

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.

FOREIGN-TRADEZONE #258



RATES, CHARGES, RULES AND REGULATIONS

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TARIFF NO. 002

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GENERAL INFORMATION

PRIVILEGES OF FOREIGN-TRADE ZONES

Under FTZ Board 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 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, authorizes 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, sold, exhibited, broken up, repackaged, assembled, distributed, sorted, graded, cleaned, mixed with foreign or domestic merchandise, or otherwise manipulated, or be processed or manufactured except as otherwise provided in this Act, and be exported, destroyed, or sent into customs territory of the United States therefrom, 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, and whether mixed or manufactured with domestic merchandise or not may, under 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 made for recoverable and irrecoverable waste; and if recoverable waste is sent into Customs territory, it 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, products 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 a Zone, of other articles, may be brought back thereto free of quotas, duty or tax.”

“Provided further, that if in the opinion of the Secretary of the Treasury their identity has been lost, such articles not entitled to free entry by reason of noncompliance with the requirements made hereunder by the Secretary of the Treasury shall be treated when they re-enter Customs territory of the United States as foreign merchandise under the provisions of the Tariff and Internal-Revenue laws in force at that time.”

“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), storage shall be considered to be exported for the purpose of:

“(a) The draw-back, warehousing, and bonding, or any other provisions of the Tariff Act of 1930, as amended, and the regulations thereunder,” and

“(b) The statutes and bonds exacted for the payment of draw-back, refund, or exemption from liability for Internal-Revenue taxes and for the purposes of the Internal-Revenue laws generally and the regulations thereunder.”

“Such a 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 deem 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 the Zone which operation would be subject to any provision or provisions of Section 1807, Chapter 15, 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 manufacture of 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 therefrom shall be 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 this section, may on such importation, be entered as American goods returned.”

APPLICATION OF TARIFF

APPLICATION OF FOREIGN-TRADE ZONE NO. 002 TARIFF

The rules, regulations and rates of this tariff shall apply at Foreign-Trade Zone #258, its subzones and annexes unless otherwise provided for.

GENERAL REGULATIONS

Foreign-Trade Zone #258 is regulated by the Foreign-Trade Zone Board, Washington, DC, under U.S. Code of Federal Regulations, Chapter IV, Part 400. Copies of these regulations are maintained at the Foreign-Trade Zone #258 office for reference.

CUSTOMS & BORDER PROTECTION REGULATIONS

Foreign-Trade Zone #258 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 office of Foreign-Trade Zone #258, for reference.

APPLICATION AND INTERPRETATION OF TARIFF

The Grantee shall (be the sole judge to) interpret and determine the applicability of any of the rates, rules and regulations or services provided for in this Tariff. However, any matter involving interpretation or action by Customs or other agency of the U.S. Government will be determined by the Port Director of Customs or his duly appointed representative.

OPERATION AS A PUBLIC UTILITY

Pursuant to Section 14 of the FTZ Act (19 U.S.C. 81n), FTZ #258 shall be operated as a public utility, and all rates and charges for all services or privileges within the zone shall be fair and reasonable.

UNIFORM TREATMENT

Pursuant to Section 14 of the FTZ Act (19 U.S.C. 81n), FTZ #258 shall afford to all who may apply to make use of or participate in the zone uniform treatment under like conditions. Treatment of zone participants within a zone (including application of rates and charges) shall not vary depending on whether a zone participant has procured any zone-related product or service or engaged a particular supplier to provide any such product or service.

FTZ #258 RATES, CHARGES, RULES AND REGULATIONS

Operational Rules and Policies of FTZ #258

FORMS AND PROCEDURES – 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 removed from a Zone, and other operations in a Zone authorized by the Act, are herein-after in this section generally described.

MERCHANDISE PERMITTED IN A ZONE

Foreign and domestic merchandise of every description, except such as is specifically prohibited by law, may without being subject to the Customs laws of the United States, except as otherwise provided in the Act and the regulations made thereunder, 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 licenses 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. Port Directors of Customs 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 Port Director may permit the temporary deposit of any such merchandise in the Zone pending final determination of its status. The transfer of articles of the second class to a Zone is subject to any requirements 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 Port Director as the representative of the Board, where the merchandise is not excluded by any other Federal agency having jurisdiction over the merchandise.

MERCHANDISE PROHIBITED BY BOARD – GOLD

All gold, except fabricated, is prohibited by special order of the Foreign-Trade Zone Board.

DISPOSITION OF MERCHANDISE IN A ZONE

In general, merchandise lawfully brought into a Zone may, in accordance with these and other regulations made under the provisions of the Act, be exported, destroyed, or sent into Customs territory of the United States therefore, in the original package or otherwise; but when foreign merchandise, and domestic merchandise whose identity has been lost, 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.

MANIPULATION, MANUFACTURE, EXHIBITION 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, repackaged, assembled, distributed, sorted, graded, cleaned, mixed with foreign and domestic merchandise, or otherwise provided by the Act.

(a) Permission for any manipulation, or exhibition in a Zone shall be obtained from the Port Director of Customs, as the representatives of the Board, subject to such application and procedure prescribed by the Secretary of the Treasury for the protection of the revenue.

(b) In the event of the denial of any application by the Port Director of Customs for any reason, the applicant, the Grantee, or the Operator of the Zone may appeal the adverse ruling of the Board. If any revenue protection considerations are involved in such an application, the Board shall be guided by the determinations of the Secretary of the Treasury with respect to them.

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.

STATUS OF MERCHANDISE IN A ZONE

(a) For the purpose of the Act and the regulations of this Section, all merchandise within a Zone except merchandise in transit through a Zone as provided in Sections 146.14 and 146.13 of Customs regulations, and except merchandise temporarily transferred to a Zone for manipulation as provided in paragraph

- (b) of this Section, shall be given a Zone Status as:
- (1) privileged foreign merchandise,
 - (2) non-privileged foreign merchandise,
 - (3) zone-restricted merchandise,
 - (4) domestic merchandise,

In accordance with Subpart C of Customs regulations:

(c) Imported merchandise which has been entered and which has remained in continuous Customs custody may be temporarily transferred to a Zone for manipulation under Customs supervision pursuant to Section 562, Tariff Act of 1930, as amended, and for return to Customs territory. Any such merchandise shall not be considered within the purview of the Foreign-Trade Zone Act, but shall be treated in all respects all through remaining in Customs territory. Therefore, no Zone form or procedure shall be considered applicable but the merchandise shall remain subject in the Zone to such requirements as are necessary for the enforcement of Section 562 and other pertinent Customs laws.

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 if found to interfere with the primarily uses of the Zone.

SUBSEQUENT IMPORTATION OF ZONE MERCHANDISE

Articles produced, processed or manufactured in a Zone and exported therefrom 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, processed or manufactured in a Zone exclusively with the use of domestic merchandise, the identity of which has been maintained in accordance with the Second Proviso 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 the Zone of any goods or process of treatment that in its' judgment is detrimental to the public interest, health, or safety.

RETAIL TRADE WITHIN ZONE

No retail trade shall be conducted within a Zone except under permits issued by the Grantee and approved by the Board. Such permittees shall sell no goods except such domestic or duty-paid or duty-free goods as are brought into the Zone from Customs territory. Permits which are sent to the Board for approval shall be accompanied by sworn statement subscribed to by the applicant before a duly authorized officer to administer oaths setting forth in detail the nature of the retail trade to be conducted, and containing an agreement that such applicant will sell no goods except the kinds specifically authorized by the Act, which are brought into the Zone from Customs territory. 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 the Zone is located. If the permittee violates any provision of the regulations of this Section, his permit shall be revoked by the Grantee, who shall immediately report such action to the Board.

PAYMENT OF CUSTOMS OFFICERS AND EMPLOYEES

- a. Any cost of maintaining the Customs and Border Protection for a Zone shall be paid monthly by the operator of such Zone to the Port Director of Customs and billed on a pro-rata basis to each Zone user.
- b. Customs officers and employees performing services in a Zone at night, or on Sunday and holidays, shall receive extra compensation, to be computed as and under the conditions prescribed by Customs regulations and such charges shall in turn be billed to Zone user for which charges were incurred.
- c. In a Zone at a where customary working hours are other than those herein mentioned, the Port Director of Customs is authorized to regulate the hours of Customs officers and employees assigned to the Zone so as to agree with prevailing working hours, but nothing herein shall be construed in any manner to affect or alter the length of a working day for Customs officer or employees, or the overtime pay.
- d. Any overtime or shift work requested set up by Zone operator or user, resulting in additional Customs costs, shall be the responsibility of the operator or user, and will not be borne by the grantee.
- e. Any costs of obtaining, installing, testing, operating and maintaining the computerized FTZ ICRS (FTZ Inventory Control and Recordkeeping System) shall be paid by the Zone operator or user, and shall not be borne by the grantee.

CHARGES BY OTHER GOVERNMENT AGENCIES

Charges made by government agencies that are not included in this Tariff should be arranged for and paid by the user/client that requires and uses such services.

PAYMENT OF ZONE PERSONNEL

Overtime or shift work requested by an Operator, resulting in overtime services of Zone Grantee or Operator (excluding normal security personnel) shall be billed to the Operator for reimbursement of cost.

HOLIDAYS

FTZ #258 offices will be closed in observance of the following holidays:

- New Year's Day (1st of January)
- Martin Luther King, Jr. Day (3rd Monday of January)
- President's Day (3rd Monday of February)
- Good Friday (Friday Preceding Easter)
- Memorial Day (Last Monday in May)
- Independence Day (4th of July)
- Labor Day (1st Monday of September)
- Columbus Day (2nd Monday in October)
- Veteran's Day (2nd Monday in November)
- Thanksgiving Day (4th Thursday in November)
- Day Following Thanksgiving (4th Friday in November)
- Christmas Day (25th of December)
- Day Following Christmas (26th of December)

Holidays falling on Saturday shall be observed on Friday.

Holidays falling on Sunday shall be observed on Monday.

Holidays subject to change

HOURS OF BUSINESS AND SERVICE

7:30 A.M to 4:30 P.M. Monday thru Friday

The Grantee's and Operator's hours of business and service, for Customs purposes, shall be the same as those prescribed in Customs regulations.

The Grantee and Operator shall be available for business activities on a 24-hour basis. Regular or normal business hours shall be between the hours of 7:30am and 4:30pm, 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, Operator and Customs officials.

Customs and Border Protection will not normally be available during the period of 12:00 noon to 1:00pm.

GRANTEE FEES FOR FTZ #258

APPLICATION FEE:

- Boundary Modification - minor \$2,500
- Boundary Modification - major \$5,000
- Production Notifications and Production Authority \$2,500
- Subzones \$5,000

ACTIVATION FEE:

- All Sites \$2,500

DEACTIVATION FEE:

- All Sites \$2,500

ANNUAL ADMINISTRATION FEE:

- General-Purpose Site \$7,500
- Subzone \$7,500

DEFINITIONS

ACT - The Foreign-Trade Zones Act of June 18, 1934

(48. Stat. 998-1003; 19 U.S.C. Bla-Blu), 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 Zone 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 Exclusive 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 #258.

PORT DIRECTOR OF CUSTOMS - The Port Director of Customs, Shreveport, LA - U.S. Customs and Border Protection.

GRANTEE – TexAmericas Center, To which the privileges of establishing, operating and maintaining Foreign-Trade Zone #258 have been granted.

ZONE OPERATOR - Operator of each zone site.

USER/CLIENT - An individual, company or corporation, utilizing the services and/or facilities of Foreign-Trade Zone #258.

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, Wake Island, Midway Islands, Kingmanreef, and the Island of Guam.

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 - Imported merchandise of every description (except articles specifically and absolutely prohibited by statute) which had/has been (1) grown, produced, or manufactured in the United States and not exported therefrom, or (2) previously imported into Customs territory and properly released from Customs custody.

For the purposes of return to Customs territory from a Zone and freedom from liability for the payment of duties or taxes, it includes only (1) domestic merchandise brought in the Zone from Customs territory whose identity has been maintained, and (2) the product of manipulation and manufacture in the Zone in which only privileged domestic commodities are mixed or combined; or in which foreign merchandise is so changed in form or enhanced in value as to be considered

a product made in the United States, except that duties and taxes are payable only on the quantity of the foreign merchandise contained in the product.

PRIVILEGED FOREIGN MERCHANDISE - Foreign merchandise for which an application (Customs Form 214) has been made for a certificate of identification, and which has been taken under supervision by the Port Director of Customs for the purpose of maintaining its' identity.

ZONE RESTRICTED MERCHANDISE - Foreign or domestic merchandise taken into the Zone, under the rules and regulations of the controlling Federal agency, for the sole purpose of exportations or destruction (except destruction of distilled spirits, wines, and fermented malt liquors), or storage pending exportation or destruction.

NON-PRIVILEGED FOREIGN MERCHANDISE - (1) Foreign merchandise properly in the Zone which does not have the status of (1) privileged foreign merchandise or (b) zone restricted merchandise, (2) waste recovered from any manipulation or manufacture or privileged foreign merchandise; or (3) domestic merchandise taken into a Zone whose identity has been lost.

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 the Zone and foreign merchandise which, under the laws and regulations of various other Federal agencies having jurisdiction within the Zone, is said to be "imported" into Foreign-Trade zones, Customs bonded warehouses or Customs custody. The latter merchandise, in relation to operations of the Zones, is considered to be foreign merchandise until its entry into the commerce of the United States.

DOMESTIC EXPORTS - Domestic merchandise exported from the United States, or particularly such merchandise exported through a Foreign-Trade zone. It includes merchandise of every description (except articles specifically and absolutely prohibited by statute) which have been (1) grown, produced or manufactured in the United States and not exported therefrom, 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 the Zone in which only privileged domestic merchandise is used, (2) the product of manipulation or manufacture in the 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 of a substantial portion of the finished product and (3) foreign merchandise which by manipulation or manufacture in the Zone has been so 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 transported 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 time of the original shipment to another foreign country. Its distinctive feature is that it is being transported, from one foreign country through the United States to another foreign country,

under a through bill of lading or other documentation for completed journey. The term is particularly applied to foreign merchandise shipped in transit through a Foreign-Trade zone.

RE-EXPORTS OF RESHIPMENTS - Merchandise from one foreign country initially destined to the United States which, after being unladen, 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 reshipments through a Foreign-Trade zone.

It includes privileged, non-privileged, or zone-restricted foreign merchandise which (1) is in the same condition as when transported into the United States, or (2) has been manipulated without any change in its form or nature, or (3) has been manufactured 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 or substantial ingredient thereof.

Generally, it includes all merchandise of foreign origin which has not been so 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, 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 - The unit or units of goods for which a separate record and account is to be kept by the Zone Operator.

CONTROL NUMBER - The number used on all Zone entry and exit forms to identify all merchandise and commodities. The Control Number shall, in all cases, be the same as the Harmonized Tariff Schedule of the United States.

BULK - In trade, a product or a mass (of a product) which is not packaged, bundled, bottled, or otherwise packed, so that it is designated 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 also is 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.

OPEN OR YARD STORAGE - The keeping of merchandise on open space within the fenced-in area of the Foreign-Trade zone where merchandise not requiring weather protection may be stored.

UNIT OR QUANTITY - Means the customary grouping of a commodity as to indicate the medium or method of measure.

QUANTITY - Means the numerical count of the units composing a shipment of commodity

TON - Means weight ton of 2,000 pounds, unless otherwise indicated.

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

MANIPULATION - Means breaking up, repackaging, assembling, distributing, sorting, grading, cleaning, mixing with foreign or domestic merchandise, or other activities which do not constitute processing or manufacturing.

LEASE - The document of agreement entered into between the Operator and User/Client for assignment of space within the Foreign-Trade Zone #258.

PERSON OF RECORD - The person, firm or corporation, in whose name is on the application to admit merchandise into Zone, 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, and original bill of lading endorsed to him, or a carrier's certificate.

ZONE INVENTORY SYSTEM (*also called the FTZ Inventory Control and Recordkeeping System "FTZ ICRS"*) - An operator shall maintain the inventory control and recordkeeping system of the zone in accordance with the provisions of 19 CFR Part 146. An operator shall maintain either manual or automated inventory control and recordkeeping systems or a combination of manual and automated systems.