

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 may not 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

RULES, REGULATIONS, RATES, AND CHARGES APPLYING AT:

FOREIGN-TRADE ZONE #289

ONTARIO COUNTY, NEW YORK

**Operating under granted authority by the
Foreign-Trade Zones Board, Washington, D.C., to**

ONTARIO COUNTY, NEW YORK

**Administered by Ontario County Economic
Development Corporation**



Effective: July 11, 2014

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Zone Grantee/Zone Administrator Contact Information & Zone Description

Zone Grantee:

John Garvey

County Administrator

Ontario County

20 Ontario Street

Canandaigua, NY 14424

The Zone Grantee has contracted with Ontario County Economic Development Corporation (OCEDC) to administer FTZ 289. Questions regarding FTZ 289 should be directed to the Zone Administrator.

Zone Administrator:

Mike Manikowski

Economic Developer

Ontario County Economic Development Corporation

20 Ontario Street, Suite 106B

Canandaigua, NY 14424

(585) 396-4460

(585) 396-4594 (FAX)

golfbag@co.ontario.ny.us

The Foreign-Trade Zones Board (FTZB) issued a Grant of Authority establishing the Ontario County Foreign-Trade Zone (FTZ 289), to Ontario County on March 7, 2014 (Board Order No. 1931). FTZ 289 is organized under the Alternative Site Framework with a Service Area consisting of Ontario, Wayne, Seneca, Yates and Livingston counties. There are no Magnet Sites.

Rules and Policies of FTZ 289

Zone Schedule

The Zone Grantee and its Zone Administrator shall maintain a complete and current Zone Schedule, which will include the rules, rates and charges for the zone project. The Zone Grantee reserves the right to make periodic changes to the Schedule and Fees. The Zone Administrator shall submit an electronic and hard copy of the Zone Schedule and any amendments to the Zone Schedule to the Executive Secretary of the FTZB. Copies of the current Zone Schedule, as well as the Zone Schedules for all Zone Operators offering services to the public, will be maintained at the Zone Grantee's and Zone Administrator's offices. (15 C.F.R. § 400.44).

Zone Schedule Interpretation

The rules, regulations and rates contained herein shall apply at Foreign-Trade Zone 289 unless otherwise provided for. The Zone Grantee and Zone Administrator shall interpret and determine the applicability of any of the rates, regulations or services provided for in this Zone Schedule. Where applicable, the Foreign-Trade Zones Board and U.S. Customs & Border Protection (CBP) Regulations shall prevail should any conflict arise with this schedule.

Public Utility Standards

Pursuant to Foreign-Trade Zones Board Regulation, the zone must be operated as a public utility. All rates and charges for all services or privileges within the zone shall be fair and reasonable, and the Zone Grantee, Zone Administrator and any Zone Operator(s) providing services to the general public shall afford to all who may apply for the use of the zone and its facilities and appurtenances 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 regardless of whether a zone participant has procured any zone related product or engaged a particular service provider. (15 C.F.R. § 400.43).

Uniform Treatment Standard

Any company that prepares an application to be filed with the Foreign-Trade Zones Board shall be sponsored by the Zone Grantee. Such sponsorship shall not be unreasonably withheld unless that company: is in a business that may be harmful to other domestic companies; is in a business that may be harmful to the local community or would violate local codes; or is

determined by Ontario County to not be in the general public interest, the Zone Project, or in the interest of the County.

Any Operator providing services to the public must file a Schedule of Rates and Charges with the Zone Grantee and Zone Administrator. Any amendments to the Operator Schedule of Rates and Charges must be provided to the Zone Grantee and Zone Administrator for incorporation into the Zone Schedule and submission to the FTZB prior to the amendments taking effect.

Right of Entry

Representatives of the Zone Grantee/Zone Administrator, FTZB, CBP and other authorized U.S. Government Officers, shall have the right to enter any Zone Site at any time for the authorized and lawful purpose of examining the Zone Site, conferring with the FTZ Operator, its agents, invitees and employees on the premises, inspecting and checking operations, supplies, equipment and merchandise, and determining whether the business is being conducted in accordance with the procedures established in the Procedures Manual, the Operating Agreement and pursuant to CBP and FTZB regulations. All such entries shall be in accordance with the established security procedures and with reasonable advance notice to the FTZ Operator.

Applications

The Zone Grantee shall have the sole authority to file applications and requests with the FTZB requesting modifications to Grants of Authority. Requests to modify a Grant of Authority may include reorganizations, expansions, boundary modifications, subzone applications, production applications, and/or changes in scope of authority.

Activations

The Zone Grantee shall assist the Operator with the activation process with U.S. Customs and Border Protection. Such assistance shall include the writing and submission of a Letter of Concurrence for all activation requests filed with U.S. Customs. (19 C.F.R. § 146.6).

Annual Report

The Zone Grantee/Zone Administrator shall request Online FTZ Information System (OFIS) Operator identification and passwords for all Zone Operators from the FTZB. Zone Operators will

be required to complete an annual report of zone activity by February 28 each year, covering the pervious calendar year's activity. The Zone Grantee/Zone Administrator shall review all annual report data submitted by Zone Operators and ensure the timely submission of the Annual Report to the FTZB (15 C.F.R. § 400.51(c)(1)).

Zone Records & Reports

The Zone Grantee/Zone Administrator shall maintain complete records of the Zone Project, including but not limited to all applications to the FTZ Board, site descriptions, maps and layouts of approved sites, property owner agreements, operator agreements, Board Orders and Administrative Actions, annual reports and zone schedule. (15 C.F.R. § 400.51).

Grantee Knowledge

The Zone Grantee/Zone Administrator does not intend to monitor the day-to-day activity of the Foreign-Trade Zone. The Zone Grantee/Zone Administrator shall have no knowledge, actual or constructive, of the quantity, character, status designation, identification, or time of admission, transfer, or release of goods into or from the Foreign-Trade Zone.

Marketing

The Zone Grantee/Zone Administrator and Service Area counties will be responsible for marketing the Zone Project.

Hours of Business

Zone Grantee hours by appointment only.

Zone Administrator offices are open Monday-Friday 8:30am to 5:00pm.

Zone Operator Qualification

To qualify as an FTZ Operator of FTZ 289, entities must satisfy all requirements imposed by CBP, execute the necessary Operating Agreement with the Zone Administrator, and meet any and all additional laws and regulations imposed by agencies having jurisdiction over their activities.

Insurance

All Operator/Users shall secure and maintain insurance with requirements and limits as required by State and Federal laws and the Zone Grantee. As appropriate, insurance shall include statutory Worker's Compensation, automobile liability, and general liability.

All Operators shall secure, and maintain errors and omissions insurance for the benefit of Zone Grantee and with Zone Grantee shown as an additional insured, including an obligation of the insurer to defend Zone Grantee in any action covered by said insurance, covering public liability for the Zone site in an amount not less than \$1,000,000 combined single limit per occurrence and \$3,000,000 aggregate limitation on liability for errors and omissions, bodily injury and property damage. Upon written request, the Operator shall furnish the Zone Grantee with certificates of such insurance.

Customs Bond

Any companies that will act as a foreign-trade zone operator must secure a foreign-trade zone operator's bond in the name of their company (19 C.F.R. § 113.73).

Grant Transfer/Assignment & Successor Organizations

The Foreign-Trade Zone Grant of Authority may not be sold, conveyed, transferred, set over, or assigned (FTZ Act, § 17; 19 U.S.C. § 81q). (15 C.F.R. § 400.13(a)(7)). In the event that an Operator or User is sold, the successor organization must contact the Zone Grantee/Zone Administrator for Agreement updates, notifications to the FTZB and any applications to the FTZB to reissue a Grant of Authority.

Independent Contractor Status

Zone Grantee/Zone Administrator, Operators, and Zone Users are not and shall not be considered as joint venturers, partners, or agents of each other, and none shall have the power to bind or obligate the other except as set forth in any written agreements. Zone Grantee/Zone Administrator, Operator, and any future Zone User agree not to represent to anyone that they are agents of one another or have any authority to act on behalf of one another except as set forth in any written agreements.

Procedures Manual

The Operator will provide the CBP Port Director with a copy of its written inventory control and recordkeeping systems procedures manual and any procedure updates. The Operator may

authorize a Zone User to maintain its individual inventory control and recordkeeping system and procedures manual, however, the Operator remains responsible to CBP and liable under its bond for supervision, defects in, or failures of such a system.

Zone Facilities

All merchandise stored in the Zone will be stored in a safe and sanitary manner. Trash and waste shall be promptly removed from the zone. All local, state, and federal health laws shall be observed to ensure protection of public safety. (19 C.F.R. § 146.4 (f)).

Construction of Zone Facilities

The Zone Grantee may, with the approval of the Foreign-Trade Zones Board, permit other persons, firms, or corporations to erect buildings and other structures within the zone. All construction should be in accordance with CBP requirements and the building activated by U.S. Customs prior to use. The Foreign-Trade Zones Board must be notified of all such construction in a Magnet Site or Subzone that was not approved in the original Application. Advanced notification of the construction is not necessary; notification will occur with the Annual Report to the Board. If production authority is requested, construction notification will occur with a Production Notification Application approved by the Foreign-Trade Zones Board. In a foreign-trade zone site that already has production authority, all such construction not approved in the original Application must be approved by an Application to the Foreign-Trade Zones Board in advance of any zone activity. (19 U.S.C. § 81m)(15 C.F.R. § 400.13(a)(2)).

Employees & Visitors

All employees within the activated Zone shall be required to wear appropriate identification. Any person visiting the Zone will be required to sign a visitors log and obtain any appropriate identification badges.

Inventory Control and Recordkeeping System (ICRS)

Each Operator will maintain an inventory control and recordkeeping system that tracks beginning inventory balance, merchandise receipts, cost or value of merchandise, merchandise zone status, tariff classification, shortages, overages, merchandise disposition (scrap/waste, transfer, manufacture, etc.), information necessary for entries and transfers and CBP audits. Lot Numbers or Unique Identifiers will be used to track and trace merchandise using an inventory system approved by CBP.

Receipt of merchandise

Normally, merchandise will only be admitted into the Zone through a uniquely and sequentially numbered CBP Form 214 ("Application for Foreign-Trade Zone Admission and/or Status Designation") and the issuance of a permit by the Port Director. Exceptions to the CBP Form 214 requirement are for merchandise temporarily deposited, transiting merchandise, or domestic merchandise admitted without permit.

Admission of Merchandise

All merchandise will be recorded in a receiving report or document using a zone lot number or unique identifier. All merchandise, except domestic status merchandise for which no permit for admission is required, must be traceable to a CBP Form 214 and accompanying documentation. Quantities received will be reconciled to a receiving report or document, such as an invoice, with any discrepancy reported to the CBP Port Director. The receiving report or document is required to provide sufficient information to identify the merchandise and distinguish it from other merchandise. Merchandise received will be accurately recorded in the ICRS from the receiving report or document using the zone lot number or unique identifier for traceability.

Direct Delivery

An Operator may qualify for direct delivery if its operations are predictable and stable over a long term; merchandise is not restricted or of a type requiring Customs examination before or on its arrival; and when the Operator is the owner or purchaser of the merchandise.

Exclusion of Goods or Treatment

The FTZB may at any time order the exclusion of any merchandise or process of treatment that in its judgment is detrimental to the public interest, health, or safety. Similarly, the FTZB may place a time limit on an import or treatment process to ascertain the impact of such activity. Usually such exclusions or restrictions occur by issuance of a Board Order.

Manipulation, Production, Exhibition & Destruction of Merchandise

In general, 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, manipulated or be manufactured.

Production, involving any change in the HTSUS classification of an item, requires prior approval from the FTZB. Any new production operation beyond the scope authorized by the FTZB requires an application to the FTZB for review and approval 15 C.F.R. § 400.14(a). The FTZB must also be notified of any sourcing changes for an approved production activity involving material subject to quotas, Anti-Dumping/Countervailing Duties, or inverted tariff benefits (15 C.F.R. § 400.14(a)).

Prior to manipulation, manufacture, exhibition or destruction of merchandise, the Operator is required to file with the Port Director an application (or blanket application) on CBP Form 216 for permission. After CBP approves the application (or blanket application), the Operator will retain in his recordkeeping system the approved application. The Port Director is authorized to approve a blanket application for period of up to one (1) year for a continuous or repetitive operation. The Port Director may disapprove or revoke approval of any application, or may require the operator to file an individual application.

Retail trade

Retail trade is prohibited within the Zone unless written approval is issued by the FTZB. (15 C.F.R. § 400.47(a)).

Zone-restricted merchandise

Zone-restricted merchandise may be transferred to the customs territory only for entry for exportation, for entry for transportation and exportation, for warehousing pending exportation, for destruction (except destruction of distilled spirits, wines and fermented malt liquors), for transfer to another FTZ, or for delivery to a qualified vessel or aircraft or as ground equipment of a qualified aircraft, unless the FTZB has ruled that the return of the merchandise to the customs territory for domestic consumption is in the public interest.

Physical Inventory

The Operator is required to undertake, at minimum, an annual physical inventory of all merchandise in the Zone (unless continuous cycle counts are taken as part of an ongoing inventory control program) with prior notification of the date(s) given to CBP for any supervision of the inventory deemed necessary. The Operator will notify the CBP Port Director of any discrepancies.

Annual Reconciliation

Within ninety- (90) days after the end of the Zone or Subzone year, the Operator will prepare an annual reconciliation. The Operator will submit to the Port Director within 10 working days after the preparation of the annual reconciliation report, a letter signed by the operator certifying that the annual reconciliation has been prepared, is available for CBP review, and is accurate. The Operator will retain the annual reconciliation report for a spot check or audit by CBP.

Shortages and Overages

The Operator will report, in writing, to the Port Director upon identification any: theft or suspected theft of merchandise; merchandise not properly admitted to the zone; or shortage of one percent or more of the quantity of merchandise in a lot or covered by a unique identifier, if the missing merchandise would have been subject to duties and taxes of \$100 or more upon entry into the customs territory. The Operator will record upon identification all shortages and overages, whether or not they are required to be reported to the Port Director at that time, in its ICRS and will record all shortages and overages as required in the annual reconciliation report. The person with the right to make entry is required to file, within 5 days after identification of an overage, an application for admission of the merchandise to the zone on CBP Form 214 or file a Customs entry for the merchandise. If a CBP Form 214 or a Customs entry is not timely filed, and the Port Director has not granted an extension of the time provided, the merchandise will be sent to general order.

Transfer of Merchandise

When merchandise is transferred from one FTZ to another, or from one zone site to another within FTZ 289, the Operator of the transferring zone must provide the Operator of the destination zone with the documented history of the merchandise being transferred.

Removal of Merchandise

Except domestic status merchandise, no merchandise may be removed from the Zone without a CBP permit on the appropriate entry form or other document as required by pertinent regulations. The CBP Port Director may authorize transfer from the zone without physical supervision or examination by a CBP officer. Upon issuance of a permit, the Port Director will authorize delivery of the merchandise only to the Operator, who then may release the merchandise to the importer or carrier.

Rates & Fees

Each Operator (Public Operator) making facilities available to multiple Zone User firms assumes responsibility for maintaining a complete and current Zone Schedule. Each Public Operator will provide a Fee Schedule of their charges to the Zone Grantee/Zone Administrator and any changes and/or revisions to the Fee Schedule. All rates and charges shall be fair and reasonable and the Public Operator(s) shall afford all who may apply for the use of the Zone and its facilities uniform treatment under like circumstances. Changes to rates and charges may not take effect until the Public Operator receives written confirmation from the Zone Grantee/Zone Administrator that the new rates have been submitted to the FTZB.

Additionally, firms utilizing the Zone may act as their own Operator. Where the User acts as their own Operator, no Public Operator zone service charges will be levied. Under these circumstances, the zone sites will operate under the Rules and Regulations and Zone Grantee Rates and Charges as set out herein.

Rates/Charges Assessed by FTZ 289

Annual Operator Fees

Activated Magnet Site	\$6,000
Inactivated Magnet Site	\$1,200
Activated Subzone	\$ 2,000
Inactive Subzone	\$ 1,200

Administrative Fees*

Zone Grantee-Operator Agreement	\$ 3,000
Activation Fee	\$ 2,000
Deactivation Fee	\$ 1,000
Sponsorship of Major Boundary Modifications (applications for Service Area changes, Magnet site, Subzone outside of Service Area)	\$ 5,000
Sponsorship of Minor Boundary Modifications (Subzone/Usage-Driven Site within Service Area or changes to existing Subzone/Usage- Driven Site boundaries)	\$ 2,500
Sponsorship of Scope of Authority Request (Production Notification,	\$ 1,000
Sponsorship of Scope of Authority Request full Application for Production Authority, Source Changes and any changes to Production requiring a full Application)	\$2,000
Late Annual Report fee starting 30 Days before FTZ Board Due Date	\$100/day

- Administrative fees do not include any applicable FTZ Board fees or the expense of preparing applications.

Information on a Public Operator

At this time there are no Public Operators within FTZ 289.

Rates/Charges Assessed by Public Operator

Page Reserved.

Appendix A: Definitions

Activation — once the FTZ Board approves a Magnet site or subzone, an application must be made to the local CBP office, with the concurrence of the Zone Grantee, to operate the Magnet site/subzone site (or portion thereof) under FTZ procedures. This CBP process is known as activation and generally includes steps such as background checks, a written procedures manual, posting a bond with CBP, review of site security and inventory control methods.

Activation Limit -- The size of the physical area of a particular Magnet site or subzone authorized by the FTZ Board to be simultaneously in activated status with CBP pursuant to 19 C.F.R. § 146.6. The activation limit for a particular Magnet site/subzone is a figure explicitly specified by the FTZ Board in authorizing the zone or subzone.

Admit/Admission -- The shipment of merchandise into U.S. Foreign-Trade Zones under CBP supervision 19 C.F.R. § 146.1.

Antidumping/Countervailing Duty — FTZ Board Regulations require that any merchandise admitted to a zone that is subject to an AD/CVD Order must be placed in privileged foreign status. 15 C.F.R. § 400.14(e)(2).

Applicant of Record —The person, firm or corporation in whose name the application to admit merchandise into the zone (CBPF 214) is made, recognized by U.S. Customs as having the legal right to make the application. Evidence of this right of the applicant is the same as would be required to establish the right to apply for release of the merchandise from U.S. Customs with the right to make entry. 19 C.F.R. § 146.32(b)(2).

CBP -- U.S. Customs and Border Protection of the Department of Homeland Security.

CPB Form 214 — Document prepared by the User, signed by the Operator and approved by CBP, which authorizes the admission of merchandise into a FTZ and designates the status of the merchandise.

CBP Form 216 — Document prepared by the Operator and approved by CBP, which authorizes the User to engage in certain activities within the FTZ such as manipulation, repair, destruction and manufacture.

CBP Port Director --- Customs official with responsibility for overseeing the activation and operations of zone projects within his customs port of entry.

Customs Territory -- The territory of the United States in which the general tariff law of the United States applies but which is not included in any Foreign-Trade Zone.

Deactivation -- A previously activated Magnet site or subzone site, which no longer has local CBP authorization for activity under FTZ procedures.

Domestic Status Merchandise — Merchandise produced in the United States or foreign origin merchandise for which customs duties have already been paid.

Foreign Status Merchandise -- Imported merchandise admitted to a zone site under CBP supervision that is normally of foreign origin. Such merchandise is admitted to the zone site without being subject to formal customs entry procedures and payment of duties unless and until the foreign merchandise enters the Customs territory of the United States for domestic consumption. Foreign status merchandise is further categorized by CBP as either Privileged Foreign Status or Non-Privileged Foreign Status Merchandise.

Foreign-Trade Zones Board (FTZB) — Consists of the Secretary of Commerce (chairman) and the Secretary of Treasury, or their designated alternates. These officials, or their designees, are empowered to issue to appropriate applicants the grant of authority to establish, maintain and operate a Foreign-Trade Zone project 19 U.S.C. § 81a(b); 15 C.F.R. § 400.2(d).

Grant of Authority --- A document issued by the FTZ Board that authorizes a zone grantee to establish, operate and maintain a zone, subject to limitations and conditions specified in 19 C.F.R § 146. The authority to establish a zone includes the responsibility to manage it. To activate the area an application must be made to the CBP for approval (see Activation and Activation Limit).

Grantee (Zone Grantee) — Corporation to which the privilege of establishing, operating, and maintaining a foreign-trade zone has been granted." 19 U.S.C. § 81a(h). Also referred to as Zone Grantee 15 C.F.R. § 400.2(v). The Zone Grantee of FTZ No. 289 is Ontario County.

Harmonized Tariff Schedule of the U.S. (HTSUS) Number --- The ten-digit number used to identify all imported and exported merchandise. The complete text is available from the U.S. International Trade Commission, Publication 4053.

Inactive -- A Magnet site or subzone that has been approved by the FTZ Board but is not “activated” with CBP. No activity under FTZ procedures is permitted at an inactive site. Sunset limits, established by the FTZ Board, may delete a site that remains inactive or unused.

Magnet Site --- Generally an industrial park or business district designated as a general purpose zone site that is intended to attract or serve multiple operators or users.

Modification -- A major modification is a proposed change to a zone that requires action by the FTZ Board; a minor modification is a proposed change to a zone that may be authorized by the Executive Secretary of the FTZ Board.

Non-Privileged Foreign Status Merchandise — A CBP category for imported merchandise that has not cleared Customs. Such merchandise does not retain its identity, from a customs classification standpoint, so that if altered, it will become classifiable in its condition when it enters the customs territory of the United States. 19 C.F.R. § 146.42.

Operator — Corporation, partnership, or person that operates a Magnet site or subzone under the terms of an Agreement with the Zone Grantee (or third party on behalf of the zone grantee). 15 C.F.R. § 400.2(w).

Privileged Foreign Status Merchandise — A CBP category for imported merchandise that has not cleared Customs. Such merchandise retains its identity, from a customs classification standpoint, regardless of its condition when it ultimately enters the customs territory of the United States. 19 C.F.R. § 146.41.

Production -- Activity involving the substantial transformation of a foreign article resulting in a new and different article having a different name, character and use, or activity involving a change in the condition of the article which results in a change in the customs classification of the article or in its eligibility for entry into the U.S. customs territory for consumption.

Prohibited Merchandise -- Merchandise which is prohibited by law from being imported on grounds of public policy or morals, or any merchandise that 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 types of operations involving the following merchandise are prohibited: Tobacco, cigars, cigarettes and cigarette papers and tubes (26 U.S.C. § 5701-5706); Firearms (26 U.S.C. § 4181-4182/5811); 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); and retail sales in a zone (19 U.S.C. § 81 (o)(d) & CR § 46.14).

Quota -- A set limit of a given item that may be imported during a set period of time (normally one year). Tariff Rate Quota only limits the *quantity* that may be imported at the lower rate; imports above the quota quantity would be at a higher rate of duty.

Subzone -- A site (or group of sites) established for a single operator for a specific, limited use. Subzones may also be referred to as Usage-Driven Sites. Subzones may be established outside the Service Area, subject to Zone Grantee concurrence, lengthier FTZ Board review and public comment period.

Unique Identifier Number (UIN) -- Numbers, letters, or combination of both (alphanumeric) that identifies merchandise admitted to a zone. It is fungible material typically identified by a part number, model number, style number, SKU, etc. This number may be used for control and accounting of the goods. FIFO (First In, First Out) and FOFI (Foreign First) inventory relief methods have been authorized by the U.S. Customs. (19 C.F.R. § 146.37(a)(2) and (d)). Generally, a FIFO system is used for UIN activity.

User --- A person or firm using a Magnet Site or Subzone, under agreement with an Operator, for storage, handling, exhibition, of processing of merchandise. 15 C.F.R. § 400.2(a).

Zone Administrator --- An entity contracted to undertake one or more zone project functions on behalf of the Zone Grantee. Ontario County Economic Development Corporation is the Zone Administrator for FTZ 289.

Zone Lot Number (ZLN) -- A number assigned to the unit or units of goods (zone lot) for which a separate record and account is to be kept by the Operator or User. The merchandise must be physically segregated and marked by lot at all times. (19 C.F.R. § 146.37(a)(1) and (d)).

Zone Restricted Merchandise — Merchandise which cannot re-enter the U.S. customs territory. Merchandise in this status must be exported or destroyed.

Zone Schedule — A document to be kept by the grantee, which includes the internal rules and regulations of the zone, as well as a statement of the rates and fees charged to zone users. This document constitutes the FTZ 289 Zone Schedule as required by 15 C.F.R. § 400.44. This document may also be referred to as the FTZ 289 Tariff.

Zone Site — Each separate area comprising FTZ 289. A site is composed of one or more generally contiguous parcels of land organized and functioning as an integrated unit, such as all or part of an industrial park or airport facility.

Zone Status Merchandise -- Merchandise can enter the zone either in domestic or foreign status. Domestic status can include foreign goods where the duty has been paid and the goods entered for consumption as well as domestic origin goods. Foreign status includes privileged foreign, non-privileged foreign and Zone-restricted status merchandise.

Zone Year — Each Operator may choose its own zone year. December 31 is the year-end for Foreign-Trade Zones Board Annual Report purposes.