

## Regulatory warehouse

Regulatory warehouse is the name of the department where the undeliverable merchandise is stored. This happens mainly for two reasons:

1. Packages or items lost or damaged during transport and neither sender nor recipient can be identified.

- The address label is missing from the package.
- The merchandise has been separated from its original packaging.

2. Problems with customs clearance or international packages that we cannot deliver.

- The recipient has refused to pay duties and taxes for an international shipment and the sender refuses to pay the return costs.
- Packages with international destinations in which an ERN (exception resolution notification) expires. This process is opened by the destination to request instructions from the sender in case of rejection, that cannot be cleared from customs, problems with the address or failed delivery attempts. If this process has been started and there is no response from the sending client, after 10 days from its opening it is sent to the regulatory warehouse, although there are countries that extend these deadlines.

In these cases, UPS will send the items to a Regulatory Warehouse to remain stored for a specific time that depends on each country. In Europe, the deadline to claim an abandoned shipment is 30 days and they keep it for a maximum of 3 months to be able to claim in case of being a non-replaceable merchandise or having been abandoned by mistake. Americas between 30 and 90 days, depending on the country, Asia six months except some countries Australia, Indonesia or Taiwan, Canada 30 days.

These deadlines may vary, so it is always advisable to consult.

During the process, the Regulator:

- It will save the description of the merchandise in a database.
- Attempt to locate and notify the sender or recipient of the merchandise that is being held.
- Identify items that belong to a sender or recipient and send them out for delivery within two business days.

The UPS Regulatory Warehouse does not hold or store the following items:

- ☒ Perishable food
- ☒ Medical waste and substances with biological risk
- ☒ Low-value items
- ☒ Lost or damaged items
- ☒ Unknown liquids and powders
- ☒ Dangerous goods
- ☒ Prohibited items