DT DT January 2020

TO C-TPAT Business Partners

FM STG Logistics – USA

RE C-TPAT Security

In compliance with U.S. Customs and Border Protections (CBP) minimum security requirements for bonded warehouses, STG Logistics (STG) has developed and implemented a sound security program which is fully documented, enforced and internally audited by corporate staff at each of our USA locations.

STG is operating as a Class 3 CBW U.S. Customs Bonded facility.

All STG facilities meet and/or exceeds all CBP minimum security requirements as outlined and required by the SAFE Port Act of 2006.

The C-TPAT *Importer Security Criteria (3/25/2005)* requires importers to conduct a comprehensive assessment of their international supply chains by having your business partners who are not C-TPAT certified demonstrate that they are meeting C-TPAT security criteria. To this end, attached please find STG's written statement demonstrating our compliance with C-TPAT security criteria.

STG is conscious of the need for security at all levels of the supply chain and ensures that all personnel involved in the transportation and storage of cargo are properly screened and subject to all local and federal guidelines for the safe handling of your cargo.

We trust this will be a satisfactory response to your recent inquiry. Should you have any further questions please feel free to contact us at any time.

Best regards,

Summer Weinberg
National Systems Compliance Manager

STG Logistics (STG) (USA)

C-TPAT Compliance Certification
January 2020

Physical Access Controls

- Positive identification of all employees, visitors and vendors is carefully monitored and logged
- Employees are provided with permanent ID cards; visitors are provided with temporary identification cards upon positive identification
- Visitors must be accompanied by STG personnel at all times
- Access to facility at all points of entry is monitored by security personnel; security camera's and locking mechanisms
- Drivers are required to log in and out through security gate, providing positive ID at time of arrival
- All drivers are restricted to designated area's
- All deliveries are only accepted by after proper vendor ID and/or photo identification is presented and all mail/small package deliveries are screened prior to dissemination

Personnel Security

Employee Identification

- As mandated in the 19 CFR, STG conducts employment screening and interviewing of all prospective employees to include periodic background and application verification
- Employees are required to wear photo identification badges at all times
- Written procedures are in place to remove access to facility and systems for terminated employees
- Photo records are maintained on all STG personnel

Procedural Security

Security measures are in place to ensure the integrity and security of shipping, receiving and storage of all cargo moving through STG facilities.

- Computer access is limited through access granted through the use of log-ins and passwords which controls the release of information based on security criteria
- Documentation is controlled and monitored by trained personnel
- Manifests are reviewed for accuracy prior to entry to STG cargo manager system
- Container Seals are verified at time of receipt and again at devanning. Discrepancies in cargo seals are immediately reported

- All cargo received is carefully verified based on documentation received and is checked prior to receipt, recording weights, labels, marks and piece count
- Any cargo discrepancies are reported immediately and resolved appropriately, including notification to proper authorities where necessary
- All shipments being released or delivered are processed only with proper authorization and/or release from our customers and/or CBP

Security Training and Threat Awareness

- Awareness of the possible threat posed by terrorists is addressed by management through safety and security meetings
- Employees are advised of company procedures on how to identify and report any suspicious activities
- Cargo integrity is maintained through training of devanning procedures and practices
- Regular staff meetings are conducted to ensure all standard operating and security procedures are maintained

Physical Security

Fencing

- Perimeter fencing surrounds facility
- Interior fencing within the warehouse separates domestic, international, high value and hazardous cargo
- All fenced areas are properly identified and secured with locking devices accessible by authorized personnel only
- No cargo is stored outside the exterior perimeter of the storage area

Gates and Gate Houses

- All gates are secured with locking devices during non-working hours
- All gates are manned
- All gates are additionally monitored via cameras

Parking

- Private passenger vehicles are prohibited from parking in or adjacent to cargo handling and storage areas

Building Structure

- Physical building structure is such that it resists intruders from unlawful entry
- Continuous inspections and repairs are preformed to maintain secure facility structure

Locking Devices and Key Controls

- All external and internal windows are secured with locking devices
- Key access is controlled through security

Lighting

- Lighting throughout the facility including entrances/exits; cargo handling and storage areas; fence lines and parking areas

Alarms Systems & Video Surveillance Cameras

- Facility is alarm protected against burglary and fire
- Land and mobile communications to central monitoring stations
- 24/7 security guard service in New Jersey and Los Angeles
- Video Surveillance Cameras throughout the facility monitor and record activity throughout including gate access, office areas, cargo handling and storage areas

Information Technology Security

- Access to private network is controlled via log-in and password authentication
- Passwords are periodically changed for security purposes
- External intrusion is prevented by data encryption firewalls
- Security access at all levels controls the release of information at designated levels
- Training is preformed to all new employees and departmental reviews are completed as necessary
- All automated systems are backed up daily
- Security logs are maintained to monitor access to all automated systems.
- Abuse of business data by any employee is subject to disciplinary action and subject to termination