IMPORTANT INFORMATION ABOUT ZONE SCHEDULES

This zone schedule is being made available pursuant to 15 CFR 400.44(e), which states: "The Board shall make copies of zone schedules available on its Web site."

Availability of this zone schedule on the FTZ Board's website does not imply that the FTZ Board has approved any rate/charge, policy or other content of this zone schedule. In particular, while the FTZ Board staff intends to conduct spot checks over time, zone schedules are not reviewed for compliance with the public utility requirement (19 U.S.C. 81n, 15 CFR 400.42) prior to making the zone schedules available via the Board's website.

Pursuant to 15 CFR 400.44(b)(4), a grantee <u>may not</u> assess any specific rate or charge for which the amount – or formula for calculating the amount – does not appear in the zone schedule that the grantee has submitted to the FTZ Board.

Complaints about a grantee's compliance with statutory and regulatory requirements related to public utility and uniform treatment – including rate or charge amounts/formulas, a grantee assessing a rate or charge amount/formula that does not appear in its zone schedule, and a grantee not affording uniform treatment under like conditions – may be presented to the FTZ Board under 15 CFR 400.45 (which also allows for complaints to be made on a confidential basis, if necessary).

Questions or concerns may be addressed to the FTZ Board staff at (202) 482-2862 or ftz@trade.gov.

Zone Schedule

Foreign-Trade Zone #74

Baltimore, MD

Baltimore Development Corporation

On behalf of the City of Baltimore

Effective: November 2020

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I. FTZ #74 Overview and Purpose

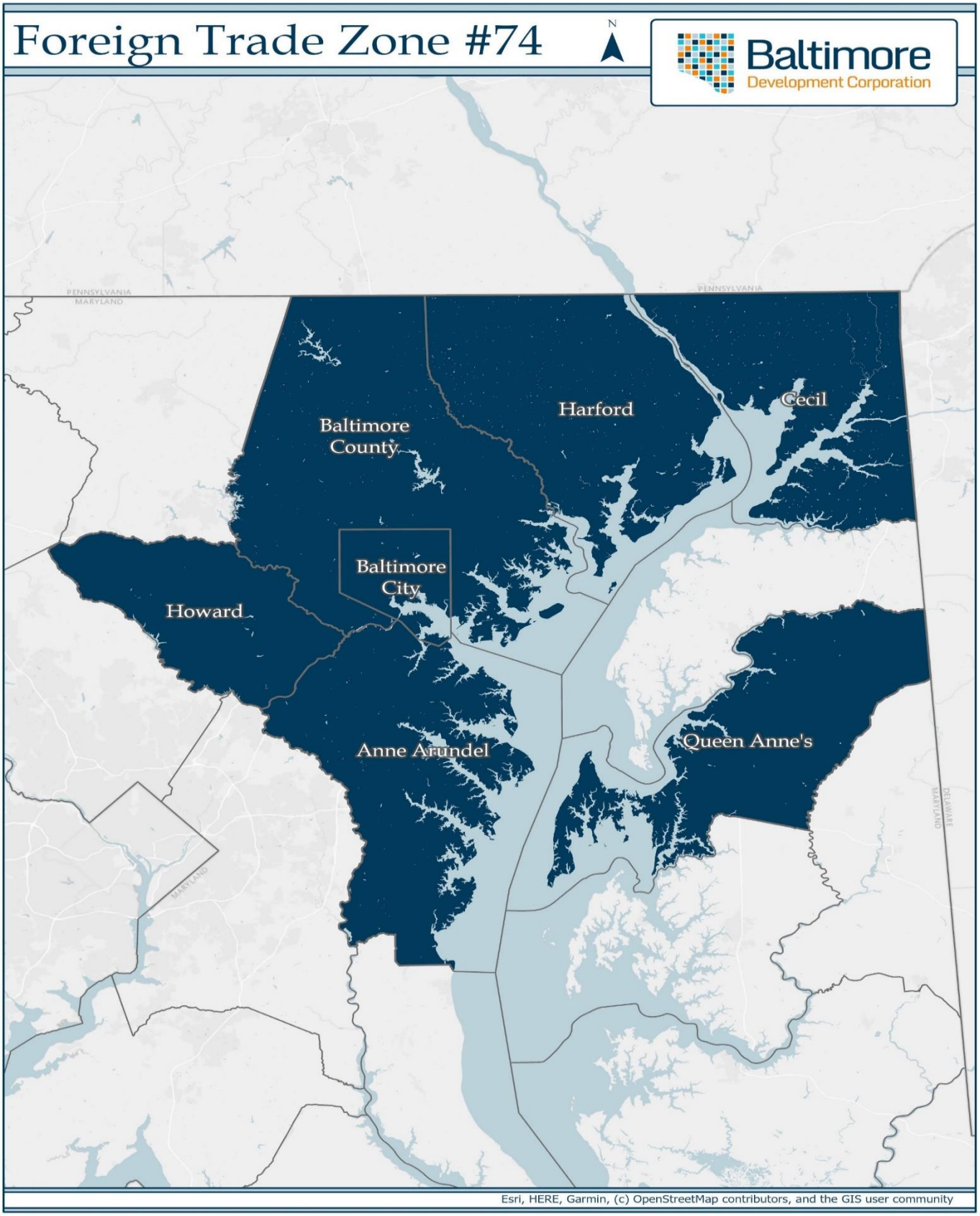
Foreign-Trade Zone No. 74 (FTZ #74) was granted by the Foreign-Trade Zones Board to the City of Baltimore, MD, on February 8, 1982. The Baltimore Development Corporation issued this Zone Schedule in compliance with the U.S. Foreign-Trade Zones Board regulations. This Zone Schedule sets forth the operational structure of Foreign-Trade Zone No. 74 and the regulations and charges associated with active Zone operations. A copy of this Zone Schedule is available for public inspection at the offices of the Grantee and Operator(s).

The goal of the Baltimore Development Corporation is to promote economic development throughout Baltimore through the promotion and utilization of FTZ #74. This FTZ assists in the economic development of the community by providing a CBP management tool to importers and exporters.

On May 24, 2012, FTZ #74 was granted Alternate Site Framework (ASF) by the FTZ Board pursuant Board Order No. 1831. With this designation, the individual zones can be expanded, created or modified to other locations to accommodate interested Zone Operators, Users, importers and exporters located throughout the community as long as these sites are located within the designated service area consisting of: Baltimore City, Baltimore County, Ann Arundel County, Harford County, Howard County, Cecil County and Queen Anne's County.

Additional general information concerning the operation of Zone Sites, Zone Statistics, or Activation Procedures can be obtained by contacting the FTZ #74 Grantee Directly at:

Larry Collins, FTZ Director
Baltimore Development Corporation
36 S. Charles Street, Suite 2100
Baltimore, MD 21201
(410) 837-9305
lcollins@baltimoredevelopment.com
www.baltimoredevelopment.com


Foreign Trade Zone #74
N
Baltimore
Development Corporation
PENNSYLVANIA
MARYLAND
PENNSYLVANIA
Baltimore County
Harford
Cecil
Baltimore City
Howard
Anne Arundel
Queen Anne's
DELAWARE
MARYLAND
MARYLAND
Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

II. Rules and Policies of FTZ #74

Roles of Grantee, Operator, and User

Grantee: A grantee is a public or private corporation to which the privilege of establishing, operating, or maintaining a Foreign-Trade Zone has been given. The Baltimore Development Corporation on behalf of the City of Baltimore, as grantee shall be limited to its general oversight responsibility to ensure that the reasonable needs of the business community are served by FTZ #74.

Operator: An Operator is a corporation, partnership, or person that operates a Zone or Subzone under the terms of a Grantee/Operator Agreement with the Zone Grantee. The Baltimore Development Corp., on behalf of the City of Baltimore, as Grantee, delegates the responsibility for operation of Zone Sites to the Operator(s) who will assume responsibility for compliance with all regulations of the U.S. Customs Service, the Foreign-Trade Zones Board and other relevant government agencies.

User: A Zone User is a corporation, partnership, or person that uses a Zone or Subzone for storage, handling, processing, or manufacturing merchandise in Zone status. In Subzones and general purpose Sites, the Operator and User can be the same party. If a Zone User is not the Operator and is delegated any of the Operator's responsibilities as contained in the Zone Schedule and Grantee/Operator Agreement a written Operator/User Agreement and Procedure Manual are required.

Foreign-Trade Zones Act: Foreign-Trade Zone No. 74 is governed by the Foreign-Trade Zones Act, 19 United States Code 81a-81u as amended. Copies of the Act are maintained at the office of Foreign-Trade Zone No. 74.

Foreign-Trade Zones Board Regulations: Foreign-Trade Zone No. 74 is regulated by the Foreign-Trade Zones Board, Washington, DC, under U.S. Code of Federal Regulations, Title 15, Part 400, as amended. Copies of these regulations are maintained at the office of Foreign-Trade Zone No. 74 for reference and will be made a part of each Operator(s) and/or User(s) Procedure Manual.

U.S. Customs Service Regulations: Foreign-Trade Zone No. 74 is subject to the regulations of the U.S. Customs Service under U.S. Code of Federal Regulations, Title 19, part 146, as amended. Copies of these regulations are maintained at the office of Foreign-Trade Zone No. 74 for reference and will be made a part of each Operator(s) and/or User(s) Procedure Manual.

Governmental Agencies: All corporations, partnerships and persons operating within activated Zone space are responsible to obtain, maintain and keep current any and all licenses, permits, certificates or other authorizations required by a Federal, State, or Local government that are or may be necessary for conducting business in or from the Zone.

Foreign-Trade Zone No. 74 Schedule: All corporations, partnerships and persons operating within activated Zone space are subject to this Schedule. The Foreign-Trade Zone Grantee will be the sole judge to interpret and determine the applicability of any of the rates, rules, regulations or services provided for in this Schedule. However, any matter involving interpretation of action by U.S. Customs or other agency of the U.S. Government will be determined by the Port Director of Customs as the resident representative of the Foreign-Trade Zones Board. The Zone schedule shall contain a section listing rates and charges for Zones and subzones with information sufficient for the Board or the Executive Secretary to determine whether the rates or charges are reasonable based on other operations in the port of entry area and whether there is uniform treatment under like circumstances among Zone Users. A copy of this Schedule will be provided to each Operator. Updates will be provided as revisions occur. Additional copies of this Schedule are maintained at the office of Foreign-Trade Zone No. 74 for reference.

Foreign-Trade Zone No. 74 Grantee/Operator Agreement: Every corporation, partnership and person seeking to operate in a Zone Site (including a Subzone) within Foreign-Trade Zone No. 74, must enter into a Grantee/Operator Agreement with the Baltimore Development Corp. on behalf of the City of Baltimore, MD as Grantee. A copy of the standard Grantee/Operator Agreement is available, upon request, from the Baltimore Development Corp. If any conflict with this Schedule and any Grantee/Operator Agreement occurs, the Grantee/Operator Agreement will prevail.

Foreign-Trade Zone Operator/User Agreement: If a Zone User, other than the Operator, is delegated any of the Operator's, the Zone Operator shall ensure that a written Operator/User Agreement is executed by and between the Zone Operator and Zone User and the User is issued a Procedure Manual, prior to the commencement of any activities at the Zone Site. Said written Operator/User Agreement shall specify the term, the User's authority and responsibilities, charges and other matters as defined by the Operator.

Foreign-Trade Zone No. 74 Procedure Manual: A standard Procedure Manual, which is necessary as part of the application to U.S. Customs for activation, will be utilized by FTZ #74 Operator(s) and certain User(s). A copy of the standard Procedure Manual is available, upon request, from the Baltimore Development Corp. The Foreign-Trade Zone Board and U.S. Customs Service Regulations will be made a part of each Operator(s) and/or User(s) Procedure Manual.

Availability of Zone: All rates and charges for all services and privileges within the Zone shall be fair and reasonable, and the Grantee and Operator(s) shall afford to all who may apply for the use of the Zone and its facilities uniform treatment under like conditions, subject to such treaties or commercial conventions as are now in force or may hereafter be made from time to time by the United States with foreign governments. Users are subject to specific rules, rates and charges of Zone Site Operator(s).

All Zone services and facilities shall be administered fairly and reasonable. In addition, the availability of all said services and facilities is subject to the physical limitations of Foreign-Trade Zone No. 74, with said services and facilities available on a "first-come, first-served" basis.

Merchandise Permitted in Zone: Foreign and domestic merchandise of every description, except such as is specifically prohibited by law, may, without being subject to the Customs laws of the United States except as otherwise provided in the Act and the regulations made there-under, be brought into a Zone.

Merchandise which is specifically prohibited by law shall not be admitted into a Zone. Any merchandise so prohibited by law which is found within a Zone shall be disposed of in the manner provided for in laws and regulations applicable to such merchandise.

Activities Permitted in Zone: Merchandise lawfully brought into a Zone may, in accordance with these and other regulations made under the provisions of the Act, be stored, sold, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign and domestic merchandise, or otherwise manipulated, or be manufactured into new articles of commerce. Only manufacturing activity approved by the FTZ Board may be performed in the Zone or Subzone(s). See Section X "Activities permitted in a Zone."

Responsibility for Duty and Taxes: The Foreign-Trade Zone Board does not own or operate any Zones. Rather, it provides grants to applicants to establish, operate, and maintain Zones. The Baltimore Development Corp., on behalf of the City of Baltimore, as Grantee, shall execute a Grantee/Operator Agreement with another party or parties for the operational management of Zone Sites. Various tenants may lease space and construct buildings in the Zone and physically run their operations in the buildings, while others may pay a Zone Operator a fee for handling their merchandise and performing related services. Operator(s) of the Zone are responsible and liable for payment of any and all duties or penalties due any agency of the Federal, State or Local government arising from use of the Zone, including liabilities on merchandise which is not accounted for to the satisfaction of the U.S. Customs Service.

Security and Safety Requirements in the Zone: All Foreign-Trade Zone Sites, in order to be approved for their initial activation by Customs, must meet certain security and safety requirements. These requirements may include, but are not limited to, locking warehouse doors, adequate fencing (if necessary), personnel screening, proper lighting in warehouses, absence of debris or other safety hazards, etc. Each Zone Site will be considered separately to determine what Customs may require to protect the revenue of the United States, based on the specific conditions of each Zone Site, e.g., value of goods, size, chances of theft occurring, etc.

After a Zone Site has been activated, all security and safety measurers required to achieve the initial activation must be maintained at all times. Spot checks may be conducted by Customs and the Grantee and liquidated damages or notices may be assessed if these requirements are found to be insufficiently met in any way.

No operation or process or treatment will be permitted in the Zone that, in the judgment of the Foreign-Trade Zones Board, Customs, or the Grantee, is detrimental to the public interest, health and safety. Cost of special security devices and other requirements will be the responsibility of Operator.

Inventory Control and Recordkeeping Systems: All inventory control and recordkeeping systems employed by Operators within the Zone must meet the requirements of the U.S. Customs Service Regulations. Under the Regulations, each Operator maintains the inventory records. The U.S. Customs Service is relieved of the duty of actually keeping the records, but maintains assurance of the systems' accuracy by selective examinations of

merchandise, and spot checks and audits of Zone facilities. Each system must be capable of producing the following required results:

- Producing accurate and timely reports and documents as required by the Customs Regulations;
- Accounting for all merchandise in their care, custody, and control;
- Identifying shortages and overages of merchandise in the Zone in sufficient detail to determine the quantity, description, Tariff classification, Zone status, and value of the missing or excess merchandise;
- Providing an audit trail to Customs forms, from admission through manipulation, manufacture, destruction or transfer of merchandise from the Zone by a Customs authorized inventory method; and
- Providing all information necessary to make entry for merchandise being transferred to the Customs territory.

Inventory Procedures: Zone Operator(s) are responsible for establishing and maintaining Inventory Control Systems acceptable to the U.S. Customs Service and the Zone Grantee for all merchandise in their care, custody, and control.

Hours of Business and Services: The Zone Grantee will be available for business activities during regular business hours between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except on National and Government holidays.

Use of Zone Facilities: Zone facilities will be used for the purposes of receipt, storage, handling, exhibition, manipulation, manufacturing, and related processing and shipment of foreign and domestic merchandise as considered necessary to the conduct of Operator's normal business. Operators will not use or permit the Zone to be used for any other purpose without the prior written consent of the Zone Grantee. Operators will not do or permit anything to be done in or about the Zone which will in any way obstruct or interfere with the rights of other Operators of the Zone.

Proprietary Information: Proprietary information contained on Customs forms or in the inventory control and recordkeeping systems of Operators will not be disclosed to unauthorized persons. The Customs Regulations provide for liquidated damages for unauthorized disclosure of proprietary information.

Residence within Zone: No person will be allowed to reside within a Zone except federal, state or municipal officers or agents whose resident presence is deemed necessary by the Foreign-Trade Zones Board.

Insurance: Insurance is carried by the Zone Operator on its own property and merchandise at the expense of the Operator. Merchandise stored, manipulated or transferred within the Zone is not insured by the Grantee.

Liability of Grantee: Baltimore Development Corp. on behalf of the City of Baltimore, MD (Grantee) will not be liable and cannot assume any responsibility for any loss or damage to freight, cargo or merchandise or other property within the Zone, or for any loss or damage arising from acts of commission or omission of Operators.

Record Retention: The Operator is required to retain records for five (5) years after merchandise is removed from the Zone. Records must be readily available for Customs review at the Zone Site(s).

Customs Inspection of Zone Merchandise: The Operator will make merchandise subject to Customs inspection immediately available to Customs at the Zone Site or a location designated by Customs, and will have the sole responsibility of opening crates and packages, handling the merchandise and securing the crates and packages following the inspection.

Operator Bond: The Operator must maintain, for Customs purposes, an Operator Bond required by Customs. This Bond is to assure compliance with Customs regulations. The bond is submitted on Customs Form (CF) 301. The bond provisions are set forth at 19 C.F.R. 113.73, Customs Regulations. A failure to comply with the regulations may be deemed a "default" by Customs and result in the assessment of liquidated damages under the bond.

Physical Inventory: The Operator will conduct an annual physical inventory of all merchandise in the Zone (unless cycle counts are taken as part of an ongoing inventory control program). Customs and Grantee will be given at least ten (10) days' notice prior to the date(s) when the annual physical inventory will be performed so that Customs and/or Grantee may participate if deemed necessary.

Annual Reconciliation Report: Within ninety (90) days of the end of the Zone Operator(s) year, the Operator will prepare an annual reconciliation. An extension of the 90-day period may be requested from the Grantee and Customs for reasonable cause. The annual reconciliation will contain the following:

1. Description of merchandise for each ZLN or UIN;
2. Zone Status;
3. Quantity on hand at the beginning of the year;
4. Cumulative Receipts (admissions) by unit;
5. Cumulative transfers by unit;
6. Quantity on hand at the end of the year;
7. Cumulative positive and negative adjustments by unit to inventory with explanation.

A copy of the annual reconciliation will be provided to the Grantee, but a copy need not be furnished to Customs unless requested. However, the Operator will submit to Customs and the Grantee within ten (10) working days after completion of the annual reconciliation, a letter declaring that the annual reconciliation has been prepared, is available for Customs review, and is accurate.

The letter will also contain any required reporting of shortages and overages of merchandise, verification that an annual internal review of the inventory and recordkeeping systems has been performed, the name and street address of the Operator where the required records are available for Customs review.

Annual Internal Systems Review: The Operator will also perform an annual internal review of the inventory control and record keeping systems under its supervision and will report to the Grantee and the District Director

of Customs any deficiency discovered and corrective action taken to ensure that the systems meet the requirement of the Customs Regulations.

Foreign-Trade Zones Board Annual Report: The Grantee is responsible for preparing and filing with the Foreign-Trade Zones Board an annual report summarizing all Zone activity as of January 1 December 31 each year. The report will be filed by the Grantee by March 31 of the following year pursuant to current requirements of the Foreign-Trade Zones Board. In order for the Grantee to meet its responsibility in this regard, each Operator will complete a form, which is part of the Procedure Manual, so that sufficient data is available to the Grantee to complete the Foreign-Trade Zone Board Annual Report. **The Operator will complete the form and return it to the Grantee by March 1 of each year. For each day the operator's report is late after the March 1 deadline, there will be a $100 fine.**

III. Rates/Charges Assessed for FTZ #74

1) APPLICATION FEE will be charged to an Applicant for preparing and submitting new applications to the FTZ Board. The fee is based on the following schedule:

- $500 for Activations or Alterations of already designated FTZ space; i.e. a property that is already situated within the 'footprint' of the Zone (to place an application to Customs).

2) SUPPLEMENTARY APPLICATION fees; in addition to the above Application Fee, one or more of the following fees MAY be assessed:

1) **Activations/Alterations of already designated FTZ space ($500.00):** If an operator has chosen a site in FTZ #74's designated site footprint, they will still require a security and operational meeting with Customs, an activation request letter, activation approval letter from the Grantee and finally Customs approval.
2) **Manufacturing/Production Authority ($1,000.00):** This extra authority allows operators to manipulate, repackage, manufacture, assemble or alter merchandise in the FTZ.

3) ACTIVATION FEE will be charged to The Applicant, henceforth the 'OPERATOR'. The fee will cover Grantee expenses for support, assistance and technical services with the standard Grantee/Operator Agreement and Procedure Manual required for activation. The fee is based on the following schedule:

The fee is $3000 for a new FTZ#74 Operator. The FTZ operator is required to:

- Prepare & submit a 'Procedures Manual' in the format proscribed by the Grantee.
- By able to submit a metes and bounds of the property prepared by a licensed Surveyor
- Be able to submit a scale plan of the building(s) due to be activated
- Prepare & submit activation letters
- Be familiar with CBP's security procedures, implement same at the property, and be prepared to host an on-site inspection by CBP.
- Demonstrate that they have a comprehensive inventory control system in place to the satisfaction of CBP and the Grantee.
- And have at least one (1) year experience as a Zone operator within any other U.S. FTZ in the last 6 years.

4) ANNUAL FEE: The annual fee for administration, overhead, marketing, education, legal expenses, etc. will be based on total activated space as follows:

Warehousing Tiers	Square Feet	Per Square Foot FTZ Fee
Tier One:	1-249,999 sq. ft	$0.13 sq. ft. (max $50,000 per year)
Tier Two:	250,000-499,999 sq. ft	$0.07 sq. ft. (max $50,000 per year)
Tier Three:	500,000-1,000,000 sq. ft.	$0.03 sq. ft.
Tier Four:	1,000,000 – 1,500,000 sq. ft.	$0.02 sq. ft.
Tier Five:	1,500,000 + sq. ft.	$0.01 sq. ft.

Outdoor Storage Tiers	Acres	Per Acre FTZ Fee
Tier One:	1-49	$260
Tier Two:	50-99	$130
Tier Three:	100 + acres	$85
Car Companies	10,000 (+) cars	$5,000 flat fee

Other Zone Type Fees	Fee
Sub-Zone Operator Fees	$6,000

Changes to the amount of activated space will be charged on a pro-rata basis and rounded up or down at the next quarterly billing cycle.

5) FTZ BOARD FEES

Any fees or charges imposed by the Foreign-Trade Zones Board shall be payable by the Operator of the affected Zone Site, or as apportioned by the Grantee among the Zone Sites when appropriate. Under no circumstances will the Grantee be liable or responsible for any FTZ Board fees or charges.

6) U.S. CUSTOMS HARBOR MAINTENANCE FEE

Merchandise received into the Zone will be assessed this fee by CBP upon entry when applicable. This is called the Merchandise Processing Fee. Payment is due by importer of record upon filing of a consumption entry. The current rate of the Harbor Maintenance Fee is .125% of the value of the commercial cargo. Please see CBP website for the current information on the Inner Harbor maintenance fee and exemptions (19 CFR 24.24).

7) FTZ OPERATORS BOND

The Zone operator, prior to activation, will need to produce an FTZ operator's bond. These bonds are called activity code 4 bonds. The Type 4 bond is a guaranty to the U.S. government, from an insurance company, that the FTZ will follow all rules governing FTZ's. If any rules or regulations are not followed and if any duties, fines or penalties arise as a result, the FTZ must pay Customs & Boarder Protection, and if they do not, the insurance company will be required to pay. The bond further allows the insurance company to seek any legal means to recoup any monies paid on behalf of the FTZ. These bond amounts are set by CBP. The minimum is $50,000. They generally are set at 10% of the value of all FTZ merchandise in the Zone. It can take 7-10 days to get your insurance company to generate the bond. Please ask CBP for the bond amount if they have not supplied it to you at least 2 weeks before requested activation date.

IV. Site and Operator Information

FTZ 74 - Baltimore, MD

Established January 21, 1982 (Board Order 183)

Service Area: City of Baltimore and Counties of Anne Arundel, Baltimore, Cecil and Harford, Maryland

Site No.	Type	Name	Address	Acreage/Sq. Ft.	Approval Date	Sunset Date	Board Order(s)/ Administrative Action(s)
02	USAGE-DRIVEN	Titan Steel Corporation	2500-B Broening Highway, Baltimore, MD	400000 sq. ft.	5/24/2012	5/31/2025	B1831
04	USAGE-DRIVEN	Amports - North Terminal	2699 Broening Highway, Baltimore, MD	3	5/24/2012	5/31/2025	B1831
06	USAGE-DRIVEN	Trade Zone Operations, Inc.	2900 Childs Street, Baltimore, MD	100	5/24/2012	5/31/2021	B1831
07	USAGE-DRIVEN	C. Steinweg (Baltimore), Inc.	1200 Wallace Street and 2101 East Fort Avenue	11	5/24/2012	5/31/2021	B1831
20	USAGE-DRIVEN	S. H. Bell Company	1200 E. Patapsco Avenue, Baltimore, MD	4	4/5/2010	5/31/2021	A(27f)-23-2010, A-15-2012, B1831
21	USAGE-DRIVEN	S. H. Bell Company	3501 E. Biddle Street, Baltimore, MD	15.5	4/5/2010	5/31/2021	A(27f)-23-2010, A-15-2012
24	USAGE-DRIVEN	Edgemere Terminals	8004 Stansbury Road, Baltimore, MD	2.9	12/1/2010	5/31/2021	A(27f)-90-2010, B1831
27	USAGE-DRIVEN	JD Neuhaus	9 Loveton Circle, Baltimore, MD	2.3	5/24/2012	5/31/2021	B1831
32	USAGE-DRIVEN	The Belt's Corporation	1820 Portal Street, Baltimore, MD	4	6/14/2013	6/30/2022	S-90-2013
33	USAGE-DRIVEN	Mazda North America Operations	1900-2000 Chesapeake Avenue, 2009 Frankfurst Avenue, Baltimore, MD	111	8/13/2013	8/31/2022	S-122-2013
34	USAGE-DRIVEN	Ace Logistics Services	4200 Boston Street, 4210 Boston Street, Baltimore, MD	5.12	6/3/2014	6/30/2023	S-66-2014
37	USAGE-DRIVEN	Mazda North America Operations	1500 Chesapeake Avenue, Baltimore, MD	9	4/3/2015	4/30/2021	S-48-2015
40	USAGE-DRIVEN	PGS USA, LLC	7700 Rolling Mill Road, Baltimore, MD	3.4	5/24/2012	5/31/2022	B1831
43	USAGE-DRIVEN	C. Steinweg (Baltimore), Inc.	2012 Reservoir Road, Sparrows Point, MD / 2014 Reservoir Road, Sparrows Point, MD	350980 sq. ft	6/1/2017	5/31/2023	S-82-2017
44	USAGE-DRIVEN	Access World (USA), LLC	1200 South Newkirk Street, Baltimore, MD	10.8	11/08/17	11/30/2020	
45	USAGE-DRIVEN	Access World (USA), LLC	100 Bethlehem Road, Baltimore, MD	48.74	12/12/2017	11/30/2023	S-180-2017
47	USAGE-DRIVEN	Host at Tradepoint, LLC	6000 Blast Furnace Road, Sparrows Point, MD	6	5/6/2019	5/31/2022	S-81-2019
48	USAGE-DRIVEN	Gross mechanical Laboratories, Inc. (dba GROCO)	450 Marion Quimby Drive, Stevensville, MD	2.56	6/30/2019	6/30/2022	S-120-2019
50	USAGE-DRIVEN	Host at Tradepoint, LLC	7101 Mardigan Road, Baltimore, MD	10	07/22/2019	07/31/2022	S-144-2019
51	USAGE-DRIVEN	White Marsh Transport, Inc.	2019 Reservoir Road, Edgemere, MD	0.57	08/20/2019	08/31/2022	S-171-2019
52	USAGE-DRIVEN	Floor and Décor Outlets of America, Inc.	6331 Tradepoint Avenue, Sparrows Point, MD	93.63	08/26/2019	08/31/2022	S-175-2019
53	USAGE-DRIVEN	Ace Logistics Services	5900 Holabird Avenue, Baltimore, MD	0.57	11/06/2019	11/30/2022	S-227-2019
54	USAGE-DRIVEN	Iron World Manufacturing	9390 and 9391 Davis Avenue, Laurel, MD	1.18	12/09/2019	12/31/2022	S-249-2019
74	USAGE-DRIVEN	Michelin North America, Inc.	515 Fletchwood Road, Elton, MD	4 FLAT	1/21/1982		1705

APPENDIX A – DEFINITIONS and CUSTOMS FORMS

Activation: Approval by the Grantee and CBP for operations and for the admission and handling of merchandise in Zone status.

Admission: Physical arrival of goods into the Foreign-Trade Zone with the approval of the Zone Grantee and CBP. The word "admission" is to be used instead of "entry" of goods in a Zone to avoid confusion with Customs entry processes under Parts 141-144 of the Customs Regulations.

Admit: To bring merchandise into a Zone with Zone status.

Alteration: A change in the boundaries of an activated Zone or Subzone; activation of a separate Site of an already-activated Zone or Subzone with the same Operator at the same port; or the relocation of an already-activated Site with the same Operator.

Audit-Inspection Procedures: These procedures provide the framework for CBP to reduce on-Site supervision of Zones and for Zone Operators to increase Zone operating flexibility through the audit-inspection method of supervising Zones. These procedures require use of the Zone Lot Number system or a Unique Identifier Number system. The systems may be manual, computerized, or a combination of both.

Applicant: A corporation, partnership or person applying for the right to operate a Foreign-Trade Zone Site or Subzone under the jurisdiction of FTZ No. 74.

Bulk: A product or mass (of a product) which is not packaged, bundled, bottled, or otherwise packed, so that it is designated as bulk or bulk merchandise.

Constructive Transfer: A legal fiction, which permits acceptance of a Customs entry for merchandise in a Zone before its physical transfer to the Customs territory. Constructive transfer is deemed to have occurred when Customs receives an entry in proper form. If the entry is not accepted, the merchandise will be deemed constructively transferred back to the Zone in its previous Zone status.

Control Number: The number used on all Zone entry and exit forms to identify all merchandise and commodities. The control number will, in all cases, be the same as the tariff number for that same merchandise described in the Harmonized Tariff Schedules of the United States Annotated.

Customs Broker: A firm, representative or individual who acts on behalf of the Zone Operator and/or the importer of record under an authorized power of attorney.
Customs Territory: The territory of the U.S. in which the general tariff laws of the U.S. apply. "Customs territory of the United States" includes only the States, the District of Columbia, and Puerto Rico, minus any areas within the boundaries of Foreign-Trade Zones.

Deactivation: Voluntary discontinuation of the activation of an entire Zone or Subzone by the Grantee or Operator. Discontinuance of the activated status of only a part of a Zone Site is an alteration.

Default: An act or omission that will result in a claim for duties, taxes, charges, or liquidated damages under the FTZ Operator's Bond.

Director: Baltimore, MD Customs District Director, Baltimore Customs Region.

Direct Delivery: Procedure for delivery of merchandise to a Zone without prior application and approval; designated for low-risk, repetitive shipments whose ordering and timing are under the control of the Operator.

Discovery: The time at which a suspected discrepancy is confirmed as a true discrepancy. Discovery is made after an investigation has been initiated on a suspected discrepancy, and the discrepancy cannot be resolved by locating missing merchandise elsewhere in the Zone Site

Domestic Status: Domestic status is for (a) the growth, product, or manufacture of the United States on which all internal revenue taxes, if applicable, have been paid, and (b) previously imported merchandise on which all applicable duties and internal revenue taxes have been paid. Domestic merchandise may be returned to the Customs territory free of duty and taxes.

Drawback: Import duties or taxes repaid by a government, in whole or in part, when the imported goods are re-exported or used in the manufacture of exported goods.

Entry: Means to bring merchandise into US Customs territory.

Exhibition: The showing of merchandise within a Zone, usually to prospective buyers. This may require Customs supervision whenever it involves packing, unpacking, repacking, assembly, or reconditioning of the goods for showing.

First In-First Out (FIFO): Under the FIFO method, any fungible merchandise withdrawn from stock is assumed, in accordance with good business practice, to be withdrawn from the oldest stock first. In applying FIFO procedures, it is important to note that each Zone admission is considered a layer and the Zone Operator is responsible for identifying the appropriate sequence of transfers from the Zone to assure the proper layer was used and transferred from the Zone. Fungible merchandise is, by definition, commercially interchangeable in all situations. Identification shall be maintained in the inventory control system records, generally, by description and part or stock number.

Foreign-First (FOFI): An accounting method based on the assumption that foreign status merchandise is disposed of first.

Foreign-Trade Zone (FTZ): A restricted-access Site, in or adjacent to a Customs Port of Entry, operated pursuant to public utility principles under the sponsorship of a corporation granted authority by the Board and under supervision of the Customs Service. Any foreign and domestic merchandise, except such as is prohibited by law or such as the Board may order to be excluded as detrimental to the public interest, health, or safety may be brought into a Zone without being subject to the Customs laws of the United States governing the entry of goods or the payment of duty thereon; and such merchandise permitted in a Zone may be stored, exhibited, manufactured, mixed or manipulated in any manner, except as provided in the Act and other applicable law or regulations, the merchandise may be exported, destroyed, or sent into Customs territory from the Zone, in the original package or otherwise. It is subject to customs duties if sent to Customs territory, but not if reshipped to foreign points.

Foreign-Trade Zones Act: The Foreign-Trade Zones Act of June 18, l934 (48 Stat. 998-1003; 19 U.S.C. 81a-81u), as amended.

Fungible Merchandise: Merchandise which for commercial purposes is identical and interchangeable in all situations.

Foreign-Trade Zones Board: The Board which is established to carry out the provisions of the Foreign-Trade Zones Act. The Board consists of the Secretary of Commerce (Chairman) and the Secretary of the Treasury or their designated alternates.

Grantee: Corporation which has the privilege of establishing, operating, and maintaining a Foreign-Trade Zone by grant of authority from the Foreign-Trade Zones Board.

Imports: Foreign merchandise of every description (except articles specifically and absolutely prohibited by statute) entered into Custom territory to become a part of the domestic supply for the purpose of domestic commerce or consumption, and particularly that which is entered into Customs territory through the Zone and foreign merchandise which, under the laws and regulations of various other Federal agencies having jurisdiction with the Zone, is said to be "imported" into Foreign-Trade Zones, Customs bonded warehouses, or Customs custody. This latter merchandise, in relation to operations in the Zone, is considered to be foreign merchandise until its entry into the commerce of the United States.

Inventory Tracking System (ITS): The system utilized for all Zone Sites reporting functions. It includes complete accountability of the merchandise received and shipped and can be computerized, manual system or a combination. It is completely auditable from receipt to shipment and backwards from shipment to receipt.

Manipulation: Processing wherein merchandise is packed, unpacked, repacked, cleaned, sorted, graded, or otherwise changed in condition, but not manufactured. The definition is taken
from Section 562 of the Tariff Act. The precise distinction between manipulation and manufacture is subject to interpretation and enjoys a long history of case law.
Manufacture: Generally, the production of articles for use from raw or prepared materials by substantially transforming such materials into new forms, or with new qualities, properties or combinations, whether by hand labor or machine. The U.S. Customs Service determines what constitutes manufacture on a case-by-case basis, and distinguishes the manufacture from other operations such as manipulation, processing, production and blending. The Foreign-Trade Zones Board has defined manufacture as any process which results in a change in Customs classification of the merchandise, and, therefore, requiring prior clearance from the Board before the manufacturing can occur within the Zone.

Merchandise: Merchandise includes goods, wares, and chattels of every description, except prohibited merchandise, building materials, production equipment and supplies for use in operation of a Zone.

Merchandise, Conditionally Admissible: Merchandise which may be imported into the U.S. under certain conditions. Merchandise which is subject to permits or licenses, or which must be reconditioned to bring it into compliance with the laws administered by various Federal agencies.

Merchandise, Domestic: Merchandise which has been produced in the United States and not exported there-from, or previously imported into the Customs territory of the United States and properly released from Customs custody with payment of all applicable duties and taxes.

Merchandise, Foreign: Imported merchandise which has not been properly released from Customs custody into the Customs territory of the United States.

Merchandise, Fungible: Merchandise which for commercial purposes is identical and interchangeable in all situations. Originally applied to liquids or free-flowing substances which arrived in bulk, unpacked condition, the concept is now applied in Zones for inventory control purposes, to shipments of goods which arrive packed, but are unpacked and placed together in storage or manufacturing locations, so that identification with the shipment as admitted to the Zone is lost. Concept is subject to wide use in manufacturing environments where it is infeasible to store goods in their original lots awaiting manufacture.

Merchandise, Mixed Status: Foreign merchandise which has been combined with domestic merchandise in the Zone is sometimes referred to as mixed status merchandise.

Merchandise/Operations, Prohibited: Merchandise, the importation of which is prohibited by law on grounds of public policy or morals, or any merchandise which is excluded from a Zone by order of the Foreign-Trade Zones Board. Books urging treason or insurrection against the U.S., obscene pictures, and lottery tickets are examples of prohibited merchandise. Also, certain operations involving the following merchandise are prohibited: tobacco, distilled spirits, alcohol,
wine and beer (26 U.S.C. 5001-5008, 5010); sugar (26 U.S.C. 4501-4503); watch movements (19 U.S.C. 1367-1368); bicycles parts (19 U.S.C. 81c); and retail sales in a Zone (19 U.S.C. 81o & CR 146.14).

Merchandise/Operations, Restricted: Merchandise which may not be authorized for delivery from Customs custody without a special permit, or a waiver thereof, by an agency of the U.S. Government. Also, the Foreign-Trade Zones Board and U.S. Customs Service have restricted certain operations involving the following products: steel, textiles, television tubes and sugar. Operations involving orange juice may be restricted. The restrictions vary on a case-by-case basis.

Merchandise/Quote Control: Foreign merchandise subject to U.S. Government import quota controls may be placed in the Zone pending approval for transfer to Customs territory, re-export to a foreign destination, manipulation, or other authorized purposes.

Non-privileged Foreign Status (NPF): Non-privileged foreign status is a category for merchandise which does not have privileged or Zone Restricted status. Articles composed of non-privileged merchandise are classified and appraised in their condition at the time of transfer to the Customs territory for consumption.

Open or Yard Storage: The keeping of merchandise in open space within the fenced-in area of the Zone where merchandise not requiring weather protection may be stored.

Operator: A corporation, partnership, or person that operates a Zone or Subzone under the terms of an agreement with the Grantee. A Grantee may act as its own Operator.

Operator Agreement: Prior to activation of the Site, an agreement between the Operator of the Zone Site and the Grantee will be executed. Activation cannot occur without an executed Operator Agreement.

Operator's Bond: All Zone Operators must submit to Customs a bond to assure compliance with Customs regulations. The bond is submitted on Customs Form (CF) 301. The bond provisions are set forth at 19 C.F.R. 113.73, Customs Regulations. A failure to comply with the regulations may be deemed a "default" by Customs and result in the assessment of liquidated damages under the bond.

Port Director: U.S. Customs, Baltimore, MD.

Port of Entry: A place designated by the U.S. Government at which a Customs officer is assigned with authority to accept entries of merchandise, collect duties, and enforce the various provisions of the Customs laws.

Privileged Foreign Status (PF): In normal operations or prior to any manipulation or manufacture which would change its tariff classification, an importer may apply to the District
Director to have imported merchandise in the Zone given privileged foreign status. The merchandise is classified and appraised and duties and taxes are determined as of the date the application is filed. Taxes and duties are payable, however, only when such merchandise or articles are transferred to the Customs territory. The determined duty rate and taxes are not subject to future fluctuation. Once established, privileged foreign status cannot be changed.

Reactivation: A resumption of the activated status of an entire area that was previously deactivated without any change in the Operator or the area boundaries. If the boundaries are different, the action is an alteration. If the Operator is different, it is an activation.
Retail Sale: The sale of goods to ultimate consumers, usually in small quantities.

Subzone: A special-purpose Zone established as part of a Zone project for a limited purpose that cannot be accommodated within an existing Zone. The term "Zone" also applies to a Subzone, unless specified otherwise.

Transfer: To take merchandise with Zone status from a Zone for consumption, transportation, exportation, warehousing, cartage or lighterage, vessel supplies and equipment, admission to another Zone, and like purposes.

Unique Identifier Number (UIN): This inventory method controls merchandise in a Zone by cumulative identification, i.e., by unique numbers and/or letters that identify merchandise admitted to a Zone (SKU, part number, bar code, etc.). Inventory levels are adjusted on a First-In-First-Out (FIFO) or Foreign First (FOFI) basis pursuant to generally accepted accounting principles.

User: A person or firm using a Zone for storage, handling or processing of merchandise. An Operator may also be a User.

Vessel/Aircraft Supply: The supply of goods or equipment free of duties and taxes under Section 309 of the Tariff Act, to eligible vessels or aircraft for use while actually engaged in foreign trade, or in transit to Alaska, Hawaii, Puerto Rico, or any U.S. possession. Sometimes confused with exportation, which involves removal from the geographic territory of the United States and entry into a foreign country.

Zone Lot Number (ZLN): A collection of merchandise maintained under an inventory control method based on specific identification of merchandise admitted to a Zone by lot and lot number.

Zone Project: All of the Zone and Subzone Sites under a single Grantee.

U.S. Customs Forms

Form number and name	Use
1. **Deposit in Zone**	
Customs Form 214, Application for Foreign-Trade Zone Admission and/or Designation	Admission to Zone and selection of Zone status
Custom Form 6043, Delivery Ticket	Transfer to Zone pursuant to permit on CF 214
Customs Form 7512, Transportation Entry and Manifest of Goods Subject to Customs Inspection and Permit	Transfer to Zone pursuant to permit on CF 214, or direct delivery to Zone with concurrence of carrier
Manifest Discrepancy Report (MDR) or Customs Form 5931 (before 10/28/89)	Quantity discrepancy found before or upon admission to Zone
Customs Form 6423, Notice of Damage, Shortage, or Sample	Report of within case damage or shortage found by Customs officer, or report of sample taken by Customs officer
Customs Form 7514, 7512, or 7539	Claim of drawback on merchandise admitted to Zone
BATF Forms 5100.11, 1689, 5110.30, 1582-A, And 1582-B	Transfer of alcoholic beverages to Zone without payment of Internal Revenue tax
BATF Forms 2149 and 2150	Transfer of tobacco products to Zone without payment of Internal Revenue tax
2. **Adjustments**	
Customs Form 216, Foreign-Trade Zone Activity Permit	Exhibition, manipulation, manufacture, or destruction of Zone merchandise; temporary removal and return of Zone merchandise
Customs Form 214 or Customs Form 7501	Report overage found in Zone

Customs Form 7501, Customs Form 5931 (before 10/28/89) or Manifest Discrepancy Report	Report shortages found in Zone
Operator's form or written statement	Report non-extraordinary shortage found in Zone
Customs Form 214	Request for Zone status change for goods in Zone
Customs Form 4315, Application for Allowance in Duties	Report of merchandise lost through casualty or other qualifying causes
Customs Form 5955A, Notice of Penalty or Liquidated Damages Incurred and Demand for Payment	Default involving merchandise

3. **Transfers from Zone**

Customs form 3461,/Estimated Customs Form 3461	Entry for consumption
Customs for 7501, Entry / Immediate Delivery	Entry for consumption
Customs form 7501, Entry Summary consumption	"Live" entry for consumption
Customs Form 368, or 368A	Informal Entry
Customs Form 7512, Estimated Customs Form 7512 Transportation Entry and Manifest of Goods Subject to Customs Inspection and Permit	Entry for transportation, exportation, transportation and exportation, or or vessel or aircraft supply and certain other goods
Customs Form 5125, Application for Withdrawal of Bonded Stores for Fishing Vessels and Certificate of Use	Entry for supplies for fishing vessels
Customs Form 6043, Delivery Ticket	Removal for transfer to another Zone or transfer to a bonded warehouse, or dock or airport for vessel or air- craft supply or for exportation

Customs Form 216, Foreign Trade Zone Activity Permit	Temporary removal and return of Zone merchandise; removal of Zone status merchandise for which no entry is required