taux de droit de douane | 28. | E.T. Rate<br>Taux T.A.            | 29. GST Rate<br>Taux TPS | 30. | Value for Currency Conversion<br>Conversion valueur pour change |  |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34.       |  | Excise Tax<br>Taxe d'accise | 35.   |     | Value for Tax<br>Valeur pour taxe | 36.                      |     | GST<br>TPS  |  |  |
| 18.               | 19.                                    | <b>Customs Duties/<br/>Droits de Douane</b>               |   |           |  |                             |   |     |                                   |                          |     | 20.   | +0.00                                      |  |
| 21.               |  | 22.   | 23.                                       | 24.       | <b>SIMA Assessment/<br/>Cotisation de LMSI</b>                               |                             |   |     |                                   |                          |     |   |  |  |
| 31.               |  | 32.   | 33.                                       | 34.       | <b>Excise Tax/Taxe d'accise</b>  |                             |   |     |                                   |                          |     |   |  |  |
| 18.               | 19.                                    | <b>Sub Total/Total partiel</b>                            |   |           |  |                             |   |     |                                   |                          |     | 20.   | +0.00                                      |  |
| 21.               |  | 22.   | 23.                                       | 24.       | 25.  | 26.                         | 27.   | 28. | 29.                               | 30.                      |     | 20.   | +0.00                                      |  |
| 31.               |  | 32.   | 33.                                       | 34.       | <b>Total</b>   |                             |   |     |                                   |                          |     |   |  |  |
| 18.               | 19.                                    | <b>INTEREST/INTÉRÊT</b>                                   |   |           |  |                             |   |     |                                   |                          |     | 20.   | +46,149.75                                 |  |
| 21.               |  | 22.   | 23.                                       | 24.       | 25.  | 26.                         | 27.   | 28. | 29.                               | 30.                      |     | 20.   |  |  |
| 31.               |  | 32.   | 33.                                       | 34.       | <b>Amount due to Receiver<br/>General/Montant dû au<br/>Receveur général</b> |                             |   |     |                                   |                          |     |   |  |  |
| 18.               | 19.                                    | \$46,149.75   |   |           |  |                             |   |     |                                   |                          |     | 20.   |  |  |
| 21.               |  | 22.   | 23.                                       | 24.       | 25.  | 26.                         | 27.   | 28. | 29.                               | 30.                      |     | 20.   |  |  |
| 31.               |  | 32.   | 33.                                       | 34.       | <b>Payment is due by/<br/>Le paiement doit<br/>être effectué le</b>          |                             |   |     |                                   |                          |     |   |  |  |
|                   |  |   |   |           |  |                             |   |     |                                   |                          |     | 20.   | 2020/08/29                                 |  |

PAYMENT OF THE STATEMENT IS DUE IMMEDIATELY UPON RECEIPT. IF PAYMENT IS NOT ACCOUNTED FOR WITHIN 30 DAYS FROM THE DATE OF ISSUANCE OF THIS STATEMENT, THE AMOUNT DUE WILL BE SUBJECT TO ADDITIONAL INTEREST AT THE SPECIFIED RATE BEGINNING ON 2020/07/31.

CET ÉTAT DE COMPTE EST PAYABLE DÈS RÉCEPTION. SI LE PAIEMENT N'EST PAS COMPTABILISÉ DANS LES 30 JOURS DE LA DATE D'ÉMISSION, LE MONTANT PEUT ÊTRE SOUMIS À DE L'INTÉRÊT SUPPLÉMENTAIRE AU TAUX DÉTERMINÉ COMMENÇANT LE 2020/07/31.

COPIE DU VERSEMENT/REMITTANCE COPY

\*\*\*\*\*

B2-1 (09)

COPY - COPIE 1

Canada

1. Importer Name and Address - Nom et adresse de l'importateur

2. Transaction NO. - N° de transaction

3. GST Registration NO. - N° de TPS

4. Importer NO.  
N° de l'importateur

5. Office NO.  
N° de bureau

6. Original Transaction NO.  
N° de la transaction originale

7. Y - A M D - J

|                                      |                                       |   |   |
|--------------------------------------|---------------------------------------|---|---|
| 9. Sub HDR NO.<br>N° de sous en-tête | 10. Broker / Agent - Courrier / agent | 11. Security NO. - N° de sécurité                     | Page NO. - N° de page                     |
|                                      |                                       | 12. Country of Origin<br>Pays d'origine               | 13. Place of Export<br>Lieu d'exportation |
|                                      |                                       | 14. Tariff Treatment<br>Traitemen tarifaire           | Date of Decision<br>Date de la décision   |
|                                      |                                       | 15. Direct Shipment Date<br>Date d'expédition directe | 16. Currency Code<br>Code devise          |
|                                      |                                       | 17. Time Limit - Délat                                | [REDACTED]                                |

| 18. Line<br>Ligne | 19.                                    | Description - As Ruled<br>Designation - Selon la décision |   |                                 |                                       |                        |   |                            |                          |  |  | 20. Special Authority<br>Autorisation spéciale |
|-------------------|--|---|---|---------------------------------|---------------------------------------|------------------------|---|----------------------------|--------------------------|--|--|--|
| 21.               | Classification No.<br>N° de classement | 22. Tariff CD<br>CD tarif                                 | 23. Quantity<br>Quantité                  | 24. U - M                       | 25. VDF Code<br>Code VD               | 26. SIMA CD<br>CD LMSI | 27. Rate of Customs duty<br>Taux de droit de douane | 28. E.T. Rate<br>Taux T.A. | 29. GST Rate<br>Taux TPS | 30. Value for Currency Conversion<br>Conversion valeur pour change |  |  |
| 31.               | Value for Duty<br>Valeur en douane     | 32. Customs Duties<br>Droits de douane                    | 33. SIMA Assessment<br>Cotisation de LMSI | 34. Excise Tax<br>Taxe d'accise | 35. Value for Tax<br>Valeur pour taxe | 36. GST<br>TPS         |   |                            |                          |  |  |  |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 18. | 19. | 20. |     |     |     |     |     |     |     |
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
| 31. | 32. | 33. | 34. | 35. | 36. |     |     |     |     |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 18. | 19. | 20. |     |     |     |     |     |     |     |
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
| 31. | 32. | 33. | 34. | 35. | 36. |     |     |     |     |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 18. | 19. | 20. |     |     |     |     |     |     |     |
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
| 31. | 32. | 33. | 34. | 35. | 36. |     |     |     |     |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 18. | 19. | 20. |     |     |     |     |     |     |     |
| 21. | 22. | 23. | 24. | 25. | 26. | 27. | 28. | 29. | 30. |
| 31. | 32. | 33. | 34. | 35. | 36. |     |     |     |     |

## FEUILLE DE TRANSMISSION POUR MISE EN LIASSE

NO. RAJUSTEMENT : 00003001046726

ESTAMPILLE

NO. DE L'AGENT : John Tucker / Robert Doyon

NO. DE SECTION : RECOURS

DATE : 2020/07/29

Année / Mois / Jour

| <u>TYPE DE RAJUSTEMENT</u> | <u>RECETTES</u> |            |                          |
|----------------------------|-----------------|------------|--------------------------|
| K14D – Article 60          | X               | N / G / R  | <input type="checkbox"/> |
|                            |                 | C / R      | X                        |
|                            |                 | C / P      | <input type="checkbox"/> |
|                            |                 | ANNULATION | <input type="checkbox"/> |

MONTANT DU RAJUSTEMENT :  
46,149.75 \$

## DÉTAILS DE DU RAJUSTEMENT :

Appeal decision to assess interest on secured adjustments.

**FEUILLE DE TRANSMISSION POUR MISE EN LIASSE**

This is Exhibit "H"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



A Commissioner, etc.

Court File No.: T-1037-20

e-document

T-1037-20

|   |               |   |
|---|---------------|---|
| F | FEDERAL COURT | D |
| I | COUR FÉDÉRALE | É |
| L | File No.:     | P |
| E | Aug 28, 2020  | O |
| D | Aline Longin  | S |
|   | Ottawa, ONT   | É |
|   |               | 1 |

**FEDERAL COURT****RONSCO INC.****Applicant****- and -****ATTORNEY GENERAL OF CANADA****Respondent****APPLICATION UNDER s. 18.1 of the Federal Courts Act, R.S.C. 1985, c. F-7.****NOTICE OF APPLICATION FOR JUDICIAL REVIEW****TO THE RESPONDENT:**

A PROCEEDING HAS BEEN COMMENCED by the applicant. The relief claimed by the applicant appears on the following page.

THIS APPLICATION will be heard by the Court at a time and place to be fixed by the Judicial Administrator. Unless the Court orders otherwise, the place of hearing will be as requested by the applicant. The applicant requests that this application be heard at *Ottawa, Ontario*.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or a solicitor acting for you must prepare a notice of appearance in Form 305 prescribed by the Federal Courts Rules and serve it on the applicants' solicitor, or where the applicant is self-represented, on the applicant, WITHIN 10 DAYS after being served with this notice of application.

Copies of the Federal Courts Rules information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court at Ottawa (telephone 613-992-4238) or at any local office.

IF YOU FAIL TO OPPOSE THIS APPLICATION, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

August 28, 2020

ORIGINAL SIGNED BY  
**KASSANDRA CORMIER**  
A SIGNÉ L'ORIGINAL

Issued by: \_\_\_\_\_  
(Registry Officer)

Address of local office: Thomas D'Arcy McGee Building  
90 Sparks Street, 5th floor  
Ottawa, Ontario  
K1A 0H9

TO: ATTORNEY GENERAL OF CANADA  
c/o Deputy Attorney General  
Department of Justice Canada  
50 O'Connor Street, 5th Floor  
Ottawa, ON K1A 0H8

## APPLICATION

This is an application for judicial review in respect of the Canada Border Services Agency (“CBSA”)’s Detailed Adjustment Statements issued July 30, 2020 requiring Ronsco Inc. (“Ronsco”) to pay duties, Goods and Services Tax, and interest of \$2,660,221.57 on the basis that Ronsco had “reason to believe” that its tariff classifications for forged railway wheels with unfinished bore holes, imported before July 28, 2018, were incorrect.

The Applicants make application for the following:

1. An order quashing as unreasonable the July 30, 2020 Detailed Adjustment Statements, titled Transaction No. 00003001046726, which were issued on the basis that Ronsco had “reason to believe” that its original tariff declaration with respect to forged railway wheels with unfinished bore holes was incorrectly classified;
2. Costs of the proceedings; and
3. Such further and other relief as counsel may advise and the Court may permit.

The grounds for the application are:

4. Ronsco Inc. (“Ronsco”) is the only Canadian-owned independent railway wheelshop in Canada. Ronsco supplies products and services to Canadian and international rail, mining and transit industries, including freight and transit railway wheels and wheelsets (wheel and axle combinations).
5. On July 11, 2017, the CBSA advised Ronsco that it would be conducting a Trade Compliance Verification of selected goods imported by Ronsco from January 1, 2015 to December 31, 2015. The goods reviewed included forged railway wheels with unfinished bore holes.
6. In an Interim Report dated April 20, 2018, Ronsco was advised that the period over which Ronsco would be required to make corrections to incorrect declarations would be determined on the basis of the CBSA’s Reassessment Policy, as set out in Memorandum

D 11-6-10. The CBSA's Reassessment Policy states that where an importer did not have "reason to believe" that its original tariff declaration was incorrect, the importer will be required only to amend incorrect declarations for the verification period and going forward.

7. On June 26, 2018, Ronsco's representatives met with representatives from the office of the Minister of Public Safety and with Doug Band, the CBSA's Director General responsible for the Trade and Anti-Dumping Programs Directorate. This meeting addressed the Interim Report. In this meeting, Mr. Band assured Ronsco that it would only be required to pay duties for the items identified in the Trade Compliance Verification, and going forward.
8. On July 28, 2018, the CBSA issued a Trade Compliance Verification Final Report (the "Verification Report"). The Verification Report concluded that Ronsco incorrectly classified the goods in question (forged railway wheels with unfinished bore holes) by importing them under tariff 8607.19.21 (duty-free), when they should have been classified under tariff 8607.19.29, and thus subject to a 9.5% duty.
9. Despite Mr. Band's assurances, the Verification Report concluded that Ronsco had "reason to believe" that the goods should have initially been classified under tariff 8607.19.29 and would be required to make corrections and pay the resulting duty on transactions going back four years.
10. The Verification Report's conclusion with respect to the tariff classification of forged railway wheels with unfinished bore holes was upheld by the Canadian International Trade Tribunal ("CITT") for reasons delivered on April 1, 2020. Ronsco did not appeal the CITT decision.
11. Ronsco complied with the CBSA's requirement to make retroactive corrections, while engaging the CBSA's internal mechanisms for administrative redress to attempt to resolve the substantive issue in its favour (addressed below). It submitted corrections on December 19, 2018 and received Detailed Adjustment Statements on May 28, 2019, requiring Ronsco to pay \$2,614,071.82 in duties, Goods and Services Tax, and interest (the "retroactive duties"). Ronsco requested a further re-determination of these amounts on June 14, 2019.

This internal appeal was placed in abeyance by the CBSA on July 9, 2019, pending the CITT's decision noted above.

12. Final Detailed Adjustment Statements, dated July 30, 2020, with respect to the retroactive duties were received by Ronsco on August 3, 2020. The final Detailed Adjustment Statements added a further \$46,149.75 in interest to the retroactive duties, for a total amount owing of \$2,660,221.57.
13. Ultimately, the CBSA requiring Ronsco to pay the retroactive duties listed in the Detailed Adjustment Statements is unreasonable for several reasons:
  - a. In referring to CBSA Memorandum D11-6-6, the provisions of the tariff are not *prima facie*, evident and transparent, and thus Ronsco did not have reason to believe it had incorrectly classified the goods in question;
  - b. For many years, the CBSA itself had considered that tariff 8607.19.21 covered the goods in question; and
  - c. Industry behavior from 2005 to 2017 shows that it is decisions made by the CBSA, rather than the wording of the tariff item, that has driven tariff classification.

#### **Ronsco's engagement of the CBSA's internal mechanisms for administrative redress**

14. From 2018 to 2020, Ronsco has engaged the CBSA's internal mechanisms for administrative redress on several occasions in order to attempt to resolve in its favour the substantive issues with respect to the retroactive duties.
15. On September 26, 2018, Ronsco filed a lengthy brief in support of its request to the CBSA President under section 60 of the *Customs Act*, R.S.C. 1985, c. 1 (2nd Supp.) for further re-determination of the conclusions in the Verification Report. This brief included arguments related to Ronsco's lack of "reason to believe".
16. On November 8, 2018, Ronsco was advised by a CBSA appeals officer that the "reason to believe" conclusion arrived at by the CBSA had to be challenged through the process under

section 129 of the *Customs Act*, after a Notice of Penalty Assessment (“NPA”) was issued with respect to Ronsco’s failure to make corrections despite having had “reason to believe”.

17. On October 3, 2019, Ronsco received the NPA. Before the NPA was issued, Ronsco had filed the corrections required by the CBSA, sought a further re-determination of the duties payable under section 60 of the *Customs Act*, and secured the retroactive duties owed by bond.
18. On December 17, 2019, Ronsco made submissions appealing the NPA. Ronsco’s appeal of the NPA was held in abeyance until its request for further re-determination with respect to the retroactive duties was decided by the CBSA (which request for further re-determination had itself been placed in abeyance pending the CITT’s decision).
19. On March 10, 2020, counsel for Ronsco submitted additional information to the CBSA regarding the NPA appeal. After the CITT issued its reasons dismissing Ronsco’s appeal on April 1, 2020, counsel for Ronsco submitted further additional information to the CBSA in support of the NPA appeal on June 1, 2020.
20. On August 3, 2020, Ronsco received the final Detailed Adjustment Statements from the CBSA, dated July 30, 2020, indicating that Ronsco had an obligation to pay the retroactive duties plus further interest.
21. On August 7, 2020, Ronsco was advised by the CBSA that its NPA appeal would be decided by September 18, 2020.
22. On August 17, 2020, Ronsco received correspondence from the CBSA’s Director General responsible for the Recourse Directorate advising it that, contrary to the direction provided by the CBSA on November 8, 2018, the NPA review process would not address “reason to believe” with respect to the retroactive duties.
23. Ronsco is currently awaiting the result of its appeal to the Minister pursuant to sections 129 and 131 of the *Customs Act*.
24. With respect to the NPA appeal to the Minister, Ronsco advances the same substantive arguments on “reason to believe” outlined at paragraph 11 of this Notice of Application.

**This judicial review should be placed in abeyance**

25. Given that the issues that would be before this Court on this application for judicial review are the same as those that are before the Minister under section 131 of the *Customs Act*, and that would be before this Court on an appeal from the Minister's decision (pursuant to section 135 of the *Customs Act*), Ronsco requests that this application for judicial review be placed in abeyance pending the outcome of its appeal to the Minister under sections 129 and 131 of the *Customs Act*, and any appeals therefrom.

August 28, 2020



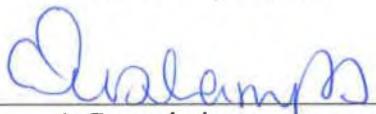
---

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[dtaylor@conway.pro](mailto:dtaylor@conway.pro)  
Tel: (613) 288-0149  
Fax: (613) 688-0271

Solicitors for the Applicant

This is Exhibit "I"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



---

A Commissioner, etc.



Canadian International  
Trade Tribunal

Tribunal canadien du  
commerce extérieur

CANADIAN  
INTERNATIONAL  
TRADE TRIBUNAL

# Appeals

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## NOTICE OF APPEAL

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**CANADIAN INTERNATIONAL TRADE TRIBUNAL****NOTICE OF APPEAL**

*Appeals pertain to a decision or re-determination of the President of the Canadian Border Services Agency, or an assessment, reassessment, rejection, decision or determination of the Minister of National Revenue, pursuant to section 67 of the Customs Act, sections 81.19, 81.21, 81.22, 81.23 or 81.33 of the Excise Tax Act, or section 61 of the Special Import Measures Act.*

**APPELLANT IDENTIFICATION****Corporate Information****Individual authorized to file appeal:**

|                   |                     |
|-------------------|---------------------|
| Name:             | Donald G. Regan     |
| Title:            | President           |
| E-mail:           | dgregan@ronesco.com |
| Telephone Number: | 514-866-1033        |

**Company:**

|                          |                     |
|--------------------------|---------------------|
| Company Name:            | Ronsco Inc.         |
| Doing Business As (dba): |                     |
| Suite Number:            |                     |
| Street Address:          | 75 Industrielle St. |
| City:                    | Coteau-du-Lac       |
| Province:                | Québec              |
| Postal Code:             | J0P 1B0             |
| Telephone Number:        | 514-866-1033        |

Signature

2020/10/22

Date (year/month/day)

**COUNSEL IDENTIFICATION**

*Appellants may retain independent counsel. Counsel includes any person who acts in a proceeding on behalf of a party, such as a lawyer or consultant.*

*\*Please note that confidential information is only made available to independent counsel.*

*If independent counsel is retained, provide the following information:*

**Counsel Information**

|                         |                                  |
|-------------------------|----------------------------------|
| Name of counsel:        | Colin S. Baxter, David P. Taylor |
| Name of counsel's firm: | Conway Baxter Wilson LLP/s.r.l.  |
| Suite Number:           | 400                              |
| Street Address:         | 411 Roosevelt Ave.               |
| City:                   | Ottawa                           |
| Province:               | Ontario                          |
| Postal Code:            | K2A 3X9                          |
| Telephone Number:       | 613-288-0149                     |

**Forms**

Counsel should file the following forms with the appeal:

- |          |  |
|----------|--|
| Form I   | Notice of Participation (Party) (to be completed by appellant) |
| Form II  | Notice of Representation (Counsel)                             |
| Form III | Declaration and Undertaking (Counsel and Consultant)           |

These forms are available on the Tribunal's Web site at [www.citt-tcce.gc.ca/en/forms](http://www.citt-tcce.gc.ca/en/forms)

**ELIGIBILITY**

*Check the box that relates to the legislation and subject matter of your appeal:*

**Customs Act**

- The tariff classification of imported goods or goods subject to an advance ruling (including matters relative to prohibited weapons/devices)
- The value for duty of imported goods
- The origin of imported goods or goods subject to an advance ruling
- The marking of imported goods

**Excise Tax Act**

- The assessment or determination of excise tax

**Special Import Measures Act**

- Whether imported goods are of the same description as dumped or subsidized goods subject to an injury finding made by the Tribunal
- The normal value or the amount of a subsidy of dumped or subsidized goods subject to an injury finding made by the Tribunal
- The export price of dumped or subsidized goods subject to an injury finding made by the Tribunal

## INFORMATION REGARDING THE APPEAL

### Detailed Adjustment Statement (DAS), if applicable

*If you are in possession of one or more DAS issued by the Canada Border Services Agency, indicate the Original Transaction Number(s) and date(s) of the DAS below, and attach a copy of every DAS to this Notice of Appeal.*

| Date of Transaction/<br>Importation | Original Transaction No.<br>(Importation) | Decision Date (CBSA Verification) | Transaction No.<br>(CBSA Verification) | Description of Goods<br>(Ronsco Inc.) | Tariff Classification<br>(Original) | Description of Goods (CBSA Verification and Re-determination) | Tariff Classification (Verification and Re-determination) |
|-------------------------------------|---|-----------------------------------|--|---------------------------------------|-------------------------------------|---|---|
| Feb. 2, 2015 to Dec. 30, 2015       | 673716820                                 | May 23, 2019                      | 13003101315936                         | Wheel Bodies                          | 8607.19.21                          | Wide Flange Wheels  | 8607.19.29  |
| Jan. 6, 2016 to Dec. 28, 2016       | 673716762                                 | May 23, 2019                      | 13003101315958                         | Wheel Bodies                          | 8607.19.21                          | Wide Flange Wheels  | 8607.19.29  |
| Jan. 19, 2017 to Dec. 12, 2017      | 673716706                                 | May 23, 2019                      | 13003101315969                         | Wheel Bodies                          | 8607.19.21                          | Wide Flange Wheels  | 8607.19.29  |
| Jan. 12, 2018 to Jul. 23, 2018      | 673717262                                 | May 23, 2019                      | 13003101315970                         | Wheel Bodies                          | 8607.19.21                          | Wide Flange Wheels  | 8607.19.29  |

See all DASs listed above, attached as **Annex "A"** to this Notice of Appeal.

### Other Deciding Document

*If you are in possession of one or more deciding document(s), other than a DAS, issued by the Canada Border Services Agency or by the Canada Revenue Agency, indicate the file number(s) and date(s) of the deciding document(s) below, and attach a copy of each deciding document to this Notice of Appeal.*

| Deciding Document  | File Number                            | Date           | Annex to This Notice of Appeal |
|--|--|----------------|--------------------------------|
| CBSA Trade Compliance Verification Interim Report                              | Case No.: C-2016-011118                | April 20, 2018 | <b>Annex "B"</b>               |
| CBSA Trade Compliance Verification Final Report                                | Case No.: C-2016-011118                | July 24, 2018  | <b>Annex "C"</b>               |
| Decision of the President of the CBSA under s. 60(4) of the <i>Customs Act</i> | File No.: 19-269<br>TRS No: 3001046726 | July 30, 2020  | <b>Annex "D"</b>               |

**Date of Decision at Issue**

*Provide the date of the decision that you are appealing.*

July 30, 2020 (Decision of the President of the CBSA under s. 60 of the *Customs Act*;  
CBSA File #: 19-0269; TRS #: 3001046726, received by Ronsco on August 3, 2020)

**Good(s) at Issue**

*Provide a brief description of the good(s) subject to this appeal.*

The goods at issue are forged railway wheels with unfinished bore holes (“rough bore wheels”) for use in the manufacturing of wheel and axle combinations (known as “wheelsets” or “wheelset assemblies”) for application to rail cars in the form of wheel and axle combinations. Upon importation, a “wheel boring” process must be applied to wheel bodies in order to further manufacture them so that they can be mounted onto axles, to which bearings are attached to produce “wheelsets”. Wheelsets are then incorporated into “truck assemblies” (“bogies”), which are installed on rail cars that travel throughout North America.

**Question(s) at Issue**

*Provide a brief description of your argument, as well as that of the Canada Border Services Agency or the Canada Revenue Agency, if known. Please cite provisions of the relevant legislation or regulations that you intend to rely on. Indicate the remedy sought from the Tribunal.*

The issue in this case is whether Ronsco Inc. (“Ronsco”) had “reason to believe” that it had improperly classified the rough bore wheels it imported. In the transactions at issue, which took place before the date of the CBSA Trade Compliance Verification Final Report, these goods were imported under tariff item 8607.19.21 (“wheel blanks”, duty-free).<sup>1</sup> (The full text of the tariff items indicated here are reproduced in the footnotes below.) In selecting tariff item 8607.19.21, Ronsco relied on tariff classification advice received from its customs broker, FedEx Trade Networks Canada Inc., as well as Ronsco’s commercial knowledge that other importers of these goods were importing them under tariff item 8607.19.21 for the same end use, including a competitor who did so pursuant to a CBSA Advance Ruling. In File AP-2019-003, the Tribunal determined that the proper tariff classification was 8607.19.29.

In its initial appeal to the CBSA President under section 60 of the *Customs Act*, Ronsco challenged the CBSA’s conclusion that it had “reason to believe” that it had improperly classified the rough bore wheels before the Trade Compliance Verification Final Report. However, Ronsco was advised by a CBSA Appeals Officer that the CBSA President did not have the jurisdiction to consider this question, and that “reason to believe” had to be challenged in the context of an appeal to the Minister of Public Safety regarding a forthcoming Notice of Penalty Assessment, to be issued on the basis of “reason to believe”.

On October 14, 2020, in the context of litigation before the Federal Court, counsel for the CBSA took the position that “reason to believe” had to be dealt with through the appeal framework

<sup>1</sup> Schedule to the *Customs Tariff*, SC 1997, c 36 [*Customs Tariff Schedule*]. Tariff item 8607.19.21 is “Wheels, whether or not fitted with axles: - Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches; For self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic; For use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes”.

created by sections 60 and 67 of the *Customs Act*. As such, in order to preserve its rights, Ronsco is filing this Notice of Appeal.

**Ronsco therefore seeks an order placing this appeal in abeyance pending the outcome of all proceedings before the Federal Court with respect to Ronsco's "reason to believe".**

If an appeal proceeds before the Tribunal, Ronsco will argue that it did not have "reason to believe", as: (i) the wording of tariff item 8607.19.21 is not *prima facie* evident and transparent; (ii) the CBSA has itself had contradictory views of this tariff item (particularly in a 2005 Advance Ruling issued to one of Ronsco's foreign-owned competitors indicating that rough bore wheels for freight cars could be imported under 8607.19.21 and in a senior CBSA official's agreement in June 2018 that the wording of the tariff item was confusing); (iii) industry behaviour shows that it is the CBSA's conduct, rather than the wording of the tariff item, that drives importer behaviour; and (iv) the Minister of Finance declared in 2010 that Canada is a "tariff-free zone" for manufacturing inputs. The rough bore wheels in question are manufacturing inputs and cannot be used without further manufacturing steps.

Ronsco expects that the CBSA will argue that the wording of tariff item 8607.19.21 is *prima facie* evident and transparent, such that Ronsco had "reason to believe". goods are "wheels – other" because they have the "essential character" of a finished wheel, and that they are properly classified under tariff item 8607.19.29 (9.5% duty) as a result.<sup>2</sup>

**If the appeal proceeds, Ronsco would seek an order reversing the decision of the CBSA President, and finding that Ronsco is not required to pay the duties at issue as it did not have "reason to believe".**

In making its arguments, Ronsco intends to rely, *inter alia*, on the text of the tariff items at issue, based on the Schedule to the *Customs Tariff*<sup>3</sup>, the 2005 Advance Ruling issued to Ronsco's foreign-owned competitor, and Statistics Canada data regarding import behaviour under tariff items 8607.19.21 and 8607.19.29 from 2005 to 2019.

<sup>2</sup> *Customs Tariff Schedule*, *supra* note 1. Tariff item 8607.19.29 is "Wheels, whether or not fitted with axles: - Other".

<sup>3</sup> *Customs Tariff Schedule*, *supra* note 1.

**CONFIDENTIAL INFORMATION**

- I confirm that this Notice of Appeal DOES NOT contain any confidential information. I hereby advise the Canadian International Trade Tribunal that, should the appeal proceed, government officials involved in the appeal may be granted access to any future confidential documents that may be filed by the appellant in these proceedings, including the appellant's brief.

**OR**

- I confirm that this Notice of Appeal DOES contain confidential information. I hereby advise the Canadian International Trade Tribunal that, should the appeal proceed, government officials involved in the appeal may be granted access to the following: (a) the confidential version of this Notice of Appeal, including any documents appended thereto; and (b) any confidential documents that may be filed by the appellant in these proceedings, including the appellant's brief.

Donald G. Regan  
Name (Print)



Signature

2020/10/22  
Date (year/month/day)

Note: If this Notice of Appeal contains confidential information, you are required to produce a **public version** of the information by **blacking out or deleting** the information you wish to protect. This public version must be filed along with the Notice of Appeal. *Blanket confidentiality cannot be applied to the entirety of your Notice of Appeal.* Please see the *Confidentiality Guidelines*, available on the Tribunal's Web site at [http://www.citt.gc.ca/en/Confidentiality\\_guidelines\\_e](http://www.citt.gc.ca/en/Confidentiality_guidelines_e)

This is Exhibit "J"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.

Duslany

A Commissioner etc.

## Nostbakken, Peter

---

**From:** Nostbakken, Peter  
**Sent:** October 27, 2020 2:59 PM  
**To:** 'David Taylor'  
**Cc:** Maher, Charles; Colin Baxter; Debra Burke-Lachaine  
**Subject:** RE: Security

Good afternoon David,

In response to your email of this morning, and your client's email of October 22, the CBSA confirms that i) the existing bond is satisfactory to the CBSA, and ii) as your client has filed an appeal with the CITT and entered into payment arrangement with CRA, the security bond will be retained and not collected upon until either a decision is made by the CITT, the appeal before the CITT is otherwise no longer pending, or the full amount owing has been paid.

Best regards,

**Peter Nostbakken**

Senior Counsel  
Civil Litigation Section  
50 O'Connor Street, 5<sup>th</sup> Floor, Ottawa, Ontario K1A 0H8  
National Litigation Sector / Department of Justice / Government of Canada  
[pnostrb@justice.gc.ca](mailto:pnostrb@justice.gc.ca) / Tel: \*New\* (613) 670-6316 / Fax: 613-954-1920

Avocat-conseil  
Contentieux des affaires civiles  
50, rue O'Connor, 5e étage, Ottawa (Ontario) K1A 0H8  
Secteur national du contentieux / Ministère de la Justice Canada / Gouvernement du Canada  
[pnostrb@justice.gc.ca](mailto:pnostrb@justice.gc.ca) / tél. : \*Nouveau\* (613) 670-6316 / téléc: 613-954-1920

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---

**From:** David Taylor <DTaylor@conway.pro>  
**Sent:** October 27, 2020 8:55 AM  
**To:** Nostbakken, Peter <Peter.Nostbakken@justice.gc.ca>  
**Cc:** Maher, Charles <Charles.Maher@justice.gc.ca>; Colin Baxter <CBaxter@conway.pro>; Debra Burke-Lachaine <DBurke@conway.pro>  
**Subject:** FW: Security

Good morning Peter,

You'll find below an exchange between our clients regarding the matter of whether Ronsco may rely on paragraph 65(1)(a) of the *Customs Act* to continue the bond presently in place to secure the retroactive duties, pending resolution of the appeal filed before the CITT. You'll recall that Colin advised in his October 20 letter that we would be filing an appeal with the CITT to preserve Ronsco's rights.

We see from the emails below that DOJ counsel will be responding to this inquiry – we assume this response will come to us, rather than the client. This is a time sensitive matter – your client advised ours in August that the bond would be called tomorrow (Oct 28) if a payment plan was not in place.

A payment plan is in place with the CRA; however, before making the first payment our client would like a response to the question it asked last Thursday (Oct 22): will it be permitted to continue the bond while proceedings are pending before the CITT.

Will you be in a position to respond today? If not, can you confirm that the CBSA will not call the bond while this question is outstanding?

We also trust that whatever your client's response, our client will be given sufficient time to consider that response before your client takes any action on the bond.

Best regards,

David

## David Taylor

**Conway Baxter Wilson LLP/s.r.l.**

400-411 Roosevelt Avenue | Ottawa, ON K2A 3X9

T: 613-691-0368 | F: 613-688-0271

[DTaylor@conway.pro](mailto:DTaylor@conway.pro)

[www.conway.pro](http://www.conway.pro)

# CONWAY

Litigation/Litige




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---

**From:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>

**Sent:** Monday, October 26, 2020 3:05 PM

**To:** Mimma Francescangeli <[mfrancescangeli@ronsco.com](mailto:mfrancescangeli@ronsco.com)>

**Cc:** Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>; [natasha.alimohamed@cbsa.gc.ca](mailto:natasha.alimohamed@cbsa.gc.ca)

**Subject:** Re: Security

Thank you for your message, Ms. Francescangeli. Our Department of Justice counsel will be responding to you directly.

Natasha

Sent from my iPhone

On Oct 26, 2020, at 1:48 PM, Mimma Francescangeli <[mfrancescangeli@ronesco.com](mailto:mfrancescangeli@ronesco.com)> wrote:

Good Afternoon Ms. Alimohamed, Mr. Tucker,

Have you had the opportunity to review our request below?

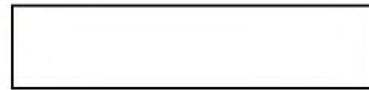
Given the October 28<sup>th</sup> deadline we face, kindly advise at your earliest opportunity

Thank You.

**Mimma  
Francescangeli**

Email me | Écrivez-moi  
(514) 866-1033 Ext. 320  
(514) 235-1420

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**From:** Mimma Francescangeli

**Sent:** Thursday, October 22, 2020 4:13 PM

**To:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>

**Cc:** [jpclark@greyclark.com](mailto:jpclark@greyclark.com); Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>

**Subject:** RE: Security

Dear Ms. Alimohamed,

As noted in my September 16, 2020 email below, Ronsco commenced a judicial review in Federal Court in order to preserve its rights in response to the position taken in your August 17, 2020 email (Federal Court File No. T-1037-20). As contemplated in my September 16 email to you, our lawyers contacted Department of Justice counsel to seek their consent to that proceeding being placed in abeyance pending the outcome of Ronsco's appeal under s. 135 of the *Customs Act*.

In response to this request, Department of Justice counsel advised that they might argue that the Federal Court did not have jurisdiction to hear the judicial review, citing authority from the Federal Court stating that the review system created in sections 60 and 67 of the *Customs Act* precluded a Federal Court judicial review. This was a surprise to us given the position taken by Ms. Ogilvie in November 2018 and by you in August 2020. The consequence of Department of Justice's position would be that Ronsco should have brought a CITT appeal in order to challenge the "reason to believe" conclusion.

As a result, and in light of the impending deadline for filing such a Notice of Appeal, Ronsco filed a Notice of Appeal with the CITT today. As with Ronsco's application for judicial review issued in T-1037-20, Ronsco has requested in its Notice of Appeal that the appeal be placed in abeyance pending the resolution of proceedings before the Federal Court.

Given this appeal, Ronsco hereby requests to carry over the existing bond as security under paragraph 65(1)(a) of the *Customs Act*, pending the outcome of its appeal to the CITT.

Can you confirm that: (i) this is satisfactory to the CBSA; and (ii) the CBSA will not call the bond on October 28, 2020 in light of the appeal that has been filed with the CITT. If this is satisfactory to the

CBSA, Ronsco will of course make provision for whatever interest may be applicable from July 29, 2020 to October 22, 2020 if this is required.

Given that Ronsco's deadline for making a first payment if the CBSA does not accept that the bond be carried over is next week, a response as soon as possible would be appreciated.

Best regards,

**Mimma  
Francescangeli**

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(514) 866-1033 Ext. 320  
(514) 235-1420

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J0P 1B0, Québec, CA

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**From:** Mimma Francescangeli  
**Sent:** Wednesday, September 16, 2020 8:53 AM  
**To:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>  
**Cc:** [jpclark@greyclark.com](mailto:jpclark@greyclark.com); Tucker, JohND <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>  
**Subject:** RE: Security

Good Morning Ms. Alimohamed,

Thank you for your August 17 email, in which you confirmed that the CBSA would not take any actions to claim against the bond prior to October 28, 2020, and will also not take such steps if a payment arrangement is made with CRA Collections.

It was always Ronsco's understanding that the result of Ronsco's s. 129 appeal was not directly tied to the obligation to pay retroactive duties. However, based on Ms. Ogilvie's advice in late 2018 and early 2019, we understood that "reason to believe", which underlies both the duty to make retroactive corrections and the Penalty Assessment had to be challenged through the s. 129 procedure. We understood that, in the event of a successful appeal, Ronsco would then have to take further steps within the CBSA to correct the original decision regarding retroactive corrections on the basis of the Minister's conclusion with respect to "reason to believe". As a result, based on Ms. Ogilvie's advice, this process was an internal appeal within the CBSA, precluding Ronsco from bringing an application for judicial review pursuant to s. 18.1 of the *Federal Courts Act*.

However, following receipt of your email, and out of an abundance of caution, Ronsco has now filed an application for judicial review under s. 18.1 of the *Federal Courts Act* (Federal Court Registry No. T-1037-20), to preserve its rights. We will be seeking to place that proceeding in abeyance, however, pending the outcome of the s. 129 procedure. We understand based on advice from Ms. Scatozza that we can expect the Recourse Directorate's decision on the NPA appeal by September 18 at the very latest.

Best Regards,

**Mimma  
Francescangeli**



Email me | Écrivez-moi

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(514) 235-1420

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**From:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>  
**Sent:** Monday, August 17, 2020 7:05 PM  
**To:** Mimma Francescangeli <[mfrancescangeli@ronsco.com](mailto:mfrancescangeli@ronsco.com)>  
**Cc:** [jpclark@greyclark.com](mailto:jpclark@greyclark.com); Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>  
**Subject:** RE: Security

Good evening, Ms. Francescangeli,

Thank you for your of August 13<sup>th</sup>. We appreciate your concern regarding the outstanding amount that is required to be paid and I wish to provide some further clarifications.

The CBSA will not take any action to claim against the bond prior to the end of the 90-day appeal period to the CITT, which is October 28<sup>th</sup>, 2020. Similarly, the CBSA will not collect against the bond if a payment arrangement is made with CRA Collections. If neither of these two situations occur, however, CBSA will take action to claim against the security bond, though, as indicated, not before October 28<sup>th</sup>, 2020.

I also wish to clarify that the notice of claim letter that was issued that it is being construed as an intent to claim against the bond by a specific date should not be considered as such as the letter only establishes an intent to claim if the debt is not paid, and does not specify a particular date, but awaits a response from all the parties involved to the request for payment.

With respect to the decisions made under sections 60 and 131 and 132/133 of the *Customs Act*, they are indeed separate and distinct. The request under section 60 of the *Customs Act* was for a further re-determination by the President of the tariff classification of the H36 wheels for which the security bond was posted. This was an appeal of a decision related to the importation of specific goods. A decision under subsection 60(4) ensued on July 30, 2020 confirming the tariff classification of these goods to be the same as the tariff classification of similar goods determined by the CITT in appeal AP-2019-003. It must be noted that, since the CITT has made its decision, and it was not appealed further, the classification for the H36 Class C wheels is binding with respect to importations of these goods. Given this CITT decision, there is no ability for the CBSA to further re-determine the classification of the goods. In fact, based on the provisions of paragraph 61(1)(c), the CBSA is required to give effect of this decision to any subsequent importations of the same goods.

Finally, regarding your request as per section 129 of the *Custom Act*, it is a request for a Minister's decision regarding the issuance of the Notice of Penalty Assessment (NPA). I wish to clarify that the review of this NPA will solely review the infractions/contraventions, specifically whether the importer failed to submit the required corrections within 90 days after having reason to believe that their declaration was incorrect. It will not review the reassessment period determined by the CBSA under the reassessment policy outlined in D11-6-10 for which corrections were filed (July 24, 2014 to July 24, 2018). The outcome of this appeal will either overturn the penalty and return the amount paid on the NPA, or uphold it and determine if the quantum of the penalty assessed was reasonable. Most importantly, the outcome of the appealed NPA will not affect the amounts owed on the corrections submitted based on the verification report findings.

There is no review mechanism provided within the *Customs Act* that allows for an appeal or review of the application of the reassessment policy. As John Tucker has advised, where no review or appeal

process exists in legislation and where a client believes that the CBSA has not exercised the available discretion in a fair and reasonable manner, the client may apply for judicial review under section 18.1 of the *Federal Courts Act*.

I trust that the helps to clarify the situation.

Natasha Alimohamed

---

**From:** Mimma Francescangeli <[mfrancescangeli@ronsco.com](mailto:mfrancescangeli@ronsco.com)>  
**Sent:** August 13, 2020 3:44 PM  
**To:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>  
**Cc:** [jpclark@greyclark.com](mailto:jpclark@greyclark.com); Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>  
**Subject:** RE: Security

Good afternoon Ms. Alimohamed,

Thank you for your email received earlier today. While I appreciate the explanation as to the rationale behind Mr. Tucker's July 30, 2020 letter, your response does not address Ronsco's concerns.

Ronsco is asking for an assurance that it will not be required to pay the duties in question until it has exhausted all of its appeal mechanisms. I understand your view that the current legislative regime under the *Customs Act* does not provide for this. However, information provided in your email below shows that there is a means of meeting both Ronsco's and the CBSA's interests in this interim period while we await a decision from the Montreal Trade Appeals Unit on Ronsco's "reason to believe" appeal.

While you characterize the decisions under sections 60 and 131 or 132/33 of the Customs Act as separate, one of the Appeals Officers under your supervision advised Ronsco in January 2019 that the requirement to pay duties on the basis of "reason to believe" could not be appealed to the CBSA President, and instead conclusions related to "reason to believe" had to be appealed via an appeal of the Notice of Penalty Assessment under section 131. We had to wait many months to bring that appeal, while waiting for the Notice of Penalty Assessment to be issued. When we finally were able to bring that appeal, we were told it could not move forward until the section 60 appeal was decided (that appeal having been made to preserve Ronsco's rights while the CITT appeal was ongoing).

The Minister's decision under sections 132/133 of the Customs Act is absolutely connected to the payment of these duties. The CBSA's Memorandum D11-6-10, regarding retroactive corrections, specifies that these need not be made if there is no "reason to believe" (para 27). If Ronsco is successful in its request to the Minister, the corollary would be that para 27 of Memorandum D11-6-10 would apply. As such, it is clear that Ronsco is still pursuing its internal appeals within the CBSA with respect to the amounts in issue, as it was advised to do in January 2019.

Based on your email, it is entirely possible to accommodate Ronsco's interest while preserving the CBSA's interest in protecting the debt in the event that it is not paid. As you note, the bond requires that any notice of claim be provided within 90 days of the President's decision. Given the decision date of July 30, 2020, that leaves the CBSA until October 28, 2020 to give notice of claim (which is also Ronsco's deadline for appealing to the CITT). Despite having 90 days to make a notice of claim, Mr. Tucker issued a notice of claim on the same day that the President made his decision (in fact, before the decision was even communicated to us).

In order to accommodate both the CBSA's and Ronsco's interest, we ask that you confirm that the CBSA will not make a claim against the bond before October 14, 2020. The Montreal Trade Appeals Unit has advised that a decision will be made with regard to Ronsco's "reason to believe" appeal by September 18, 2020. As such, confirming that the CBSA will not make a claim against the bond before October 14, 2020 will provide Ronsco with sufficient time to receive this decision and, in the event it is unsuccessful in its appeal to the Minister, consider its options with respect to proceedings in Federal Court under section 135 of the *Customs Act*. This would also ensure that the CBSA still has a further two week window under the bond to ensure that a payment plan is in place between Ronsco and the CRA.

Given the concerns you note related to the current economic instability related to COVID-19 and the major impact of these duties on Ronsco's business, your prompt response would be appreciated.

Sincerely,

**Mimma  
Francescangeli**

Email me | Écrivez-moi  
(514) 866-1033 Ext. 320  
(514) 235-1420

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**From:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>  
**Sent:** Thursday, August 13, 2020 9:24 AM  
**To:** Mimma Francescangeli <[mfrancescangeli@ronsco.com](mailto:mfrancescangeli@ronsco.com)>  
**Cc:** [jpclark@greyclark.com](mailto:jpclark@greyclark.com); Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>  
**Subject:** Security

#### **Re : Security to permit Ronsco to exhaust all of its remedies under the Customs Act**

Ms. Francescangeli:

This message is in response to your emailed letter of August 6 2020. I understand that this has been a lengthy situation in dealing with the Canada Border Services Agency (CBSA) over the issue of the requirement to pay a substantial amount that you identify as retroactive duties. I can appreciate your concerns in the current economic instability created by the COVID-19 pandemic should Ronsco be required to pay these retroactive duty amounts immediately.

As you have advised, John Tucker of the Recourse Directorate issued a notice of claim letter to the surety company that provided the bond to secure the retroactive duty amounts. The security bond was filed to cover the duties, taxes and interest owing for the submitted tariff classifications corrections related to the reassessment period determined by the CBSA, in lieu of payment to proceed with the section 60 appeal. This letter was issued as the clause for the security bond requires that any notice of claim be provided within 90 days of the date of the President's decision notice, which was issued on July 30th 2020. The letter advises that the amounts are due within 30 days of the decision or interest will accrue. The CBSA issues a notice of claim letter to ensure that its interest in the debt is protected in the event that a debt is not paid. It also provides notice that the security will be called upon if the debt is not paid and advises all parties of this but does not specify a time frame as that is based upon the response of the parties to the decision.

As our communication with your representative Mr. Clark advised, there are two options where the bond may be retained: 1) if an appeal is filed with the Canadian International Trade Tribunal; and 2) if a

payment arrangement is made with the Canada Revenue Agency to pay the debt which I understand you are currently trying to put in place. As a President's decision has been rendered under subsection 60(4) of the *Customs Act*, the above two options are the only ones which allow us to retain the bond since it was submitted as part of the appeal process under section 60 of the *Customs Act*.

Please note that there is no requirement for payment or security to appeal a Notice of penalty under section 129 of the *Customs Act*. Consequently, it is not required to retain the security in place for the duty reassessments as it does not form part of the appeal as per section 129 of the *Customs Act*. The decisions made by Recourse appeals officers under section 60 and sections 131 or 132/133 of the *Customs Act* are separate and have distinct decision processes.

I trust that the above information is helpful.

Sincerely,  
Natasha Alimohamed

**From:** Alimohamed, Natasha <[Natasha.Alimohamed@cbsa-asfc.gc.ca](mailto:Natasha.Alimohamed@cbsa-asfc.gc.ca)>  
**Sent:** August 7, 2020 10:37 AM  
**To:** Mimma Francescangeli <[mfrancescangeli@ronesco.com](mailto:mfrancescangeli@ronesco.com)>  
**Cc:** Lafourte, Cynthia <[Cynthia.Lafourte@cbsa-asfc.gc.ca](mailto:Cynthia.Lafourte@cbsa-asfc.gc.ca)>; Tucker, JohnD <[John.Tucker@cbsa-asfc.gc.ca](mailto:John.Tucker@cbsa-asfc.gc.ca)>; [jpclark@greyclark.com](mailto:jpclark@greyclark.com)  
**Subject:** Re: Security

Thank you for your message, Ms. Francescangeli. I will return to you shortly on this.

Natasha

Sent from my iPhone

On Aug 6, 2020, at 3:41 PM, Mimma Francescangeli <[mfrancescangeli@ronesco.com](mailto:mfrancescangeli@ronesco.com)> wrote:

Good Afternoon Ms. Alimohamed,

Please see attached correspondence for your consideration.

Kindly confirm receipt.

Thank You,

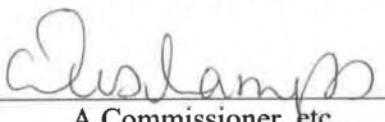
**Mimma  
Francescangeli**

Email me | Écrivez-moi  
(514) 866-1033 Ext. 320  
(514) 235-1420

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J0P 1B0, Québec, CA



This is Exhibit "K"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



A Commissioner, etc.

**NOTICE OF PENALTY ASSESSMENT**

PROTECTED B when completed

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
|---------------------------|-------------------------------------|------------------------------|---------------------|

Client Customs Account Name/ Address  
RONSCO INC.  
75 RUE INDUSTRIELLE  
COTEAU-DU-LAC QC J0P 1B0

Legal Name  
RONSCO INC.

|                                      |                              |                           |
|--------------------------------------|------------------------------|---------------------------|
| Client Identifier<br>104621065RM0001 | Penalty Amount<br>2019-10-03 | Line Object Code<br>49875 |
|--------------------------------------|------------------------------|---------------------------|

**Reason for Penalty Assessment**

Verification: C-2016-011118

Verification period: January 1, 2015 to December 31, 2015

The final letter sent on July 24, 2018

Reason to believe - Customs D-Memoranda D11-6-6, paragraph 1a).

In regards to the provision of section 32.2 of the Customs Act, specific information regarding the tariff classification of the imported goods that gives an importer reason to believe that a declaration is incorrect can be found in legislative provisions that are *prima facie* (at first sight), evident (obvious, apparent) and transparent (clear, self-explanatory), such as specific tariff provision.

This Notice of Penalty Assessment (NPA) is calculated on a per issue basis given that the corrections were presented within the extension period. This is in reference to the Master Penalty Document. On 2019-01-02, the importer submitted 122 Self-Adjustments.

ISSUE #1 Classification determined: 8482.20.00.14  
Contravention C082

B3  
13003153110814 (2016-02-02) line #1

The merchandise was declared under classification number: 8607.19.50.30 / Duty Rate 0 %

As «Parts of railway or tramway locomotives or rolling-stock; Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof: Parts of bogies or bissel-bogies (truck assemblies); For non self-propelled rolling-stock».

Based on the information collected the goods are tapered roller bearings.

It should be classified under 8482.20.00.14 / Duty Rate 0 %  
As « Roller bearing; Tapered roller bearings; with cups having an outside diameter exceeding 102 mm »

This is in accordance with the General Rule for the Interpretation 1 of the Harmonized System.



NOTICE OF PENALTY ASSESSMENT

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
|---------------------------|-------------------------------------|------------------------------|---------------------|

ISSUE #2 Classification determined: 8607.19.29.00  
Contravention C352

B3

13003172664734 (2015-05-15) line #1  
13003172665074 (2015-05-25) line #1  
13003704306035 (2015-08-26) line #1  
13003704475201 (2015-10-23) line #1  
13003705530245 (2015-11-23) line #1

The merchandise was declared under classification number: 8607.19.21.00 / Duty Rate 0%

As « Parts of railway or tramway locomotives or rolling-stock; Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof: Other, including parts; Wheels, whether or not fitted with axles : Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches; For self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic; For use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes».

Based on the information collected the goods are H36 wide flange wheels for railway vehicles, not blanks.

It should be classified under 8607.19.29.00 / Duty Rate 9.5 %

As «Parts of railway or tramway locomotives or rolling-stock; Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof: Other, including parts; Wheels, whether or not fitted with axles : Other»

This is in accordance with the General Rules for the Interpretation 1 and 6 of the Harmonized System and Canadian Rule 1.

**NOTICE OF PENALTY ASSESSMENT**

PROTECTED B when completed

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
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**1) Contravention C082**

**Contravention**

Authorized person failed to make the required corrections to a declaration of tariff classification within 90 days after having reason to believe that the declaration was incorrect.

**Legislative/Regulatory Authority**

Customs Act 32.2(2)(a)

**Penalty Calculation Information**

**Number of Issues or Occurrences:** 1

**Penalty Level:** 1

**Amount:** \$500.00

This is the first assessment of this contravention during the retention period. You have been assessed at \$500 to a maximum of \$5,000 per issue or \$25,000 per occurrence.

**Related Information**

**Primary Officer:** Lucie Gagne

**Document Type:** Other

**Document Number:** C2016-011118

## NOTICE OF PENALTY ASSESSMENT

PROTECTED B when completed

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
|---------------------------|-------------------------------------|------------------------------|---------------------|

## 2) Contravention C352

Contravention

Authorized person failed to pay duties as a result of required corrections to a declaration of tariff classification within 90 days after having reason to believe that the declaration was incorrect.

Legislative/Regulatory Authority

Customs Act 32.2(2)(b)

Penalty Calculation Information

Number of Issues or Occurrences: 1

Penalty Level: 1

Amount: \$500.00

This is the first assessment of this contravention during the retention period. You have been assessed at \$500 to a maximum of \$5,000 per issue or \$25,000 per occurrence.

Related Information

Primary Officer: Lucie Gagne

Document Type: Other

Document Number: C-2018-011118

**NOTICE OF PENALTY ASSESSMENT**

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
|---------------------------|-------------------------------------|------------------------------|---------------------|

**Payment**

Please remit the amount of \$1,000.00 Canadian, payable to the Receiver General for Canada. The CBSA will accept remittances in Canadian and/or United States (U.S.) currencies only. No other foreign currency shall be accepted.

The CBSA will accept payment in Canadian or U.S. currency in the form of cash, debit card, credit cards (up to a limit of CAN\$5,000), such as Visa, MasterCard and American Express, money orders, travellers cheques, and certified cheques.

Uncertified cheques will be accepted if a client has posted a security bond for "Acceptance of Uncertified Cheques" and in addition, if they are written in U.S. currency, CBSA will accept them in payment only if they are drawn on a Canadian financial institution and are printed and stamped with the notation "U.S. Dollar Account".

Your payment may be made by mail at the issuing office listed on the last page of this Notice of Penalty Assessment (NPA) or at any CBSA office, or in person at locations where a CBSA office is open to the public. A copy of this notice must accompany your payment. When the NPA is issued to a Business Number with RM account number, the payment can be made via online banking subject to the transaction limitations of your financial institution. Please note penalty payments must be applied to the account number to which the NPA was issued.

If you use the services of a customs broker, please ensure only one payment is made.

**CSA Clients:** Your payment may be made on the BSF645, CSA Remittance Voucher to a financial institution named in section 3.5 of the *Customs Act* and amounts must be included for transmission on the Revenue Summary Form. A copy of this notice must be retained for your records.

All clients have an obligation under section 109.4 of the *Customs Act* to pay in full the penalty assessment served upon them. If payment is not received within 30 days from the date of this notice, the amount will be subject to interest at the prescribed rate beginning the date following the date of this notice. For more information on the applicable rates of interest and the calculation of such interest, please refer to CBSA's website at:

<http://www.cbsa-asfc.gc.ca/tools-outils/cicp-pcid/menu-eng.html> Calculation of Interest Program and <http://www.cbsa-asfc.gc.ca/media/irt-tti-eng.html> Interest Rate Tables

**NOTICE OF PENALTY ASSESSMENT**

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PROTECTED B when completed

|                           |                                     |                              |                     |
|---------------------------|-------------------------------------|------------------------------|---------------------|
| Notice Date<br>2019-10-03 | Penalty Assessment Number<br>209442 | Penalty Amount<br>\$1,000.00 | Office Code<br>0312 |
|---------------------------|-------------------------------------|------------------------------|---------------------|

**Review of Enforcement Action**
**Correction**

If you believe that the action taken was incorrect you may contact the issuing Canada Border Services Agency office within 90 days from the date on this notice (see below for address). Errors must be evident to both parties and would include, but are not limited to, errors in calculation, contravention type or amount of penalty. For more information on how to file a request for Correction, please refer to CBSA's website at:

<http://www.cbsa-asfc.gc.ca/trade-commerce/amps/menu-eng.html>

**Redress**

The *Customs Act* provides an avenue of appeal to dispute an enforcement action taken. If you believe the penalty assessment has been applied inappropriately, you may request a decision of the Minister. The request must be submitted directly to the Recourse Directorate, Place Vanier Tower A, 333 North River Rd., 11th floor, Ottawa ON K1A0L8, within 90 days from the date of this Notice of Penalty Assessment. You can also request a review of a CBSA decision online. Just go to E-Appeals for the electronic form relating to enforcement actions. For more information on how to file a request for Review or for an Appeal, please refer to CBSA's website at:

<http://www.cbsa-asfc.gc.ca/recourse-recours/howto-commentfaire-2-eng.html>

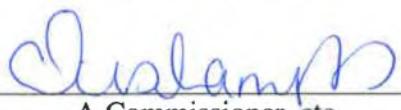
**Penalty Reinvestment Agreement (PRA)**

If you can demonstrate that the penalty assessment was the result of a systematic problem affecting your commercial information system or related processes and you are prepared to invest in corrective measures to remedy the problem, you may be eligible for a PRA. The request for a PRA must be submitted in writing to the Canada Border Services Agency (CBSA) Recourse Directorate, Place Vanier Tower A, 333 North River Rd., 11th floor, Ottawa ON K1A0L8, within 90 days from the date of this Notice of Penalty Assessment. An agreement to reinvest a full or partial penalty amount will only be granted under certain conditions and after the CBSA has verified that the corrective measures are effective in achieving compliance.

|   |
|---|
| <b>Issuing Office/ Address</b>  |
| 1165-Compliance Verification - Quebec City<br>130 Dalhousie<br>Quebec<br>Quebec, Canada, G1K4C4<br>Phone: 418-6483401<br>Fax: 418-6483040 |

|                        |
|------------------------|
| <b>Issuing Officer</b> |
| 25367                  |

This is Exhibit "L"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



A Commissioner, etc.



Recourse Directorate  
 333 North River Rd, Tower A, 11th Floor  
 Ottawa, ON, K1A 0L8, Canada

**REGISTERED**

Ronsco Inc.  
 75 Industrielle St.  
 Coteau-du-Lac, QC  
 J0P 1B0  
Attention: Donald G. Regan

September 15, 2020

**Subject: Request for a Ministerial Decision - 20-00108**

I am writing to inform you of the ministerial decision on the above-noted appeal.

I have reviewed the enforcement action, the evidence and the law as it applies to your case.

I have fully considered the information you provided as well as the reports from the issuing office.

**Decision**

After considering all of the circumstances, I have decided, under the provisions of section 131 of the *Customs Act*, there has been a contravention of the *Customs Act* or the Regulations with respect to the Notice served under section 109.3;

Under the provisions of section 133 of the *Customs Act*, the amount of **\$1,000.00** received shall be held as forfeit.

**Reasons**

Under section 109.1 (1) of the *Customs Act*, every person who fails to comply with any provision of the *Act* or a regulation designated by the regulations made under section (3) is liable to a penalty of not more than twenty-five thousand dollars, as the Minister may direct.

The issuance of the Notice of Penalty Assessment was justified as there been a violation under

**C082** - Authorized person failed to make the required corrections to a declaration of tariff classification within 90 days after having reason to believe that the declaration was incorrect.

And

**Canada**

**C352** - Authorized person failed to pay duties as a result of required corrections to a declaration of tariff classification within 90 days after having reason to believe that the declaration was incorrect.

You argue that there was no “reason to believe” that the declaration of the goods in issue<sup>1</sup> were incorrect as the legislative provisions regarding their tariff classification are *not prima facie*, evident and transparent. You provided arguments and documents to substantiate your position.

### **Infraction C082**

The ***Roller Bearings*** were classified at the time of importation under tariff item 8607.19.50 as *Parts of railway or tramway locomotives or rolling-stock; Bogies, bissel-bogies (truck assemblies), axles and wheels, and parts thereof; Other including parts; Parts of bogies or bissel-bogies (truck assemblies)*.

The legislatives provisions in the *Customs Tariff* clearly demonstrate that these type of articles, in accordance with Note 2 (e) to Section XVII, are covered under heading 84.82 as *Ball or roller bearings*.

### **Infraction C352**

The ***H36 Wide Flange Wheels for Railway Vehicles*** are train wheels imported with a rough-cut bore for use in freight cars. At the time of importation, your declared them under tariff item 8607.19.21 as:

*Wheels, whether or not fitted with axles:*

- *Blanks for use in the manufacture of wheel and axle combinations for railway and tramway (including subway cars) passenger coaches;*
- *For self-propelled railway vehicles for the transport of passengers, baggage, mail or express traffic;*
- *For use in the repair of tramway vehicles (excluding subway cars) with magnetic track brakes.*

However, as these wheels are for use in freight cars, they are not provided under this tariff item as this provision evidently covers wheels that are use for a specific type of railway vehicle which does not include freight cars.

Our review concludes that there was “reason to believe” that the declared tariff classification of the goods at issue was incorrect as the legislatives provisions for the ***Roller Bearings*** and ***H36 Wide Flange Wheels for Railway Vehicles*** at issue are *prima facie*, evident and transparent.

Accordingly, the original amount as assessed is in accordance with Agency guidelines for infractions of this nature.

To appeal the decision made pursuant to section 131, you may file an action in the Federal Court, in accordance with section 135 of the *Customs Act*. You must file your action within **90 days** of the date of the mailing of this decision.

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<sup>1</sup> *Roller Bearings and H36 Wide Flange Wheels for Railway Vehicles.*

-3-

To appeal the decision made pursuant to section 133, you may appeal this decision by way of an application for judicial review under section 18.1(1) of the *Federal Courts Act*. An application to the Court must normally be filed within **30 days** of the date of the mailing of this decision.

I trust that this letter satisfactorily explains the ministerial decision in this matter. If you have any questions, please contact the adjudicator, Cecilia Bonilla, at (514) 286-7879 ext. 5224.

Yours truly,



Tina Scatozza  
Manager of Trade Appeals and Litigation Division

For

**For the Minister of Public Safety**

TS/ml

Attachment

c.c. Conway Baxter Wilson LLP/s.r.l.  
400 - 411 Roosevelt Avenue  
Ottawa, ON  
K2A 3X9  
Attn: David P. Taylor

***INTERNAL COMMUNICATION ONLY***

c.c. **Lucie Gagné**  
Senior Officer Trade Compliance  
Vérification de l'observation - Quebec city (1165)  
130 Dalhousie Street  
Quebec, Quebec G1K 4C4Trade Operations Division – Quebec

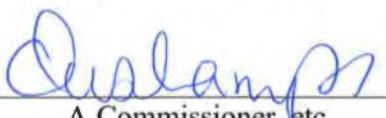
P.S. Please find attached a copy of the ministerial decision in the above-mentioned dispute. This action has been maintained.

Thank you for your assistance in this matter.

c.c. **Regional AMPS Committee**  
Montreal Trade Operations Division

c.c. **File**

This is Exhibit "M"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.



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A Commissioner, etc.

File No.: T-1295-20

**FEDERAL COURT**

B E T W E E N:

**RONSCO INC.**

**Plaintiff**

**- and -**

**HER MAJESTY THE QUEEN**

**Defendant**

**ACTION UNDER** s. 135 of the *Customs Act*, R.S.C. 1985, c. 1 (2nd Supp.).

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**STATEMENT OF CLAIM**

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A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a solicitor acting for you are required to prepare a statement of defence in Form 171B prescribed by the Federal Courts Rules serve it on the plaintiff's solicitor or, where the plaintiff does not have a solicitor, serve it on the plaintiff, and file it, with proof of service, at a local office of this Court, WITHIN 30 DAYS after this statement of claim is served on you, if you are served within Canada.

If you are served in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period for serving and filing your statement of defence is sixty days.

Copies of the Federal Court Rules information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court at Ottawa (telephone 613-992-4238) or at any local office.

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

October 29, 2020

Issued by: Kimberly Lalonde  
(Registry Officer)

Address of local office: Thomas D'Arcy McGee Building  
90 Sparks Street, 5th floor  
Ottawa, Ontario  
K1A 0H9

TO: ATTORNEY GENERAL OF CANADA  
c/o Deputy Attorney General  
Department of Justice Canada  
50 O'Connor Street, 5th Floor  
Ottawa, ON K1A 0H8

## CLAIM

1. The plaintiff claims:
  - a. An order quashing as unreasonable the July 30, 2020 Detailed Adjustment Statements, titled Transaction No. 00003001046726 (the “July 2020 DAS”), which were issued on the basis that Ronsco Inc. (“Ronsco”) had “reason to believe” that its original tariff declaration with respect to forged railway wheels with unfinished bore holes (“rough bore wheels”) was incorrectly classified;
  - b. Direct damages in the amount of \$2,543,628.38 compensating Ronsco for the duties and interest paid retroactively to the Canada Border Services Agency (“CBSA”);
  - c. Consequential damages in the amount of \$1,006,641.91 compensating Ronsco for professional services incurred as a result of the CBSA’s actions;
  - d. Costs of the proceedings; and
  - e. Such further and other relief as counsel may advise and the Court may permit.

### I. BACKGROUND

2. The plaintiff, Ronsco Inc. (“Ronsco”) is the only Canadian-owned independent railway wheelset manufacturing shop in Canada. Ronsco is headquartered in Montreal, with five locations across Canada. Ronsco has been active for over 50 years.
3. Ronsco supplies products and services to North American and international rail, mining, and transit industries. A substantial part of Ronsco’s business involves supplying freight and transit railway wheels and wheelsets (wheel and axle combinations) to Canadian consumers.

4. Ronsco imports rough bore wheels to meet its clients' requirements for loose wheels, and to manufacture wheelsets. The rough bore wheels Ronsco imports have unfinished bore holes, such that they must be further manufactured either in one of Ronsco's or its clients' wheelshops before it can be fitted with an axle.
5. Rough bore wheels are a manufacturing input (i.e., a good used to manufacture another good). As imported, they cannot be affixed to axles to make wheelsets. Instead, a very precise, computer-guided, boring operation must take place in a wheelshop to finish the borehole to fit the specific and unique axle to which the wheel will be affixed.
6. Rough bore wheels represent 80% of a wheelset's manufacturing cost.
7. Forged railway wheels have not been manufactured in Canada since 1994.
8. In 2005, Sumitomo Canada Limited ("Sumitomo"), one of Ronsco's competitors, requested and received from the CBSA an Advanced Ruling certifying that the rough bore wheels imported by Sumitomo for use on freight cars (i.e., which were identical in manufacture and use to those imported by Ronsco), could be imported duty-free under Tariff 21.
9. At about the same time, in 2005, Ronsco began importing rough bore wheels. Ronsco sought tariff advice from its customs broker, FedEx. FedEx advised that rough bore wheels could be imported duty-free under tariff item 8607.19.21 (re wheel blanks) ("Tariff 21").
10. Accordingly, Ronsco and Sumitomo (and the Canadian railway and customs brokerage industries as a whole) understood and reasonably believed that these wheels were to be imported duty free under this tariff item. CBSA's own conduct since 2005 confirmed and reinforced this reasonable belief.

11. In 2015, Ronsco was certified by the American Association of Railroads (“AAR”) to produce wheelsets at its wheelshop in Hamilton, Ontario. This certification was the result of a \$10,000,000 capital investment by Ronsco. This investment was driven by the large demand for wheelsets in Eastern Canada and the Northeastern United States.
12. Ronsco competes with United States-based companies in supplying both the Canadian domestic wheelset market and the Northeastern United States market. In addition to “Buy American” policies (which have no equivalent in Canada), United States companies benefit from a duty-free tariff treatment of rough bore wheels for the wheelsets they will ultimately export for sale into Canada.
13. Prior to Ronsco opening its Hamilton wheelshop, there was no option for Canadian customers who did not have their own wheelshop to source wheelsets from a Canadian company. That demand was entirely fulfilled from the United States.
14. Prior to the events giving rise to this proceeding, Ronsco had plans to expand its operations in western Canada by opening a wheel shop. Due to the significant transport of bulk goods by rail, western Canada is the largest wheelset market in Canada. Ronsco’s plan was to invest \$10,000,000 in capital, which would have created 30 jobs. However, as described below, these plans were put on hold due to the CBSA’s imposition of a 9.5% duty on rough bore wheels and its imposition of retroactive duties on Ronsco.
15. As a result, Canadian customers without their own wheelshop continue to be serviced by wheelsets supplied from American companies with facilities in Tacoma, Washington, and Chicago, Illinois. These American companies benefit from a significant cost advantage, due to the tariff treatment described at paragraph 12, above.

## II. Imposition of Retroactive Duties on Ronsco's Imports of Rough Bore Wheels

16. On July 11, 2017, the CBSA informed Ronsco that a Trade Compliance Verification would be conducted for goods imported by Ronsco between January 1, 2015 to December 31, 2015. Among the goods reviewed by the CBSA were “AAR approved H36 Wheels Class C, 8-3/8” bore diameter” (“rough bore wheels”).
17. On April 20, 2018, Ronsco received an Interim Report from the CBSA that advised it had determined that Tariff 21 (re wheel blanks) did not apply to the rough bore wheels imported by Ronsco, and that Tariff Item 8607.19.29 (wheels – other) (“Tariff 29), dutiable at 9.5%, applied. Ronsco was informed that it would have to make corrections and pay duties going back four years on the basis that it purportedly had “reason to believe” that its initial tariff declaration was incorrect.
18. In response, Ronsco argued that Tariff Item 8607.19.30 (parts of wheels, duty free) was instead applicable, given that the rough bore wheels cannot perform the essential functions of a wheel (i.e., being fitted to an axle) when they are imported, as further manufacturing is required. Ronsco also argued that it did not have, and had never had, “reason to believe” that the rough bore wheels fell into a category that was dutiable.
19. On June 26, 2018, Ronsco’s representatives met with representatives from the office of the Minister of Public Safety and with Doug Band, the CBSA’s Director General responsible for the Trade and Anti-Dumping Programs Directorate. This meeting addressed the Interim Report. In this meeting, Mr. Band acknowledged that the wording of Tariff 21 was confusing and outdated and assured Ronsco that it would only be required to pay duties for the items identified in the Interim Report, and going forward.

20. On July 24, 2018, the CBSA issued its final Trade Compliance Verification Report (the “Verification Report”), confirming the conclusions in the Interim Report and stating that Ronsco would be required to pay \$461,446.21 in duties related to the five transactions covered by the Verification Report. The Verification Report concluded that Ronsco had “reason to believe” the goods were incorrectly classified under Tariff 21 that they should have been classified under Tariff 29, and that Ronsco would need to make corrections and pay retroactive duties on all transactions involving the rough bore wheels dating back four years.
21. On September 26, 2018, Ronsco made a request to the President of the CBSA for further re-determination, pursuant to section 60 of the *Customs Act*. Ronsco argued both that the rough bore wheels were properly classified under Tariff Item 8607.19.30 (parts of wheels) and that it did not have reason to believe that its prior selection of Tariff 21 was incorrect.
22. On November 8, 2018, Sue Ogilvie, an Appeals Officer with the CBSA’s Toronto Trade Appeals Unit, Finance and Corporate Management Branch, advised that the CBSA’s conclusion regarding Ronsco’s “reason to believe” could only be challenged by appealing the Administrative Monetary Penalty that Ronsco would receive, under section 129 of the *Customs Act*.
23. Ronsco’s appeals to the CBSA President, and subsequently to the Canadian International Trade Tribunal (“CITT”), were denied. In its ruling, the CITT acknowledged that the imposition of “historical duties” on these transactions placed a financial burden on Ronsco, particularly considering that it operates a small-margin business.

### **III. Ronsco's Notice of Penalty Assessment Appeal**

24. On October 11, 2019, Ronsco received a Notice of Penalty Assessment (“NPA”) from the CBSA. The NPA found that Ronsco had “reason to believe” that it had incorrectly selected Tariff 21 for the goods subject to the retroactive corrections.
25. On December 17, 2019, Ronsco filed its appeal of the NPA. It made further submissions on March 10, 2020 and June 1, 2020.
26. On August 17, 2020, Natasha Alimohamed, Director General of the CBSA’s Recourse Directorate, advised Ronsco that, contrary to Ms. Ogilvie’s representations in November 2018 (see paragraph 22, above), Ronsco ought to have brought an application for judicial review under the *Federal Courts Act* to challenge the CBSA’s conclusions with respect to Ronsco’s “reason to believe”. To preserve its rights, Ronsco filed the Notice of Application for Judicial Review in T-1037-20, taking the position in its Notice of Application that the judicial review should be placed in abeyance pending the outcome of Ronsco’s appeal under section 135 of the *Customs Act*.
27. On September 17, 2020, Ronsco received the CBSA’s decision, dated September 15, 2020, dismissing its NPA Appeal.
28. On October 14, 2020, as Ronsco was preparing to bring this appeal, counsel for Canada on the judicial review in T-1037-20 took the position that, contrary to Ms. Ogilvie’s advice (see paragraph 22 above) and Ms. Alimohamed’s advice (see paragraph 26 above), Ronsco should have challenged the CBSA’s conclusion regarding “reason to believe” in an appeal to the CBSA President under section 60 of the *Customs Act*. To preserve its rights, Ronsco filed a Notice of Appeal to the CITT on October 22, 2020, taking the position in its Notice of Appeal that that appeal should also be placed in abeyance.

**IV. RONSCO SHOULD NOT HAVE TO PAY RETROACTIVE DUTIES**

29. Ronsco did not have “reason to believe” that its tariff classification of the imported rough bore wheels was incorrect. It should not have to pay the retroactive duties set out in the July 2020 DAS.
30. Tariff 21 is not a legislative provision that is *prima facie* evident and transparent, as required by CBSA policy. Rather, it is unclear and ambiguous.
31. CBSA itself has had contradictory readings of this Tariff Item. The CBSA’s Advance Ruling from 2005 was in place for almost 14 years and confirmed Ronsco’s understanding, and that of the industry as a whole, that Tariff 21 was available and appropriate for rough bore wheels.
32. Since September 2014, the CBSA has posted Advance Rulings online, for the express purpose of serving as a reference point for providing meaningful guidance and help to other importers in complying with Canada’s trade legislation.
33. Ronsco’s American competitors benefit from ruling letters from U.S. Customs and Border Protection that can address tariff classification, for the purpose of facilitating trade by enabling companies to make business decisions that are dependent on how their goods will be treated on importation. The American policy in this regard is that it is in the interest of the sound administration of Customs and Border Protection and related laws that persons engaging in any transaction affected by those laws fully understand the consequences of that transaction prior to its consummation.
34. The CBSA only rescinded the 2005 Advance Ruling after deciding against Ronsco in its July 2018 Verification Report to Ronsco. In so doing, the CBSA nevertheless granted

Sumitomo a significant exemption window from paying duties by timing the Advance Ruling amendment to coincide with the enactment of the Comprehensive and Progressive Trans-Pacific Partnership free trade agreement.

35. What is more, Mr. Band, a senior CBSA official agreed with Ronsco that the wording of Tariff 21 was confusing, and that Ronsco would not have to pay retroactive duties. As such, Ronsco had reasonably understood after meeting with representatives from the Minister of Public Safety and Mr. Band that the CBSA agreed that Ronsco did not have “reason to believe”.
36. Industry behavior also shows that Tariff 21 is not *prima facie* evident and transparent, as from 2005 to 2019 it was the CBSA’s own conduct that drove importer behavior, rather than the Tariff Item’s wording.
37. To the CBSA’s and Ronsco’s knowledge, approximately ten companies have imported substantially similar goods into Canada under Tariff 21 from Russia, China, Japan and Ukraine.
38. Only when the CBSA issued its Verification Report against Ronsco in 2018 and rescinded Sumitomo’s Advance Ruling, did many of these importers begin changing their tariff classifications Tariff 21 to Tariff 29.
39. Finance Canada’s public posture is that Canada has a duty-free tariff regime for imports of manufacturing inputs. Specifically, in 2010, the Minister of Finance declared that Canada was a “tariff-free zone” for manufacturing inputs. Under this regime, it was, and still is, express government policy that goods imported to manufacture other goods are not subject to duty (as recognized by the CITT in its judgment, rough bore wheels must undergo further

manufacturing after importation in order to be fitted to axles as part of the manufacture of wheelsets). This policy further supports Ronsco's lack of "reason to believe" that its selection of Tariff 21 was improper.

## V. IMPACT ON RONSCO'S BUSINESS

40. The CBSA's ruling that the goods in issue are dutiable at 9.5% and the retroactive imposition of duties have had two major financial impacts on Ronsco's business:
  - a. The imposition of a 9.5% duty on rough bore wheels increases Ronsco's costs relative to its United States competitors. The increased cost is significant, as rough bore wheels are 80% of a wheelset's manufacturing cost. From the Verification Report (July 24, 2018) to September 30, 2020, Ronsco's increased cost due to duties was \$1,929,016.86. Ronsco estimates that it has lost business of 5,400 wheelsets per year, representing \$6,000,000 in annual revenue.
  - b. At the time the retroactive duties were imposed, Ronsco was in negotiations with its Canadian customers to open a second wheelshop, in order to fulfill their wheelset requirements across the country. However, the imposition of a 9.5% duty on rough bore wheels, the imposition of \$461,446.21 in duties arising from the Verification Report, and the imposition of roughly \$2.4 million in retroactive duties have made these expansion plans costs prohibitive. Ronsco estimates the lost production associated with a second wheelshop at 25,000 wheelsets per year, with an expected revenue of \$32,500,000.

## VI. DAMAGES SOUGHT

41. Ronsco claims reimbursement of the amounts erroneously charged by the CBSA as follows:
- a. Duties: \$2,434,002.31;
  - b. Interest: \$109,626.07; and
  - c. Administrative Monetary Penalty: \$1,000.
42. Ronsco also claims reimbursement of significant professional fees incurred since the CBSA's erroneous conclusion with respect to its "reason to believe". Ronsco expressly asserts, and does not waive, privilege over any of the relevant privileged documents or information in this regard. Ronsco claims the following amounts:
- a. Legal: \$347,378.15
  - b. Trade Consultants: \$550,065.76
  - c. Surety Bond: \$104,282.00
  - d. Experts: \$4,916.00

The plaintiff proposes that this action be tried at Ottawa, Ontario.

October 26, 2020

  
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Solicitors for the Plaintiff

This is Exhibit "N"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.

  
A Commissioner, etc.



# Memorandum D11-6-10

## Reassessment Policy

### In Brief

This memorandum has been amended to correct the chart in Appendix A to mention D6-2-3.

This memorandum outlines and explains the Canada Border Services Agency's (CBSA) reassessment policy with respect to the following situations:

- (a) Importers who have been the subject of a CBSA trade compliance verification and who have been directed to self-adjust incorrect declarations of origin, tariff classification, and value for duty; and
- (b) Importers who have not been the subject of a CBSA trade compliance verification and who have identified incorrect declarations of origin, tariff classification, and value for duty for which they are submitting self-adjustments.

### Legislation

Sections 32, 58, 59 and 74 of the *Customs Act*

## Guidelines and General Information

1. The subject of this memorandum is the reassessment period for which importers must correct their declarations of origin, tariff classification, and value for duty after identifying or receiving specific information that gives them reason to believe that their previous declarations are incorrect.
2. This memorandum does not address applications for a refund of duties under section 74 of the *Customs Act* (the Act). For more information on refund of duties, refer to [Memorandum D6-2-3, Refund of Duties](#).
3. In accordance with section 32.2 of [the Act](#), an importer, an owner of goods, or an authorized person (hereafter referred to as "the importer") is required to correct a declaration of origin, tariff classification, or value for duty within 90 days after having reason to believe that the declaration is incorrect. This obligation applies to a correction that would result in either money payable to the CBSA or is revenue neutral.
4. "Reason to believe" occurs when specific information was considered to be available to the importer to indicate that an origin, tariff classification, or value for duty declaration was incorrect. For more information on "reason to believe", refer to [Memorandum D11-6-6, "Reason to Believe" and Self-adjustments to Declarations of Origin, Tariff Classification, and Value for Duty](#).
5. Subsection 32.2(4) of [the Act](#) specifies that an importer's obligation to make a correction in respect of imported goods ends four years after the goods have been accounted for under subsection 32(1), (3), or (5).
6. Corrections to declarations under section 32.2 of [the Act](#) must be presented on a properly completed Form B2, *Canada Customs - Adjustment Request*. For more information on how to submit adjustment requests, refer to [Memorandum D17-2-1, Coding of Adjustment Request Forms](#).

7. Pursuant to section 59 of [the Act](#), an officer may re-determine or further re-determine the origin, tariff classification, and/or value for duty of imported goods at any time within four years after the date of the determination, or within such further time as may be prescribed.

### **Time Limit Under Section 32.2 of the Customs Act**

8. The 90-day time period to make a correction to a declaration of origin, tariff classification, or value for duty under section 32.2 of [the Act](#) begins on the date the importer has, or was considered to have had, reason to believe that a declaration is incorrect.
9. Where the importer did not have specific information at the time of accounting to indicate that a declaration was incorrect, “reason to believe” will occur on the date that the importer obtains specific information or is informed in writing of the necessary requirements to correctly account for the goods. The 90-day time period to make a correction to a declaration begins on the date the specific information is received by the importer.

For example, a trade compliance verification final report issued on November 20, 2015, identifies all errors found during the verification. If, before the verification, there was no specific information available to give the importer reason to believe that a declaration was incorrect, the date of the report will constitute the date of “reason to believe”. The importer would have 90 days from the date of the report to amend all incorrect declarations for the reassessment period identified in the report.

10. Where there is uncertainty on how to correctly account for the origin, tariff classification, or value for duty of the goods, importers are strongly encouraged to request a ruling from the CBSA. The procedures for obtaining a ruling are outlined in [Memorandum D11-4-16, Advance Rulings Under Free Trade Agreements](#), [Memorandum D11-11-1, National Customs Rulings \(NCR\)](#), and [Memorandum D11-11-3, Advance Rulings for Tariff Classification](#).

11. From the date that an NCR or an advance ruling is issued, the importer will be required to declare all future importations in accordance with that ruling as it becomes the importer’s specific information providing “reason to believe”.

**Note:** If it is determined that specific information was available to the importer prior to receiving the ruling, the earlier specific information will be considered by the CBSA to be the reason to believe that a declaration was incorrect.

### **Correction to a Declaration for a Period Before the Date of Specific Information**

12. When dealing with goods covered by a free trade agreement, an importer may be required to make a correction to a declaration for the period before the date that they have specific information because of obligations regarding importations under that free trade agreement.

13. Subsection 32.2(1) of [the Act](#) requires an importer to make a correction to a declaration if the importer has specific information that the proof of origin on which a declaration was based contains incorrect information. Therefore, when an importer becomes aware that a proof of origin is no longer valid for imported goods, it is required to make corrections to all affected declarations for the period covered by that proof of origin in accordance with the self-adjustment provisions of the Act.

For example, on August 25, 2015, an importer receives a notification from an exporter that a certificate of origin covering goods imported in 2014 is no longer valid. The importer is obligated to correct all declarations within 90 days from August 25, 2015, for the goods imported in 2014, for the period covered by the erroneous certificate of origin.

14. For imported goods that are subject to retroactive amendments to the price paid or payable, an importer may be required to make corrections to declarations made before the date of the specific information. In situations where an agreement in writing was in effect at time of importation to later reduce the price paid or payable of imported goods and the price reduction subsequently occurs, a correction made under the authority of section 32.2 of [the Act](#) is necessary if the importer is provided with specific information giving reason to believe that a declaration of value for duty is incorrect, and the correction would be revenue neutral. An importer may elect to pursue a refund

of duties under the authority of paragraph 74(1)(e) of the Act if the price reduction would result in a decrease of value for duty.

## **Reassessment Period for Importers who are not the Subject of a Trade Compliance Verification**

15. For a pictorial representation of the following information, refer to Appendix A of this memorandum.

### **Specific Information Not Available**

16. An importer who conducts an internal audit or review, or engages a third party to do so, may become aware of incorrect declarations. In this case, the audit or review report may be considered to be the specific information that gives the importer “reason to believe”, provided that:

- (a) there was no previous information available that would be considered reason to believe that a declaration was incorrect;
- (b) the CBSA had not already initiated a trade compliance verification; and
- (c) the report identifies only revenue neutral corrections or ones in which duty is payable to the CBSA.

17. For an internal report to be considered to be specific information that gives “reason to believe”, the report must be based on an audit or review of the importer’s activities to ensure that the goods have been correctly accounted for. The written report must provide a detailed account of the issue that was examined, the scope of the review, and a clear description of the errors found in the customs accounting documents. In addition, all conclusions and required corrections must be clearly explained and supported by the specific legislative provisions.

18. Where all previous conditions are met, importers will not be required to make a correction to a declaration before the date of the internal report. Importers will only be required to account for the goods according to the recommendations of the internal report on a going forward basis.

19. Importers who disagree with the conclusion of their own audit or review are advised to request a ruling from the CBSA in accordance with paragraph 10 of this memorandum.

### **Specific Information Available**

20. When an importer, who is not currently the subject of a CBSA trade compliance verification, becomes aware that specific information was previously available but was not considered and consequently declarations of origin, tariff classification, and/or value for duty are incorrect, the CBSA requires the importer to self-correct all incorrect declarations dating back to the date of the specific information, to a maximum of four years as provided for under subsection 32.2(4) of [the Act](#).

21. Where the only type of specific information previously available is a legislative provision that is *prima facie*, evident, and transparent, as identified, as in subparagraph 1(a) of [Memorandum D11-6-6](#), the CBSA may not require an importer to amend incorrect declarations for a maximum of four years. If the corrections would result in no customs duties payable or only Goods and Services Tax (GST) payable, and the importer is a GST registrant eligible to receive input tax credits, the importer will only be required to amend incorrect declarations back to the beginning of their last completed fiscal period.

### **Voluntary Disclosures Program**

22. The Voluntary Disclosures Program promotes compliance with the accounting and payment provisions of the [Customs Act](#), [Customs Tariff](#) and [Excise Tax Act](#) by encouraging clients to come forward and correct deficiencies in order to comply with their legal obligations.

23. Where the legislated 90-day time limit under section 32.2 of [the Act](#) has expired, importers who have not made the required corrections to their declarations of origin, tariff classification, and/or value for duty may request corrective measures under the Voluntary Disclosures Program. For more information, refer to [Memorandum D11-6-4, Relief of Interest and/or Penalties Including Voluntary Disclosure](#).

## **Reassessment Period for Importers After a CBSA Trade Compliance Verification**

24. For the purpose of this memorandum, the term “verification period” means the time frame within which the goods under review were accounted for. The verification period will be clearly identified in the notification letter issued by the CBSA officer that is conducting the verification.
25. Under section 59 of the Act, an officer may re-determine the origin, tariff classification, and/or value for duty of imported goods at any time within four years after the date of accounting. When goods are re-determined as a result of a trade compliance verification, an importer must amend all incorrect declarations pursuant to section 32.2 of the Act for the reassessment period. The reassessment period will be determined on the basis of whether or not specific information giving “reason to believe” was available to the importer.
26. For a pictorial representation of the following information, refer to Appendix B of this memorandum.

### **The CBSA Determines That Specific Information was not Available**

27. In the case of a trade compliance verification where the CBSA determines that specific information was not available, the importer will not be considered to have had “reason to believe”. The importer will be required to amend all incorrect declarations only for the verification period, as identified in the CBSA’s initial notification letter and going forward.

For example, a letter from the CBSA dated March 23, 2015 notifies the importer of an upcoming trade compliance verification of goods imported during their January 2014 to December 2014 fiscal year. In its trade compliance verification final report dated September 8, 2015, the CBSA identifies errors but determines that the importer did not have reason to believe that the declarations were incorrect. In this case, the importer must amend all incorrect declarations accounted for during the verification period (i.e., January 1, 2014 to December 31, 2014), and going forward.

### **The CBSA Determines That Specific Information was Available**

28. In the case of a trade compliance verification where the CBSA determines that specific information was available, the importer will be considered to have had “reason to believe”. The importer will be required to amend all incorrect declarations dating back to the date of the specific information, to a maximum of four years, as provided for in [the Act](#).
29. Where the only specific information previously available was a legislative provision that was *prima facie*, evident, and transparent as identified in subparagraph 1(a) of [Memorandum D11-6-6](#), the CBSA may not require the importer to amend incorrect declarations to a maximum of four years. Where the corrections would result in no customs duties payable or only GST payable, and the importer is a GST registrant eligible to receive input tax credits, the CBSA may determine that the reassessment period for which the importer will be required to amend incorrect declarations will be the verification period, as identified in the notification letter, up to the date of the final verification report and all future importations going forward.

For example, on July 13, 2015, an importer receives a trade compliance verification final report from the CBSA concluding that a *prima facie*, evident, and transparent tariff classification provision was not followed. Where the corrections would result in no additional customs duties payable, the CBSA may only require the importer to amend all incorrect declarations dating back to the starting date of the verification period. In this example, if the importer’s fiscal year was the calendar year, the importer might only be required to amend all incorrect declarations from January 1, 2014 and going forward. If the corrections would result in customs duties payable, the importer would be required to self-correct back to the date of specific information up to a maximum of four years.

30. Where the type of specific information identified in subparagraphs 1(b) through (g) of [Memorandum D11-6-6](#) was previously available to the importer, the reassessment period for which the importer will be required to amend incorrect declarations will be the period dating back to the date of that specific information, up to a maximum of four years, whether or not the corrections result in any customs duties payable to the CBSA.

For example, if a ruling issued prior to the trade compliance verification was not followed, the CBSA will require the importer to amend all incorrect declarations dating back to the date of the ruling, up to a maximum of four years, whether or not the corrections generate customs duties payable to the CBSA.

### **Importer's Report Used as Specific Information**

31. For a pictorial representation of the following information, refer to Appendix C of this memorandum.
32. During a trade compliance verification, an importer may notify the CBSA that they have accounted for goods in accordance with the results of a self-initiated review. In the event that the CBSA determines that the findings and results of the review are incorrect, the importer may be required to correct only for the verification period and going forward if the verification determines that the report was prepared in accordance with the conditions set out in paragraphs 16 and 17 of this memorandum.
33. If the CBSA determines that the self-initiated review was not based on the conditions set out in paragraphs 16 and 17, the report will not be considered to be specific information. The CBSA will provide the importer with a detailed explanation as to why the report cannot be considered as specific information, giving "reason to believe". That said, other "reason to believe" criteria may still apply.
34. Should the CBSA determine that specific information regarding the correct accounting of the goods was available to the importer prior to the completion of the importer-initiated review, the CBSA may require the importer to amend all incorrect declarations back to the date of specific information, to a maximum of four years from the date of accounting.
35. It may be determined that the results of the review are correct. If the importer did not account for the goods in accordance with the results, and the goods were incorrectly declared, the importer must amend all incorrect declarations dating back to the date of the report, to a maximum of four years and correctly account for all future importations, provided that all conditions in paragraphs 16 and 17 are met. Where the importer's internal report is dated after the beginning of the verification period, the importer will be required to amend all incorrect declarations for the verification period, as identified in the CBSA initial notification letter, and going forward.

### **Exporter Origin Verifications**

36. In the case of an exporter origin verification, the verification period will be the period covered by the proof of origin. Where a good is found to be non-originating, an importer's reassessment period will be the period set out in the proof of origin.

For example, during an exporter origin verification, the CBSA determines that a good does not originate and at the conclusion of the verification, informs the importer in writing that the goods do not qualify for the benefits of the preferential tariff treatment claimed at the time of accounting. The reassessment period for which the importer will be required to correct declarations will be the period covered by the related certificate of origin.

37. Refer to Appendix D for more examples on how the reassessment policy applies to an exporter origin verification.
38. Where the CBSA discovers an incorrect tariff classification of a good during an exporter origin verification, one of the following processes will apply, provided that there was no previous specific information available:
  - (a) If the good is found to be **originating** but the tariff classification is incorrect, the importer will be informed of the correct tariff classification at the conclusion of the exporter origin verification, and must correctly account for the good for any future importations from the date of the notice and going forward.
  - (b) If the good is found to be **non-originating** and the tariff classification is incorrect, the importer will be informed at the conclusion of the exporter origin verification that the good does not originate and will also receive a determination on the correct tariff classification of the goods. The importer will be required to amend all incorrect declarations of origin for the verification period, as well as make corrections to the tariff classification for the period covered by the proof of origin.

## **90-day Filing Period**

39. Following a CBSA trade compliance verification where errors are found, the importer must submit corrections to declarations relating to same and similar goods and/or the same issues within 90 days from the date of the trade compliance verification final report.

40. For the purposes of this memorandum, the term "same and similar goods" means: Identical and other models/styles of goods that have the same function as the goods being verified, that differ in a manner (e.g., size, colour, capacity) that does not alter the tariff classification of the goods at the tariff item level.

41. For the purposes of this memorandum, the term "same issues" means: Identical program requirements or considerations relating to the legislative provisions that apply to imported goods.

## **Requesting an Extension to the 90-day Period to Submit Corrections**

42. An importer may submit a written request to the CBSA seeking an extension to the 90-day filing period. The request must be sent to:

Canada Border Services Agency  
 Trade and Anti-dumping Programs Directorate  
 222 Queen Street, 4th floor  
 Ottawa, Ontario  
 K1A 0L8

43. The importer's request must be made no later than 45 days from the date of the final report. Requests received after 45 days will not be considered and will be immediately denied.

44. At the time of any request for an extension, an importer must be able to demonstrate that it has begun the process of making corrections. Such requests for extensions must also be accompanied by a fulsome explanation of why the 90-day period cannot be met.

45. Factors that the CBSA may take into account when considering a request for an extension include, but are not limited to:

- (a) Natural disasters (i.e., fires, floods, ice storms) when the event destroyed books and records, or made them inaccessible, or for other related reasons why filing the adjustments was delayed or prevented.
- (b) Local, regional, or national emergencies in the community where the client or representative resides or carries on business.
- (c) Civil disturbances or disruptions in services, such as prolonged postal strikes, strikes within the government, lockouts, and demonstrations, where no alternative services or arrangements are reasonable or possible.
- (d) Death or serious illness pertaining to key persons involved in filing the adjustments.
- (e) Instances where the volume of corrections to be made exceeds the importer's capacity to process them within the required time limit.

**Note:** This list is not exhaustive, but rather illustrates the types of circumstances the CBSA may take into account when considering any request for an extension to the 90-day period to file adjustments.

46. Following receipt and review of an application for an extension, the CBSA will notify the importer of its decision in writing, and provide a schedule for filing the remaining self-corrections. If the extension is granted, the period for making corrections will be extended to a maximum of 30 days.

47. Even if an extension is granted, the importer will be required to submit corrections for the first year of the reassessment period by the 90th day of the filing period.

48. If an extension is granted and corrections for the first year of the reassessment period are not received by the 90th day, the extension will be revoked and the importer will be subject to penalties.

## Penalty Information

49. Importers who have “reason to believe” and who do not file corrections within the 90-day period as required under section 32.2 of [the Act](#) will be liable to penalties under the Administrative Monetary Penalty System (AMPS).

50. More information on penalties is available in [Memorandum D22-1-1, Administrative Monetary Penalty System.](#)

## Challenging a CBSA Decision

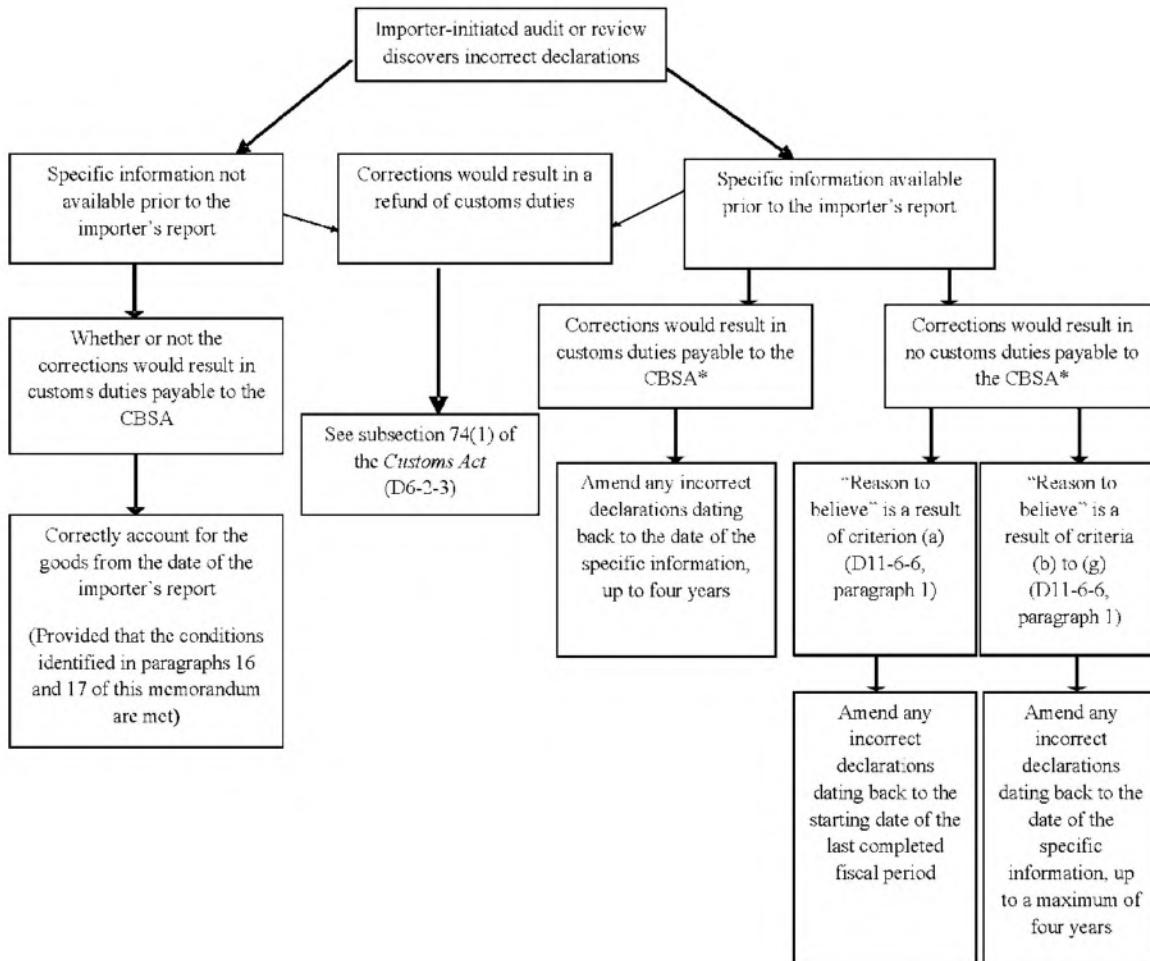
51. When a notice of a decision has been given under subsection 59(2) of [the Act](#), an importer who disagrees with the CBSA’s decision may file a request for a further re-determination, under the authority of subsection 60(1), within 90 days of the CBSA decision. For further information on the dispute resolution process, refer to [Memorandum D11-6-7, Importer’s Dispute Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods.](#)

## Additional Information

52. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time / except holidays). TTY is also available within Canada: **1-866-335-3237**.

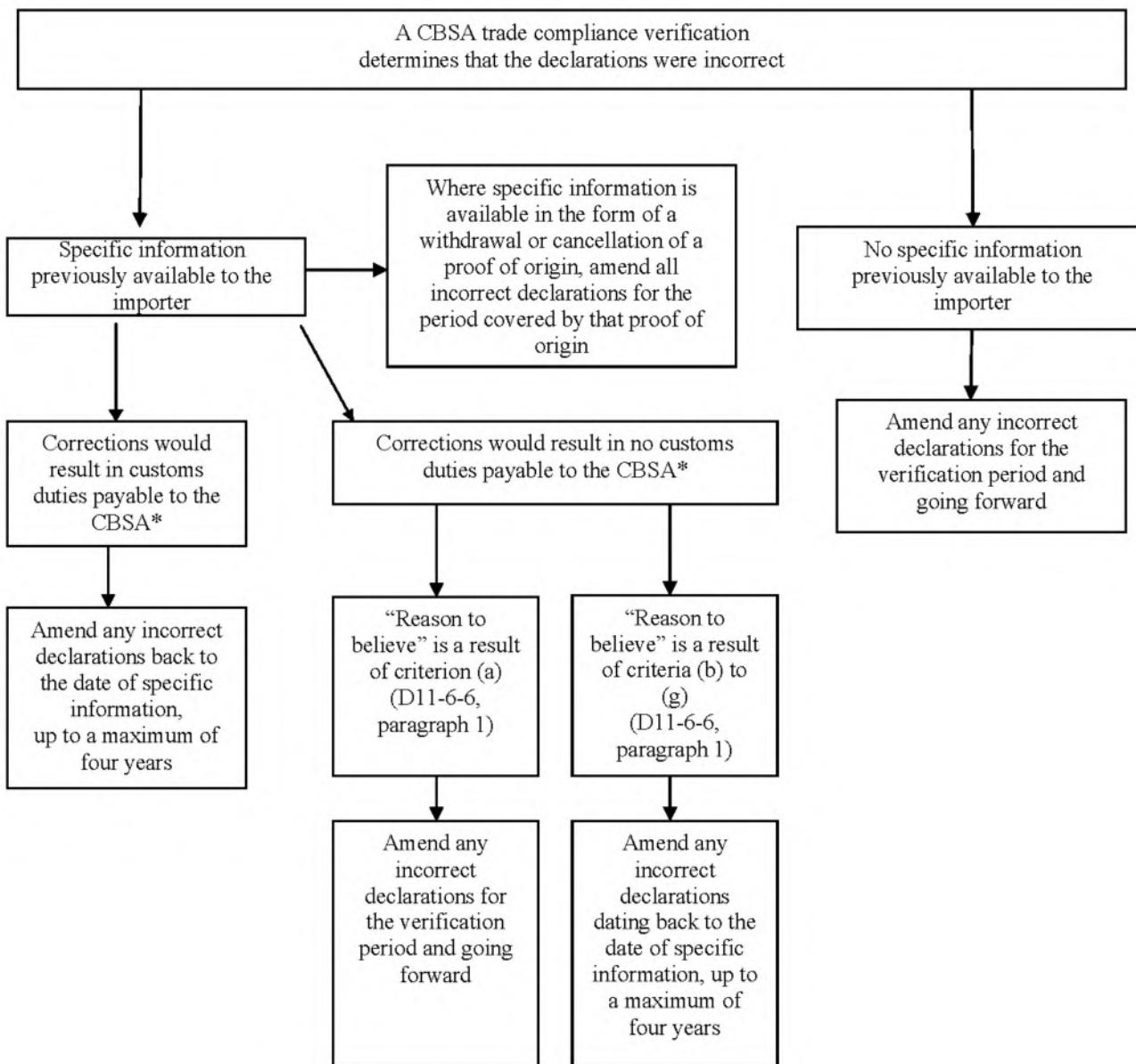
## Appendix A

### Corrections as a Result of an Importer Initiated Audit or review

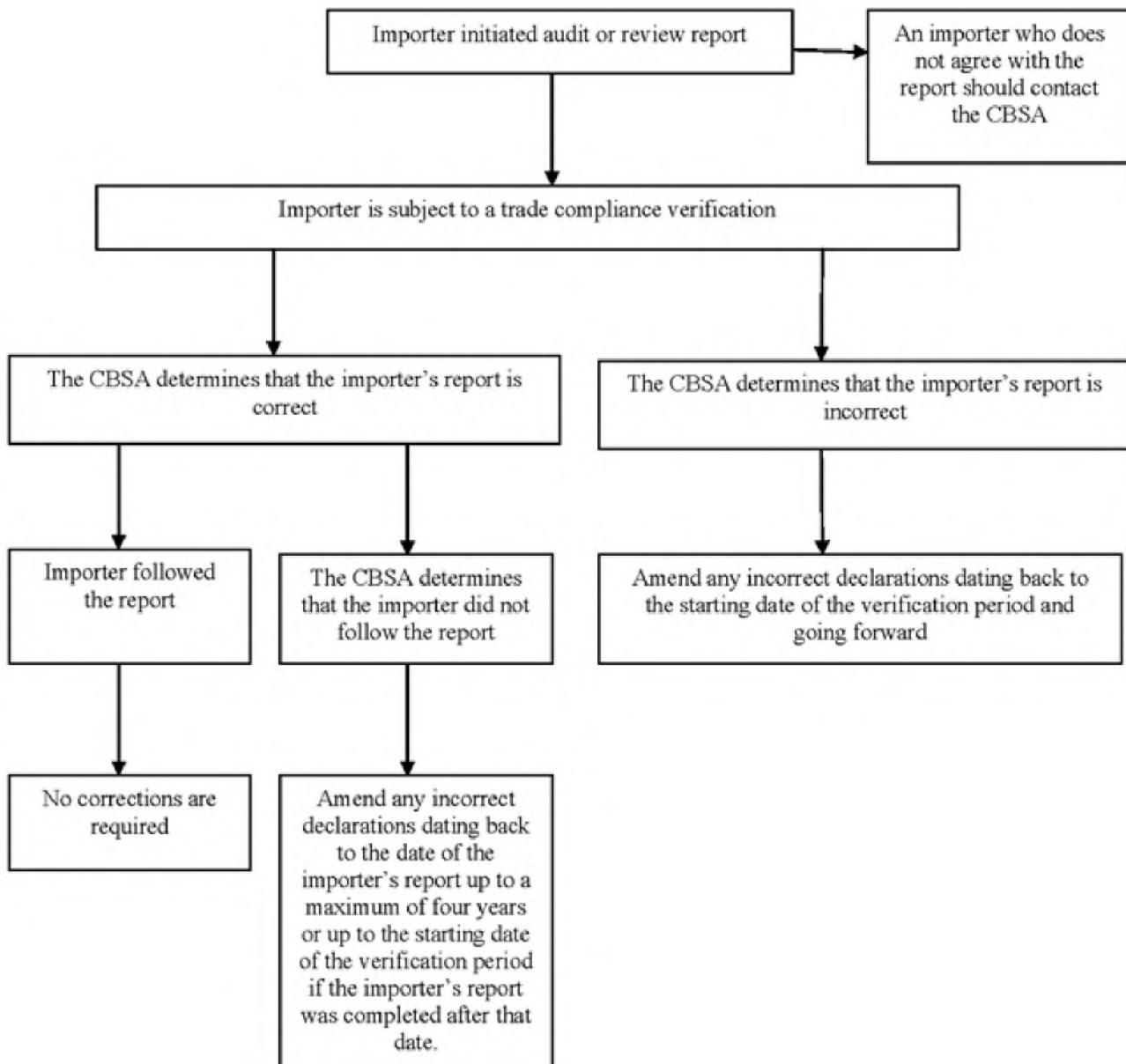


## Appendix B

### Reassessment Period for Importers After a CBSA Trade Compliance Verification



\* Where the importer is not a GST registrant eligible to receive input tax credits, and corrections would result in GST payable, the reassessment period would be the same as if customs duties were payable to the CBSA.

**Appendix C****Reassessment Period for a CBSA Trade Compliance Verification When a Previous Importer-initiated Audit or Review Meets the Conditions in Paragraphs 16 and 17**

## Appendix D

### Examples of Reassessment Periods After an Exporter Origin Verification

#### Scenario 1 – First verification

- Exporter issues blanket certificates of origin for four consecutive years (2012, 2013, 2014 and 2015 calendar years) to a variety of importers.
- The importers use the certificates of origin to claim preferential tariff treatment for all four years.
- The CBSA initiates a verification of origin for the goods certified for the 2014 calendar year and notifies all of the importers of these goods.
- The CBSA determines that one of the goods on the certificate of origin is non-originating.
- The CBSA provides the exporter with an interim and a final verification report, indicating that all importers to whom the certificate of origin was issued for the verified period must be advised of the results and provided with an amended certificate.
- The importers are also notified at the same time that the good has been determined to be non-originating for the verified period. The importer now has specific information giving “reason to believe” and is required to make corrections pursuant to section 32.2 of [the Act](#).

**Outcome:** If the importer does not make corrections for the verification period, the CBSA may reassess all incorrect declarations of origin made during the verified period (2014).

#### Scenario 2 – Exporter’s review following a verification

- Following a verification, an exporter conducts a review of the origin of their goods for previous and subsequent years in order to determine if the goods certified in those years qualified as originating.
- The exporter determines that the goods they previously certified as originating did not qualify and should not have been certified as originating.
- The exporter notifies all importers to whom those certificates were issued and advises that the certificates are no longer valid.
- Upon receipt of the exporter notification and the withdrawal of the certificates of origin, the importer has reason to believe that the goods do not originate and must make corrections, under section 32.2 of [the Act](#), to all entries for which a preferential tariff treatment was claimed for the periods covered by the certificates that are no longer valid.

**Outcome:** If the importer does not make corrections, and is subsequently selected for a verification by the CBSA, it will be liable for duties and taxes payable plus penalties under the Administrative Monetary Penalty System (AMPS).

#### Scenario 3 – “Pattern of conduct”

- Following an initial verification, the CBSA conducts a second verification of the same exporter for the same good for a different period.
- In both verifications, the CBSA determines that the good is non-originating.
- As such, the CBSA will have established a “pattern of conduct” with respect to that exporter and all certificates of origin issued after the period covered by the second verification of that good will be deemed to be invalid until the exporter is able to prove, to the satisfaction of the CBSA, that the good now originates.
- The CBSA will notify both the exporter and importer when a “pattern of conduct” has been established.

**Outcome:** The importer is required to amend all incorrect declarations of origin for the entire verified period, as well as for the period following the second verification up to the effective date of the “pattern of conduct”. The importer must not claim preferential tariff treatment for those goods going forward from the date of the notification. If the importer does not make corrections, the CBSA may reassess all incorrect declarations of origin for the importations made during the verified period.

#### **Scenario 4 – Cancellation of “pattern of conduct”**

- Subsequent to the establishment of a “pattern of conduct” (Scenario 3), an exporter may submit information to the CBSA to demonstrate that the subject goods now qualify as originating goods. This information may be submitted by the exporter in the form of a request for an advance ruling.
- The information presented by the exporter must be sufficiently detailed and specific to allow the CBSA to confirm that the goods now qualify as originating goods.
- It is important to note that all future importations will remain subject to a full verification of origin by the CBSA at any time within four years from the date of accounting.

**Outcome:** Pursuant to section 74 of [the Act](#), the importer may file a refund request on all entries made following the CBSA’s cancellation of the “pattern of conduct”, up to the maximum period allowed for in legislation.

| <b>References</b>              |  |
|--------------------------------|--|
| <b>Issuing Office</b>          | Trade and Anti-dumping Programs Directorate  |
| <b>Headquarters File</b>       |  |
| <b>Legislative References</b>  | <a href="#"><i>Customs Act</i></a><br><a href="#"><i>Customs Tariff</i></a><br><a href="#"><i>Excise Tax Act</i></a>   |
| <b>Other References</b>        | <a href="#">D6-2-3</a> , <a href="#">D11-4-16</a> , <a href="#">D11-6-4</a> , <a href="#">D11-6-6</a> , <a href="#">D11-6-7</a> , <a href="#">D11-11-1</a> ,<br><a href="#">D11-11-3</a> , <a href="#">D17-2-1</a> , <a href="#">D22-1-1</a> |
| <b>Superseded Memorandum D</b> | D11-6-10 dated January 8, 2016   |

This is Exhibit "O"  
to the Affidavit of Marc Roy  
affirmed on July 23, 2021.

Chulamp

A Commissioner, etc.



Ottawa, April 12, 2013

# MEMORANDUM D11-6-6

## In Brief

### **“REASON TO BELIEVE” AND SELF-ADJUSTMENTS TO DECLARATIONS OF ORIGIN, TARIFF CLASSIFICATION, AND VALUE FOR DUTY**

1. This memorandum has been amended to reflect changes to the definition of “reason to believe”.
2. The policy and procedures regarding the importer self-adjustment obligations have also been amended.
3. New examples illustrating what constitutes “reason to believe” have been added.



Printed in Canada

Canada



Ottawa, April 12, 2013

# MEMORANDUM D11-6-6

## “REASON TO BELIEVE” AND SELF-ADJUSTMENTS TO DECLARATIONS OF ORIGIN, TARIFF CLASSIFICATION, AND VALUE FOR DUTY

This memorandum outlines and explains the Canada Border Services Agency’s (CBSA) policy and guidelines with respect to the concept of “reason to believe”, as well as the legislative framework and administrative guidelines for the self-adjustment process relating to corrections to the declarations of origin, tariff classification, and value for duty. The self-adjustment provisions, policies, and guidelines contained in this memorandum apply to all commercial importations that are accounted for under subsections 32(1), (3), or (5) of the *Customs Act*.

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### LEGISLATION

Sections 32, 58, 59, 60, 61 and 74 of the *Customs Act*:  
<http://laws-lois.justice.gc.ca/eng/acts/C-52.6/index.html>

## GUIDELINES AND GENERAL INFORMATION

### “REASON TO BELIEVE”

1. With respect to section 32.2 of the *Customs Act* (the Act), specific information regarding the origin, tariff classification, or value for duty of the imported goods that gives an importer reason to believe that a declaration is incorrect, can be found in:

- (a) legislative provisions such as specific origin, tariff classification, or value for duty provisions that are *prima facie* (i.e., at first sight), evident (i.e., obvious, apparent), and transparent (i.e., clear, self-explanatory). For detailed examples of *prima facie*, evident, and transparent legislative provisions, refer to Appendix;
- (b) formal assessment documents issued by the CBSA to the importer, relating to the imported goods, such as determinations (other than “deemed determinations”), re-determinations, further re-determinations, etc.;
- (c) final tribunal or court decisions in which the importer was either the appellant, respondent or intervenor;
- (d) information received from exporters, suppliers, etc. (e.g., cancellation of certificates of origin; vendor’s invoice indicating retroactive price increase for goods already purchased);
- (e) written communication, addressed directly to the importer from the CBSA, such as a ruling (e.g., national customs ruling, advance ruling issued under section 43.1 of the Act), a trade compliance verification final report, or an official notification as a result of an exporter origin verification;
- (f) a final report from an importer-initiated internal audit or review, or, from an external company conducting an audit or review of an importer’s company; or
- (g) knowledge that the goods no longer qualify or comply with a condition of relief or a restriction imposed by the concessionary tariff item declared (e.g., goods diverted to a non-qualified conditional-use or conditional-user).

2. Written communications from the CBSA to an importer, such as national customs rulings, advance rulings, or trade compliance verification final reports, will also apply to:

- (a) the same origin issue (e.g., a determination that specific goods do not qualify for preferential treatment);
- (b) the same goods that were the subject of the written communication (e.g., tariff classification for particular goods);
- (c) the tariff classification of goods that are similar to the goods that were the subject of the written communication (e.g., different size, colour, capacity) where the differences between the goods do not affect the tariff classification of the goods at the tariff item level;
- (d) the same valuation issues (e.g., an “assist” – an adjustment made to the price paid or payable of the imported goods representing the value of a good or service provided free of charge by the purchaser to the vendor).

3. A final report or final letter resulting from an importer-initiated audit or review may be considered to be specific information that gives an importer “reason to believe” provided that:

- (a) there was no previous information available that would be considered “reason to believe” that a declaration was incorrect;
- (b) the CBSA had not already initiated a trade compliance verification; and
- (c) the report identifies only revenue neutral corrections or ones resulting in duty payable to the CBSA.

4. An importer-initiated audit or review may not be considered to be sufficient to preclude an importer from the obligation to self-correct declarations to a maximum of four years, as provided for in subsection 32.2(4) of the Act. A CBSA trade compliance verification may determine that such a report, as described in paragraph 1(f), is incorrect. In this case, the results of the CBSA trade compliance verification final report will take precedence over the importer-initiated audit or review. Where corrections are required, the reassessment period will be determined based on whether the CBSA trade compliance verification final report found that there was specific information available, prior to the date of the importer-initiated audit or review, that would have given the importer reason to believe that its declarations were incorrect.

5. The self-adjustment process is activated when the importer has reason to believe that a declaration of origin, tariff classification, or value for duty was incorrect.

The 90-day period to make corrections pursuant to

section 32.2 of the Act starts on the date that the importer has, or was considered to have had, specific information that a declaration was incorrect. For example, the date a supplementary invoice was received from a vendor indicating a price increase for imported goods already declared or, the date of accounting where assists were provided prior to the production of the imported goods.

6. Where an importer has received conflicting information from the CBSA concerning the origin, tariff classification, or value for duty of its goods, the importer is strongly encouraged to contact the CBSA. If an officer determines that the information is conflicting or creates some uncertainty for the importer, the officer will provide guidance. The date of this communication will then constitute the date of “reason to believe” for self-adjustment purposes.

7. Importers are strongly encouraged to request a ruling if they have any doubt as to the correct origin, tariff classification, or the value for duty of goods. The procedures for obtaining a ruling are outlined in Memorandum D11-11-1, *National Customs Rulings (NCR)*, Memorandum D11-11-3, *Advance Rulings for Tariff Classification* or, Memorandum D11-4-16, *Advance Rulings Under Free Trade Agreements*.

8. Rulings or decisions made by the CBSA under sections 58, 59, 60, or 61 of the Act will be honoured by the CBSA until they are modified (and thereby superseded) or revoked.

#### **LEGISLATIVE REQUIREMENTS TO FILE SELF-ADJUSTMENTS**

9. A self-adjustment is the process through which an importer makes a correction under section 32.2 of the Act to a declaration. Any correction that would result in a refund of duties must be requested under section 74 of the Act.

#### **Adjustments – Money Payable to the CBSA or Revenue Neutral**

10. Section 32.2 of the Act places the responsibility on the importer to make a correction to an accounting declaration of origin, tariff classification, and value for duty when the importer has reason to believe that the declaration was incorrect. This obligation applies to a correction that would result in either money payable to the CBSA or is revenue neutral. Corrections are to be filed as adjustments under the following authorities:

32.2(1) – correction to the declaration of origin for which a preferential tariff treatment under a free trade agreement has been claimed;

32.2(2) – correction to all other declarations of origin (other than a declaration of origin referred to in subsection (1)); corrections to the tariff classification or to the value for duty of the imported goods.

11. Subsection 32.2(6) of the Act requires a correction to a declaration when the goods declared under a conditional relief provision in the *Customs Tariff*, or under any regulations made under that Act, have been diverted to a non-qualifying use or user.

12. In the case of diversions, the *Prescribed Classes of Persons in Respect of Diversion of Imported Goods Regulations* require the persons who purchase or otherwise acquire the imported goods, and the persons who sell or otherwise dispose of the imported goods, after the goods are accounted for under subsections 32(1), (3), or (5) of the Act, to make a correction to the declaration. These regulations are available on the Department of Justice website at: <http://laws-lois.justice.gc.ca/eng/regulations/SOR-98-46/page-1.html>.

### **Adjustments Resulting in a Refund of Duties**

13. Subsection 32.2(5) of the Act does not require or allow a correction that would result in a claim for a refund of duties. Section 74 of the Act is the legislative authority under which a person who paid duties on any imported goods may make an adjustment to an accounting declaration that would result in a refund of duties. Where an adjustment would result in a decrease of the amount of goods and services tax (GST) assessed refer to paragraph 17 of this memorandum.

14. For more information relating to the refund of duties paid on imported goods, refer to Memorandum D6-2-3, *Refund of Duties*. For information on the coding and processing of Form B2, *Canada Customs - Adjustment Request*, refer to Memoranda D17-2-1, *Coding of Adjustment Request Forms*, and D17-2-2, *Processing of Adjustment Request Forms*.

### **SELF-ADJUSTMENTS TO DECLARATIONS WHERE ONLY THE GST IS AT ISSUE**

15. Section 212 of the *Excise Tax Act* states that the liability to pay duty on imported goods at the time of importation includes a liability to pay the GST on goods that were subject to duty or would have been subject to duty, if duty were payable. This means that duty-free goods may be subject to the GST.

16. According to subsections 216(2) and 216(3) of the *Excise Tax Act*, any change to the GST status of imported goods is treated as if it was a determination, re-determination, or further redetermination of the tariff classification, or an appraisal, re-appraisal, or further re-appraisal of the value for duty of the goods. As a result, corrections affecting only the GST status of the goods (e.g., the incorrect use of a GST status code) must be submitted under section 32.2 of the Act where amounts are payable to the CBSA or the correction is revenue neutral. Furthermore, any GST amounts payable are subject to the interest and penalty provisions contained in the Act that pertain to duty amounts payable.

17. The definition of duties in subsection 2(1) of the Act specifically excludes GST refunds under section 74(1). Therefore, the exclusion of subsection 32.2(5) does not apply in situations where the GST has been overpaid on duty-free goods. Where goods are duty free but taxable, importers shall make a correction to a declaration pursuant to section 32.2 when they have reason to believe that the declaration was incorrect even where the adjustment would result in a decrease of the amount of the GST assessed.

Example: An importer imported duty-free and taxable (GST) goods and declared a value for duty of \$3,000 CAD. Two months following the importation of the goods, the importer has reason to believe that the declared value for duty was overvalued because the goods were invoiced at the equivalent of \$2,000 CAD. The importer is required to make a correction to the value for duty under section 32.2 of the Act. The decrease in the GST assessment would not result in a refund under the Act.

### **TIME FRAME TO FILE ADJUSTMENTS**

18. Under section 32.2 of the Act, the importer has 90 days to make a correction after the importer has reason to believe that the original declaration was incorrect. The obligation to make a correction ends four years after the goods are accounted for under subsection 32(1), (3), or (5) of the Act.

19. The importer must submit corrections for same and similar goods and/or goods impacted by the same issues within the legislated 90-day filing period.

20. For the purposes of this memorandum, the term "same and similar goods" means:

Identical and other models/styles of goods that have the same function as the goods being verified, that differ in a manner (e.g., size, colour, capacity) that does not alter the tariff classification of the goods at the tariff item level.

21. For the purposes of this memorandum, the term "same issue" means:

Identical program requirements or considerations relating to the legislative provisions that apply to imported goods.

22. At certain times after the importation of a good, an importer may benefit from a rebate or other decrease in the price paid or payable with respect to the imported good. It is important to note that any rebate or decrease in the price paid or payable of a good, effected after importation, shall be disregarded for the purposes of the obligation to self-correct under section 32.2 of the Act.

23. An importer may discover that there was an error on a declaration, but that the 90-day time limit to make a correction has expired. The importer may qualify to use the Voluntary Disclosures Program to comply with its

obligation to self-correct. For more information on this program, refer to paragraphs 49 and 50 of this memorandum.

24. Requests for refunds made under paragraphs 74(1)(a), (b), (c), (c.11), (d), (e), (f), and (g), of the Act, must be filed within four years after the goods were accounted for under subsection 32(1), (3), or (5).

25. Requests for refunds made under paragraph 74(1)(c.1) for goods imported from a North American Free Trade Agreement (NAFTA) country or from Chile, must be filed within one year after the goods were accounted for under subsection 32(1), (3), or (5) or such longer period as may be prescribed.

#### **REASSESSMENT PERIOD**

26. The reassessment period is the time period for which corrections are to be made to declarations of origin, tariff classification, and/or value for duty.

27. Section 32.2 of the Act states that the obligation to make corrections generally ends four years after the goods are accounted for under subsection 32(1), (3), or (5). However, the CBSA does not always require importers to make corrections for a four-year period. Refer to Memorandum D11-6-10, *Reassessment Policy*, for additional information regarding the reassessment period for importers to correct their declarations of origin, tariff classification, and value for duty.

#### **SUBMITTING MULTIPLE SELF-ADJUSTMENTS**

28. An importer may only file one correction under section 32.2 of the Act or one refund request under section 74 for the same goods and the same trade program (origin, tariff classification, or valuation) for any one declaration. A separate correction or refund request may be submitted on the same declaration and on the same goods provided it involves a different trade program. An exception occurs in the case of split-line adjustments. For example, if a portion of goods accounted for on one line of a declaration was misclassified and a correction has been filed for those goods, the portion of the goods remaining on the original line is not considered to have been re-determined under paragraph 59(1)(a).

29. A decision issued on a correction or refund request for a specific program (e.g., origin) does not constitute a decision under other programs (i.e., tariff classification and valuation).

30. Occasionally, an importer might find that a subsequent adjustment for the same issue may be necessary for an adjusted declaration. Requests to make such an adjustment may be submitted for review under section 60. For additional information on the dispute resolution process, refer to Memorandum D11-6-7, *Importer's Dispute Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods*.

31. If an importer has reason to believe that a correction to a declaration should be filed for a trade program, but is also aware that another issue with respect to a different trade program could arise, the importer should submit the correction under the appropriate authority and within the prescribed time limit, and address the second issue when specific information becomes available.

32. If an importer has reason to believe that a correction to a declaration should be filed for a trade program, but is also aware that another issue with respect to that same program could arise and prompt a further change to its correction of the same declaration, then the importer should contact the CBSA before submitting any correction to its declaration.

33. When a self-adjustment is made to the tariff classification of the goods under section 32.2 of the Act which results in a higher rate of duty than originally declared, a self-correction to the origin of the goods may be made at the same time. However, a self-correction from a non-preferential tariff treatment to a free trade agreement preferential tariff treatment that would result in a refund of duties must be made under the authority of section 74 of the Act, within the time limit prescribed in that section for that preferential tariff treatment.

34. In some instances, a retroactive order-in-council may be made to amend CBSA legislation or other legislation relating to importations. Should this occur, a refund application may be filed under paragraph 74(1)(g) of the Act, regardless of whether an adjustment has been made on that declaration, as long as the refund application is filed within four years after the goods were accounted for under subsection 32(1), (3), or (5).

#### **FILING SELF-ADJUSTMENT REQUESTS**

35. Adjustments to declarations filed under sections 32.2 and 74 of the Act, must be made on a properly completed B2 form pursuant to the relevant legislative authority of the Act (e.g., subsection 32.2(1), subsection 32.2(2), paragraph 74(1)(e)). For instructions on the coding and completion of B2 form, refer to Memorandum D17-2-1, *Coding of Adjustment Request Forms*. For information on filing adjustments under the Customs Self-Assessment (CSA) program, refer to Memorandum D17-1-7, *Customs Self Assessment Program for Importers*, or contact the CBSA.

36. Completed B2 forms should be submitted to a CBSA office.

37. The date that a B2 form is sent by registered mail or by courier, or the date that it is delivered by hand to a CBSA office is deemed to be the date of filing for the purposes the time limits specified under section 32.2 of the Act.

38. When the 90-day time limit referred to in this memorandum falls on a holiday or a non-working day, the final day for filing B2 forms will be the next regular business day following the holiday or a non-working day.

## CBSA RE-DETERMINATION OR FURTHER RE-DETERMINATION

39. The CBSA may re-determine or further re-determine the origin, tariff classification, and/or value for duty on its own initiative or in response to a self-adjustment.

40. Before or after a correction is made under section 32.2 of the Act, or the granting or denial of a refund application made under section 74, an officer can re-determine or further re-determine the origin, tariff classification, and/or value for duty of the goods under paragraphs 59(1)(a) or (b), as permitted by the provisions of each paragraph. This would happen on the basis of an audit, verification or examination, the making of a correction under section 32.2, or in other instances where the Minister of Public Safety considers it advisable. A re-determination or further re-determination may be made within four years after the date of a determination under section 58, or within such further time as may be prescribed.

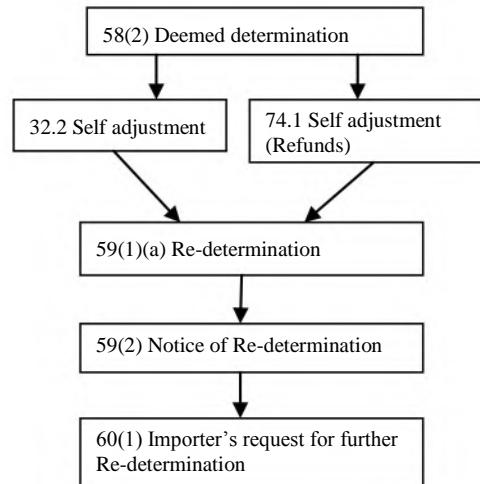
41. Once an adjustment request is filed under sections 32.2 or 74 of the Act, an importer will be given a notice under subsection 59(2). The adjustment is treated as a re-determination under paragraph 59(1)(a). Subsection 59(1) allows the CBSA four years after the date of the original determination to review any adjustments that have been approved. However, when an adjustment is granted during the last year of the adjustment period (i.e., 37th to 48th month from the declaration), the CBSA will have five years, from the date of accounting, to further re-determine the goods as provided for in section 2 of the *Determination, Re-determination and Further Re-determination of Origin, Tariff Classification, and Value for Duty Regulations*.

## CHALLENGING A CBSA DECISION

42. When a notice of a decision has been given under subsection 59(2) of the Act, an importer who disagrees with the CBSA's decision may file a request for a further re-determination, under the authority of subsection 60(1), within 90 days of the CBSA decision. For further information on the dispute resolution process, refer to Memorandum D11-6-7, *Importer's Dispute Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods*.

43. If no request is made under subsection 60(1) of the Act within the 90-day time limit, a person may make an application to the President of the CBSA for an extension of the time within which the request may be made pursuant to section 60.1 of the Act, and the President may extend the time for making the request. For more information, refer to Memorandum D11-6-9, *Application to the Commissioner for an Extension of the Time to File a Dispute Notice*.

## Self-adjustment Flow Chart



## CORRECTIONS RESULTING IN MONEY PAYABLE TO THE CBSA

44. Any money payable to the CBSA should accompany correction requests to the declaration made pursuant to section 32.2 of the Act. Such requests will be reviewed by a designated officer and a decision including a statement of any refunds due, not including the GST paid, or amount payable will be sent to the importer of the goods on a Form B2-1, *Canada Customs - Detailed Adjustment Statement*.

45. When a correction to a declaration of origin, tariff classification, and/or value for duty is made and the result is an amount payable to the CBSA, interest will be calculated according to the interest provisions relating to re-determinations and further re-determinations.

46. More information on interest provisions is available in Memorandum D11-6-5, *Interest and Penalty Provisions: Determinations and Re-determinations, Appraisals and Re-appraisals, and Duty Relief*.

## PENALTY INFORMATION

47. Importers who have "reason to believe" and who do not file corrections within the 90-day period as required under section 32.2 of the Act will be liable to penalties under the Administrative Monetary Penalty System (AMPS).

48. More information on penalties is available in Memorandum D22-1-1, *Administrative Monetary Penalty System*.

**VOLUNTARY DISCLOSURES PROGRAM**

49. The Voluntary Disclosures Program promotes compliance with the accounting and payment provisions of the *Customs Act*, *Customs Tariff* and *Excise Tax Act* by encouraging clients to come forward and correct deficiencies in order to comply with their legal obligations.
50. Where the legislated 90-day time limit under section 32.2 of the Act has expired, importers who have not made the required corrections to their declarations of origin, tariff classification, and/or value for duty may request corrective measures under the Voluntary Disclosures Program.

**ADDITIONAL INFORMATION**

51. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time/except holidays). TTY is also available within Canada: **1-866-335-3237**.

## APPENDIX

### ***PRIMA FACIE, EVIDENT, AND TRANSPARENT LEGISLATIVE PROVISIONS***

1. The following paragraphs provide examples of when importers may have reason to believe that a declaration of origin, tariff classification, or value for duty is incorrect on the basis of *prima facie*, evident, and transparent legislative provisions.
2. In some instances, the circumstances surrounding the declaration may be considered in determining whether a legislative provision for an importation was *prima facie*, evident, and transparent.
3. The examples of *prima facie*, evident, and transparent legislative provisions listed herein are not exhaustive.
4. Examples of *prima facie*, evident, and transparent legislative origin provisions:

**A. Subsection 35.1 (1) of the Act reads as follows:**

(1) “Subject to any regulations made under subsection (4), proof of origin, in the prescribed form containing the prescribed information and containing or accompanied by the information, statements or proof required by any regulations made under subsection (4), shall be furnished in respect of all goods that are imported.”

**B. Paragraph 13(a) of the *Proof of Origin of Imported Goods Regulations* reads as follows:**

13. “Proof of origin of goods accounted for under section 32 of the Act on or after January 1, 1998, shall be furnished at the following times:

(a) at any time the goods are accounted for under subsection 32(1), (3) or (5) of the Act;”

Therefore, an importer will have reason to believe that a declaration of origin is incorrect if the importer is unable to provide proof of origin to an officer for the imported goods or, if at the time of accounting, the proof of origin does not apply to the goods being imported.

5. The following are examples of *prima facie*, evident, and transparent legislative tariff classification provisions as listed in the Schedule to the *Customs Tariff*:

**A. Classification of live fish:**

Legal Note 1 to Chapter 1 reads as follows:

“This Chapter covers all live animals except:

(a) Fish and crustaceans, molluscs and other aquatic invertebrates, of heading 03.01, 03.06 or 03.07;”

Therefore, if an importer classifies live fish in Chapter 1 of the *Customs Tariff*, the importer has reason to believe that the declaration is incorrect. The *Customs Tariff* clearly directs that live fish must be classified in Chapter 3.

**B. Classification of printing ink:**

Heading 32.15: Printing ink, writing or drawing ink and other inks, whether or not concentrated or solid.

- Printing ink:

3215.11.00 00 -- Black

3215.19.00 -- Other

10 -----For newspapers

20 -----Flexographic

30 -----Lithographic, offset

90 -----Other

If the printing ink being imported is black, the importer has reason to believe that it must be classified under tariff item 3215.11.00. Ink of any other color is classified under tariff item 3215.19.00.

### C. Classification of “new” pneumatic tires:

Heading 40.11: New pneumatic tires, of rubber

4011.10.00 00 - Of a kind used on motor cars (including station wagons and racing cars)

4011.20.00 - Of a kind used on buses or lorries

-----On-highway tires:

11 -----Of a kind used on light trucks, of radial ply construction

12 -----Of a kind used on light trucks, other

13 -----Other, of radial ply construction

19 -----Other

20 -----Off-highway tires

4011.30.00 00 - Of a kind used on aircraft

4011.40.00 00 - Of a kind used on motorcycles

4011.50.00 00 - Of a kind used on bicycles

An importer has reason to believe that new pneumatic tires fall under heading 40.11. The tariff item under which it is classified is clearly defined as dependant on the vehicle for which the tire is designed.

6. The following are examples of *prima facie*, evident, and transparent value for duty legislative provisions:

#### A. Determination of Value for Duty:

Section 46 of the Act reads as follows: “The value for duty of imported goods shall be determined in accordance with sections 47 to 55.”

This legislative provision is *prima facie*, evident, and transparent in stating that the legislated valuation methods are the only acceptable basis for establishing the value for duty of imported goods. Alternative approaches to valuation methodologies which are not set out in section 48 to 53, such as identifying the “fair market value” of the goods, are not acceptable.

#### B. Order of Consideration of Methods of Valuation

Subsection 47(1) of the Act (Primary Basis of Appraisal) reads as follows:

“The value for duty of goods shall be appraised on the basis of the transaction value of the goods in accordance with the conditions set out in section 48.”

Subsection 47(2) of the Act (Subsidiary Bases of Appraisal) reads as follows:

“Where the value for duty of goods is not appraised in accordance with subsection (1), it shall be appraised on the basis of the first following values, considered in the order set out herein, that can be determined in respect of the goods and that can, under sections 49 to 52, be the basis on which the value for duty of the goods is appraised:

- (a) the transaction value of identical goods that meets the requirements set out in section 49;
- (b) the transaction value of similar goods that meets the requirements set out in section 50;
- (c) the deductive value of the goods; and
- (d) the computed value of the goods.”

These legislative provisions are *prima facie*, evident, and transparent and, where goods cannot be appraised under the transaction value method, appraisal under a subsequent section would not be acceptable before the applicability of previous sections has been considered and rejected.

#### C. Subparagraph 48(5)(a)(iii) of the Act:

“The value of any of the following goods and services, determined in the manner prescribed, that are supplied, directly or indirectly, by the purchaser of the goods free of charge or at a reduced cost for use in connection with the production and sale for export of the imported goods, apportioned to the imported goods in a reasonable manner and in accordance with generally accepted accounting principles:

(A) materials, components, parts and other goods incorporated in the imported goods,”

If, for example, fabrics are provided free of charge by the purchaser to the vendor in connection with the production and sale for export to Canada of finished textile products, the value of the fabrics must be added to the price paid or payable of the imported goods. The legislative provision is *prima facie*, evident, and transparent; the value of the fabrics shall be added to the price paid or payable as materials incorporated into the imported goods.

**REFERENCES**

|   |  |
|---|--|
| <b>ISSUING OFFICE –</b><br>Trade Programs Directorate   | <b>HEADQUARTERS FILE –</b>   |
| <b>LEGISLATIVE REFERENCES –</b><br><i>Customs Act</i><br><i>Customs Tariff</i><br><i>Excise Tax Act</i><br><i>Prescribed Classes of Persons in Respect of Diversion of Imported Goods Regulations</i><br><i>Determination, Re-determination and Further Re-determination of Origin, Tariff Classification, and Value for Duty Regulations</i> | <b>OTHER REFERENCES –</b><br>D6-2-3, D11-4-16, D11-6-5, D11-6-7, D11-6-9, D11-6-10, D11-11-1, D11-11-3, D17-1-7, D17-2-1, D17-2-2, D22-1-1 |
| <b>SUPERSEDED MEMORANDA “D” –</b><br>D11-6-6, September 9, 2008   |  |

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Court File No.: T-1295-20

**FEDERAL COURT**

BETWEEN:

**RONSCO INC.**

Plaintiff (Responding Party)

-and-

**HER MAJESTY THE QUEEN, THE MINISTER OF PUBLIC SAFETY AND  
EMERGENCY PREPAREDNESS, CANADA BORDER SERVICES AGENCY**

Defendants (Moving Party)

**WRITTEN REPRESENTATIONS OF THE DEFENDANT (MOVING PARTY)**

**Overview**

1. This is a motion to strike portions of the Fresh as Amended Statement of Claim<sup>1</sup> that are outside this Court's jurisdiction, disclose no reasonable cause of action, or constitute an abuse of process.
  
2. The *Customs Act* provides for separate and distinct schemes for appealing: (a) determinations of tariff classification of imported goods, and related duties; and (b) penalties imposed for contravening the *Customs Act*. The appeal scheme for challenging tariff classification and related duties goes to the Canadian International Trade Tribunal ("CITT") and the Federal Court of Appeal, and ousts the jurisdiction of the Federal Court. The appeal scheme for contraventions of the *Customs Act*, on the other hand, culminates in a Federal Court action pursuant to s. 135 of the *Customs Act*, which allows the plaintiff to appeal of the decision finding the Act was contravened.

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<sup>1</sup> Specifically, paragraphs 1(a), 1(b), 1(c), 1(d), 46-60, 61-66, and 67.

3. The Plaintiff brings this action under s. 135 of the *Customs Act* (appeal route related to penalties), yet does not explicitly seek to overturn the decision finding a contravention of the Act. Rather, the Plaintiff seeks relief related to its obligation to pay duties resulting from the proper tariff classification of goods it imported. Such relief is only available through the *Customs Act* appeal scheme regarding tariff classification and related duties, and is outside this Court’s jurisdiction.<sup>2</sup>
4. The Court cannot “quash” the Canadian Border Services Agency’s decision imposing duties on an action. Artful pleading cannot transform *Customs Act* duties imposed by that decision into “damages”, be it in negligence or “breach of public law duties”. The Plaintiff must pursue public law remedies by way of the appeal scheme provided in the *Customs Act* to challenge the obligation to pay such duties. The parts of the Fresh as Amended Statement of Claim seeking to overturn the imposition of duties and seeking damages related to such duties and interest should be struck out.
5. The portions of the claim seeking general damages and damages for “professional fees incurred” should also be struck as disclosing no reasonable cause of action. No duty of care is owed to the Plaintiff to ground a claim in negligence, the pleadings of causation and loss are deficient, and the Plaintiff cannot be awarded its costs incurred pursuing various other appeal proceedings as “damages” in this action.

## PART I – FACTS

6. This action arises in the context of *Customs Act* duties and penalties imposed on the Plaintiff by the Canada Border Services Agency (“CBSA”) with respect to its

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<sup>2</sup> *Fritz Marketing Inc v. Canada*, 2009 FCA 62, at paras 31 and 33, Defendant’s Book of Authorities (“DBOA”) at Tab 20.

importation of certain railway wheels. Following an audit, the Plaintiff was required to correct its tariff classification of the goods it imported from 2015-2018, which had incorrectly been declared under a duty-free tariff item, and pay the related duties and interest. The Plaintiff was also required to pay a penalty for not having made corrections earlier when it had “reason to believe” its declarations were incorrect.<sup>3</sup>

#### **A. The Relevant Legislative Scheme**

7. The *Customs Act* and related legislation seek to oversee, regulate and control the cross-border movements and importations of goods. This includes: (a) providing for the classification of imported goods such that duties may be applied; and (b) imposing penalties for contraventions of the Act. The *Customs Act* provides for separate and distinct schemes of review and appeal regarding each of the former and the latter.
  
- i) *Determinations of tariff classification and related duties under the Customs Act*
8. Importers are required to account for imported goods and to pay any required duties, pursuant to s. 32 of the *Customs Act*. This accounting includes accounting for the tariff classification of the goods under the *Customs Tariff*.<sup>4</sup> Whether duties must be paid on the imported goods, and in what amount, depends in part on their tariff classification.
9. The tariff classification of goods may be determined by a CBSA officer, or, where it is not, the tariff classification is deemed to be as declared by the importer.<sup>5</sup>
10. The determined tariff classification of imported goods may change post-importation if:
  - (1) the importer has reason to believe its declared tariff classification on import was

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<sup>3</sup> Trade Verification Final Report - Tariff Classification (“Verification Report”), Exhibit A to the Affidavit of Marc Roy, affirmed July 23, 2021 (“Roy Affidavit”); See also paras. 20-32, below.

<sup>4</sup> *Customs Act*, RSC 1985, c 1 (2nd Supp), s. 32(1)(a), 58(2), DBOA at Tab 2

<sup>5</sup> *Customs Act*, s. 58, DBOA at Tab 2.

incorrect and it files a correction pursuant to s. 32.2(2) of the *Customs Act*; or (2) the CBSA re-determines the tariff classification under s. 59(1)(a).<sup>6</sup>

11. The *Customs Act* provides a scheme for review and appeal of tariff classification determinations, and any related rulings or determinations, set out in sections 59 to 68:

- a. Under paragraph 59(1)(a), the CBSA may re-determine the tariff classification of imported goods within four years of the date it was first determined;
- b. An importer can request a further re-determination by the President of the CBSA under s. 60, in respect of a re-determination under paragraph 59(1)(a);
- c. An importer may appeal a s. 60 decision to the CITT pursuant to s. 67;
- d. A decision of the CITT may be appealed by the importer or the President of the CBSA to the Federal Court of Appeal on a question of law pursuant to s. 68.<sup>7</sup>

12. Section 32.2 of the *Customs Act* requires an importer to correct its tariff classification declarations within 90 days of having “reason to believe” that the declarations were incorrect, and to pay any ensuing duties.<sup>8</sup> The requirement to make a correction ends four years after the imported goods were initially accounted for.<sup>9</sup>

13. Subsection 32.2(3) deems that such corrections are to be treated as re-determinations under s. 59(1)(a).<sup>10</sup> Accordingly, if an importer makes a correction because it has “reason to believe” based on a CBSA ruling, but it does not agree with the ruling, it can request a further re-determination by the President under s. 60 of the *Customs Act*.

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<sup>6</sup> *Customs Act*, ss. 32.2, 59, DBOA at Tab 2.

<sup>7</sup> *Customs Act*, ss. 59-68, DBOA at Tab 2.

<sup>8</sup> *Customs Act*, s. 32.2(2) , DBOA at Tab 2.

<sup>9</sup> *Customs Act*, s. 32.2(4) , DBOA at Tab 2.

<sup>10</sup> *Customs Act*, s. 32.2(3) , DBOA at Tab 2.

14. The CBSA conducts verifications from time to time in order to promote and ensure compliance with *Customs Act* obligations, pursuant to s. 42.01 of the *Customs Act*.<sup>11</sup>

*ii) Determinations of contraventions and penalties under the Customs Act*

15. Paragraph 109.1(1) of the *Customs Act* provides that every person who fails to comply with any designated provision of the Act is liable to a penalty of not more than twenty-five thousand dollars, as the Minister may direct.<sup>12</sup>

16. The *Designated Provisions (Customs) Regulations* include s. 32.2 of the *Customs Act* as a designated provision.<sup>13</sup> Accordingly, an importer's failure to correct within 90 days of an importation, when it has reason to believe its declaration as to tariff classification is incorrect, constitutes a contravention that attracts a penalty under s. 109.1(1).

17. Section 109.3 provides that an officer issue a penalty to a person liable under s.109.1 and serve on the person a written Notice of Penalty Assessment ("NPA").<sup>14</sup>

18. The *Customs Act* establishes a scheme for appeal of a penalty assessment:

- a. S. 129(1)(d) provides that a person served with an NPA may request a decision of the Minister of Public Safety and Preparedness ("Minister") under s. 131.
- b. S. 131(1)(c) provides that where such a request is made, the Minister shall consider the case and decide whether the person indeed failed to comply with the Act.
- c. S. 135 provides that a s. 131 decision of the Minister may be appealed by way of an action in the Federal Court.<sup>15</sup>

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<sup>11</sup> *Customs Act*, s. 42.01, DBOA at Tab 2.

<sup>12</sup> *Customs Act*, s. 109.1, DBOA at Tab 2.

<sup>13</sup> *Designated Provisions (Customs) Regulations*, SOR/2002-336, Schedule 1, Part 1, DBOA, Tab 3.

<sup>14</sup> *Customs Act*, s. 109.3, DBOA at Tab 2.

<sup>15</sup> *Customs Act*, ss.129-135, DBOA at Tab 2.

19. Subsection 135(2) states that the *Federal Courts Act* and the rules made under that *Act* on ordinary actions are applicable on an action brought under s. 135.<sup>16</sup> As such, the issue of whether or not an offence was committed is to be determined *de novo* at a trial.<sup>17</sup> It is not a judicial review of the underlying decision nor a traditional appeal.<sup>18</sup>

## B. Application of the Scheme to the Plaintiff

20. The Plaintiff is a manufacturer and supplier of railway wheels and wheel sets. As part of its operations, the Plaintiff imports “rough bore wheels”.<sup>19</sup> From 2005, it declared the rough bore wheels it imported under tariff item 8607.19.21, which is duty free.<sup>20</sup>
21. In July 2017, the CBSA commenced a Trade Compliance Verification audit for goods imported by the Plaintiff, including rough bore wheels. The CBSA looked at five sample importations of rough bore wheels from January 1 and December 31, 2015.<sup>21</sup>
22. On July 24, 2018, the CBSA issued its final Verification Report, finding:
  - a. The verified samples were properly classified under tariff item 8607.19.29, which carries a 9.5% duty, and not 8607.19.21 as declared by the Plaintiff;<sup>22</sup>
  - b. The Plaintiff was required to correct its importations going back a maximum of 4 years, and to pay any resulting duties, pursuant to s. 32.2 of the *Customs Act*;<sup>23</sup>

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<sup>16</sup> *Customs Act*, s. 135(2), DBOA at Tab 2.

<sup>17</sup> *Starway v Canada*, 2010 FC 1208, at para 24, DBOA at Tab 49.

<sup>18</sup> *Robidoux v Canada (Public Safety and Emergency Preparedness)*, 2020 FC 766, at paras 21-23, DBOA at Tab 45.

<sup>19</sup> Fresh as Amended Statement of Claim, paras 2-4.

<sup>20</sup> Fresh as Amended Statement of Claim, para 8.

<sup>21</sup> Fresh as Amended Statement of Claim, at para. 18; Verification Report, Roy Affidavit, Exhibit A.

<sup>22</sup> Fresh as Amended Statement of Claim, paras. 19 and 25; Verification Report at pp 3-4, Roy Affidavit, Exhibit A.

<sup>23</sup> Verification Report at pp 1, 4, 6, Roy Affidavit, Exhibit A.

- c. The Plaintiff had earlier “reason to believe” its tariff classification of the “rough bore wheels” was incorrect because the tariff provisions at issue were “*prima facie*, evident and transparent”;<sup>24</sup> and
- d. By failing to earlier correct its tariff classification within 90 days of having such a “reason to believe”, the Plaintiff had contravened s. 32.2 of the *Customs Act*. Consequently, an NPA would be issued with a penalty assessed.<sup>25</sup>

*i) CITT upholds CBSA’s tariff classification finding*

- 23. On August 27, 2018, the CBSA issued re-determinations of the tariff classification for the five samples of imported goods examined in the verification process, which imposed related duties, under s. 59 of the *Customs Act*.<sup>26</sup>
- 24. Pursuant to s. 60 of the *Customs Act*, the Plaintiff appealed the CBSA’s re-determination of tariff classification to the President and ultimately brought an appeal to the CITT.<sup>27</sup>
- 25. On March 17, 2020, the CITT issued its decision, confirming the CBSA’s determination that the “rough bore wheels” are properly classified under tariff item 8607.19.29, with a duty of 9.5%, and that the Plaintiff had improperly classified them under tariff item 8607.19.21.<sup>28</sup> The Plaintiff did not seek review of the CITT’s decision.

*ii) Plaintiff files retroactive self-corrections*

- 26. In January 2019, the Plaintiff filed corrections covering all its importations of “rough bore wheels” for the years 2015 to 2018.<sup>29</sup> On May 23, 2019, the CBSA issued Detailed

<sup>24</sup> Verification Report, p 4, Roy Affidavit, Exhibit A.

<sup>25</sup> Fresh as Amended Statement of Claim, para 31. Verification Report, p 5, Roy Affidavit, Exhibit A.

<sup>26</sup> Fresh as Amended Statement of Claim, para 25. August 27, 2018 section 59 DASs, Roy Affidavit, Exhibit C.

<sup>27</sup> Fresh as Amended Statement of Claim, paras. 26 and 28; January 18, 2019 section 60 Decision, Roy Affidavit, Exhibit B.

<sup>28</sup> *Ronsco Inc.*, 2020 CanLII 43731 (CA CITT), Roy Affidavit, Exhibit D.

<sup>29</sup> Self Corrections, Roy Affidavit, Exhibit E.

Adjustment Statements (“DAS”) for those importations pursuant to the Plaintiff’s corrections, with related duties owing. Those corrections were thereby deemed to be re-determinations under 59(1)(a) of the *Customs Act*.<sup>30</sup>

27. The Plaintiff appealed the May 23, 2019 DASs under s. 60 of the *Customs Act*. On July 30, 2020, the President issued his decision, upholding the determination, in the form of a DAS (the “July 2020 DAS”).<sup>31</sup> It is this July 2020 DAS that ultimately requires the Plaintiff to pay the “retroactive” duties and interest it disputes.
28. The Plaintiff has commenced a CITT appeal and a Federal Court application for judicial review with respect to the July 2020 DAS, both of which are held in abeyance.<sup>32</sup>

*iii) Notice of Penalty Assessment and Appeal*

29. On October 3, 2019, the CBSA issued an NPA requiring the Plaintiff to pay an Administrative Monetary Penalty of \$1,000 for contravening the *Customs Act*.<sup>33</sup>
30. The Plaintiff contested the NPA, arguing it had not had prior “reason to believe” its tariff classifications were incorrect, and pursuant to s. 129 asked for a ministerial review.
31. On September 15, 2020, the CBSA issued a ministerial decision upholding the finding that the Plaintiff had contravened the Act, under s. 131 of the *Customs Act*, and upholding the imposition of a \$1000 penalty, under s. 133 of the *Customs Act*.<sup>34</sup>

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<sup>30</sup> Section 59 DASs, dated May 23, 2019, Roy Affidavit, Exhibit F.

<sup>31</sup> Section 60 DAS, dated July 30, 2020, Roy Affidavit, Exhibit G.

<sup>32</sup> Fresh as Amended Statement of Claim, paras 33 and 35.

<sup>33</sup> Notice of Penalty Assessment, Roy Affidavit, Exhibit K.

<sup>34</sup> Fresh as Amended Statement of Claim, para 34. Ministerial Decision, September 15, 2020, Roy Affidavit, Exhibit L.

32. The September 15, 2020 ministerial decision did not deal with the July 2020 DAS, or duties owed by the Plaintiff.<sup>35</sup>

*iv) Plaintiff commences this action pursuant to s. 135 of the Customs Act*

33. The Plaintiff issued a Statement of Claim under s. 135 of the *Customs Act* on October 26, 2020. On June 3, 2021, the Plaintiff filed a Fresh as Amended Statement of Claim, to include pleadings of negligence and breach of public law duties, and to add a claim for general damages. The Plaintiff seeks the following relief:

- i) An order “quashing” the July 2020 DAS;
- ii) Damages for duties and interest paid retroactively;
- iii) General damages;
- iv) Special damages for professional services incurred; and
- v) Reimbursement of the \$1,000 Administrative Monetary Penalty.

34. Nowhere in its Statement of Claim or its Fresh as Amended Statement of Claim does the Plaintiff request an order overturning the September 15, 2020 ministerial decision.

## PART II – ISSUES

35. The issues in this motion are:

- A. Should the Court strike as disclosing no reasonable cause of action, as being outside this Court’s jurisdiction, or as an abuse of process, the portions of the Fresh as Amended Statement of Claim seeking:
  - i. An order “quashing as unreasonable” the July 2020 DAS; and
  - ii. Damages for duties and interest paid retroactively?
- B. Should the Court strike as disclosing no reasonable cause of action, or as an abuse of process, the portions of the Fresh as Amended Statement of Claim seeking general damages and special damages for professional services incurred?

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<sup>35</sup> Ministerial Decision, dated September 15, 2020, Roy Affidavit, Exhibit L.

## PART III – SUBMISSIONS

### A. The Law on Motions to Strike

36. Rule 221(1)(a) enables the Court to strike out a pleading, in whole or in part, with or without leave to amend, if it discloses no reasonable cause of action. The Court must ask, assuming the facts set out to be true and proven, whether it is plain and obvious that the claim has no chance of success.
37. The Federal Court may strike a statement of claim for want of jurisdiction pursuant to Rule 221(1)(a).<sup>36</sup>
38. Pursuant to Rule 221(1)(f), a claim or portions of it may be struck where it is an abuse of process. Abuse of process is a broad and flexible doctrine. It gives the Court discretion to strike a proceeding that would “violate such principles as judicial economy, consistency, finality and the integrity of the administration of justice”.<sup>37</sup>
39. The Court may also strike or stay an action because, in its essential character, it is a claim in administrative law with only a thin pretense to a private wrong.<sup>38</sup>
40. When the Court strikes a statement of claim or portions of it, the test for whether the Court should grant leave to amend is whether the claim can potentially be cured by amendment.<sup>39</sup>

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<sup>36</sup> *Verdicchio v Canada*, 2010 FC 117, at para 18, DBOA at Tab 53.

<sup>37</sup> *Toronto (City) v C.U.P.E., Local 79*, 2003 SCC 63, at paras 36-37, DBOA at Tab 52.

<sup>38</sup> *Canada (Attorney General) v TeleZone Inc.*, 2010 SCC 62 (“Telezone”), at para 78, DBOA at Tab 13.

<sup>39</sup> *Simon v Canada*, 2011 FCA 6 at paras 8 and 14, DBOA at Tab 48.

**B. The Plaintiff's claim goes beyond the scope of an action under s. 135 of the *Customs Act***

41. The Plaintiff brings this action under s. 135 of the *Customs Act*<sup>40</sup>, but the claims and relief sought go well beyond the limits of a s. 135 appeal. Rather, the essential character of a large portion of the claim is a challenge to the validity of the July 2020 DAS and its requirement to pay duties. Over and above being beyond the limits of s. 135, the relief that is beyond a s. 135 appeal here is outside this Court's jurisdiction, not properly based in private law causes of action, or does not give rise to a reasonable cause of action.,.
42. A s. 135 action is properly restricted to an appeal of the Minister's decision under s. 131, which merely upholds a finding that an importer contravened the *Act*.<sup>41</sup> The focused nature of the proceeding is illustrated by the fact that an importer must separately bring an application for judicial review, as opposed to including it in a 135 action, to challenge a decision on the penalty amount imposed in respect of the contravention.<sup>42</sup>
43. The Plaintiff's Fresh as Amended Statement of Claim goes well beyond a s. 135 appeal. Indeed neither the Minister's decision, the NPA, nor the finding that the Plaintiff had contravened the *Customs Act* are referred to in the Plaintiff's summary of its claim in paragraph 1. The pleading does not refer to the NPA, properly the subject of this action, until page 9.
44. In *Hociung v. Canada*, the Federal Court of Appeal confirmed that a s. 135 appeal concerns no genuine issue other than whether there was indeed a contravention of the

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<sup>40</sup> Fresh as Amended Statement of Claim, para 1.

<sup>41</sup> *Customs Act*, s. 135, DBOA at Tab 2.

<sup>42</sup> *Hamod v Canada*, 2015 FC 937, at paras 16-17, DBOA at Tab 23.

*Customs Act.*<sup>43</sup> It nonetheless refused to dismiss outright, on that basis alone, certain additional causes of action the plaintiff in that case had included along with his s. 135 appeal. It found that the rules governing joinder and severance of actions are among the rules applicable to a s. 135 action.<sup>44</sup> The plaintiff in *Hociung* had additionally sought damages based on alleged torts committed during his interaction with CBSA employees, such as threats of violence and fraudulent misrepresentations, which the defendant did not challenge on any grounds other than that they were outside a s. 135 appeal.<sup>45</sup>

45. In the present case, the additional claims are not properly based in private law causes of action as in *Hociung*, and do not give rise to a reasonable cause of action. Rather, the essential character of the majority of the claim and relief sought is a challenge to the validity of the July 2020 DAS and its requirement to pay duties. Such relief falls outside the Court's jurisdiction and does not disclose a reasonable cause of action (Section C, below). Moreover, the claims regarding a breach of public law duty and negligence fail to disclose a reasonable cause of action for general damages and professional fees incurred (Section E, below).

**C. The relief sought regarding the duties is outside this Court's jurisdiction and the pleadings fail to disclose a reasonable cause of action in that regard**

*i) An order “quashing” the July 2020 DAS is outside the Court’s jurisdiction*

46. The relief sought by the Plaintiff in asking for an order “quashing as unreasonable” the July 2020 DAS is not available in an action, brought under s. 135 of the *Customs Act* or otherwise.

<sup>43</sup> *Hociung v Canada (Public Safety and Emergency Preparedness)*, 2019 FCA 214 (“*Hociung*”), at para 57, DBOA at Tab 25.

<sup>44</sup> *Hociung*, at para 24-25, 27-28, 57-58, DBOA at Tab 25.

<sup>45</sup> *Hociung*, at para 7, DBOA at Tab 25.

47. First, ss. 18(3) of the *Federal Courts Act* provides that extraordinary remedies such as a writ of *certiorari* may be obtained only on an application for judicial review.<sup>46</sup> As the Supreme Court of Canada stated in *Telezone*: “If a claimant seeks to set aside the order of a federal decision-maker, it will have to proceed by judicial review” – not by way of an action.<sup>47</sup>
48. Second, in these particular circumstances, Parliament has set up an administrative process of adjudications and appeals that must be followed to completion, and which ousts the Federal Court’s jurisdiction even on judicial review. This process is contained in sections 59 to 68 of the *Customs Act*, as set out at paragraph 11 above. This Court and the Federal Court of Appeal have consistently found that, with this process, Parliament has ousted the jurisdiction of the Federal Court to quash a DAS “for any reason”.<sup>48</sup>
49. The Federal Court of Appeal has held that the CITT has the authority under s. 67 of the *Customs Act* to determine not only the correctness of a decision made under s. 60 but also its validity,<sup>49</sup> even on so-called “jurisdictional” issues.<sup>50</sup> The CITT has taken up this view of its authority, allowing it to examine and rule upon the validity of a DAS as a whole and not merely the strict basis for a s. 60 decision on the merits, such as the

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<sup>46</sup> *Federal Courts Act*, RSC, 1985, c F-7, ss. 18(3), DBOA at Tab 4.

<sup>47</sup> *Telezone* at paras 19 and 75, DBOA at Tab 13.

<sup>48</sup> *Fritz Marketing Inc v Canada*, 2009 FCA 62, at paras 31 and 33, DBOA at Tab 20; *Jockey Canada Company Limited v Canada (Public Safety and Emergency Preparedness)*, 2010 FC 396, (“Jockey”) at paras 18-21, DBOA at Tab 30; *Canada (Border Services Agency) v C.B. Powell Limited*, 2010 FCA 61, at para 4, DBOA at Tab 14.

<sup>49</sup> *Fritz Marketing Inc v Canada*, 2009 FCA 62, at para 36, DBOA at Tab 20; *Grodan Inc v President of the Canada Border Services Agency*, 2012 CanLII 85167 (CA CITT), at para 33, DBOA at Tab 22.

<sup>50</sup> *Canada (Border Services Agency) v C.B. Powell Limited*, 2010 FCA 61, at paras 4, 30-34, DBOA at Tab 14.

proper tariff classification.<sup>51</sup> Accordingly, the *Customs Act* “deprives the Federal Court of the jurisdiction to set aside a detailed adjustment statement for any reason”.<sup>52</sup>

50. In *Jockey*, this Court found that it did not have jurisdiction to hear a matter extremely similar to the case at hand, as the issue was properly to be determined by the CITT. As in the present case, the importer in *Jockey* was challenging the validity of DASs issued by the CBSA flowing from a requirement to retroactively self-correct under s. 32.2 of the *Customs Act*, and challenging the determination the importer had “reason to believe” its declarations had been incorrect. The Court recognized that the issue was exclusively “a matter for the President of the CBSA and if unresolved for appeal to the CITT, the specialized tribunal designated by Parliament to resolve such issues”.<sup>53</sup>
51. Accordingly, the Federal Court does not have jurisdiction to issue an order quashing the July 2020 DAS, particularly on this action, and the portions of the Fresh as Amended Statement of Claim seeking such relief should be struck pursuant to Rule 221(1)(a).
52. In some situations, it could be appropriate for the Court to order that an action that is in its essential character a claim for judicial review be converted to a judicial review.<sup>54</sup> In this case, however, the Plaintiff has already commenced an application for judicial review challenging the DAS. Further, given the legislative scheme that deprives the Federal Court of the jurisdiction to set aside a DAS for any reason, it is plain and obvious

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<sup>51</sup> See for example: *Landmark Trade Services*, 2020 CanLII 34719 (CA CITT), at paras 16, 21, DBOA at Tab 32; *Grodan Inc v President of the Canada Border Services Agency*, 2012 CanLII 85167 (CA CITT), at paras 29-36, DBOA at Tab 22; *BSH HOME APPLIANCE LTD.*, 2014 CanLII 149588 (CA CITT), at para 30, DBOA at Tab 11.

<sup>52</sup> *Fritz Marketing Inc v. Canada*, 2009 FCA 62, at paras 31 and 33, DBOA at Tab 20.

<sup>53</sup> *Jockey*, at paras 29-30, DBOA at Tab 30.

<sup>54</sup> *Federal Courts Rules*, SOR/98-106, Rule 57, DBOA at Tab 5.

that it would fail.<sup>55</sup> As such, it would not be appropriate to convert this portion of the claim to a judicial review.

*ii) The Court does not have jurisdiction to reimburse Customs Act duties and interest as “damages” in negligence*

53. The Plaintiff cannot obtain in an action the same relief it seeks in quashing the July 2020 DAS simply by labelling the *Customs Act* duties and interest it owes as “damages”, which they are not. With such framing, the Plaintiff effectively seeks to obtain the same public law remedy of having the July 2020 DAS overturned.
54. This Court and the Supreme Court of Canada have held that a Court may strike a statement of claim seeking damages if it is essentially an application for judicial review presented as a cause of action for a private wrong.<sup>56</sup> The Court will read the pleadings holistically and practically to gain a realistic appreciation of the proceeding’s “essential character”.<sup>57</sup>
55. The Plaintiff in this case seeks, in essence, to “undo what was done” by overturning the July 2020 DAS and having the duties it imposed and interest cancelled.<sup>58</sup> It is striking in this regard that the Fresh as Amended Statement of Claim seeks “an order quashing as unreasonable” the July 2020 DAS<sup>59</sup>, describes the CBSA’s decision as the

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<sup>55</sup> *Canada (National Revenue) v. JP Morgan Asset Management (Canada) Inc.*, 2013 FCA 250 (“JP Morgan”), at para 47, DBOA at Tab 15.

<sup>56</sup> *Leone v. Canada*, 2021 FC 409, at para 22, DBOA at Tab 34; *Stuart v Canada*, 2019 FC 801, at para 59, DBOA at Tab 50; *TeleZone*, at para 78, DBOA at Tab 13.

<sup>57</sup> *JP Morgan*, para 50, DBOA at Tab 15.

<sup>58</sup> *TeleZone*, at para 79, DBOA at Tab 13.

<sup>59</sup> Fresh as Amended Statement of Claim at para 1(a).

“unreasonable imposition of retroactive duties”<sup>60</sup>, and claims it “should not have been required to pay the retroactive duties set out in the July 2020 DAS”<sup>61</sup>.

56. In its Fresh as Amended Statement of Claim, the Plaintiff has added allegations that the CBSA breached a duty of care to the Plaintiff by:

- i) Treating the Plaintiff differently from other importers by imposing retroactive duties following a Trade Compliance Verification;
- ii) imposing retroactive duties in a manner inconsistent with the representations of a CBSA Director;
- iii) imposing retroactive duties in a manner inconsistent with the CBSA’s policies;
- iv) Taking inconsistent procedural positions as to the appropriate appeal route, after the imposition of duties and including after this proceeding was instituted.<sup>62</sup>

57. Based on these alleged breaches, the Plaintiff claims it is entitled to various heads of “damages”, including \$2,543,628.38 in duties and interest it says it is “erroneously” required to pay on its importations from 2015 to 2018.<sup>63</sup>

58. The Plaintiff simply disagrees with the CBSA’s determination that it is required to pay duties and interest on its importations from the years 2015 to 2018. As noted above, the appropriate and exclusive avenue by which the Plaintiff may challenge this determination is through the *Custom Act*’s appeal scheme and an appeal to the CITT. If the Plaintiff were successful on appeal to the CITT, its obligation to pay duties and

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<sup>60</sup> Fresh as Amended Statement of Claim at section II heading, p. 6.

<sup>61</sup> Fresh as Amended Statement of Claim at para 36.

<sup>62</sup> Fresh as Amended Statement of Claim, at para 64(a)-(d).

<sup>63</sup> Fresh as Amended Statement of Claim, at para 67.

interest on the importations would be removed,<sup>64</sup> and the bond secured by the Plaintiff to delay payment of such duties and interest returned.

59. In an analogous statutory context, this Court granted summary judgment in *Flaro* where the plaintiff brought an action under s. 17 of the *Federal Courts Act* seeking damages for seized funds. The Court found that the forfeiture of the funds should have been challenged through the specific statutory review mechanism set out in the *Excise Act*, which was applicable in that case, and could not be recovered as damages.<sup>65</sup>
60. Both *Flaro* and the case at hand differ significantly from the type of claim found in *Telezone*. The plaintiff in *Telezone* sought compensation for financial losses it incurred as a subsequent result of being improperly refused a license – it did not seek to overturn the decision, and the decision at issue in that case did not itself require the plaintiff to pay the money claimed. As such, the plaintiff was content to let the administrative decision remain in place. Ronsco is not – it seeks to overturn the July 2020 DAS, or effectively overturn it by seeking the duties and interest it imposed as damages.
61. It is plain and obvious that the Plaintiff's framing the claim for duties and interest as damages in a negligence claim does not affect its essential administrative character. Accordingly, the portions of the Statement of Claim seeking “damages” for duties and interest as a result of a “breach of duty of care” should be struck as being outside this court’s jurisdiction and disclosing no reasonable cause of action.

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<sup>64</sup> Of note: the Plaintiff would not be “reimbursed” the amount for duties and interest since it has not actually paid them. Rather, the Plaintiff paid a bond to delay payment while it pursues its litigation. Roy Affidavit, Exhibit J.

<sup>65</sup> *Flaro v Canada*, 2018 FC 229, at paras 15, 69-71 (overturned in part on different grounds in *Flaro v Canada*, 2019 FCA 30), DBOA at Tabs 18 and 19.

*iii) The claim for “breach of public law duties” does not change the essential character of the Plaintiff’s claims or disclose a reasonable cause of action*

62. The Plaintiff’s pleading of “breach of public law duties” similarly does not affect the essential administrative character of the Plaintiff’s claims with respect to the *Customs Act* duties and interest it owes. The portion of the claims for “breach of public law duties” relating to the duties and interest should be struck out.
63. In *Paradis Honey*, the majority contemplated, in *obiter*, the notion of a claim for “monetary relief in public law”. The notion of such a claim has not since been taken up by the courts. Regardless, the Plaintiff’s claim under this heading does not fit within that contemplated framework. The majority in *Paradis Honey* made clear that in some cases an award of monetary relief will be neither necessary nor appropriate:
 

[143] The compensatory objective of monetary relief must be kept front of mind. So, in some cases, the quashing of a decision or the enjoining or prohibition of conduct will suffice and monetary relief will neither be necessary nor appropriate...<sup>66</sup>
64. The present case is such a case, where an award of monetary relief on this basis is neither necessary nor appropriate. In seeking reimbursement of duties and interest owing, the Plaintiff does not seek to be compensated for economic losses that flowed “downstream” from the CBSA’s decision to impose duties (as in *Telezone* or *Paradis Honey*), but rather seeks to have the duties themselves effectively cancelled.
65. The Federal Court has since recognized that monetary relief is not appropriate when it is not necessary and a better suited remedy lies in administrative law.<sup>67</sup> The current matter is a case where, as described by Stratas J.A. in *Canada v Oshkosh*, the

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<sup>66</sup> *Paradis Honey Ltd. v Canada*, 2015 FCA 89, at para 143, DBOA at Tab 41.

<sup>67</sup> *1029255-2504 Québec Inc. v Canada*, 2020 FC 161, at para 184, DBOA at Tab 7.

administrative remedies will “have the direct effect of requiring that monies be paid”.

The return of the monies paid or owing under the decision is the “inexorable consequence of quashing the decision”.<sup>68</sup>

66. As noted, if the Plaintiff follows the only appropriate route to challenge the July 2020 DAS and is successful on appeal to the CITT, its obligation to pay the duties and interest would be removed. Accordingly, the Plaintiff’s claim for monetary relief in public law is neither necessary nor appropriate, and is again in its essential character an administrative claim to have the decision overturned.

67. Ultimately, letting the Plaintiff proceed with its action for the duties and interest imposed by the July 2020 DAS as framed in negligence or a “breach of public law duties” would frustrate Parliament’s intention as to how certain recourses are to be determined.<sup>69</sup> Its claim for the duties and interest owing as damages flowing from either should be struck.

*iv) Claims for duties and interest as damages constitute a collateral attack*

68. Further, the Plaintiff’s claims for the amounts owing in duties and interest as damages constitute a collateral attack on the July 2020 DAS, are therefore an abuse of process, and should be struck out for that reason as well.

69. The Supreme Court has held that the rule against collateral attack “may be described as an attack made in proceedings other than those whose specific object is the reversal, variation, or nullification of the order or judgement”.<sup>70</sup> The rule “prevents a party from using an institutional detour to attack the validity of an order by seeking a different result

<sup>68</sup> *Canada v Oshkosh Defense Canada Inc.*, 2018 FCA, at paras 34-35, DBOA at Tab 12.

<sup>69</sup> *JP Morgan*, at para 85, DBOA, Tab 15.

<sup>70</sup> *TeleZone*, at para 60, DBOA at Tab 13.

from a different forum, rather than through the designated appellate or judicial review route".<sup>71</sup>

70. The CBSA's decision in the July 2020 DAS essentially *is* that the Plaintiff must pay duties and interest for its 2015-2018 importations. In seeking damages in the amount of the duties and interest owing, the Plaintiff's action is explicitly focused on overturning this effect of the decision. The Plaintiff would then have achieved through collateral attack what it can only properly seek to achieve by pursuing their appeal before the CITT. The jurisprudence is clear that the doctrine of collateral attack is intended to prevent a party from circumventing the effect of a decision rendered against it.<sup>72</sup>

**D. The Section 135 Appeal will not affect Plaintiff's obligation to pay duties and interest in any event**

71. The Plaintiff's obligation to pay "retroactive" duties and interest is unconnected to and would be unaffected by any finding on whether the Plaintiff in fact contravened the *Customs Act*, or in fact had "reason to believe" that its declarations were incorrect prior to the Verification Report.<sup>73</sup>
72. The Plaintiff appears to be under the misapprehension that it was required to file self-corrections and pay "retroactive" duties only because it had earlier "reason to believe" that its tariff classification declarations were incorrect. This is not the case.
73. Subsections 32.2(2) and (4) of the *Customs Act* require an importer to file self-corrections and pay any related duties within 90 days of having reason to believe that its

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<sup>71</sup> *British Columbia (Workers' Compensation Board) v Figliola*, 2011 SCC 52, at para 28, DBOA, Tab 10.

<sup>72</sup> *TeleZone*, at para 61, DBOA at Tab 13.

<sup>73</sup> *Jockey Canada Company v President of the Canada Border Services Agency*, 2012 CanLII 85177 (CA CITT), at paras. 264-281, DBOA at Tab 31.

declarations are incorrect, going back to a maximum of four years.<sup>74</sup> There can be no dispute that upon receiving the final Verification Report in 2018 the Plaintiff, at that point, had reason to believe its declarations were incorrect.<sup>75</sup> Accordingly, the *Customs Act* required that the Plaintiff self-correct importations from the preceding four years and pay any related duties. The self-corrections attracting the duties that the Plaintiff takes issue with are all from 2015 to 2018, within that four-year period.<sup>76</sup>

74. The Plaintiff is not helped by the CBSA's Memorandum D-11-6-10 *Reassessment Policy*.<sup>77</sup> It states that where an importer did not have "reason to believe" its declarations were incorrect prior to the verification report, the importer will be required to amend all incorrect declarations for the verification period (in this case January to December 2015), and going forward from the verification period. This, rather than requiring corrections for the entire four-year period. Again, the corrections attracting the duties which the Plaintiff takes issue with are all within the 2015 verification period and going forward.<sup>78</sup> That timeline just happens to be close to a four-year period in this case.

75. The CBSA's finding that the Plaintiff had "reason to believe" prior to the Verification Report only affects the determination that the Plaintiff contravened the *Customs Act* by not self-correcting within 90 days of that earlier "reason to believe", such that a penalty may result. This, and this alone, is the proper subject of a s. 135 appeal and of this action.

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<sup>74</sup> *Customs Act*, s. 32.2, DBOA at Tab 2.

<sup>75</sup> Verification Report at pp. 3-4, Roy Affidavit, Exhibit A.

<sup>76</sup> Section 59 DASs, Roy Affidavit, Exhibit F; Section 60 DASs, Roy Affidavit, Exhibit G.

<sup>77</sup> Fresh as Amended Statement of Claim, para 24; Memorandum D-11-6-10, Roy Affidavit, Exhibit N.

<sup>78</sup> Self Corrections, Roy Affidavit, Exhibit E; May 23, 2019 section 59 DASs, Roy Affidavit, Exhibit F; July 2020 DAS, Roy Affidavit, Exhibit G.

**E. The claims for general damages and “professional fees incurred” should be struck**

*i) No Duty of Care*

76. This Court has routinely struck pleadings at an early stage on the basis that it was clear there was no private law duty of care owed, especially when allowing such a claim has the effect of circumventing designated administrative recourse schemes.<sup>79</sup> Such is the case here.
77. In order to succeed in an action in negligence, the plaintiff must establish: that the CBSA owed the plaintiff a duty of care; that the CBSA breached that duty of care; that the plaintiff suffered damages; and that the damages were caused, in fact and in law, by the breach.<sup>80</sup> These steps are sequential and separate. Thus, the first question for the court to decide in a negligence action is whether the defendant owes the plaintiff a duty of care.
78. As the Courts have not previously found a duty of care to exist as between the CBSA and importers in a situation analogous to the present case, the question is whether a new duty of care should be recognized.
79. It is well established that mere breach of a statutory duty does not on its own constitute negligence.<sup>81</sup>
80. The test for determining whether a duty of care is owed involves two questions: (1) Do the facts disclose a relationship of proximity in which failure to take reasonable care

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<sup>79</sup> *Almacén v Canada*, 2016 FC 300, at paras 54-55, DBOA at Tab 8; *Swarath v Canada*, 2014 FC 75, at paras 31-32, DBOA at Tab 51.

<sup>80</sup> *Mustapha v Culligan of Canada Ltd.*, [2008] 2 SCR 114, at para. 3, DBOA at Tab 40.

<sup>81</sup> *Holland v Saskatchewan*, 2008 SCC 42, at para 9, DBOA at Tab 26.

might foreseeably cause loss or harm to the plaintiff; and (2) If so, are there any residual policy considerations which ought to negate or limit that duty of care?<sup>82</sup>

81. The Plaintiff claims a duty of care is established in the circumstances arising from: a) the CBSA's role in administering the *Customs Act*; b) the CBSA's internal policies; c) the representations of a CBSA official; d) the CBSA's treatment of other importers; e) the CBSA's knowledge that the industry believed the goods were classifiable under a duty-free tariff item; and f) the CBSA's knowledge that imposing duties on the Plaintiff would cause it harm.<sup>83</sup> These points are not sufficient to give rise to a duty of care.

**a) No Proximity**

82. "Proximity" refers to the quality of the relationship that makes it fair to impose a duty of care in the circumstances.<sup>84</sup> To evaluate proximity, the court must carefully consider all the aspects of the relationship between the parties. Where the defendant acted pursuant to a statute, the terms of that statute are of paramount importance in the proximity analysis. A duty of care in claims against a government defendant may arise from the statutory scheme or from interactions between the plaintiff and the government where it is not negated by statute.<sup>85</sup>

***The Customs Act and legislative scheme run contrary to a relationship of proximity***

83. The CBSA acts as a duties collector in relation to Canadian importers. Its job is to enforce the *Customs Act* and related legislation in order to "regulate, oversee and control

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<sup>82</sup> *Hill v Hamilton-Wentworth Regional Police Services Board*, 2007 SCC 41, at para 20, DBOA at Tab 24.

<sup>83</sup> Fresh as Amended Statement of Claim at para 61.

<sup>84</sup> *Charlesfort Developments Limited v Ottawa (City)*, 2021 ONCA 410 ("Charlesfort"), at para 29, DBOA at Tab 17.

<sup>85</sup> *R. v Imperial Tobacco Canada Ltd.*, 2011 SCC 42 ("Imperial Tobacco"), at paras 43-46, DBOA at Tab 43.

cross-border movements of people and goods.”<sup>86</sup> The purpose of the regime is one of taxation and economic regulation, for the general welfare of the nation.<sup>87</sup>

84. The courts have frequently opined on a similar relationship, between the Canada Revenue Agency (“CRA”) and taxpayers, holding that there is no proximity between the tax collector and taxpayers facing an audit or a verification. Recently, the Ontario Superior Court reaffirmed this in *Jayco, Inc. v Her Majesty the Queen in Right of Canada*.<sup>88</sup> The Court further observed that remedies for taxpayers largely lie in the sophisticated administrative appeals scheme, and not in claims for negligence:

The taxation statutes set up regulatory schemes with internal appeals and appeals to the court.... Taxpayers and HST collectors have resort to administrative processes and the courts to ensure that the taxman is kept in check. Imposing negligence liability on top of that is inconsistent with the statutory scheme...<sup>89</sup>

85. The Federal Courts have similarly rejected a duty of care between CRA and taxpayers.<sup>90</sup>
86. The same rationale applies in this case: the customs regime by nature runs contrary to a relationship of proximity between the CBSA and importers, and cannot ground a duty of care in the circumstances. There are striking similarities between the two regimes. Both involve the state as money collector (whether via taxes or duties), and both are based on the principle of self-declaration. Both regimes rely on the expectation that

<sup>86</sup> *Martineau v M.N.R.*, 2004 SCC 81, at para 25, DBOA at Tab 35.

<sup>87</sup> *Mitchell v M.N.R.*, 2001 SCC 33, at para 160, DBOA at Tab 37; *Mohawk Council of Akwesasne v Toews*, 2012 FC 1442, at para 38, DBOA at Tab 38.

<sup>88</sup> *Jayco, Inc. v Her Majesty the Queen in Right of Canada*, 2021 ONSC 2120, at paras 2, 26, 28, DBOA at Tab 29. See also *Grenon v Canada Revenue Agency*, 2017 ABCA 96, at paras 13, 17-19, 24, DBOA at Tab 21; *Signal Hill Manufacturing Inc v Canada Revenue Agency*, 2021 ABQB 460, at paras 71, 75, 81, 82, DBOA at Tab 47.

<sup>89</sup> *Jayco, Inc. v Her Majesty the Queen in Right of Canada*, 2021 ONSC 2120, at para 34, DBOA at Tab 29.

<sup>90</sup> *Humby v Canada*, 2013 FC 1136, at paras 120-122 (affirmed in *Humby v Canada*, 2015 FCA 266), DBOA at Tabs 27 and 28; *Sailsman v Canada (National Revenue)*, 2014 FC 1033, at para 41, DBOA at Tab 46.

individuals will voluntarily self-report their income or their importations honestly and accurately, and pay their taxes or duties accordingly.<sup>91</sup> To enforce and administer these statutory regimes, customs and tax authorities are granted broad powers, which include the conduct of random audits and verifications. The recognition of a duty of care towards importers would run against the CBSA’s mandate to ensure all duties on importations are correctly assessed and collected.

***The facts do not otherwise give rise to a relationship of proximity***

87. The Plaintiff’s reliance on the treatment of other importers to identify a duty of care is misguided. Absent allegations of misfeasance or bad faith, the CBSA has the prerogative of verifying importers within the powers and obligations conferred on it by statute. In this case, the Plaintiff was the subject of a verification, and duties were assessed in light of the CBSA’s determinations in the verification report. The “treatment” of other importers is irrelevant, and cannot ground a duty of care.
88. Importers are required to self-report honestly and correctly. It would be impossible for the CBSA to monitor how every importer declares all of its goods,<sup>92</sup> and the CBSA cannot be held responsible towards a specific importer for the declarations of other importers in a given “industry”. The *Customs Act* does not require this.
89. In the case of Sumitomo, that importer chose to obtain an advance ruling in 2005.<sup>93</sup> Advance Rulings are legally binding between the recipient and the Minister only, and cover only the goods of the recipient.<sup>94</sup> A revocation of an advance ruling applies only

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<sup>91</sup> *Robidoux v Canada (Public Safety and Emergency Preparedness)*, 2020 FC 766, at paras 35-36, DBOA at Tab 45.

<sup>92</sup> *R. v Topp*, 2008 CanLII 20991 (ON SC), [2008] CarswellOnt 2539, at para 5, DBOA at Tab 44.

<sup>93</sup> Fresh as Amended Statement of Claim, para 8.

<sup>94</sup> *Tariff Classification Advance Rulings Regulations*, SOR/2005-256, ss. 8-13, DBOA at Tab 6.

to goods that are imported on or after the effective date of the revocation, pursuant to the *Tariff Classification Advance Rulings Regulations*.<sup>95</sup> This is simply the effect of the legislation. No duty of care is established simply from the proper administration of regulations by the CBSA. The treatment of Sumitomo and its advance ruling may be relevant to whether the Plaintiff had “reason to believe” and contravened the *Customs Act*; however, it does not establish a duty of care.

90. While specific interactions between government and a claimant can give rise to a relationship of proximity<sup>96</sup>, the representations made by a CBSA official in June of 2018 are insufficient to establish such a relationship here.<sup>97</sup> The CBSA is required to apply the customs legislation, regardless of what representations may have been made by an official, and the Plaintiff in no way acted in reliance of said representations – the Plaintiff has not plead reliance or causation in this regard.<sup>98</sup> This is a far cry from the situation in *Imperial Tobacco*, for example, where, apart from its statutory duties, Canada under took roles in relation to tobacco manufacturers, as designer, developer, promoter and licensor of tobacco strains, and where the plaintiffs relied on Canada’s advice to their detriment.<sup>99</sup>

**b) Residual policy considerations negate any *prima facie* duty of care**

91. Even if a *prima facie* duty of care existed, residual policy reasons negate the finding of a duty of care at the second stage of the test in these circumstances. Policy considerations at the second stage are not concerned with the relationships between the parties, but with

<sup>95</sup> *Tariff Classification Advance Rulings Regulations*, SOR/2005-256, s. 13(1), DBOA at Tab 6.

<sup>96</sup> *Imperial Tobacco*, para 45, DBOA at Tab 43.

<sup>97</sup> Fresh as Amended Statement of Claim, at paras. 53 and 61(c).

<sup>98</sup> *Charlesfort*, at paras 30, 36, DBOA at Tab 17; *Pelletier v Canada*, 2016 FC 1356, at para 18, DBOA, at Tab 42.

<sup>99</sup> *R. v Imperial Tobacco Canada Ltd.*, 2011 SCC 42, at para 54, DBOA at Tab 43.

the effect of recognizing a duty of care on other legal obligations, the legal system and society more generally.<sup>100</sup>

92. Finding a duty of care in this instance would lead to indeterminate liability.<sup>101</sup> A duty of care based on the CBSA's imposition of duties in administering the *Customs Act* and its policies, towards the economic effect it has on the Plaintiff, would mean that in any case where duties are imposed on an importer, the importer could pursue a claim in negligence. Requiring the CBSA to consider the impact of its audits and duties assessments on both specific importers and "the competitive landscape of the industry"<sup>102</sup> is not only not required by the legislation, it would simply render the statutory customs regime unmanageable. As stated by this Court in the tax context, the CBSA cannot be responsible for protecting importers "from losses arising from [its] assessments".<sup>103</sup>

#### *ii) General Damages insufficiently plead*

93. A properly pleaded tort claim sets out the material facts needed to satisfy the elements of that tort. The essential elements of the tort of negligence include a duty of care, a specific breach of that duty, a causal connection between the breach of the duty and the injury, and an actual loss. A Statement of Claim needs to include sufficient facts providing details about each of these elements.<sup>104</sup>

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<sup>100</sup> *Almacén v Canada*, 2016 FC 300, at para 53, DBOA at Tab 8.

<sup>101</sup> *Swarath v Canada*, 2014 FC 75, at para 30, DBOA at Tab 51.

<sup>102</sup> Fresh as Amended Statement of Claim, para 49.

<sup>103</sup> *Sailsman v Canada (National Revenue)*, 2014 FC 1033, at para 41, DBOA at Tab 46. See also *Canada v Scheuer*, 2016 FCA 7, at para 30, DBOA at Tab 16.

<sup>104</sup> *Pelletier v Canada*, 2016 FC 1356, at para 18, DBOA at Tab 42; See also *Hill v Hamilton-Wentworth Regional Police Services Board*, 2007 SCC 41, at para 93, DBOA at Tab 24.

94. In its Fresh as Amended Statement of Claim, the Plaintiff added a claim that it is entitled to general damages in the amount of \$1,000,000. However, the plaintiff has failed to plead in any way what loss or injury this amount is associated with, or how such loss or injury was caused by a breach of duty of care. Accordingly, aside from the lack of duty of care, the pleading in this regard is deficient and should be struck.

*iii) No reasonable cause of action for “professional fees incurred”*

95. The Plaintiff’s claim for \$1,006,641.91 in “professional fees incurred as a result of the CBSA’s actions” should also be struck as disclosing no reasonable cause of action or as an abuse of process. The only facts in the Plaintiff’s pleading that the “professional fees” could relate to are the appeal avenues that the Plaintiff has pursued since the Verification Report.<sup>105</sup> Costs for pursuing those proceedings are not compensable as damages.

96. The Plaintiff first pursued the appeal scheme set out in the *Customs Act* with respect to the re-determinations of the goods imported under the five transactions sampled in the verification process. It first made a request for a further re-determination under s. 60, which was denied, and then brought an appeal to the CITT, which was also denied.<sup>106</sup> Not only was the Plaintiff unsuccessful, but the CITT is not even empowered to award costs. Unlike certain procurement related proceedings before the CITT,<sup>107</sup> in appeals related to tariff classification Parliament determined that each party is responsible for their own costs under the *Canadian International Trade Tribunal Act*.<sup>108</sup> The Plaintiff cannot recover such costs indirectly on an action.

<sup>105</sup> Fresh as Amended Statement of Claim, paras 26, 28, 33, 35.

<sup>106</sup> Fresh as Amended Statement of Claim, paras. 26 and 28.

<sup>107</sup> *Canadian International Trade Tribunal Act*, RSC 1985, c 47 (4th Supp), ss. 30.11, 30.16, DBOA at Tab 1.

<sup>108</sup> *Canadian International Trade Tribunal Act*, RSC 1985, c 47 (4th Supp), DBOA at Tab 1.

97. The only proceedings the Plaintiff chose to commence following the allegedly inconsistent procedural positions taken by the defendant<sup>109</sup> are an appeal of the July 2020 DAS with the CITT, a judicial review application of the July 2020 DAS, both of which were immediately placed in abeyance, and the within s. 135 appeal. Again, costs related to the CITT appeal are not available, and cannot be indirectly recovered here. Costs of pursuing the judicial review application should be dealt with in that application itself. Finally, costs of pursuing the current action should be dealt with as costs, not damages.

98. The Plaintiff's claim for costs related to other adjudicative proceedings, in the guise of damages, violates the principles of judicial economy, consistency, finality and the integrity of the administration of justice and is an abuse of process.<sup>110</sup>

99. Furthermore, positions advanced by Defendant's counsel in the litigation commenced by the Plaintiff cannot constitute a breach of a duty of care or give rise to damages as part of the litigation, as asserted in paragraphs 55(c) 64(d) and (e) of the Fresh as Amended Statement of Claim.<sup>111</sup>

100. With respect to the bond the Plaintiff secured pursuant to s. 65(1)(a) of the *Customs Act*,<sup>112</sup> if the Plaintiff is successful in challenging the July 2020 DAS, the bond would be returned. If not successful, the bond will also be returned upon payment of the duties and interest owing, or will otherwise go towards the payment of duties owing. It is not an issue of damages.

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<sup>109</sup> Fresh as Amended Statement of Claim, para 55.

<sup>110</sup> *Morel v Canada*, 2008 FCA 53, at para 35, DBOA at Tab 39; *Latham v Canada*, 2019 CanLII 34498 (FC), at para 33, DBOA at Tab 33.

<sup>111</sup> *Beima v Macpherson*, 2015 FC 1367, at para 26, DBOA at Tab 9.

<sup>112</sup> Fresh as Amended Statement of Claim, para. 67(b)(ii); *Customs Act*, s. 65(1)(a), DBOA at Tab 2.

## PART IV – ORDER SOUGHT

101. The Defendant requests the following relief:

- i) An Order pursuant to Rule 221 of the *Federal Courts Rules* striking the portions of the Fresh as Amended Statement of Claim:
  - a) seeking an order “quashing as unreasonable” the July 30, 2020 Detailed Adjustment Statement (paragraph 1(a));
  - b) seeking damages for duties and interest to be paid retroactively to the Canada Border Services Agency (paragraph 1(d), second sentence of paragraph 36, and paragraph 67(c)(i) and (ii));
  - c) asserting a claim in “breach of public law duties” (paragraphs 46-60);
  - d) asserting a claim in negligence (61-66);
  - e) seeking general damages (paragraphs 1(b) and 67(a)); and
  - f) seeking damages for “professional fees incurred” (paragraphs 1(c) and 67(b));
- ii) An Order granting the Defendant an extension of time to 30 days from the issuance the Order determining this motion to file an amended statement of defence;
- iii) The Costs of this motion; and
- iv) Such other and further relief as this Honourable Court may allow.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

Ottawa, July 23, 2021



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**Peter Nostbakken**  
**Charles Maher**  
Solicitors for the Defendants (Moving Party)

## PART V – LIST OF AUTHORITIES

### **Legislation**

1. [Canadian International Trade Tribunal Act, RSC 1985, c 47 \(4th Supp\)](#), ss. 30.11, 30.16
2. [Customs Act, RSC 1985, c 1 \(2nd Supp\)](#), ss. 32(1)(a), 32.2, 32.2(2), 32.2(3), 32.2(4), 42.01, 58, 58(2), 59-68, 109.1, 109.3, 129-135, 135(2)
3. [Designated Provisions \(Customs\) Regulations, SOR/2002-336](#), s. 1, Schedule 1, Part 1
4. [Federal Courts Act, RSC, 1985, c F-7, 18\(3\)](#), ss. 18(3), 18.5
5. [Federal Courts Rules, SOR/98-106](#), Rules 8, 57
6. [Tariff Classification Advance Rulings Regulations, SOR/2005-256](#), ss. 8, 9, 10, 12, 13, 13(1)

### **Caselaw**

7. [1029255-2504 Québec Inc. v Canada, 2020 FC 161](#)
8. [Almacén v Canada, 2016 FC 300](#)
9. [Beima v Macpherson, 2015 FC 1367](#)
10. [British Columbia \(Workers' Compensation Board\) v. Figliola, 2011 SCC 52](#)
11. [BSH Home Appliance Ltd. v President of the Canada Border Services Agency, 2014 CanLII 149588 \(CA CITT\)](#)
12. [Canada \(Attorney General\) v Oshkosh Defense Canada Inc., 2018 FCA 102](#)
13. [Canada \(Attorney General\) v TeleZone Inc., 2010 SCC 62](#)
14. [Canada \(Border Services Agency\) v C.B. Powell Limited, 2010 FCA 61](#)
15. [Canada \(National Revenue\) v. JP Morgan Asset Management \(Canada\) Inc., 2013 FCA 250](#)
16. [Canada v Scheuer, 2016 FCA 7](#)
17. [Charlesfort Developments Limited v. Ottawa \(City\), 2021 ONCA 410](#)
18. [Flaro v Canada, 2018 FC 229](#)

19. [\*Flaro v Canada\*, 2019 FCA 30](#)
20. [\*Fritz Marketing Inc v. Canada\*, 2009 FCA 62](#)
21. [\*Grenon v Canada Revenue Agency\*, 2017 ABCA 96](#)
22. [\*Grodan Inc v President of the Canada Border Services Agency\*, 2012 CanLII 85167 \(CA CITT\)](#)
23. [\*Hamod v Canada \(Public Safety and Emergency Preparedness\)\*, 2015 FC 937](#)
24. [\*Hill v Hamilton-Wentworth Regional Police Services Board\*, 2007 SCC 41](#)
25. [\*Hociung v Canada \(Public Safety and Emergency Preparedness\)\*, 2019 FCA 214](#)
26. [\*Holland v. Saskatchewan\*, 2008 SCC 42](#)
27. [\*Humby v Canada\*, 2013 FC 1136](#)
28. [\*Humby v Canada\*, 2015 FCA 266](#)
29. [\*Jayco, Inc. v Her Majesty the Queen in Right of Canada\*, 2021 ONSC 2120](#)
30. [\*Jockey Canada Company Limited v Canada \(Public Safety and Emergency Preparedness\)\*, 2010 FC 396](#)
31. [\*Jockey Canada Company v President of the Canada Border Services Agency\*, 2012 CanLII 85177 \(CA CITT\)](#)
32. [\*Landmark Trade Services\*, 2020 CanLII 34719 \(CA CITT\)](#)
33. [\*Latham v Canada\*, 2019 CanLII 34498 \(FC\)](#)
34. [\*Leone v. Canada\*, 2021 FC 409](#)
35. [\*Martineau v M.N.R.\*, 2004 SCC 81](#)
36. [\*Mil Davie Inc. v. Société d'Exploitation et de Développement d'Hibernia Ltée\*, 1998 CanLII 7789 \(FCA\)](#)
37. [\*Mitchell v M.N.R.\*, 2001 SCC 33](#)
38. [\*Mohawk Council of Akwesasne v Toews\*, 2012 FC 1442](#)
39. [\*Morel v Canada\*, 2008 FCA 53](#)
40. [\*Mustapha v. Culligan of Canada Ltd.\*, \[2008\] 2 S.C.R. 114](#)

41. [Paradis Honey Ltd. v Canada, 2015 FCA 89](#)
42. [Pelletier v Canada, 2016 FC 1356](#)
43. [R. v Imperial Tobacco Canada Ltd., 2011 SCC 42](#)
44. [R. v Topp, 2008 CanLII 20991 \(ON SC\), \[2008\] CarswellOnt 2539](#)
45. [Robidoux v Canada \(Public Safety and Emergency Preparedness\), 2020 FC 766](#)
46. [Sailsman v Canada \(National Revenue\), 2014 FC 1033](#)
47. [Signal Hill Manufacturing Inc v Canada Revenue Agency, 2021 ABQB 460](#)
48. [Simon v Canada, 2011 FCA 6](#)
49. [Starway v Canada \(Public Safety and Emergency Preparedness\), 2010 FC 1208](#)
50. [Stuart v Canada, 2019 FC 801](#)
51. [Swarath v Canada, 2014 FC 75](#)
52. [Toronto \(City\) v. C.U.P.E., Local 79, 2003 SCC 63](#)
53. [Verdicchio v. Canada, 2010 FC 117](#)