

## FIRST STATEMENT FROM DHL Express (Canada), Ltd.

Hi Erica,

We understand that when it comes to online shopping and the shipping of the purchased goods, there can be some confusion and we're happy to clarify.

DHL's services are usually contracted by the sender of a package. When online shoppers buy goods online from a retail store, they are not directly contracting DHL's services for the shipping of the package. Instead, that retailer is the sender, who contracts DHL services to ship the purchased goods. Senders can generally choose to send packages under one of two main terms of trade: They can instruct DHL to ship the packages with their duties and taxes already paid, in which case the shipper pays for that and associated costs from the origin on behalf of the recipient, or they can instruct DHL to ship the packages with duties and taxes unpaid. When the shipper chooses the latter, these duties and taxes must be paid by the recipient, which is the case for Ms. Sinclair and Mr. Diwar. This management of customs duties is essential for controlling the flow of goods in and out of a country. Therefore, the customs process begins in the country of origin and ends in the country of destination.

When the shipper instructs DHL to ship the package with duties and taxes unpaid, the shipper only covers the cost of the shipping with DHL, while the recipient is required to settle the duties and taxes owing with the Government of Canada. Duties are applied by the Government based on the type of material shipped and the taxes are set by province of residence. DHL processes the necessary paperwork with the Customs office and pays for these duties and taxes as an added logistics service to the recipients of the shipments, so recipients are charged a nominal fee for the process of clearing the shipment on their behalf.

The DHL portion of the total charges to retrieve the packages can be avoided with a self-clearance of the package with Canada Customs. This means that the recipients would need to bring all the required paperwork of their package to a Canada Customs office and have it stamped once duties and taxes are paid to Canada Customs and the package cleared, after which DHL is legally allowed to release the shipment. All recipients can choose to either have DHL provide this service, or to self-clear to avoid the associated costs.

We understand that this can be confusing to online shoppers, who mistakenly believe that they are directly contracting DHL for the shipping of their packages. While they don't always have the option to choose whether Duties and Taxes are paid by the sender (this is a sender decision), they can choose to self-clear their package with Customs themselves and avoid the fee charged by our company to provide that service for them. We believe this is a service that facilitates the transaction of clearance with Customs, saves recipients the trouble of processing paperwork, of physically bringing the paperwork to a Customs office and finally retrieving their package, but we are aware that some recipients prefer to avoid that fee and we are happy to allow them choose that option as well.

All this information is detailed in our website:

[https://mydhl.express.dhl/ca/en/help-and-support/customs-clearance-advice/duties-and-taxes.html#/sending\\_shipments](https://mydhl.express.dhl/ca/en/help-and-support/customs-clearance-advice/duties-and-taxes.html#/sending_shipments)

<https://mydhl.express.dhl/ca/en/forms/self-clearance.html>.

Best,

Hazel

## [SECOND STATEMENT FROM DHL Express \(Canada\), Ltd.](#)

Hi Erica,

We believe that we addressed all the concerns within the statement we have already shared with you. However, we would point you in particular to the fact that the information about the fee (which is also applied by other express delivery providers) is available on the DHL website and that customers can opt to self-clear if they do not agree to pay the nominal fee for DHL to process the duties and taxes on their behalf.

- The information on processing fee is on <https://mydhl.express.dhl/ca/en/ship/customs-services.html>.
- The email header states Duty/Taxes Payment Required, which are required not by DHL, but by the Canadian government for all imports, and in the content of the email, we also state that there are duties/taxes and clearance fees.
- In the same email, a link is provided for customers to access the breakdown of the fees.