

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-TRADE ZONE NO. 35

GRANTEE

PHILADELPHIA REGIONAL PORT AUTHORITY

ZONE SCHEDULE

**AMENDED ZONE SCHEDULE
 ZONE PROJECT
 FOREIGN TRADE ZONE No. 35**

GRANTEE: PHILADELPHIA REGIONAL PORT AUTHORITY

GENERAL PURPOSE ZONE SITES:

<u>SITE NUMBER:</u>	<u>LOCATION:</u>	<u>OPERATOR & SIZE: OPERATOR</u>	<u>ASSIGNED</u>
2	Pier 98 Annex, Philadelphia Philadelphia, PA	90 Acres	No
3	Pier 38 and half of the first Floor of Pier 40, Philadelphia	130,880 Sq. Feet	No
4	Penn Terminals Complex One Saville Avenue Eddystone, PA	35 Acres	No
6	Publicker Site 2937 Christopher Columbus Blvd. Philadelphia, PA	38 Acres	No
7	American Foodservice Corp. 400 Drew Court King of Prussia, PA	2 Acres	No
8	Fuel Facilities Lot #8 Philadelphia, PA	35 Acres	Yes
10	Menasha Packaging Philadelphia Naval Yard 1701 Langley Avenue PNBC Building #694	210,120 Sq. Ft.	No

11	Urban Outfitters 755 Brackbill Road Gap, Pennsylvania	37.52 Acres	No
12	Kinder Morgan Bulk Terminals, Inc. 1 Sitner Road Fairless Hills, Pennsylvania	80 Acres	No
13	Delaware River Stevedores, Inc. 3451 North Delaware Ave Philadelphia, Pennsylvania	2.462 Acres	No
14	David's Bridal, Inc. 444 North Lane Conshohocken, Pennsylvania	10.12 Acres	Yes
15	David's Bridal, Inc. 100 Crossing Drive Bristol, Pennsylvania	26.5 Acres	Yes

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SUBZONES: LOCATION:	OPERATOR &	SIZE:	IN USE:
35A	Ford Electronics & Refrigeration Corp Church Road Lansdale, Pa. 19446	36 Acres	No
35B	Merck & Co., Inc. One Merck Drive Whitehouse Station, NJ. 08889	387 Acres	Yes
35C	Philadelphia Energy Solutions, LLC 1735 Market Street Suite LL Philadelphia, Pa. 19103	2,100 Acres	Yes
35D	Monroe Energy, LLC 4101 Post Road Trainer, Pa 19061	477 Acres	Yes
35E	AKER Philadelphia Shipyard Inc. Philadelphia Naval Business Ctr. Philadelphia, Pa. 19112	114.32 Acres	Yes
35F	Teva Pharmaceuticals USA, Inc. Site 1: 1070 Horsham Road North Wales, PA 19454	38 Acres	No
	Site 2: 111 New Britain Blvd. Chalfont, PA 18914	29 Acres	No
	Site 3: 9747 Commerce Circle Kutztown, PA 19530	7 Acres	No
	Site 4: 650 Cathill Road Sellersville, PA 18960	63 Acres	No

Prepared By: David K. Harvey
DATE OF ORIGINAL SCHEDULE: July 15, 1979

DATE OF FIRST AMENDMENT: November 1, 1985
DATE OF SECOND AMENDMENT: November 1, 1999
DATE OF THIRD AMENDMENT: November 15, 2000
DATE OF FOURTH AMENDMENT: September 10, 2001
DATE OF FIFTH AMENDMENT: March 11, 2002
DATE OF SIXTH AMENDMENT: September 4, 2002
DATE OF SEVENTH AMENDMENT: May 5, 2004
DATE OF EIGHTH AMENDMENT: July 24, 2006
DATE OF NINTH AMENDMENT: January 24, 2008
DATE OF CURRENT AMENDMENT: March 23, 2010
DATE OF CURRENT AMENDMENT: July 20, 2010
DATE OF CURRENT AMENDMENT: July 20, 2010
DATE OF CURRENT AMENDMENT: August 20, 2012
DATE OF CURRENT AMENDMENT: October 11, 2012
DATE OF CURRENT AMENDMENT: July 29, 2013
DATE OF CURRENT AMENDMENT: December 11, 2013
DATE OF CURRENT AMENDMENT: February 4, 2014

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Administrative Organization
Foreign-Trade Zone No. 35

Grantee Contacts And Offices:

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General Purpose Site Operators:

Barry Renniger
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American Food Service Corporation
King Of Prussia, Pa. 19406
(610) 277-5010 Fax (610) 277-8474

David's Bridal, Inc.
Nicole Jones, Customs Compliance
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Bristol, Pa
(610) 943-6561 Fax (610) 943-2594

Aircraft Services International, Inc.
Pat Carr, General Manager
3 Hog Island Road
Philadelphia, PA 19153
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Aircraft Services International, Inc.
Zora Salov, Finance
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Aircraft Services International, Inc.
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Subzone Operators:

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North Wales, PA 19454
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Policy Statement

Foreign-Trade Zone No. 35:

On April 23, 1992, pursuant to Foreign-Trade Zones Board Order 575, The Philadelphia Regional Port Authority (“PRPA” or “Authority”) was appointed Grantee of Foreign-Trade Zone No. 35.

It is the policy of the PRPA, to maintain the Zone Project as a service to the community to improve trade and economic development by maintaining and attracting business; enhancing commerce in the Philadelphia Region; and by creating and retaining jobs. To implement this policy, the benefits accorded to Foreign-Trade Zone status will be used as an economic development tool.

The PRPA’s enabling statute established the Authority for the purpose of enhancing water borne commerce. Functioning as Grantee of FTZ No. 35 is fully compatible with the Authority’s Statutory mandate. It is the belief of the Authority that the greater the amount of commerce that flows through the Philadelphia Metropolitan area, the more attractive the Port of Philadelphia will be to industries supporting and engaging in water borne commerce.

All rates and charges for all services or privileges within the zone shall be fair and reasonable, and the Grantee and Zone Operator shall afford to all who may apply for the use of the zone and its facilities and appurtenances uniform treatment under like conditions, subject to such treaties or commercial conventions as are now in force, or may hereafter be made from time to time by the United States with foreign governments. (15 CFR, Chapter IV, Part 400, Section 1003a).

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Any potential applicant requesting status as a General Purpose Zone Operator or Subzone Operator must obtain approval from the Board of the Authority prior to any application being submitted to the Foreign-Trade Zones Board.

Copies of this Zone Schedule are available for inspection at Philadelphia Regional Port Authority, 3460 N. Delaware Avenue, 2nd Floor, Philadelphia, Pa. 19134 and upon request for \$10.00 a copy.

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Application of Zone Schedule and Regulations:

Application of Foreign-Trade Zone No. 35 Zone Schedule: The rates, rules and regulations of this Zone Schedule shall apply at Foreign-Trade Zone No. 35, its Sub-Zones and Annexes unless otherwise provided for. (Operator's Agreements Supplement this Zone Schedule).

Application and Interpretation of Zone Schedule: The Grantee shall be the sole judge to interpret and determine the applicability of any of the rates, rules, regulations or services provided for in the 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 their duly appointed representative.

Note: This Zone Schedule can be changed, corrected and/or modified at anytime by the grantee and with notification to the U.S. Foreign-Trade Zones Board.

General Regulations: Foreign-Trade Zone No. 35 is regulated by the Foreign-Trade Zones Board, Washington, D.C. under Code of Federal Regulations, Chapter IV, Part 400. See Appendix "A" for a copy of the aforementioned Regulations.

United States Customs Regulations: Foreign-Trade Zone No. 35 is subject to special Customs regulations as defined in U.S. Code of Federal Regulations, Chapter I, U.S. Customs, part 146 - Foreign-Trade Zones. See Appendix "B" for a copy of the aforementioned Regulations.

Zone Regulations:

The following rules governing procedures within Foreign-Trade Zone #35 for any purpose whatsoever shall be bound by the lawful regulations of the Foreign-Trade Zones Board and by the zone regulations issued thereunder. Grantee reserves the right to alter, amend, revoke or delete parts or all of these regulations, issue new regulations and otherwise exercise the right to control the operations of users within the zone territory to the extent necessary to enforce all applicable laws and regulations.

Inspection:

Zone Operator or Grantee 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.

Erection of Buildings / Improvements Made Within Zone:

The erection or improvements made on buildings in the zone by parties other than the Zone Grantee is prohibited without the permission of the Zone Grantee, and the concurrences of the local District Director of Customs, and the Executive Secretary of the Foreign-Trade Zones Board. An application for permission to erect one building must contain as a minimum a description of the building, security arrangements, and a discussion of its intended use. Permission may be given, provided that [a] such permission shall not constitute a vested right as against the United States, nor interfere with the regulation of the Grantee or the Zone Operator by the United States, nor interfere with or complicate the revocation of the grant by the United States; [b] in the event of the United States or the Grantee desiring to acquire the property of the Zone Operator, no good will shall be considered as accruing from the privilege granted to the Zone; and [c] 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.

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Procedure to Request Erection of Building or Improvement:

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Prior the proceeding to erect a building or improvement to a zone site or subzone, the following must occur:

1. A letter is sent to Grantee requesting permission to build or make improvement;
 - a. The letter shall also have a:
 1. Detailed description of the building or improvement; and
 2. Drawings of proposed change.
2. The Grantee forwards a copy of the request to U.S. Customs;
3. U.S. Customs gives its approval to build or make the improvement;
4. Grantee gives its approval to build or make the improvement; and
5. Grantee issues a permit to entity requesting to build or make the improvement.

It is Grantee's policy to grant requests unless requests violate any provision of the Act or Regulations there under.

Compensation Insurance:

Every person employed by contractors or customers in the zone shall be properly covered by Workmen's Compensation Insurance. Proof of this shall be given to the Grantee.

Public Interest, Health, Welfare and Safety:

No operation, process or treatment will be permitted in the zone that, in the judgment of the Grantee creates a nuisance or is detrimental to the public interest, health, welfare and safety.

Confidential Relationship:

The Zone Operator or Grantee 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 suitably disciplined or discharged.

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Foreign-Trade Zone Designation:

The Grantee maintains the right to transfer or remove the Foreign-Trade Zone designation from

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any area or location in the Grantee's Zone Project with or without the landowner's consent.

Procedure to Transfer or Remove Foreign-Trade Zone Designation:

Prior to filing an application with the Foreign-Trade Zones Board to transfer or remove a Foreign-Trade Zone designation from a zone, the Grantee will either:

1. Obtain a written letter of consent by the Landowner to have the Foreign-Trade Zone designation removed from the site; or
2. Send written notice to the Landowner that states following:

Identifying that the Foreign-Trade Zone designation is being removed from the site;

Identifying the reason the Foreign-Trade Zone designation is being removed from the site;

Stating that the landowner has seven calendar days to respond to the notice with a justification why the Foreign-Trade Zone designation should not be removed; and

That final determination of the removal or transfer of the Foreign-Trade Zone designation is up to the Foreign-Trade Zones Board.

Upon filing of an application to the Foreign-Trade Zones Board for the transfer or removal of the Foreign-Trade Zone designation, the Grantee will include the letter of concurrence from the owner or the letter notifying the owner of the change along with a letter to the Foreign-Trade Zones Board that the landowner did not respond to the notice within the time period allotted.

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Limits of Liability:

The responsibility of individuals, Grantee's and Zone Operators, in the absence of written

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provisions, is the reasonable care and diligence required by law. The Grantee and/or the Zone Operator is not liable and cannot assume any responsibility for any loss or damage to freight, cargo or merchandise, or other property upon the zone premises or from any cause whatsoever, including but not limited to loss or damage caused by: the elements, heat, cold, dampness, evaporation, leakage, seepage, natural shrinkage, wastage, decay, rain, floods, windstorm, hailstorm, fire, explosion, leakage or discharge from automatic fire protective or sprinkler systems, collapse of buildings or structures, floats, logs or pilings required in breasting vessels away from wharf, or accidents on tracks or roadways or elsewhere on Grantee's property; animals, rats, mice or other rodents; moths, weevils or other insects; pilferage, robbery, larceny, burglary; breakage by improper packing, insufficiency or absence of marks, names, addresses, descriptions; breakdown of cranes or power service or machinery or equipment, wear and tear; shortage of labor, combinations, insurrection, civil and military commotion, criminal acts, insufficiency of notification, acts of third persons, acts of God, the Public Enemy, the inherent nature of the merchandise itself or other causes whatsoever.

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Zone Operators (General Purpose & Subzone) / Users General Responsibilities:

Zone Operators/Users assume the following responsibilities concerning Foreign-Trade Zone activities, they shall;

- a) Exercise reasonable care in executing all zone documentation, following inventory control procedures as established by the Zone Operator, and full compliance with Part 35 of the Customs Regulations concerning Foreign-Trade Zone activity;
- b) Limit access to designated zone areas to only those employees or visitors with an official or dutiful need to access the zone area;
- c) Be responsible for maintaining adequate precautionary measures in order to insure the security of zone merchandise;
- d) Be responsible for explaining any inventory discrepancies that may occur concerning merchandise having zone status to the Zone Operator/Grantee and/or Customs;
- e) Inform the Grantee of any spot check or audit occurring;
- f) Make payment to and /or reimbursement of Zone Operators/Grantee for any penalties or liquidated damages assessed by Customs for any violation of Zone regulations as a result of the Zone Operator/User's actions or inactions;

Operations Manual:

Prior to activation each operator will submit for approval a Procedures Manual for their subzone or zone site to the Grantee and the U.S. Customs Service. Any amendments and /or revisions made to the procedures manual must be sent to any amendments or revisions being implemented. Copies of prior procedure manuals shall be maintained for 10 years.

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Non-Liability:

1. The Philadelphia Regional Port Authority as Zone Grantee shall not be liable and will not assume responsibility for injury to persons or for loss or damage to freight, cargo or merchandise or other property within the zone, or for loss or damage arising from acts; commission or omission of Zone Operators/Users.
2. The Zone Operator/Users will Indemnify and hold the Zone Grantee harmless from any loss of whatever nature arising out of Zone Operator/User's operations.

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Rates and Charges For Foreign-Trade Use:

Foreign-Trade Zone 35 has designed its fee schedule to fit five standard categories of clients. Fees by category are:

1. Application: The Philadelphia Regional Port Authority does not charge any fee for an application to the Foreign-Trade Zones Board. The entity desiring Foreign-Trade Zone status or modification of status will pay for any application fee to the Foreign-Trade Zone Board and any cost to provide notice.
2. General Purpose Site Operators: The annual Fee is \$5,000.00.
3. Subzones: Annual Fee \$15,000.00 prior to 6/30/06 After 6/30/06 Annual Fee \$20,000.00.
4. U.S. Customs Bond: No less than the total value of all duty, fees and taxes due on all cargo on hand at any given time. The Foreign-Trade Zone user will provide a letter holding the Philadelphia Regional Port Authority harmless from any liability claims or punitive measures imposed by the U.S. Customs Service.
5. Any extended legal costs or unusually high expenses involved with unforeseen, complex issues will be proportionally shared by the Subzone Operators, General Purpose Site Operators and FTZ Users involved in the issue.

Effective Date: November 1, 1999

By: David K. Harvey

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Rates and Charges Imposed by Operators:

At present, none of the subzones charge fees from companies to use their zone space. This is because it is not in the nature of their business to handle cargo as they are specialized businesses.

With regard to General Purpose Operators, attached as Appendix “C” is a list of Rates Charged by each individual operator. Operators rates for zone use may be updated from time to time, upon
notice to the Authority.

General Purpose Zone Operators

Public Warehouse Rate Schedule:

Steel Products, viz:

	Coils	Slabs
Handling In	Net Ton	Net Ton
Handling Out	Net Ton	Net Ton
Storage	Net Ton	Net Ton
Rail Car Loading-Additional Unloading		Net Ton Slabs Net Ton Coils

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Merchandise Movement In Zone:

If the Zone Operator is required to move merchandise into or from storage area into or from manufacturing, manipulation and assembly areas, charges for such services will be made.

Payments for Miscellaneous Services:

Charges shall be due and payable when services are rendered or when Zone Operator incurs an indebtedness for the account of the Zone user/client. Zone Operator also reserves the right to require either a deposit or full payment in advance before rendering any services on incurring any indebtedness for the account of the Zone user/client in addition to any other appropriate action which Zone Operator may take under this Tariff.

Insurance:

Warehouse rates do not include insurance. It is suggested that arrangements be made for whatever coverage may be considered necessary.

Liability:

All goods are stored at owner's risk of loss. Liability for loss shall be limited to the actual value of the goods stored; and in no case should the liability exceed 50 times the base storage rate unless an excess value is declared by the storer at the time the goods are stored. There will be an a charge on the excess valuation in addition to the base storage rate. The warehouseman shall not be liable for any loss or damage unless the claim for such loss (or) damage has been presented not later than sixty days from the date of shipment from warehouse.

Long Term Contracts:

Long term contracts will receive special discounts in rates.

Tender for Storage Manipulation:

The owner or agent shall furnish at, or prior to delivery to quantity weights, measurements and value of the merchandise to be kept and accounted for separately, otherwise merchandise may be stored in bulk or assorted lots in general storage at the discretion of the Zone and will be charged for accordingly. When an agent of the owner is the applicant of admission for the merchandise, he shall clearly indicate the name and address of the party or office to be billed either on Customs Form 214, which is required for each lot of merchandise admitted, or shall refer on Customs Form 214 to separate letter giving the billing instructions. In the absence of special billing instructions, agent's office will be invoiced and Zone Operator will hold against responsible for all charges on any merchandise held for agent's account. The Zone Operator undertakes to store and deliver merchandise has been manipulated, repacked or remarked. When information to the Zone Operator giving the new marks, brands, quantities and sizes, and delivery shall be made in accordance therewith. Where goods are accepted in open packages or where original packages are broken from partial delivery, storage is at owner's risk of loss or damage.

Penalty Storage Charges:

When merchandise is placed in a Zone area or an area under control of the Zone management contrary to rules and regulations and administrative instructions of the Zone Operator, merchandise is placed outside of the Zone area leased or contracted for by Zone user/client, a penalty storage charge may be made against such user/client. This charge will be based on a daily charge of \$1.00 per cubic feet or 50-lbs. Measure whichever is greater. Penalty storage charges will be payable when they accrue and the Zone reserves the right to seize merchandise which remains in illegal storage beyond a period of five consecutive days.

Equipment Rents and Outside Contractors:

When it is necessary for the Public Warehouse Operator to employ outside equipment and/or contractor to perform duties as requested by a Zone Public Warehouse user/client, the person or persons for whom the operation is performed will be billed the actual amount paid by the Zone Public Warehouse Operator for the use of each contractor or equipment plus twenty-five percent (25%) of the total thereof.

Shift Work:

Shift work on regular basis will be considered an extension of “normal business hours” and will not be subject to special zone labor charges. Any Customs personnel charges resulting from shift work shall be paid by the person or persons requesting such services.

Shift work on an irregular or one time basis shall be subject to appropriate overtime charges as may be required.