

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
FOR THE
CAPITAL REGION
FOREIGN-TRADE ZONE NO. 121



This Zone Schedule has been prepared by the Capital District Regional Planning Commission in its capacity as the Grantee for Capital Region Foreign-Trade Zone No. 121. Any questions concerning the contents of this Zone Schedule shall be addressed to:

Sean M. Maguire, AICP AZS
Director of Economic Development
Capital District Regional Planning Commission
One Park Place, Suite 102, Albany, NY 12205
(518) 453-0850 | (518) 453-0856, fax
sean@cdrpc.org

www.CapitalRegionFTZ.com

FTZ No. 121 is open for business during normal business hours.

This Zone Schedule has been prepared in accordance with 15 C.F.R. 400.44 and is on file with the Foreign-Trade Zones Board and United States Customs & Border Protection at the Port of Albany, NY.

This Zone Scheduled is effective July 15, 2018.

Table of Contents

CAPITAL REGION FTZ NO. 121 ZONE PROJECT	4
Foreign-Trade Zones in General.....	4
The Capital Region Foreign-Trade Zone, FTZ No. 121.....	4
List of Magnet Sites.....	4
List of Subzones/Usage-Drive Sites.....	4
Maps Related to FTZ No. 121 Zone Project	4
Laws and Regulations.....	5
Statutory and Regulatory Authority.....	5
Holidays.....	5
CAPITAL REGION FTZ NO. 121 ZONE POLICY	6
DEFINITIONS.....	7
LIABILITY	9
Grantee Liability.....	9
FTZ Operator Liability.....	9
ROLES OF PARTIES.....	10
Role of Foreign-Trade Zones Board	10
Role of U.S. Customs and Border Protection	10
Role of Zone Grantee	10
Role of Zone Operator	10
Role of Zone User.....	11
INTERNAL RULES	12
Qualifications	12
Right of Entry	12
Application to FTZB.....	12
Retail trade within Capital Region FTZ 121.....	12
Zone-restricted merchandise.....	12
Exclusion from FTZ of goods or process.....	12
Foreign-Trade Zones Board Annual Report	12
Procedures Manual.....	13
Inventory Control and Recordkeeping System	13
Admission of Merchandise	13

Accountability for merchandise	13
Physical inventories	14
Annual Reconciliation	14
Annual system review	14
Shortages and overages	14
Receipt of merchandise	14
Manipulation of merchandise.....	15
Transfer of merchandise to another FTZ Project.....	15
Removal of merchandise from Capital Region FTZ No. 121	15
Transfer to customs territory for consumption.....	15
Weekly estimated entries for consumption	15
Transfer to customs territory for exportation	15
Weekly Estimated Exports	15
FEE SCHEDULES	16
Grantee Fee Schedule	16
Operator Fee Schedules.....	16
APPENDIX	17
Exhibit A: Service Area, Subzones and Usage Driven Sites	17
Exhibit B: Albany Port Customs District Jurisdiction	18
Exhibit C: Zone Tariff	19

CAPITAL REGION FTZ NO. 121 ZONE PROJECT

Foreign-Trade Zones in General

Foreign-trade zones (FTZs) were created by the Foreign-Trade Zones Act of 1934 (the FTZ Act) for the purpose of expediting and encouraging foreign commerce. Changes to the FTZ Act in 1950 that permitted manufacturing and exhibiting in FTZs have broadened the objectives of the program. FTZs are secured areas under U.S. Customs and Border Protection (CBP) supervision that are considered outside the customs territory of the United States. Merchandise may be moved into an FTZ for storage, exhibition, manufacture, or other operations not otherwise prohibited by law. Customs duties on foreign merchandise are not collected until the merchandise is entered into U.S. Customs territory.

The Capital Region Foreign-Trade Zone, FTZ No. 121

The Grant of Authority establishing the Capital Region Foreign-Trade Zone, (FTZ No. 121) was issued by the Foreign-Trade Zones Board (FTZB) to the Capital District Regional Planning Commission on July 18, 1985 (Board Order No. 307). It was reorganized under the ASF by Board Order No. 1694 on July 8, 2010. There have been three (3) subzones authorized by the FTZB as part of the FTZ No. 121 Zone Project, one of which has been terminated (Board Order 698 dated July 20, 1994 established Subzone 121A; Board Order 794 dated December 12, 1995 established Subzone 121B and Board Order 1103 dated June 12, 2000 terminated Subzone 121B; and Board Order 1554 dated March 28, 2008 established Subzone 121C).

The boundaries of the Zone Project and a description of the Sites, including subzone Sites are as follows:

List of Magnet Sites

There are no current magnet sites in FTZ #121.

List of Subzones/Usage-Drive Sites

Subzone 121A: Albany Molecular Research Inc. located at 33 Riverside Avenue in Rensselaer, New York.

Subzone 121C: MPM Silicones located at 260 Hudson River Road in Waterford, New York.

Usage Drive Site 7: Townsend Leather, Inc. located at 45-49 Townsend Avenue and 48 Townsend Avenue in Johnstown, New York.

Usage Driven Site 8: Perrone Leather dba Perrone Aerospace LLC located at 182A Riverside Drive in Fultonville, New York.

Maps Related to FTZ No. 121 Zone Project

1. **Exhibit A** is a map depicting Service Area for Capital Region FTZ No. 121 and the locations of the existing Subzones and Usage Driven Sites.
2. **Exhibit B** is a map depicting the boundaries of the Albany Port Customs & Border Protection District.

Refer to the Appendix of this Zone Schedule for the abovementioned maps.

Laws and Regulations

All persons conducting business within Capital Region FTZ No. 121 and all operations moving merchandise into or out of Capital Region FTZ No. 121 must strictly conform to the Foreign-Trade Zones Act (FTZA), FTZB Regulations, CBP Regulations, this Zone Schedule, and all other applicable federal, State and local laws, rules, and regulations. This Zone Schedule may be modified, amended, or replaced by the Capital District Regional Planning Commission at any time if it is determined to be necessary or appropriate to do so. The Capital District Regional Planning Commission shall, in its sole discretion, interpret the provisions of this Schedule and determine the applicability of any of its provisions.

Statutory and Regulatory Authority

1. Foreign-Trade Zone Act – 19 U.S.C. 81
2. Foreign-Trade Zones Board Regulations – 15 C.F.R. 400
3. Customs & Border Protection Regulations – 19 C.F.R. 146

Holidays

Those legal holidays* during which the Zone is closed for regular business are as follows:

New Year's Day	1st day of January
Martin Luther King Day	3 rd Monday of January
Lincoln's Birthday	February 12 th
President's Day	3 rd Monday of February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Election Day	1 st Tuesday on or after November 2 nd
Veteran's Day	November 11 th
Thanksgiving	4 th Thursday in November
Christmas	December 25 th

*If a holiday falls on Saturday, the day immediately preceding such Saturday will be observed; and if a holiday falls on Sunday, the following day will be observed.

CAPITAL REGION FTZ NO. 121 ZONE POLICY

1. This Zone Schedule is published in accordance with 15 C.F.R. 400.44. The Zone policy, rules, regulations, rates and charges of this schedule shall apply at Foreign-Trade Zone No. 121, unless otherwise provided for.
2. Pursuant to 15 C.F.R. 400.42 and 400.43, the rates and charges for services within the Zone shall be fair and reasonable, and the Grantee shall afford uniform treatment under like conditions to all users. The FTZB shall determine whether the rates and charges are fair and reasonable.
3. All persons and entities who request the Grantee to apply for authority to establish a Usage Driven or subzone site must first enter into an agreement with the Grantee governing the proposed operations at the site. All requests for usage driven and/or subzone designation will be reviewed by the Grantee and all entities will be afforded uniform treatment with respect to the handling of the request by the Grantee.
4. Pursuant to 15 C.F.R, 400.24(b) Magnet Sites can be established provided that certain criteria are satisfied. All requests for the establishment of a new Magnet Site will be reviewed by the Grantee and all entities will be afforded uniform treatment with respect to the handling of the request by the Grantee.
5. All requests and applications to the FTZB by Operators and Users of FTZ No. 121 shall either be submitted by the Grantee or shall include a letter of transmittal or concurrence from the Grantee. Such requests include, but are not limited to, applications for production authority, subzone applications, minor boundary modifications, determinations of or expansions of previously approved scope of authority for Zone procedures. All requests to CBP by Operators of FTZ No. 121 shall include a letter of transmittal or concurrence from the Grantee. Such requests include, but are not limited to, activation, deactivation, or alteration of zone areas.
6. Pursuant to 19 U.S.C 810(c), no merchandise, operation or process of treatment will be permitted in the Zone that is detrimental to the public interest, health and safety.

DEFINITIONS

Foreign-Trade Zones Board (FTZB) — comprised of the Secretary of Commerce and the Secretary of Treasury. These officials or their designee 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).

Foreign-Trade Zones Board staff — Officials in the Department of Commerce, International Trade Administration responsible for overseeing the administration of Foreign-Trade Zones. The Executive Secretary heads up this office 15 C.F.R. 400.2(g).

Port Director of Customs and Border Protection (CBP) — Customs official with responsibility for overseeing the activation and operations of zone projects within his customs port of entry.

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 Grantee of FTZ No. 121 is the Capital District Regional Planning Commission.

Zone Operator — Corporation, partnership, or person that operates a zone or subzone under the terms of an Agreement with the Grantee. 15 C.F.R. 400.2(w).

Zone User — A person or firm using a zone or subzone for storage, handling, or processing of merchandise. 15 C.F.R. 400.2(aa).

FTZ Eligibility — Issuance of a grant by the FTZB results in designated area obtaining FTZ eligibility.

Zone Site — each separate area comprising FTZ No. 121 and its subzones.

Alternative Site Framework (ASF) — an optional approach to designation and management of zone sites allowing greater flexibility and responsiveness to serve single-Operator/User locations. 15 C.F.R. 400.2(c). Capital Region FTZ No. 121 was reorganized under ASF through Board Order No. 1694 on July 8, 2010.

Service Area — Jurisdiction(s) within which a Grantee is able to designate sites via minor boundary modifications under the ASF. 15 C.F.R. 400.2(q). The Service Area for Capital Region FTZ No. 121 encompasses all of Albany, Columbia, Greene, Fulton, Montgomery, Rensselaer, Saratoga, Schenectady, Warren, and Washington counties.

Magnet Site — A site intended to serve or attract multiple operators or users under the ASF. 15 C.F.R. 400.2(j).

Usage Driven Site — A site tied to a single Operator or User under the ASF. 15 C.F.R. 400.2(t).

Subzones — A site (or group of sites) established for a specific use. 15 C.F.R. 400.2(s).

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 customs classification of the article or its eligibility for entry for consumption. 15 C.F.R. 400.2(o).

Activation — Filing of an application with CBP by the FTZ Operator, with Grantee's concurrence, results in the actual utilization of an FTZ eligible site as an FTZ.

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

Privileged Foreign Status Merchandise — Imported merchandise that has not cleared Customs and for which the User wishes said merchandise to retain its identity, from a customs classification standpoint, regardless of its condition when it ultimately enters the customs territory of the United States.

Non-Privileged Foreign Status Merchandise — Imported merchandise that has not cleared Customs and for which the User does not wish said merchandise to 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.

Zone Restricted Merchandise — Merchandise which cannot re-enter the U.S. customs territory.

CPB Form 214 — Document prepared by the User, signed by the FTZ 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 FTZ 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 Form 3461 — Document prepared by the User, which must be approved by CBP and furnished to the FTZ Operator prior to the physical removal of any merchandise from the FTZ into the customs territory of the United States.

CBP Form 7512 — Document prepared by the User, which must be approved by CBP and furnished to the FTZ Operator prior to the physical removal of any merchandise from the FTZ for exportation of merchandise from the United States.

Zone Schedule — This document constitutes the Capital Region FTZ No. 121 Zone Schedule as required by 15 C.F.R. 400.44. This document may also be referred to as the FTZ No. 121 Tariff.

LIABILITY

Grantee Liability

A Grantee is the entity to which the privilege of establishing, operating and maintaining a FTZ has been granted. The grant shall not be sold, conveyed, transferred, set over or assigned. (19 USC 81q). CBP holds the FTZ Operator and its surety responsible for compliance with the Customs Statutes and Regulations through the conditions of the FTZ Operator Bond. (19 CFR 113.73). However, the execution of the bond by the FTZ Operator does not lessen the liability of the Grantee to comply with the FTZA and the implementing regulations (19 CFR 146.6(e)). The Grantee is not automatically absolved of all liability when delegating its authority to operate and maintain a zone to another person and the Grantee does not operate the zone itself. (Comments and Responses to TD 86-16 (51 FR 5048) and HQ Ruling 218985 dated August 15, 1986). However, through the execution of the Grantee/Operator Agreement, the Operator agrees to indemnify the Grantee for any liability that the Grantee may incur as a result of the activities conducted by or actions or inactions of the Operator at Capital Region FTZ No. 121.

FTZ Operator Liability

An FTZ Operator agrees to terms and conditions set forth within the Operator's Agreement that covers the development and operational management of FTZ activities at their designated Zone Site(s). Operations will be consistent and in accordance with standards of operation required by CBP and the FTZB, including those related to occupancy and use.

ROLES OF PARTIES

Role of Foreign-Trade Zones Board

1. Review FTZ applications, expansion applications, subzone applications, production notifications, production applications and boundary modification requests and issue Board Orders.
2. All ongoing activities are subject to review. 15 C.F.R.400.3
3. The FTZB may revoke a grant in whole or in part for repeated and willful violations of the Act. 15 C.F.R.400.61(a).
4. A request for production in an approved zone or subzone is subject to approval either through production notification or production application procedures. 15 C.F.R. 400.22 and 400.23.
5. Zone Schedules are subject to review by the Executive Secretary. 15 C.F.R. 400.44(c).
6. Zone-restricted merchandise may be permitted to be returned into the customs territory by request to the Board. 15 C.F.R. 400.3(11) and 400.48.
7. The Executive Secretary will determine whether an activity constitutes retail trade 15 C.F.R. 400.45.
8. FTZB shall publish an Annual Report. 15 C.F.R. 400.3(8).

Role of U.S. Customs and Border Protection

1. Director is local Representative of the FTZB. 19 C.F.R. 146.2; 15 C.F.R. 400.7.
2. Port Director approves activation and alteration requests. 19 C.F.R. 146.6 and 146.7.
3. CBP will conduct spot checks and audits.
4. CBP provides recommendation to the FTZB with regard to requests to return zone-restricted merchandise into the customs territory. 15 C.F.R. 400.48(b)(4).

Role of Zone Grantee

1. File all applications with the FTZB.
2. Assist in marketing of zone project.
3. Select Operator.
4. Insure maintenance of facilities. 19 U.S.C. 81l.
5. Insure zone is run as public utility. 19 U.S.C. 81n.
6. Concur in all activation requests filed with CBP. 19 C.F.R. 146.6.
7. Insure that the Annual Report is timely filed with the FTZB. 19 U.S.C. 81p(b); 15 C.F.R. 400.51(c).
8. Submit the Zone Schedule to the Executive Secretary and the Port Director. 15 C.F.R.400.44(a).
9. Submit requests to the Executive Secretary with regard to whether an activity constitutes retail trade and can be conducted within zone. 15 C.F.R. 400.48(c).

Role of Zone Operator

1. Supervise all admissions, transfers, removals, recordkeeping, manipulations, manufacturing, destruction, exhibition, physical and procedural security and conditions of storage in zone as required by law and regulations. 19 C.F.R. 146.4.
2. Payment of any applicable activation fee and annual fee. 19 C.F.R. 146.5.
3. Prepare written application to the Port Director for activation of zone. 19 C.F.R. 146.6.
4. Make written application to the Port Director for approval of an alteration of an activated area. 19 C.F.R. 146.7.

5. File the requisite CBP Form 301 Foreign-Trade Zone Operator's Bond with the Port Director. 19 C.F.R. 146.7.
6. Sign all CBP Form 214s permitting merchandise to be placed into the zone. 19 C.F.R. 146.9.
7. Prepare a Procedures Manual outlining the inventory control system and recordkeeping system to be followed at the zone. 19 C.F.R. 146.21.
8. Responsible for preparing a reconciliation report within 90 days after the end of the zone/subzone year. 19 C.F.R. 146.25.
9. Perform an annual internal review of the inventory control and recordkeeping system and report discrepancies to the Port Director. 19 C.F.R. 146.26.
10. Maintenance of admission documentation. 19 C.F.R. 146.37.
11. Collect all in-bond documentation. 19 C.F.R. 146.40.
12. Filing of CBP Form 216 for permission to manipulate, manufacture, exhibit or destroy merchandise in a zone. 19 C.F.R. 146.52.
13. Report shortages and overages to CBP 19 C.F.R. 146.53.

Role of Zone User

1. Payment of customs duties for merchandise entering customs territory.
2. In many instances, the Zone User is responsible for maintenance of inventory control records, particularly where the Zone User has physical possession of zone merchandise. 19 C.F.R. 146.4.
3. In many instances the Zone User is the Zone Operator.

INTERNAL RULES

Qualifications

Persons and business entities may qualify as an FTZ Operator of Capital Region FTZ No. 121 provided that they have satisfied all requirements imposed by CBP, executed the necessary Operating Agreement with the Grantee, filed a Schedule of Rates and Charges with the Grantee, and met all additional laws and regulations imposed by agencies having jurisdiction over their activities.

Right of Entry

Representatives of the Grantee, FTZB, CBP and other authorized U.S. Government Officers, shall have the right to enter the 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.

Application to FTZB

The 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 may include expansions, boundary modifications, subzone applications and/or changes in scope of authority.

Retail trade within Capital Region FTZ 121

No retail trade may be conducted within Capital Region FTZ No. 121 unless written approval is issued by the FTZB.

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.

Exclusion from FTZ of goods or process

The FTZB may at any time order the exclusion from Capital Region FTZ No. 121 of any merchandise or process of treatment that in its judgment is detrimental to the public interest, health, or safety.

Foreign-Trade Zones Board Annual Report

The Grantee is responsible for preparing and filing with the FTZB 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 FTZ Board. In order for the Grantee to meet its responsibility in this regard, each Operator shall complete a form submitted by the Grantee to the Operator so that sufficient data is available. The Operator shall complete the form and return it to the Grantee pursuant to the terms of the Grantee-Operator agreement.

Procedures Manual

The Operator will provide the CBP Port Director with an English language copy of its written inventory control and recordkeeping systems procedures manual and all subsequent changes thereto. 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.

Inventory Control and Recordkeeping System

The FTZ Operator will maintain an inventory control and recordkeeping system capable of:

1. accounting for all merchandise, including domestic status merchandise, temporarily deposited, admitted, granted a zone status or status change, stored, exhibited, manipulated, manufactured, destroyed, transferred, and/or removed from the FTZ;
2. producing accurate and timely reports and documents as required by regulations;
3. identifying shortages and overages of merchandise in the FTZ in sufficient detail to determine the quantity, description, tariff classification, zone status, and value of the missing or excess merchandise;
4. providing all the information necessary to make entry for merchandise being transferred to the Customs territory;
5. providing an audit trail to Customs forms from admission through manipulation, manufacture, destruction, or transfer of merchandise from the FTZ either by zone lot or Customs authorized inventory method.

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 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 inventory system records from the receiving report or document using the zone lot number or unique identifier for traceability.

Accountability for merchandise

A zone lot number or unique identifier will be used to identify and trace merchandise. Fungible merchandise may be identified by an inventory method authorized by CBP, which must be consistently applied, such as First-In-First-Out (FIFO) and using a unique identifier. The inventory records will specify by zone lot number, or unique identifier (a) the location of merchandise; (b) zone status; (c) cost or value, except where the Operator's or user's financial records maintain cost or value and the records are made available for CBP review; (d) beginning balance, cumulative receipts and removals, adjustments, and current balance by date and quantity; (e) destruction of merchandise; and (f) scrap, waste, and by-products.

Physical inventories

The Operator is required to take at least an annual physical inventory of all merchandise in the FTZ (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 Port Director of any discrepancies.

Annual Reconciliation

The Operator will prepare a reconciliation report within 90 days after the end of the zone/subzone year unless the Port Director authorizes an extension for reasonable cause. The Operator will retain the annual reconciliation report for a spot check or audit by CBP. The report will contain a description of merchandise for each zone lot or unique identifier, zone status, quantity on hand at the beginning of the year, cumulative receipts and transfer (by unit), quantity on hand at the end of the year, and cumulative positive and negative adjustments (by unit) made during the year. 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 certification letter is required to contain the name and street address of the Operator, where the required records are available for Customs review; and the name, title, and telephone number of the person having custody of the records.

Annual system review

The Operator will perform an annual internal review of the inventory control and recordkeeping system and report to the Port Director any deficiency discovered and corrective action taken.

Shortages and overages

The Operator will report, in writing, to the Port Director upon identification, as such, of any (a) theft or suspected theft of merchandise; (b) merchandise not properly admitted to the zone; or (c) 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 inventory control and recordkeeping system. The operator 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.

Receipt of merchandise

Merchandise will be admitted into FTZ No. 121 only upon application on 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.

An Operator may qualify for direct delivery if its operations are predictable and stable over a long term and are relatively fixed in variety; merchandise is not restricted or of a type requiring Customs examination before or on its arrival, and CBP has no reason to believe the merchandise will be inaccurately described in admission documents; and when the Operator is the owner or purchaser of the merchandise.

Manipulation of merchandise

Prior to any action the Operator is required to file with the Port Director an application (or blanket application) on CBP Form 216 for permission to manipulate, manufacture, exhibit, or destroy merchandise in the zone. 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 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.

Transfer of merchandise to another FTZ Project

When merchandise is transferred from one FTZ to another, 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 from Capital Region FTZ No. 121

Except for domestic status merchandise, no merchandise may be removed from FTZ No. 121 without a Customs permit on the appropriate entry form or other document as required by pertinent regulations. The 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.

Transfer to customs territory for consumption

A CBP Form 3461 permit must be filed with and approved by CBP prior to the removal of any foreign status merchandise from Capital Region FTZ No. 121 for entry into the customs territory for consumption.

Weekly estimated entries for consumption

An Operator or User may, if it meets certain criteria, remove merchandise from Capital Region FTZ No. 121 based upon weekly estimated entries. The weekly estimated entry covers any 7 consecutive day period and shall be treated as a single entry for MPF purposes.

Transfer to customs territory for exportation

A CBP Form 7512 permit must be filed with and approved by CBP prior to the removal of any foreign status merchandise from Capital Region FTZ No. 121 for entry into the customs territory for exportation. The bonded carrier will assume liability for the transportation and exportation of the merchandise.

Weekly Estimated Exports

CBP may approve removal for exportation of merchandise from the Zone based on weekly estimates.

FEE SCHEDULES

Grantee Fee Schedule

There is a Zone Tariff for Capital Region FTZ No. 121 (See [Appendix Exhibit C](#)).

Operator Fees are charged annually and on a calendar year basis. First and last year fees shall be prorated based on date of designation for the first year and the date of site termination for the last year.

When an operator or user changes from an activated operator with warehousing authority to an activated operator with production authority or from activated operator with production authority to activated operator with warehousing authority, the annual fee shall be prorated and effective as of the date that status is changed and made effective by the Foreign-Trade Zones Board.

Operator Fee Schedules

Each operator will be responsible for preparation of its own Fee Schedule listing its charges. All rates and charges for all FTZ services within Capital Region FTZ No. 121 shall be fair and reasonable and the operators shall afford to all who may apply for the use of the FTZ and its facilities uniform treatment under like conditions.

APPENDIX

Exhibit A: Service Area, Subzones and Usage Driven Sites

Capital Region Foreign-Trade Zone

Magnet Sites, Subzones, and Usage-Driven Sites

- ★ Subzone 121A
- ★ Subzone 121C
- ★ Usage-Driven Site #7
- ★ Usage-Driven Site #8

Capital Region FTZ Service Area

- 📍 All items

Capital Region Foreign-Trade Zone #121 Magnet, Subzone, and Usage-Driven Site Locations

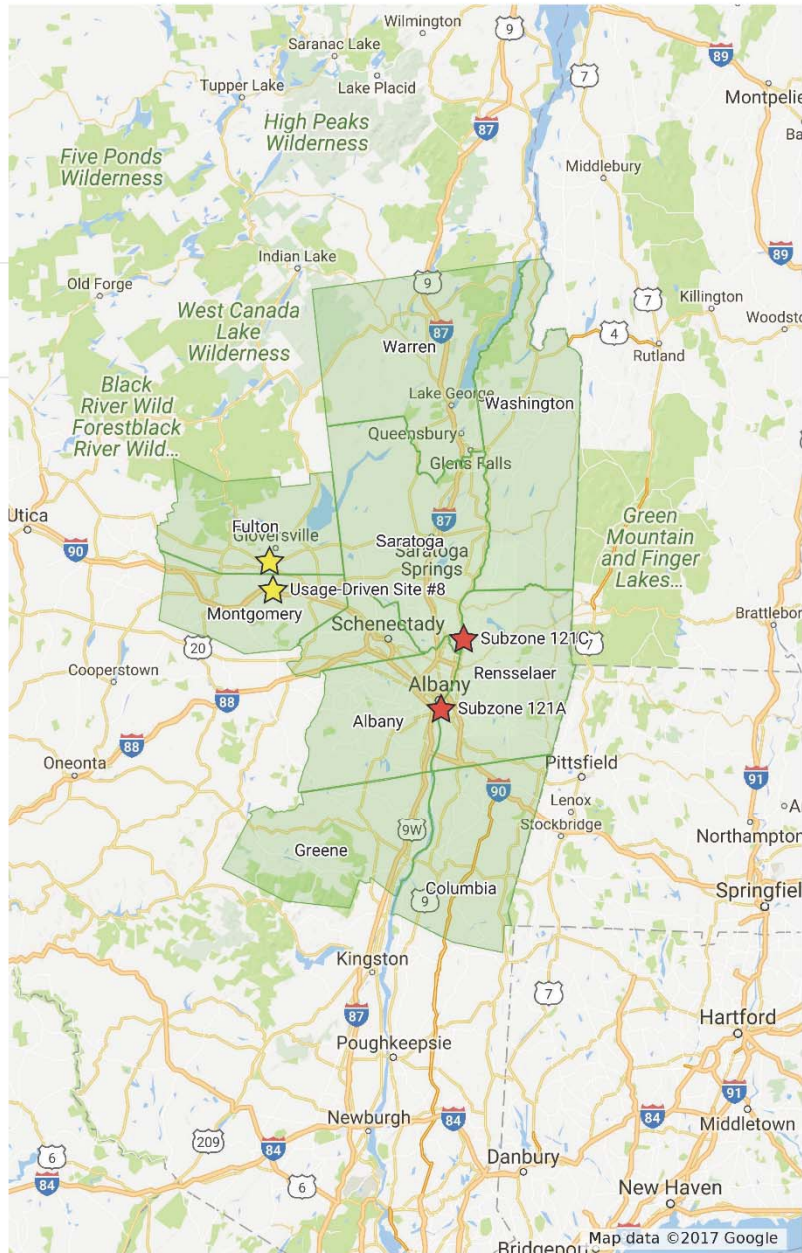
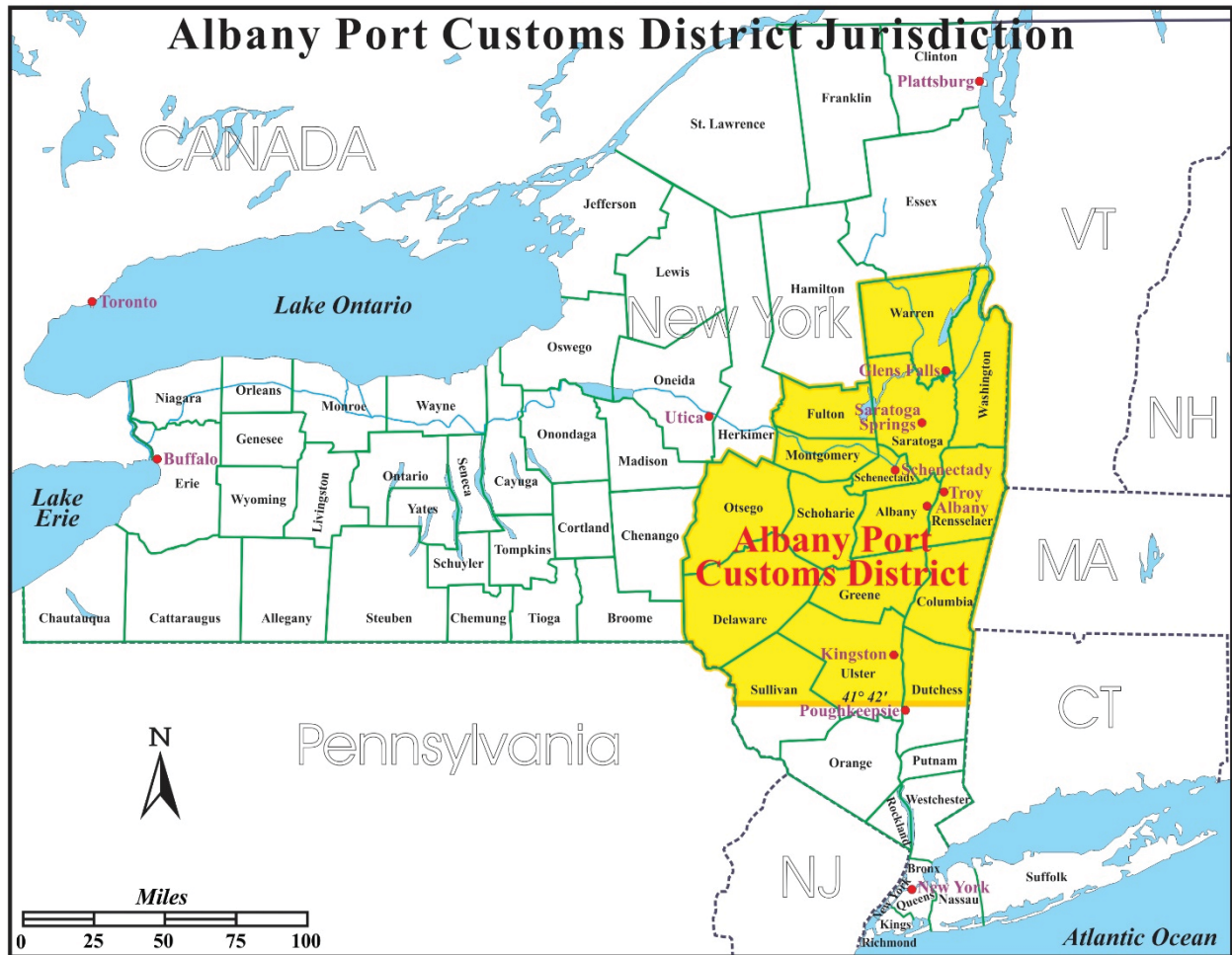


Exhibit B: Albany Port Customs District Jurisdiction



Prepared by The Capital District Regional Planning Commission

Exhibit C: Zone Tariff

Zone Tariff — Capital Region Foreign-Trade Zone # 121

Operator Fees for All FTZ Designated Sites for Warehousing Only

Annual Fee Schedule for Activated Operators with Warehousing Authority

Less than 20,000 sq. ft. of Activated Zone Space	\$ 1,000
20,000 – 50,000 sq. ft.	\$ 2,000
>50,000 – 100,000 sq. ft.	\$ 3,000
>100,000 – 250,000 sq. ft.	\$ 4,000
More than 250,000 sq. ft.	\$ 5,000

Includes Traditional General-Purpose Zone, Magnet, Usage-Driven, & Subzone Sites

Operator Fees for All Sites with Production Authority

Annual Fee Schedule For Activated Operators with Production Authority

Less than 20,000 sq. ft. of Activated Zone Space	\$ 2,500
>20,000 – 50,000 sq. ft.	\$ 5,000
>50,000 – 100,000 sq. ft.	\$ 7,500
>100,000 – 250,000 sq. ft.	\$ 10,000
More than 250,000 sq. ft.	\$ 12,500

Includes Traditional General-Purpose Zone, Magnet, Usage-Driven, & Subzone Sites

Operator Fees for Inactive FTZ Designated Usage-Driven and Subzone Sites

All Inactive Zone Sites	\$ -
-------------------------	------

Includes Usage-Driven, & Subzone Sites

One-Time Administrative Fees †

Late Annual Report Information Starting 42 Days Before FTZB Due Date per day	\$ 100
Grantee Agreement with Operator and/or User	\$ 3,250
Activation Fee	\$ 250
Sponsorship of Major Boundary Modification Application	\$ 5,000
Sponsorship of Scope of Authority Request ‡	\$ 3,000
Sponsorship of Minor Boundary Modification & Subzone Applications	\$ 3,000

† Administrative Fees do not include any applicable FTZ Board fees or the expense of preparing applications **except** for Minor Boundary Modification applications for Usage-Driven Sites and Subzones.

‡ Scope of Authority may include a Request for Production Notification and, if needed, a full Application for Production Authority; Source Changes; and changes to Production requiring a full Application.

Important Note: Changes in Fees Are Addressed In Agreements with the Grantee.

Effective July 15, 2018