

General MOU

PARTNERS IN PROTECTION

**MEMORANDUM OF UNDERSTANDING
TO ENHANCE BORDER SECURITY
AND TO SUPPRESS CONTRABAND SMUGGLING**

BETWEEN

THE CANADA BORDER SERVICES AGENCY (CBSA)

as represented by the President of the CBSA
(hereinafter referred to as "Customs")

AND

RUSSELL A. FARROW LTD.

as represented by Richard Farrow
for and on behalf of
RUSSELL A. FARROW LTD. (hereinafter referred to as "R.A. FARROW")

ENHANCED SECURITY

R.A. FARROW will take efforts to ensure that its security programs meet the suggested guidelines as set out in the Security Recommendations.

R.A. FARROW will advise Customs of existing security measures by completing and returning a security questionnaire within 60 days of signing this agreement. Customs will review the information submitted and provide feedback where necessary. R.A. FARROW will take action that both parties agree is reasonably necessary to correct any issues identified during the security review.

R.A. FARROW will review security measures on a periodic basis, to prevent as far as possible, unauthorized access to facilities, equipment, document processes and cargo shipments.

R.A. FARROW will communicate participation in the PARTNERS IN PROTECTION program to suppliers and service providers. Where practical, R.A. FARROW will condition its business dealings to those entities who agree to take steps to ensure their security programs meet the guidelines set out in the Security Recommendations.

INFORMATION EXCHANGE

Both parties will encourage and promote an open and ongoing dialogue. Both will appoint liaison representatives who will meet periodically to exchange information and to discuss topics of mutual interest, including the progress of the PARTNERS IN PROTECTION program. This dialogue will allow Customs and R.A. FARROW to better understand each other's roles and responsibilities and will provide the framework for a more productive relationship.

R.A. FARROW will set up procedures to encourage staff to alert Customs to suspicious circumstances involving potential Customs offences. Customs will provide R.A. FARROW with contacts for advice or instructions when a Customs offence is suspected.

Customs and R.A. FARROW will coordinate the release of information to the public regarding R.A. FARROW's participation in the PARTNERS IN PROTECTION program, when such announcements are agreeable to both parties.

AWARENESS SESSIONS

Both parties commit to raising awareness of security as it relates to the international movement of people and goods.

Customs will provide R.A. FARROW with awareness sessions on indicators of suspicious cross border activities or security violations. Customs will also provide R.A. FARROW with general information on security and smuggling issues. This will facilitate the exchange of information between both parties.

PURPOSE OF MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding (MOU) is to establish a partnership between the two parties to strengthen efforts to enhance border security, combat organized crime and terrorism, increase awareness of customs compliance issues, and to help detect and prevent contraband smuggling in accordance with the PARTNERS IN PROTECTION program. The partnership will focus on developing a more secure border environment through enhanced physical security throughout production, transportation, importation and exportation processes.

Both parties recognize the benefits to be gained by enhancing border security, increasing compliance and combating crime, terrorism and contraband smuggling. By working in partnership, both parties contribute to the protection of Canadian society and the facilitation of legitimate trade.

GENERAL COMMITMENTS

Customs acknowledges that the prime responsibility of R.A. FARROW is to engage in its business activities.

The conditions outlined in this memorandum are voluntary and do not replace any legal or contractual obligations. R.A. FARROW will not be asked to act as a law enforcement body. The information received under the PARTNERS IN PROTECTION program will be treated as confidential and information received of a financial, commercial or technical nature will not be disclosed, subject to the provisions of the *Customs Act*. Fulfilling the conditions of this memorandum should not intrude unduly on the operations of either party.

Customs will consider R.A. FARROW's participation in the PARTNERS IN PROTECTION program in making risk determinations for the purposes of cargo examinations.

R.A. FARROW will promote the partnership to their employees and encourage them to cooperate fully with Customs to carry out the purposes of this MOU.

This MOU is effective from the date signed by both parties until one of the parties or their designates identified in this MOU gives written notice of its termination. Customs will confirm in writing R.A. FARROW's enrolment in the program. Both parties agree to consult one another prior to terminating the MOU. This MOU may be modified upon written agreement of the parties.

The designated officials for the administration of this PARTNERS IN PROTECTION MOU, including any subsequent amendments, are as follows:

**DESIGNATED OFFICIAL FOR THE
CANADA BORDER SERVICES AGENCY**

Head
Customs Contraband, Intelligence and Investigations
Canada Border Services Agency
Sir Richard Scott Building
18th Floor
191 Laurier Avenue West
Ottawa, Ontario
K1A 0L8

Telephone: (613) 946-9174
Fax: (613) 946-9183

**DESIGNATED OFFICIAL
FOR R.A. FARROW**

Richard Farrow
President & CEO

2001 Huron Church Road
PO Box 333
Windsor, ON
N9C 2L6

Telephone: 519-252-4415
Fax: 519-252-0982

IN WITNESS WHEREOF, this Memorandum of Understanding for the PARTNERS IN PROTECTION program was signed, in duplicate, each version being equally authentic.

FOR RUSSELL A. FARROW LTD.

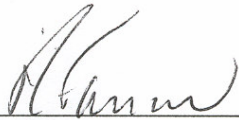
FOR THE CANADA BORDER SERVICES AGENCY

At WINDSOR, ONTARIO

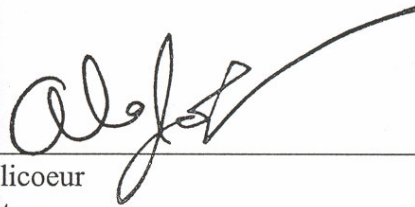
At _____

Date MARCH 31, 2004

Date DEC 01 2004



Richard Farrow
President and Chief Executive Officer
R.A.Farrow Ltd.



Alain Jolicoeur
President
Canada Border Services Agency