

Storage of Union and Non-Union Goods

Common storage is only possible where **Products are** sufficiently **fungible** to be treated **as the same commercial quality**.

Common Storage

Subject to the conditions of the Company's customs warehouse authorisation, Union and non-Union goods may, in certain circumstances, be stored together without physical segregation.

Common storage may be applied where it would be impossible, or would only be possible at disproportionate cost, to identify the customs status of each individual quantity of goods at all times.

In such cases, the different customs statuses are controlled through **accounting segregation**. The Company's records must allow the quantities held under each customs status and, where applicable, the relevant origin of the goods to be identified and accounted for separately.

Common storage is only appropriate where the Products are sufficiently equivalent. As a general operational criterion, the Products should have:

- the same eight-digit CN code;
- the same commercial quality; and
- the same technical characteristics.

The underlying principle is that the Products must be sufficiently **fungible** for the purposes of common storage. As an operational rule of thumb, it should not matter to the Customer which physical quantity of the fungible Product is delivered, provided that the quantity, quality and other relevant characteristics are equivalent.

If the Customer has a specific reason why a particular physical quantity must remain identifiable or physically segregated—for example because of differences in quality, contractual requirements, origin, ownership or other commercial characteristics—the Products should not be treated as

fungible for common-storage purposes.

Commercial Policy Measures

Common storage and accounting segregation cannot be applied where **Commercial Policy Measures** apply to the Products, such as anti-dumping or other trade defence measures that distinguish goods based on their origin or other characteristics.

For customs purposes, the application of such measures means that the relevant goods are treated as having a different commercial quality, even where the physical characteristics of the Products are otherwise identical. Consequently, the goods cannot be treated as fungible for common-storage purposes and must be physically identifiable and segregated as required to ensure the correct application of the applicable Commercial Policy Measures.

Products subject to Commercial Policy Measures, such as anti-dumping duties, cannot be treated as fungible solely because their physical characteristics are identical.

The Customer shall inform the Company where any Commercial Policy Measure may apply to the Product, including where this depends on the origin of the Product.

The Company may require physical segregation where the conditions for common storage are not met or where this is necessary to ensure compliance with the applicable customs authorisation, Commercial Policy Measures or accounting requirements.
