

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
Foreign-Trade Zone 247
Pennsylvania

Erie-Western Pennsylvania Port Authority

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HISTORY OF FTZ NO. 247

The grant of authority establishing the Erie-Western Pennsylvania Port Authority Foreign Trade Zone 247 was issued by the Foreign Trade Zone Board to the Erie-Western Pennsylvania Port Authority on April 3, 2001.

Site Number & Type	Site Name and Address	Acres
Site 1 Port Erie	Erie International Marine Terminal Facility East Bay Drive, Erie, PA	26 acres
Site 2 Port Erie	Erie International Airport 12 th Street, Erie, PA	450 acres
Site 3 Port Erie	Venango Regional Airport 1560 Airport Road, Venango, PA	34 acres
Site 4 Port Erie	Team Hardinger Transportation Warehousing 1314 W. 18 th Street, Erie, PA	20 acres
Site 5 Port Erie	Team Hardinger Transportation Warehousing 3106 McCain Avenue, Erie, PA	8.8 acres
Site 6 Port Erie	Team Hardinger Transportation Warehousing, 156 Hardinger Blvd., Grove City, PA	2.8 acres
Site 7 Port Erie	General Electric, 2901 East Lake Road, Erie, PA	350 acres
Site 8 Port Erie	General Electric, 1503 West Main Street Ext., Grove City, PA	49 acres

SECTION ONE – GENERAL RULES AND REGULATIONS

COMPLIANCE WITH LAWS – User shall comply with all applicable federal, state and local laws and regulations.

ZONE REGULATIONS – The following rules governing procedures within the Foreign Trade Zone No. 247 are issued in conformity with and supplementary to the Foreign Trade Zone Board’s regulations and such of the United States laws and regulations relating to the ports of entry as are applicable to Foreign Trade Zone operations.

GENERAL REGULATIONS – All persons and merchandise of every description entering or leaving the Zone for any purpose whatsoever shall be bound by the lawful regulations of the Foreign Trade Zones Board and by the regulations issued thereunder.

INSURANCE – Merchandise stored, manipulated or transferred within the Zone is not insured by the Grantee or Administrator and the Zone Schedule rates do not include insurance on merchandise.

LIABILITY OF OTHERS – if and when other companies are permitted to perform services at the Zone, they shall be held responsible for loss, damage, or theft by themselves or persons in their employ and liable for the injury of persons in their employ.

PUBLIC INTEREST, HEALTH AND SAFETY – No operation or process of treatment will be permitted in the Zone that, in the judgment of the Grantee, is detrimental to the public interest, health and safety.

CONFIDENTIAL RELATIONSHIP- The Grantee will take precaution to avoid the divulging of confidential information regarding merchandise and services thereon performed in the Zone. Any Zone employee violating his confidential relationship will be suitably disciplined or discharged.

OPERATIONAL MANAGEMENT PROCEDURES/FOREIGN-TRADE ZONE SITE OPERATIONS MANUAL – User shall establish and agrees to comply with standards of operation and management which conform to the requirements of the Board and Customs, and all applicable laws of the Commonwealth of Pennsylvania and local jurisdictions. ZSO shall require all persons, firms, and corporations admitted by it to the Zone Site to conform to such standards. ZSO shall prepare and file with Customs a Foreign-Trade Zone Operations Manual.

SCOPE OF AUTHORITY – Foreign Trade Zone No. 247 is authorized by Foreign-Trade Zone Board Order No. 1144 to undertake warehousing and distribution activities only. All production and manufacturing (including kitting) activity that results in a substantial transformation of the product and a change in the imported material’s classification under the Harmonized Zone Schedule of the United States must be authorized by the Board.

HANDLING MERCHANDISE – ZSO will be responsible for the receipt and verification of all merchandising admitted to the Zone Site on the proper forms prescribed by Customs and for handling of all merchandise within the Zone Site. ZSO will perform all these functions according to all Customs Regulations. ZSO further agrees not to all removal of any merchandise located within the Zone Site without prior approval from Customs under the applicable laws, rules and regulations of Customs.

RIGHT OF ENTRY – Representatives of the Grantee, the Board, Customs and other authorized U.S. Government officers, shall have the right to enter the Zone Site during normal business hours for the authorized and lawful purpose of examining the Zone Site; conferring with ZSO, its agents, invitees, and employees; inspecting and checking operations, supplies, equipment and merchandise; and deterring whether the business is being conducted in accordance with the procedures established for the operation and management of the Zone Site and as required by this Agreement and Customs Regulations.

FURTHER INSTRUMENTS AND ACTIONS – The Grantee and ZSO shall deliver such further instruments and take such further action as may be reasonably requested by the other in order to carry out the provisions and purposes of ZSO's operations within the Zone. Without limiting the Grantee's rights as provided herein, the Grantee is not obligated to, and does not intend to, monitor the day-to-day activity of the Zone Site. The appearance of the Grantee's name on any forms associated with Zone Site operations are not intended to represent that the Grantee has any knowledge, actual or constructive, of the quantity, character, status designation, identification, or time of admission, transfer or release of goods into or from the Zone Site, and that any information contained on any forms associated with Zone Site operations are the representations solely of ZSO and not of the Grantee.

ANNUAL REPORTS – The Grantee is responsible for preparing and filing with the Board an Annual Report summarizing all Zone activity from January 1 through December 31 of each year. The report shall be filed by March 31 of each year pursuant to current requirements of the Board. By February 28 of each year, all Operators shall submit to the Grantee, through the Online FTZ Information System (OFIS) account established for each Operator by the Grantee, the data and information required to complete the Annual Report for the Board.

AUDITS, INSPECTIONS AND REQUESTS MADE FOR INFORMATION – ZSO shall promptly notify the Grantee of any oral or written request for information, inspection, spot check or audit of any kind from Customs or the Board or other reports requested by any government agency which directly concerns zone operations, and shall accompany such notification with copies of all letters, requests, reports and investigative documentation to the Grantee.

RECORD DEFICIENCIES – In the event that any audit, inspection, or examination by Customs, the Board or the Grantee discloses that books, records or operational procedures of ZSO are not in conformance with the requirements of Customs Regulations or other federal, state or local laws or regulations, ZSO will undertake immediate correction of the documents or procedures once it becomes aware of the deficiency. In the event that ZSO anticipates that such correction will take more than five (5) working days, ZSO shall submit a plan of performance to the Grantee for the correction of such deficiency which

shall be approved by the Grantee and, if necessary, by the Board and Customs, and shall proceed with all due diligence to correct the deficiency as described in the approved plan.

RECORD RETENTION – All financial accounting records of ZSO concerning zone operations shall be retained for five (5) years after the merchandise covered by such records is removed from the Zone Site, and all such records shall be available for inspection and audit by any appropriate government agency and by the Grantee during normal business hours.

ADVERTISING – The Grantee may advertise that ZSO’s operations are with Foreign-Trade Zone No. 247. Such advertising shall always seek to preserve a favorable image.

CUSTOMS BOND EXPENSE – ZSO shall secure in its name and pay the full cost of any bond required by Customs for operation of the Zone Site. A copy of the Foreign-Trade Zone Operator’s bond shall be provided to the Grantee for its records.

DEFAULT AND TERMINATION – ZSO expressly agrees to abide by all the rules, regulations, charges and rates set forth in this foreign-trade zone schedule, and that any violation of the foreign-trade zone schedule shall be deemed a default under ZSO’s agreement with the Grantee. If ZSO defaults in the performance of any of its obligations or breach any terms of its agreement with the Grantee or the terms of this schedule, and such default is not remedied to the sole satisfaction of the Grantee within thirty (30) days after notice of such default, then the Grantee may terminate this Agreement upon written notice to ZSO.

APPLICABLE LAW/VENUE – Any agreement between ZSO and the Grantee shall be governed by and construed in accordance with the Foreign-Trade Zones Act, regulations adopted by the Board and Customs and all amendments thereto, and the applicable laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of laws. Any legal action or proceeding brought or instituted with respect to any dispute or disagreement arising hereunder or with respect to any breach of the terms and provisions hereof shall be finally settled in the courts of the Commonwealth of Pennsylvania with venue in Erie County Superior Court.

SECTION TWO – RATE/CHARGES ASSESSED FOR FTZ NO. 247

APPLICATION FEES:

Boundary Modification – minor	\$ 5,000.00
Boundary Modification – major	\$15,000.00
Manufacturing/Processing permit	\$ 2,500.00
Sub-Zones	\$ 5,000.00

NOTE: Fees due at time of submission to FTZ Board.

DEACTIVATION FEE: All Sites	\$ 3,000.00
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NOTE: Fees due at time of submission to FTZ Board.

ANNUAL ADMINISTRATION FEE:

Sub-Zone	\$ 5,000.00
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NOTE: Fees invoiced to activated sites at the first of each calendar year.

The Grantee, in its sole discretion, may amend these fees in the future.

SECTION THREE – HOURS OF BUSINESS AND SERVICE FOR FTZ NO. 247

HOURS OF BUSINESS AND SERVICE – The Grantee’s hours of business and service, for Customs purposes, shall be the same as those prescribed in Customs regulations.

The Grantee shall be available for business activities on a 24-hour basis. Regular or normal business hours shall be between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Hours requested by Operator/User outside of these regular hours shall be subject to additional fees.

The Zone may be opened at other times, on an irregular or regular basis, upon application and with approval of the Grantee, and Customs officials.

Customs service will not normally be available during the period of 12:00 noon to 1:00 p.m.

HOLIDAYS

Those legal holidays during which the Grantee is closed for regular business:

New Year’s Day	1 st of January
Martin Luther King, Jr. Day	15 th of January
President’s Day	3 rd Monday of February
Memorial Day	Last Monday in May
Independence Day	4 th of July
Labor Day	1 st Monday of September
Veteran’s Day	2 nd Monday in November
Thanksgiving Day	4 th Thursday in November
Day Following Thanksgiving	4 th Friday in November
Christmas Day	25 th of December

Holidays falling on Saturday shall be observed on Friday.

Holidays falling on Sunday shall be observed on Monday.

Holidays subject to change.

SECTION FOUR – DEFINITION OF TERMS

BOARD – The Foreign-Trade Zones Board created by the Foreign-Trade Zones Act of 1934 as amended to carry out the provisions thereof. The Board shall consist of the Secretary of Commerce, who shall be the chairman and, the Secretary of the Treasury.

CUSTOMS – United States Customs and Border Protection.

GRANTEE- The Erie-Western Pennsylvania Port Authority, to which the privilege of establishing, operating and maintaining Foreign-Trade Zone No. 247 has been granted.

USER- Any person, partnership, corporation or other entity storing, manipulating, manufacturing, destroying or exhibiting goods or otherwise engaging in Foreign-Trade Zone activity.

ZONE – The term “Zone” means a “Foreign Trade Zone” and/or Foreign Trade Zone No. 247, and all sites where Foreign-Trade Zone activity is occurring under an Agreement with the Grantee.

ZSO – Zone Site Operator.

ZONE SITE – Location within Foreign-Trade Zone No. 247 approved by the Board for Foreign-Trade Zone activity.

ZONE SITE OPERATOR – An organization, corporation, partnership, or person that operates under the terms of an FTZ Operator’s Agreement with the Port to conduct Foreign-Trade Zone activity.