

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

GRANTEE

**SANFORD AIRPORT AUTHORITY/
SANFORD INTERNATIONAL AIRPORT
SANFORD, FLORIDA**

RATES, CHARGES, RULES AND REGULATIONS

IN PLACE AT:

**FOREIGN TRADE ZONE NO. 250
SANFORD, FLORIDA**

EFFECTIVE AUGUST 28, 2001

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ABBREVIATIONS AND SYMBOLS

C	Cents (U.S.)
\$	Dollars (U.S.)
#	Change, clarification, reword
#+	.....	Change, increase
#-	.....	Change, decrease
+	.....	New item
-	.....	Deletion
R	.....	Reissued matter
%	.....	Percent
Art	.....	Article
Bbl	.....	Barrel
Bdle	.....	Bundle
C/L	.....	Carload
C.O.D.	.....	Cash on Delivery
Crt	.....	Crate
Cs	.....	Case
Ctn.	.....	Carton
Cu.Ft.	.....	Cubic Feet or Cubic Foot
Cwt.	.....	100 pounds
Ea.	.....	Each
e.g.	.....	For example:
Etc.	.....	Etcetera
F.F.	.....	Folded flat
Gal.	.....	Gallon
Incl.	.....	Inclusive
K.D.	.....	Knocked down
Lbs.	.....	Pounds
L.C.L.	.....	Less-than-carload
L.T.L.	.....	Less-than-truckload
No.	.....	Number
N.O.S.	.....	Not otherwise specified
N.S.P.F.	.....	Not specifically provided for
Par.	.....	Paragraph
P.c.	.....	Piece
Pkg.	.....	Package
Qt.	.....	Quart
Sec.	.....	Section
Sq.Ft.	.....	Square feet or square foot
Su.	.....	Setup
T/L	.....	Truckload
H.T.U.S.	.....	Harmonized tariff schedules of the U.S.
U.S.	.....	United States
Yd.	.....	Yard

DEFINITION OF TERMS

ACT

The Foreign Trade Zones Act of June 18, 1934 (48 Stat. 998-1003; 19 U.S.C. 81a-81u), as amended by Public Law 566, 81st Congress, approved June 17, 1950.

SECRETARY

The term “Secretary” means the Secretary of Commerce.

BOARD

The Foreign-Trade Zones Board created by the Act to carry out the provisions thereof. The Board shall consist of the Secretary of Commerce, who shall be the Chairman and Executive Officer, the Secretary of the Treasury and the Secretary of the Army.

ZONE

The term “Zone” means a “foreign-trade zone” and/or Foreign-Trade Zone No. 250.

SUB-ZONE

The Term “Sub-Zone” means a special purpose zone established as part of a zone project for a limited purpose, that cannot be accommodated within the existing zone.

DIRECTOR OF CUSTOMS

District Director of Customs, Jacksonville, Florida – U.S. Customs Service.

GRANTEE

Ocala/Marion County Economic Development Council, Ocala, Florida to which the privileges of establishing, operating and maintaining Foreign-Trade Zone No. 250 have been granted.

ZONE OPERATOR

Whomever is designated as Operator(s) of Foreign-Trade Zone No. 250.

CONTINUED: DEFINITION OF TERMS

USER/CLIENT/CUSTOMER

An individual, company or corporation utilizing the services and facilities of Foreign-Trade Zone No. 250.

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.

UNITED STATES

The several States, The District of Columbia and Puerto Rico. The term "United States" includes all territories and possessions of the United States, except the Virgin Islands, American Samoa, Walke Island, Midway Islands, Kingman Reef and the Island of Guam.

INSPECTOR IN CHARGE

U.S. Custom Officer located at the Ocala Regional Airport (User Fee Airport).

FOREIGN MERCHANDISE

Imported merchandise of every description (except articles specifically and absolutely prohibited by statute) which has not been properly released from Customs custody into Customs territory.

DOMESTIC MERCHANDISE

Merchandise of every description (except articles specifically and absolutely prohibited by statute) which has been (1) grown, produced, or manufactured in the United States and on which all internal taxes have been paid, or (2) previously imported into Customs territory and properly released from Customs custody on which duty and tax has been paid or which was previously entered free of duty and tax.

CONDITIONALLY ADMISSIBLE MERCHANDISE

Merchandise which may be imported into the United States under certain conditions. Merchandise which is subject to permits or licenses or which may be reconditioned to bring it into compliance with the laws administered by various Federal agencies is an example of conditionally admissible merchandise.

CONTINUED: DEFINITION OF TERMS

PROHIBITED MERCHANDISE

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 Board. Books urging treason or insurrection against the United States, obscene pictures, and lottery tickets are examples of prohibited merchandise.

ZONE STATUS

That designation applied for on Customs Form 214 for merchandise admitted to a zone, i.e. non-privileged foreign, zone restricted or domestic. Zone status determines the manner in which merchandise shall be classified, appraised and handled.

PRIVILEGED FOREIGN MERCHANDISE

Foreign merchandise which has not been manipulated or manufactured, so as to effect a change in tariff classification an which is subject to tariff classification according to its character conditions and quantity at the rate of duty and tax in force on the date of filing application on Customs Form 214. Privileged foreign status may not be abandoned and remains applicable even if the merchandise is changed in form by manipulation or manufacture.

ZONE RESTRICTED MERCHANDISE

Foreign or domestic merchandise taken into a zone for the sole purpose of exportation, destruction (except destruction of distilled spirits, wines and fermented malt liquors), or storage prior to exportation or destruction. Zone restricted status may be requested at the time of admittance to a zone or at any time thereafter, but may not be abandoned once granted. Zone restricted merchandise may only be resumed to Customs territory for domestic consumption where the Board determines the return to be in the public interest.

NON-PRIVILEGED FOREIGN MERCHANDISE

- (1) Foreign merchandise properly in a zone which does no have the status of (a) privilege foreign merchandise or (b) zone restricted merchandise;
- (2) Waste recovered from any manipulation or manufacture of privilege foreign merchandise; or
- (3) Domestic merchandise in a zone which by reason of noncompliance with the regulations has lost its identity as domestic merchandise.

CONTINUED: DEFINITION OF TERMS

IMPORTS

Foreign merchandise of every description (except articles specifically and absolutely prohibited by statute) entered into customs 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 a zone and foreign merchandise which, under the laws and regulations of various other Federal agencies having jurisdiction within a zone, is said to be “imported” into a foreign-trade zone, customs bonded warehouse or customs custody. This latter merchandise, in relation to operation of a zone is considered to be foreign merchandise until its entry into the commerce of the United States.

DOMESTIC IMPORTS

Domestic merchandise exported from the United States and particularly such merchandise exported through a foreign-trade zone. It includes merchandise of every description (except articles specifically and absolutely prohibited by statute) which has been (1) grown, produced or manufactured in the United States and not-exported there from, or (2) previously imported into Customs territory and properly released from Customs custody.

For the purposes of marking and labeling, it includes (1) the product of manipulation or manufacture in a zone in which only privileged domestic merchandise is used, (2) the product of manipulation or manufacture in a zone in which there is a mixture of foreign and domestic merchandise which results in a change in form or nature of the commodities, and in which the domestic merchandise consists of a component part or parts or a substantial portion of the finished product, and (3) foreign merchandise which by manipulation or manufacture in a zone has been changed in form and nature or enhanced in value that the product is deemed to be one of domestic manufacture.

IN-TRANSIT MERCHANDISE

The term “in-transit merchandise” includes all foreign merchandise imported into and out of the United States, whether in and out of the same port or across the country to another port, with or without transshipment, warehousing, breaking bulk, or change in mode of transportation, which originated in one foreign country and is destined at the same time of the original shipment to another foreign country, under a through bill of lading or other documentation for a completed journey. The term is particularly applied to foreign merchandise shipped in-transit through a foreign-trade zone.

CONTINUED: DEFINITION OF TERMS

RE-EXPORTS OR RE-SHIPMENTS

Merchandise from one foreign country initially destined to the United States which, after being unloaded, stored and/or manipulated or manufactured in this country, is transported under a new bill of lading or other new documentation to another foreign country. The term is particularly applied to re-exports or re-shipments through a foreign-trade zone.

It includes privileged, non-privileged, or zone-restricted foreign merchandise which (1) is in the same conditions, as when transported into the United States, or (2) has been manipulated without any change in its form or nature, or (3) has been manipulated or processed in such manner as to change its form, whether or not mixed with domestic merchandise, provided the domestic merchandise is not a component part of substantial ingredient thereof.

Generally, it includes all merchandise of foreign origin, which has not been manipulated, or manufactured as to be deemed a product of the United States and which has not been released from Customs custody into Customs territory.

TRANS-SHIPMENT MERCHANDISE

Foreign merchandise, which enters and leaves the United States through the same port legally, being transferred from one vessel to another directly, or by way of a foreign-trade zone or Customs bonded warehouse. The term is particularly applied to such merchandise transferred through a foreign-trade zone.

ZONE LOT

A unit or units of merchandise maintained under an inventory control method based on specific identification or merchandise admitted to a zone by lot.

ZONE LOT NUMBER

The sequential controlled number assigned to a zone lot.

UNIQUE IDENTIFIER

The numbers, letters or combination of numbers and letter that identify merchandise admitted to a zone with zone status.

CONTINUED: DEFINITION OF TERMS

BULK

In trade, a product, or a mass (of a product) which is not packaged, bundled, bottled or otherwise packed, so that it is designed as bulk or bulk merchandise.

WAREHOUSE

A covered and enclosed structure, affording weather protection, used primarily for short or long-term storage of merchandise and often containing business offices. In a foreign-trade zone, it may also be used for manipulation, manufacture and exhibition of merchandise.

STORAGE

The keeping of merchandise in or upon the premises within the foreign-trade zone. Covered storage means keeping within a covered and enclosed structure affording weather protection. The term “storage” without other designation, ordinarily implies covered storage.

UNIT OF QUANTITY

Means the numerical count of the units composing a shipment of commodity.

TON

Means weight ton of 2,000 pounds, unless otherwise indicated and measurement ton of 40 cubic feet.

WEIGHT

Means the gross weight of the merchandise including container, except as noted to the contrary.

MANIPULATION

Means breaking up, repacking, assembling, distributing, sorting, grading, cleaning, mixing with foreign or domestic merchandise, or other processing which does not constitute a manufacture.

LEASE

The document of agreement entered into between the Operator and User/Client for assignment of space within Foreign-Trade Zone No. 250.

CONTINUED: DEFINITION OF TERMS

PERSON OF RECORD

The person, firm or corporation in whose name the application to admit merchandise into the Zone (Customs Form 214) is made, recognized by the Zone Grantee 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 Customs custody at the end of its transit through Customs territory, and usually consists of an original bill of lading in the name of the applicant, an original bill of lading endorsed to him, or a carrier certificate.

FOREIGN-TRADE ZONE CUSTOMS FORMS

Customs Form 214 – Application for Foreign-Trade Zone admission and/or status designation.

Customs Form 214.A – Bureau of Census statistical copy.

Customs Form 216 – Application for Foreign-Trade Zone Activity Permit. Required for any activity, which in any way alters merchandise in a zone, including but not limited to manipulation, manufacture, destruction or exhibition.

HOLIDAYS

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

New Year Day*	1 st of January
Martin Luther King, Jr. Day*	3 rd Monday in January
Memorial Day*	Last Monday in May
Independence Day*	4 th of July
Labor Day*	1 st Monday in September
Thanksgiving Day*	4 th Thursday in November
Friday after Thanksgiving Day*	4 th Friday in November
Half-day Christmas Eve*	24 th of December
Christmas*	25 th of December

**Federal Holidays observed by U.S. Customs Service

NOTE: THESE PROPOSED DAYS ARE SUBJECT TO CHANGE.

DEFINITION AND PRIVILEGES OF FOREIGN-TRADE ZONES

Under the U.S. Code of Federal Regulations, Block 15, Part 400, the Regulations governing the establishment, operation, maintenance and administration of Foreign-Trade Zones in the United States, the term “Zone” means a “Foreign-Trade Zone”. It is an isolated, enclosed and policed area, operated as a public utility, in or “adjacent to a port of entry, furnished with facilities for lading, unloading, handling, storing, manipulating, manufacturing and exhibiting goods and for reshipping them by land, water or air. 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 laws 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 territory from the Zone, in the original package or otherwise. It is subject to Customs duties if sent into Customs territory, but not if reshipped to foreign points.

Section 3 of the Act, Public Law 397.73rd Congress, approved June 18, 1934, as amended by Public Law 566,81st Congress, approved June 17, 1950, authorized the following privileges:

“Foreign and domestic merchandise of every description except such as is prohibited by law, may, without being subject to the Customs laws of the United States, except as otherwise provided in this Act, be brought into a zone and may be stored, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign or domestic merchandise, or otherwise manipulated, or be manufactured except as otherwise provided in this Act, and be exported, destroyed, or sent into Customs territory of the United States there from, in the original package or otherwise; but when foreign merchandise is so sent from a zone into Customs territory of the United States it shall be subject to the laws and regulations of the United States affecting imported merchandise.

Provided, that whenever the privilege shall be requested and there has been no manipulation or manufacture effecting a change in tariff classification, the collector of customs shall take under supervision any lot or part of a lot of duties liquidated thereon. Merchandise so taken under supervision may be stored, manipulated or manufactured under the supervision and regulations prescribed by the Secretary of the Treasury, be exported or destroyed, or may be sent into Customs territory upon the payment of such liquidated duties and determined taxes thereon.

If merchandise so taken under supervision has been manipulated or manufactured, such duties and taxes shall be payable on the quantity of such foreign merchandise used in the manipulation or manufacture of the entered article. Allowance shall be dutiable and taxable in its condition and quantity and at its weight at the time of entry. Where two or more products result from the manipulation or manufacture of merchandise in a zone,

the liquidated duties and determined taxes shall be distributed to the several products in accordance with their relative value at the time of separation with due allowance for waste as provided for above;

Provided further, that subject to such regulations respecting identity and the safeguarding of the revenue as the Secretary of the Treasury may deem necessary, articles, the growth, product, or manufacture of the United States, on which all internal revenue taxes have been paid, or which have been admitted free of duty and tax, may be taken into a zone from the Customs territory of the United States, placed under the supervision of the collector, and whether or not they have been combined with or made part, while in such zone, of other articles, may be brought back thereto free of quotas, duty or tax;

Provided further, that under the rules and regulations of the controlling Federal agencies, articles which have been taken into a zone from Customs territory for the sole purpose of exportation, destruction (except destruction of distilled spirits, wines and fermented malt liquors), or storage shall be considered to be exported for the purpose of:

- A)- The drawback, warehousing and bonding or any other provisions of the Tariff Act of 1930, as amended, and the regulations there under; and
- B)- The statutes and bonds exacted for the payment of drawback, refund, or exemption from liability for internal revenue taxes and for the purposes of the internal revenue laws generally and the regulations there under.

Such transfer may also be considered an exportation for the purposes of other Federal laws insofar as Federal agencies charged with the enforcement of those laws deem it advisable. Such articles may not be returned to Customs territory for domestic consumption except where the Foreign-Trade Zones Board deems such return to be in the public interest, in which event the article shall be subject to the provisions of paragraph 1615(F) of the tariff Act of 1930 as amended;

Provided further, that no operation involving any foreign or domestic merchandise brought into a zone which operation would be subject to any provision or provisions of Section 1807, Chapter 13, Chapter 16, Chapter 17, Chapter 21, Chapter 23, Chapter 24, Chapter 25, Chapter 26 or Chapter 32 of the Internal Revenue Code if performed in Customs territory, or involving the manufacture of any article provided for in Paragraph 367 or Paragraph 368 of the tariff Act of 1930, shall be permitted in a zone except those operations (other than rectification of distilled spirits and wines, or the manufacturer or production of alcoholic products unfit for beverage purposes) which were permissible under this Act prior to July 1, 1949;

Provided further, that articles produced or manufactured in a zone and exported there from shall on subsequent importation into the Customs territory of the United States be subject to the import laws applicable to like articles manufactured in a foreign country with the use of domestic merchandise, the identity of which has been maintained in accordance with the second provision of this section, may, on such importation, be entered as American goods returned.

DESCRIPTION OF FOREIGN TRADE ZONE NO. 250

Pursuant to a Grant issued by the Foreign Trade Zones Board. U.S. Department of Commerce, Washington, D.C. to the Sanford International Airport Sanford, Florida under Provisions of Public Law 397, 73rd Congress, approved June 19, 1934, as amended Foreign Trade Zone #250 has issued the following Zone Schedule on rules, regulations and tariff rates.

The Grantee of Foreign Trade Zone #250 is the Sanford Airport Authority, Orlando- Sanford International Airport a not for profit corporation organized under the laws of the State of Florida and now one of its purpose is to establish, operate and maintain a Foreign Trade Zone for Seminole County.

Foreign Trade Zone #250 is comprised of nine independent sites in Seminole County, Florida. Eight (8) of the sites are industrial parks individually owned and operated or city owned and operated, or county owned and operated with land available for development, as well as already existing buildings which could be leased or sold for Foreign Trade Zone purposes. The ninth (9th) site was added through a minor boundary modification in 2011, and is located within an industrial park. The Grantee currently has one activated site and that is at the airport. Aircraft Service International, Inc. (ASIG) is the manager and operator of the airport fuel system, located at FTZ No. 250-Site 1A.

Rail service is available in the Seminole County Area and with in a reasonable driving distance from all existing Foreign Trade Zone sites.

In order to comply with the terms of the grant and the requirements of the United States Customs Service, companies wishing to use and operate under zone procedures should be prepared to do the following:

1. Install a system of security control. There are no uniform standards as to what security control systems should be, however, the applicant company should be prepared to demonstrate the U.S. Customs, that intrusions into the secured area will be detected and handled. Companies should prepare a list of employees who would have access to the area as U.S. Customs will wish to run background checks on such employees. Although some interpretation and flexibility is afforded U.S. Customs in such matters, current U.S. Customs regulations indicate that a customhouse broker, bonded carrier, bonded warehouse operator and Foreign Trade Zone Operator may not station convicted felons in secured areas. Execute zone procedures manual.
2. Be able to demonstrate an adequate system of inventory control to U.S. Customs. Because of personnel constraints, the U.S. Customs Service has been compelled to move to electronic monitoring of trade movements. Companies should be prepared to show the U.S. Customs Service how they can and will account for

materials which will eventually enter the Customs territory. A system of electronic interface may be required by the U.S. Customs Service. If a company has capability to do so initially, it will be well-advised to do so.

3. Secure a bond form and insurance provider. Companies must obtain a bond adequate to cover the value of the merchandise in the secured area at all times. Basically, the bond will commit to the U.S. Customs Service that all due and appropriate duties will be paid on merchandise which leaves the secured area. Evidence of the bond must be provided to the Zone Operator.

RATES AND CHARGES FOR FOREIGN-TRADE ZONE USE

1. For preparation of Application, all costs associated with such work will vary based on the degree of staff work and preparation time, at a minimum cost of \$1,200 and not to exceed \$3,500. Companies may develop their own applications, if they choose under the guidance of Foreign Trade Zone #250 staff.
2. At the time of activation, users will pay the grantee, Foreign Trade Zone #250 an activation fee of \$250.00. This fee may be waived by the Grantee.
3. The Zone User/Operator will pay the Grantee an annual fee of \$7,000.00. This fee shall be examined each January to address needed changes by either party.
4. For U.S. Customs bond, no zone user will establish a bond in an amount less than the total value of all freight on hand at any given time. The Foreign Trade Zone user will provide a letter holding the Grantee harmless from any liability claims or punitive measures imposed by the U.S. Customs Service. Port Director of Customs will set the value of the Zone Operator/User Bond.

APPLICATION OF ZONE SCHEDULE

APPLICATION OF FOREIGN TRADE ZONE No. 250 - ZONE SCHEDULE –

The rates, rules and regulations of this Zone Schedule shall apply at Foreign Trade Zone No. 250, its sub-zones and annexes unless otherwise provided for.

GENERAL REGULATIONS - Foreign Trade Zone No. 250 is regulated by the Foreign Trade Zones Board, Washington D.C. under U.S. Code of Federal Regulations, Chapter IV, Part 400. Copies of these regulations are maintained at the Foreign Trade Zone No. 250 “Grantee” office for reference.

UNITED STATES CUSTOMS REGULATIONS – Foreign Trade Zone No. 250 is subject to special Customs regulations as defined in U.S. Code of Federal regulations, Chapter 1, U.S. Customs, Part 146, Foreign Trade Zones. Copies of these regulations are maintained at the Manager’s Office of Foreign Trade Zone No. 250 for reference of all persons and entities doing business with it.

APPLICATION AND INTERPRETATION OF ZONE SCHEDULE - The Zone Executive Director and Grantee shall be the sole judges to interpret and determine the applicability of any of the rates, rules, regulations or services provided for in this Zone Schedule. However, any matter involving interpretation or action by U.S. Customs or any other agency of the U.S. Government will be determined by the Port Director of Customs or his duly appointed representative.

SECTION I – OPERATION OF ZONE

OPERATIONS, FORMS AND PROCEDURES IN GENERAL - The merchandise and operations permitted in a zone, the disposition of merchandise in a zone, the zone status of the merchandise and special provisions applicable to each status, the subsequent export-importation of merchandise and special provisions applicable to each status, the subsequent export-importation of merchandise removed from a zone and other operations in a zone authorized by the Act, are hereinafter in this Section generally described. The Customs Forms required for such activities are available upon request from the Zone Grantee.

MERCHANDISE PERMITTED IN A ZONE - Foreign and domestic merchandise of every description, except as is specifically prohibited by law, may, without being subject to the Custom laws of the United States, except as otherwise provided in the Act and the regulations made there under, be brought into a Zone.

- (a) Merchandise which is specifically and absolutely 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. A distinction is made between (1) merchandise which is specifically and absolutely prohibited by law on the grounds of policy and morals, such as immoral or subversive literature, obscene articles, or lottery matter, and (2) merchandise which is subject to conditional prohibition only, for example, articles which are subject to permits or license for the protection of economic or national security or which may be reconditioned to bring them into compliance with the laws administered by various Federal agencies. U.S. Customs officials are required to exclude the first class of articles and may not permit them to be transferred to a zone, if they are aware of their prohibited status, except that the Customs Director may permit the temporary deposit of any such merchandise in Z zone pending final determination of its status. The transfer of articles of the second class to a zone is subject to any requirement of the Federal Agency concerned. *There is no prohibition against placing over-quota merchandise in a zone pending its right to transfer to Customs territory pursuant to the applicable quota provisions.*

- (b) The application for the admission of merchandise into a zone shall be approved or disapproved by the Director as the representative of the Board, where the merchandise is not excluded by any other Federal Agency having jurisdiction over the merchandise.

APPLICATION AND PERMIT FOR ADMISION OF MERCHANDISE -

Merchandise may only be admitted to a zone upon application on a Customs Form 214 by the applicant having right to make entry and the issuance of a permit by the Port Director. Exceptions to this requirement are for merchandise temporarily deposited in a zone or transiting a zone. Domestic status merchandise, including packing and repair material may be admitted to a zone without application or permit except (1) when it is mixed or combined with merchandise in another zone status, or (2) upon order of the Commissioner of Customs.

DISPOSITION OF MERCHANDISE IN A ZONE –

In general, merchandise lawfully brought into a zone may, in accordance with these and of the regulations made under the provisions of the Act, be exported, destroyed or sent into Customs territory of the United States, there from, in the original package, or otherwise; but if foreign merchandise, and domestic merchandise, whose identity has been lost, is so sent from a zone into Customs territory of the United States it will be treated as foreign merchandise. Any domestic merchandise will be considered to have lost its identity if the Port Director determines that it cannot be identified positively by a customs officer as domestic merchandise on the basis of an examination of the articles or consideration of any proof that may be submitted by a party-in-interest.

MANIPULATION, MANUFACTURE, 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, or otherwise manipulated, or be manufactured, or destroyed except as otherwise provided by the Act.

- (a) Permission for any manipulation, manufacture, exhibition or destruction in a zone shall be obtained from the Director of Customs. Destruction of merchandise may be permitted outside a zone, in whole or in part and under such conditions necessary to protect the revenues, if proper destruction cannot be accomplished within the zone.
- (b) The Port Director shall approve the application unless (1) the proposed operation would be in violation of law of regulation; (2) the place designated for the operation is not suitable for the preservation of identity or status of the merchandise, or safeguarding the revenues; (3) the Port Director is not satisfied that the destruction will be effective; or (4) the Executive Secretary of the Board has not granted approval of a new manufacturing operation.

- (c) If an approved application is subsequently rescinded by the Port Director for any reason, the applicant or grantee may appeal the adverse ruling and request a hearing pursuant to Section 146.82 (b)(2).
- (d) The Port Director may approve the blanket application for a period of up to one year for a continuous or repetitive operation.

IN STATUS OF MERCHANDISE A ZONE -

For the purposes of the Act and the U.S. Customs regulations, all merchandise within a zone, except that merchandise excluded by the regulations, shall be given a zone status as:

1. Privileged foreign merchandise,
2. Non-privileged foreign merchandise,
3. Domestic merchandise,
4. Zone-restricted merchandise,

In accordance with the U.S. Customs regulations.

USE OF ZONE BY CARRIERS -

The docking facilities and loading or unloading stations of a zone are intended primarily for the use of vehicles, for unloading merchandise into the zone or loading merchandise from the zone, and their use for other purposes may be terminated by the Secretary of the Treasury, if found to endanger the revenue or by the Board, or if found to interfere with the primary uses of the Zone.

SUBSEQUENT IMPORTATION OF ZONE MERCHANDISE -

Articles produced or manufactured in a zone and exported there from shall, on subsequent importation into the Customs territory of the United States, be subject to the import laws applicable to like articles manufactured in a foreign country, except that articles produced or manufactured in a zone exclusively with the use of domestic merchandise, the identity of which has been maintained in accordance with the Second Provision of Section 3 of the Act, as amended, may on such importation be entered as American goods returned.

EXCLUSION FROM ZONE OF GOODS OR PROCESS OF TREATMENT -

When it shall be reported to the Board that any goods or process of treatment is detrimental to the public interest, health or safety, the Board shall cause such investigation to be made, as it may deem necessary. The Board may order the exclusion from a zone of any goods or process of treatment that in its judgment is detrimental to the public interest, health or safety.

RETAIL TRADE WITHIN THE ZONE -

No retail trade, sales or offers to sell goods or services to individuals for personal and Zone Executive Director use shall be conducted within a zone. No goods shall be offered for sale or sold in a zone which are not of the same kind and quality permitted to be offered for sale or sold in the political jurisdiction in which a zone is located. If the permitted violates any provisions of the regulations in this section, his/her permit shall be revoked by the Grantee/Zone Executive Director, who shall immediately report such action to the Board. The Port Director may assess a fine of up to \$1,000 for each violation for each day held to be in violation of the applicable law.

ERECTION OF BUILDINGS WITHIN ZONE -

The Grantee/Zone Executive Director may, with the approval of the Board and under reasonable and uniform regulations for like conditions and circumstances to be prescribed by it, permit other persons, firms, corporation or associations to erect such buildings and other structures within the zone as will meet their particular requirements, provided: (a) that such permission shall no constitute a vested right as against the United States, non-interfere with or complete the revocation of the grant by the United States; (b) that in the event of the United States or the Grantee/Zone Executive Director desiring to acquire the property of the permittee, no good shall be considered as accruing from the privilege granted to the Zone; and (c) that such permits shall not be granted on terms that conflict with the public use of the Zone as set forth in the Act; and provided further, that accepted sanitary practices be followed in the construction, equipment and operation of such buildings and other structures.

RESIDENCE WITHIN ZONE -

No person shall be allowed to reside within a zone except Federal, State or Municipal Officers or Agents, whose resident presence is deemed necessary by the Board.

HOURS OF BUSINESS AND SERVICE -

Hours of business and service for Customs purposes, shall be the same as those prescribed in Customs regulations. Regular or normal business hours shall be between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

The Zone may be opened at other times, on an irregular or regular basis, upon application and with approval of the Grantee/Zone Executive Director and Custom's Officials.

EMPLOYEES AND PERSONS ENTERING AND LEAVING ZONE -

Employees and other persons entering or leaving the Zone shall pass through the designated entrances to the Zone. Employees and other persons shall be subject to such examination upon entering and leaving a Zone, as the Director may deem necessary for the protection of the revenue.

ALL PERSONS ENTERING ZONE BOUND BY REGULATIONS -

All persons entering the Zone for any reason whatsoever, shall be bound by regulations promulgated by the Board, the U.S. Customs Service and the Operator of the Zone.

IDENTIFICATION OF EMPLOYEES WITH ZONE –

Every employee within the Zone shall be required while within the Zone to carry identification cards or wear appropriate identification badges to be provided by the User and/or Operator of the Zone.

IDENTIFICATION OF VISITORS AND NON-EMPLOYEE PERSONNEL WITHIN THE ZONE –

All persons having business within the Zone, but not possessing appropriate Zone-issued badges, passes or other approval to enter the Zone, shall apply for the appropriate approval and entry identification at the User and/or Zone Operator office.

SECTION II - GENERAL RULES AND REGULATIONS

ZONE REGULATIONS – The following rules governing procedures within Foreign Trade Zone No. 250 are issued in conformity with and supplementary to the Foreign Trade Zones Board's regulations and such of the United States laws and regulations relating to the Port of Entry, as are applicable to Foreign Trade Zone operations.

GENERAL REGULATIONS - All persons and merchandise of every description entering or leaving Zone No. 250 for any purpose whatsoever shall be bound by the lawful regulations of the Foreign Trade Zone Board and by the Zone regulations issued there under.

GOVERNMENT AGENCIES – All lawful regulations regarding government agencies in or about ports of entry must be complied with insofar as they are not in conflict with Public Law 397 of the 73rd Congress and the Regulations issued there under.

COMPENSATION INSURANCE – Every person employed by contractors or customers in the Zone shall be properly covered by Workman's Compensation Insurance. Proof of this shall be furnished before any work is initiated with the Zone, or release of liability must be given to the Operator.

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

CONFIDENTIAL RELATIONSHIP – The Operator will take precaution to avoid the divulging of confidential information regarding merchandise and services thereon performed in the Zone. Any Zone employee violating this confidential relationship will be discharged immediately.

ADMITTANCE OF PERSONS - Persons desiring admittance to the Zone shall make application to a Representative of the Operator. The pass issued must be worn or shown upon request. Upon leaving the Zone, any temporary pass must be surrendered and any permanent pass must be shown to the Representative of the Operator. All persons having business in the Zone will enter and leave at the prescribed entrance.

CHARGES BY GOVERNMENT AGENCIES – Charges made by government agencies other than the Foreign Trade Zone Grantee/Manager are not included in this tariff and should be arranged by the owner or its agent with the government bureau concerned.

MERCHANDISE ARRIVING AFTER HOURS - Merchandise arriving after regular business hours may, by special arrangements with the Zone Operator, and permission of the Grantee/Zone Executive Director, be placed in a designated location and received subject to special charges.

WHEN CHARGES ARE PAYABLE – Zone charges are due and payable as they accrue.

MERCHANDISE HELD FOR CHARGES - The Zone Operator reserves the right to withhold permission to withdraw merchandise from the Zone for users with unpaid charges for zone use.

CHARGES ENFORCED - For the purpose of enforcing the payment of charges named in this Tariff on merchandise handed over, stored, or manipulated on the Zone facilities, the Zone may take possession of such merchandise and may remove and store some at the charge, risk and expense of the owner or consignee thereof and/or may sell the goods by public auction and/or pursue such other remedies as may be provided by law. Zone Operator also reserves the right, in his discretion, to deny the use of Zone facilities and/or services to any user until all outstanding delinquent charges have been paid.

SERVICE CHARGE – A service charge of 1.5% may be charged on all accounts receivable of 30 days age. No proration will be made and 1.5% will be charged every anniversary date thereafter.

CHARGES FOR SPECIAL CUSTOMS SERVICES - The U.S. Customs Service may charge special fees for the activation of a new foreign trade zone or Subzone, for zone relocation and for zone boundary alternations. When such fees are assessed as a result of a specific request by a zone user, the Grantee/Zone Executive Director Operator may require that user to bear the expense thereof. No fees are charged for deactivation or reactivation.

CHARGES FOR SPECIAL ZONE STAFF SERVICES - The Operator maintains at the Zone site a legally assigned staff of employees to assist in the normal operations of the Zone during regular business hours set forth in this Tariff.

Zone staff services rendered during National holidays, Saturdays and Sundays or during overtime hours at the specific request of the user of zone facilities for such purpose, will be charged to the user of such services.

CHARGES, RATES, RULES AND REGULATIONS APPLICABLE TO GRANTEE'S SUBZONES AND ANNEXES - The Grantee/Zone Executive Director, Operator and all persons and entities doing business within a Subzone established by the Zone Executive Director must comply with provisions of the Foreign Trade Zones Board; with such laws and lawful regulations of the United States, the States or the subdivision and agencies thereof as may be applicable to operators, occupants, their employees and invitees, and users of Subzones, and with such of the provisions of this Tariff and subsequent issues and modifications thereof as may be applicable to the operations conducted in the Subzone.

Where applicant desires to have Subzone located within Grantee's/Zone Executive Director's jurisdiction and Grantee/Zone Executive Director has no site available for its location or where sites available are not suited for proposed operations, the applicant must arrange for the acquisition of a suitable and available site. The Grantee/Zone Executive Director will provide cooperation to assist applicants to the fullest extent possible in securing a suitable location.

All persons and entities, who request the Grantee/Zone Executive Director to apply for authority to establish a Subzone must first enter into an agreement with the Grantee/Zone Executive Director governing the proposed Subzone operations. This agreement will contain provisions including, but not limited to, those relating to costs incident to the preparation of the application and any subsequent amendment or modification thereof; costs incident to public hearings and legal proceeding; charges for any required Customs Zone activation, relocation, alteration, audit or spot check; and charges for Grantee's/ Zone Executive Director's special services not provided in this Tariff. Applicants for the establishment of a Subzone will bear application costs and charges of preparing and filing of application by Zone Executive Director whether or not the application is favorable acted upon by the Foreign Trade Zones Board.

INSPECTION – The Zone Operator may inspect the assigned area at any and all reasonable times to ascertain whether or not the covenants or conditions related to its proper use are being observed.

INSURANCE – Insurance is carried by the Grantee/Zone Executive Director on its own property only and does not included insurance on the contents stored herein. Lessee is obligated to put nothing within the Zone, which will cause the cancellation or forfeiture of the insurance or affect the premium rate thereof on the building or buildings of which the leased premises forms a part. Insurance on commodities or other property stored on the leased premises forms a part. Insurance on commodities or other property stored on the leased premises, if desired, must be carried by and at the expense of Lessee or owner of the commodities or other properties.

INSURANCE ON MERCHANDISE IN WAREHOUSE - Merchandise stored, manipulated or transferred within the Zone is not insured by the Grantee/Zone Executive Director and the Zone Tariff rates do not include insurance on merchandise.

SECTION III – SPECIAL RULES PERTAINING TO MERCHANDISE

ZONE ACCOMMODATIONS - Before merchandise may be entered into the Zone, applications on Customs Form 214 must be completed by zone user or his agent, filed and approved by the Zone Operator and with the authorized Customs personnel. The application shall describe the merchandise fully, in terms of the Tariff Schedules of the United States Annotated and be accompanied by an examination invoice and any additional information or documentation requested by the District Director of Customs.

WAREHOUSE RECEIPTS - The Zone is prepared to furnish non-negotiable warehouse receipts on merchandise stored under Zone supervision and control.

PERMISSION TO MANIPULATE – Before merchandise may be manipulated within the Zone, application on Customs Form 216 must be presented to the Operator for concurrence by the Zone. The Operator will then forward the application to the Director of Customs through the Customs Office on duty at the Zone. On approval by the Director, the contemplated manipulation will then be permitted.

TENDER FOR ACCEPTANCE - All merchandise for zone acceptance shall be delivered at designated points properly marked and packed and accompanied or proceeded by the necessary documents for preserving the identity of such merchandise.

MINIMUM ACCEPTANCE CHARGES - The Zone reserves the right to refuse acceptance of any merchandise, the value of which may be determined as less than the probably zone charges; or at its discretion it may require the prepayment of all such charges on this class of merchandise.

CLEARING MERCHANDISE AND TRAFFIC - Merchandise, land carriers and other users of the Zone, both income and outgoing, must obtain clearance through the Zone office.

CUSTOMS PERMIT – Merchandise will not be delivered to or through Customs territory unless delivery order is accompanied by Customs permit.

IMPROPER PACKING – Merchandise not suitably packed for ordinary handling may, at the discretion of the Zone, be rejected or repacked at the expense of the shipper, consignee or their agent.

HAZARDOUS COMMODITIES – The Zone will not be required to accept for storage any commodity that will affect the rate of insurance on other merchandise in storage. Where reference is made hereto, a product will not be stored except in locations or areas that are not established on contents stored therein.

MARKING - All merchandise handled in the Zone, before entry to Customs territory must be truly marked in accordance with Customs regulations, as to the county of origin and in accordance with all other government regulations, and no merchandise will be permitted to leave the Zone for any purpose that carries any false or misleading label or mark. When repacked or labeled in the Zone, the good should, when possible, be marked to indicate that activity.

TRUCKING AND LIGHTERAGE - Transfer of foreign merchandise through Customs territory to the Zone must be made by Customs bonded trucks or other carriers and is subject to Customs regulations. Likewise, the transfer of merchandise from zone to zone, from bonded warehouse to zone or from zone to port of export must be made by Customs bonded carriers and be subject to Customs regulations. Domestic merchandise may be admitted to the Zone by any means of transportation.

CUSTOMS INSPECTION OF MERCHANDISE WHILE IN THE ZONE - The consignee or zone user, or his agent, shall at times be immediately available to make the merchandise subject to inspection if required by the United States Customs Service and shall have the sole responsibility of opening crates and packages, handling the merchandise and securing the crates and packages following the inspection. In the event that the consignee or his agent is not immediately available for the inspections, zone personnel shall be authorized to open such packages for the Customs Service and shall not be liable for any loss or damage for any reason whatsoever to the goods. The cost of any resultant need for repackaging or recouping shall be borne by the zone user.

LIABILITY – The responsibility of the Zone, in the absence of written provisions, is the reasonable care and diligence required by law.

Perishable goods which are susceptible to damage through temperature changes or other causes incident to general storage, are accepted in general storage only at owner's risk for such damages as might result from general storage conditions.

NON-LIABILITY - The Grantee/Zone Executive Director and Operator are not liable and cannot assume any responsibility for any loss or damage to freight, cargo, merchandise or other property upon the leased premises, or for any loss or damage arising from acts of commission or omission of co-tenants, or of the occupants, or users of adjacent or contiguous compartments or of other portions in or about the Zone, not for the breakdown of cranes or power service, not for loss or damage occasioned by plumbing, electric wires, automatic fire apparatus, not for any loss or damage from any cause whatsoever.

LIMIT OF LIABILITY – The Zone will not be responsible for loss or damage caused by fire, heat, dampness, leakage, the elements, evaporation, natural shrinkage, wastage or decay, animals, rats, mice or other rodents; moths, weevils or other insects; collapse of buildings or structures, breakdown of plant equipment or machinery. Acts of god, the Public Enemy, the inherent nature of the merchandise itself; nor will it be responsible for any loss, damage, or delay arising from the insufficient notification, or from war,

insurrection, shortage of labor, combination, riots or strikes of any persons in its employ or in the service of others or from any consequence arising there from.

In performing the service of checking, the Zone will accept no responsibility for concealed damage nor for the condition of contents of packages, cases or other containers, whether or not receipts issued so state.

The Operator will not be responsible for any loss or damage arising from or occasioned by any misunderstanding of orders or instructions received or taken by telephone from the Zone User to the Operator.

As a condition precedent to recovery, claims for loss or damage must be made in writing within thirty days after the merchandise is delivered from the Zone, or in the case of failure to make delivery, then within thirty days after delivery of the last package of the lot in the Operator's apparent possession.