

## **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](mailto:ftz@trade.gov).

IMPERIAL COUNTY FOREIGN-TRADE ZONE  
FOREIGN-TRADE ZONE No. 257  
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FOREIGN-TRADE ZONE No. 257

IMPERIAL VALLEY FOREIGN-TRADE ZONE  
(Zone Grantee)

ZONE SCHEDULE  
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RATES, CHARGES, RULES AND REGULATIONS

Applying at

FOREIGN-TRADE ZONE No. 257  
(Imperial County, California)

Operation under grant authority of the  
Government of the United States of America  
to the Imperial County

IMPERIAL COUNTY FOREIGN-TRADE ZONE  
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CHECK SHEET

Listed below are all revisions to Foreign-Trade Zone No. 257, Tariff No. 1

Page No.	Revision No. Or Effective Date
<u>19-20</u>	-----

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Foreign-Trade Zone No. 257

IMPERIAL COUNTY FOREIGN-TRADE ZONE  
(Zone Grantee)

**Zone Grantee's Office:**

Imperial County Foreign-Trade Zone  
940 Main Street  
El Centro, CA 92243

(760) 482-4900

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**DESCRIPTION OF FOREIGN-TRADE ZONE**

Foreign-Trade Zone #257 is sponsored by the County of Imperial and is administered by the Imperial Foreign-Trade Zone Joint Powers Authority as Zone Grantee, pursuant to a grant of authority, under Provisions of Public Law No. 397, 73<sup>rd</sup> Congress, approved June 18, 1934, as amended, issued by the Foreign-Trade Zones Board, Washington, D.C. on October 28, 2003, Board Order 1286, published in the Federal Register Volume 68, Number 208 on October 28, 2003. The Zone project consists of five (5) General-Purpose Zone Sites and comprises over 1,950 acres in Imperial County and within the City limits of Brawley, Calexico, Calipatria and El Centro

Zone Site 1: (755 acres, 3 parcels)

- Site 1a (597 acres) - Gateway of the Americas, State Route 7 and State Highway 98, Imperial County
- Site 1b (43 acres) - Imperial County Airport, State Highway 86 and Aten Road
- Site 1c (115 acres) - Drewry Warehousing complex, 340 West Ralph Road, Imperial County

Zone Site 2: (77 acres, 2 parcels)

- Site 2a (32 acres) - Airport Industrial Park, Jones Drive and Best Road with adjacent parcel on Duarte Street, Brawley
- Site 2b (45 acres) - Luckey Ranch Industrial Park, Best Road and Shank Road, Brawley

Zone Site 3: (483 acres)

- Located at (a) Calexico International Airport (227 acres) and (b) adjacent industrial parks (256 acres) within the Calexico Community Redevelopment Agency project area

Zone Site 4: (104 acres)

- Calipatria Airport Industrial Park and adjacent parcel, Main Street, International and Lyerly Roads, Calipatria

Zone Site 5: (531 acres)

- Within the El Centro Community Redevelopment Agency project area (Danenberg Road, Dogwood Road and I-8), El Centro. The sites are generally located within the County's Federal Empowerment Zone and Enterprise Community Initiative area.

**PRIVILEGES OF FOREIGN-TRADE ZONES**

Foreign-Trade Zone No. 257 shall be subject to and Zone Operator/users / Zone Operators are entitled to the rights, privileges, powers, and immunities set forth in the Foreign-Trade Zones Act of 1934, as amended (19 US □ 81 et. seq.) and such rules and regulations promulgated thereunder by the Foreign-Trade Zones Board.

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**APPLICATION OF RATES, RULES AND REGULATIONS**

The rates, rules and regulations published in this Zone Schedule / Tariff will apply to all Zone Operators and/or Zone Operator/users of the General-Purpose Zone and Subzone under the jurisdiction of Foreign-Trade Zone #257. Copies of this Zone Schedule / Tariff are on file with the Foreign-Trade Zones Board, Washington, D.C., and are available at the Imperial County administrative offices upon request.

*EFFECTIVE DATE:*

This shall be effective on and after the effective date shown on each page.

*NOTE TO PUBLIC:*

This tariff is notice to the public that the rates, charges, rules, and regulations apply to all Operator/users without specific notice or quotation.

*USE OF FACILITIES DEEMED ACCEPTANCE OF ZONE SCHEDULE / TARIFF*

Use of the Zone Grantees / Zone Operator's Foreign-Trade Zone facilities, bond or FTZ management shall be deemed an acceptance of this Zone Schedule / Tariff and the terms and conditions named herein.

*APPLICATION AND INTERPRETATION OF ZONE SCHEDULE / TARIFF:*

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

**DEFINITION**

- **Act**: The term "Act" means the Foreign-Trade Zones Act.
- **Activation**: Approval by the Zone Grantee and U.S. Customs & Border Protection Port Director permitting operations to begin which allow the admission and handling of merchandise in zone status.
- **Admission**: The physical arrival of goods into a zone in a specified zone status with the appropriate approvals of the Zone Grantee and the U.S. Customs & Border Protection. The word "admission" is used instead of "entry" to avoid

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confusion with CBP entry processes under Parts 141-144 of the CBP Regulations.

- **Alteration**: A change in the boundaries of an activated zone or subzone. Activation of a separate site of an already activated zone or subzone with the same Zone Operator at the same port. The relocation of an already activated site with the same Zone Operator.
- **Board**: The term "Board" means the Foreign-Trade Zone Board.
- **Compliance Assessment**: Is a mechanism by which a team evaluates a company to ensure its CBP transactions are in compliance with the laws and regulations. The objective of a compliance assessment is to assess the compliance level in specific trade areas; to determine if the importer had documented CBP related internal controls; and, to evaluate the risk to CBP of the importer's noncompliance.
- **Constructive Transfer**: A legal fiction which permits acceptance of a CBP Entry for Zone merchandise before its physical transfer to the Customs territory. Constructive transfer is deemed to have occurred when the U.S. Customs & Border Protection receives an Entry in proper form. If the Entry is not accepted, it will be deemed constructively transferred back to the Foreign-Trade Zone in its previous Zone Status.
- **Customs Territory**: The Customs territory is the territory of the U.S. in which the general tariff laws of the U.S. apply. Customs territory of the United States includes only the States, the District of Columbia and Puerto Rico. (General Note 2, Harmonized Tariff Schedule of the United States (19 U.S.C. 1202))
- **Deactivation**: Voluntary discontinuation of the activation of an entire zone or Subzone by the Zone Grantee or Zone Operator. (Discontinuance of the activated status of only part of a Zone is an alteration.)
- **Direct Delivery**: A procedure for delivery of merchandise to a zone without prior application and approval on CBP Form 214; designed for low-risk, repetitive shipments whose ordering and timing are under the control of the Zone Operator. Approval to utilize direct delivery must be obtained from the Port Director.
- **Drawback**: Drawback means the refund or remission, in whole or in part, of a customs duty, fee or internal revenue tax which was imposed on imported merchandise under Federal law because of its importation, and the refund of internal revenue taxes paid on domestic alcohol as prescribed in 19 USC 1313(d).



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- **Enforced Evaluation Team**: Is a group which evaluates the discrepancy or possible violation of a company to determine if it is an isolated instance of noncompliance or part of a larger pattern or history of violations. The EET considers input from the discovering officer, the Account Manager/Port Account Team, Compliance Assessment Team Leader, as well as the significance/materiality of the violation. Based upon the nature, extent and impact of the discrepancy/possible violation, the EET selects the appropriate response to the problem.
- **Entry**: Notification to the U.S. Customs & Border Protection of the arrival of imported goods in the Customs territory of the U.S. Merchandise withdrawn from a zone for consumption in the U.S. is entered when it is removed from the zone. Goods brought into a zone are admitted.
- **Foreign-First (FOFI)**: An accounting method based on the assumption that foreign-status merchandise is deposited of first. Permission to use FOFI must be obtained from U.S. Customs & Border Protection and is granted on a case-by-case basis.
- **General-Purpose Zone**: A general-purpose zone is established for multiple activities by multiple operator/users. Storage, distribution, testing, repackaging and repair are some of the possible activities in a GPZ. Processing or manufacturing in a GPZ requires the permission of the Foreign-Trade Zones Board.
- **Harmonized Tariff Schedule of the United States (HTSUS)**: Published by the U.S. International Trade Commission, the TSUS is used in the classification of imported merchandise for rates of duty and statistical purposes.
- **Holiday**: Holiday is any legal holiday proclaimed by a state or national authority or designated by applicable collective bargaining agreements.
- **Inverted Tariff**: Where imported parts are dutiable at higher rates than the finished product into which they are incorporated.
- **Manipulation**: As defined in Section 562 of the Tariff Act, processing wherein merchandise is packed, unpacked, repacked, cleaned, sorted, graded or otherwise changed in condition. The precise distinction between manipulation and manufacturing is subject to interpretation and enjoys a long history of case law.
- **Manufacturing**: The U.S. Customs & Border Protection determines what constitutes manufacturing on a case-by-case basis, distinguishing it from other operations such as manipulation, processing, production and blending. The FTZ

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Board has defined it as any process that results in a change in CBP classification of the merchandise, and therefore, requires prior clearance from the Board pursuant to the manufacturing conditions in specific foreign-trade zone grants.

- **Operator's Bond**: A bond submitted to U.S. Customs & Border Protection, on CBP Form 301, to assure compliance with the Customs Regulations as set forth at 19 CFR 113.73.
- **Port**: "Imperial County Foreign-Trade Zone" shall mean all U.S. Customs & Border Protection ports of entry within Imperial County included within the Port District of 2507 and 2503 as created and defined by the federal government and pursuant to provisions of the Charter of the Imperial County, together with all areas, premises and facilities including the Foreign-Trade Zone which are under the jurisdiction of the Board.
- **Port of Entry**: A place designated by the U.S. Government at which a U.S. Customs & Border Protection officer is assigned with authority to accept entries of merchandise collect duties and enforces the various provisions of the Customs laws. A Service Port is a CBP location that has a full range of cargo processing functions, including inspections, entry, collections, and verification (19 CFR 101.1).
- **Processing**: Any zone activity (other than manufacturing) requiring a change in condition of merchandise which results in a change in the CBP classification of an article or in its eligibility for entry for consumption.
- **Risk**: The degree of exposure to the chance of noncompliance which would result in the loss or injury to the trade, industry or the public.
- **Subzone**: A special-purpose zone established as part of a zone project for a limited purpose that cannot be accommodated within an existing General-Purpose Zone. Subzones must be sponsored by the Zone Grantee of a General-Purpose Zone. The term "Subzone" shall mean any person or firm wishing to become a Subzone will enter into an agreement with the Zone Grantee and refer to the Zone Schedule / Tariff.
- **Transaction(s)**: The term "Transaction or Transactions" shall mean any change in inventory, and/or manipulation activity being performed within the Zone.
- **Transfer**: To take merchandise with zone status from a Foreign-Trade Zone for consumption, transportation, exportation, warehousing, cartage or lighterage, vessel supplies and equipment, admission to another Foreign-Trade Zone, and like purposes.

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- **Unique Identifier Number (UIN)**: This inventory control and recordkeeping method controls merchandise in a cumulative identification, i.e., by unique numbers and/or letters that identify merchandise admitted into the Foreign-Trade Zone. Inventory levels are adjusted on a First-In First-Out (FIFO) or Foreign-First (FOFI) basis pursuant to generally accepted accounting principles. Merchandise need not be segregated. All FTZ reports are linked to the inventory control and recordkeeping systems to ensure accurate reports.
- **U.S. Customs & Border Protection Transaction Documentation**: The term "U.S. Customs & Border Protection Transaction Documentation" is defined as a U.S. Customs & Border Protection Form 214, 216, amendment thereto, or any filing or action which results in the change of inventory or Zone status.
- **Weekly Entry Procedures**: A CBP procedure that permits selected qualified zones and subzones to file a weekly entry on CBP Form 3461 for the estimated removals of merchandise destined for domestic consumption during the following business week. Once the Port Director has approved the entry, the Zone Operator may ship the products all week up to the quantity estimated. Weekly entry may be approved for zone operations of a repetitive nature in order to allow for expedited removal of merchandise from the zone.
- **Zone**: The term "Zone" means a "Foreign-Trade Zone" and/or Foreign-Trade Zone No. 257 and all activated sites.
- **Zone Grantee**: A corporation to which the privilege of establishing, operating and maintaining a foreign-trade zone has been granted by the Foreign-Trade Zones Board. Grantee corporations must be either public corporations or private corporations organized for the purpose of establishing a zone project. Examples of public entities that might receive an FTZ grant include: a political subdivision (including a municipality), a public agency, or a corporate municipal instrumentality of one or more states. Qualified private corporations must be chartered for this purpose under a law of the state in which the zone is located. The term "Zone Grantee" shall mean the Imperial County Foreign-Trade Zone in its capacity as the entity given of grant of authority by the Foreign-Trade Zones Board.
- **Zone Lot**: A collection of merchandise maintained under an inventory control method based on specific identification of merchandise admitted into a zone by lot and lot number (ZLN).
- **Zone Merchandise**: FTZ merchandise includes goods, wares, and chattels of every description. Not included are prohibited merchandise, building material and supplies for use in the operation of a zone.

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- **Zone Operator or FTZ Operator**: A corporation, partnership or person that operates a zone or subzone under the terms of an agreement with the Zone Grantee. A Zone Grantee may act as its own Zone Operator.
- **Zone Site**: The physical location of the General-Purpose Zone or Subzone Site of a Foreign-Trade Zone.
- **Zone Status**: The status of merchandise admitted to a zone, i.e. domestic (D), non-privileged (NPF), privileged foreign (PF) or zone restricted (ZR).
- **Zone Operator/user**: A person or company using a zone for storage, handling or processing of merchandise. A Zone Operator may authorize a operator/user to maintain its own inventory system and procedures manual. However, the Zone Operator remains responsible to U.S. Customs & Border Protection for inventory control unless the operator/user posts its own Zone Operator's bond. The term "Zone Operator/user" or "Operator/user" each shall mean any person or firm using Zone or subzone for storage, handling or processing merchandises. As required by the U.S. Customs & Border Protection regulations, such Operator/users shall be supervised by the Zone Operator.

## **ZONE OPERATIONS**

### *OPERATIONS, FORMS AND PROCEDURES - GENERAL:*

The merchandise and operations permitted in the Zone, the disposition of merchandise in the Zone, the Zone status of the merchandise and special provisions applicable to each status, the subsequent export of merchandise removed from the Zone, and other operations in the Zone are as authorized by the Foreign-Trade Zones Act. The Zone forms required for such activities are available upon request and must be properly filled out in their entirety by every Zone Operator/user and must comply with the ACT and with all U.S. Customs & Border Protection Regulations.

### *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 U.S. Customs & Border Protection laws of the United States, except as otherwise provided in the Foreign-Trade Zones Act and the regulations made thereunder, are brought into a Zone. All gold, except fabricated, is prohibited by special order of the Foreign Trade Zones Board.

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*RIGHT TO EXCLUDE COMMODITIES:*

At the FTZ Operator's option subject to federal, state and city regulations, and only by special arrangements, explosive, hazardous or inflammable commodities or materials may be handled or received at the Foreign Trade Zone.

The Port or the FTZ Operator reserves the right (without responsibility for demurrage, other charges, loss, or damage) to refuse to accept, receive, unload:

- (i) Cargo for which previous written agreement for storage space, receipt, unloading or handling have not been made with the FTZ Operator or by the shipper, consignee or carrier.
- (ii) Cargo deemed extremely offensive, perishable, and hazardous.
- (iii) Cargo not in packages or containers suitable for ordinary handling incidental to its transportation.

*MANIPULATIONS, 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 Foreign-Trade Zones Act, be stored, sold, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign and domestic merchandise, or otherwise manipulated, or be manufactured except as otherwise provided.

- (a) Permission for any manipulation or exhibition in a Zone must be obtained from the Port Director of U.S. Customs & Border Protection, as the representatives of the Board, subject to such application and procedure prescribed by the Secretary of the Treasury or Homeland Security for the protection of the revenue / homeland security.
- (b) Permission for any assembly or manufacturing or processing operations in a Zone must be obtained from the Foreign-Trade Zones Board, subject to such application and procedure prescribed by the Board set forth in 15 C.F.R. Part 400, Subpart D.
- (c) In the event of the denial of any application by the Port Director of U.S. Customs & Border Protection for any reason, the Zone Grantee, or the Zone Operator of the Zone, may, but is under no obligation to, appeal the adverse ruling of the Board. If any revenue protection considerations are involved in such application, the Board shall be guided by the determinations of the Secretary of the Treasury with respect to them.

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*RESIDENCE WITHIN ZONE:*

No person shall be allowed to reside within the Zone except Federal, State, or Municipal officers or agents whose resident presence is deemed necessary by the Board.

*STATUS OF MERCHANDISE:*

- (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) Domestic merchandise
  - (4) Zone-restricted merchandise

In accordance with Subpart C of U.S. Customs & Border Protection regulations.

(b) Imported merchandise which has been entered and which has remained in continuous U.S. Custom custody may be temporarily transferred to a Zone for manipulation under U.S. Customs & Border Protection supervision pursuant to Section 562, Tariff Act of 1930, as amended, and for return to U.S. Customs & Border Protection territory. Any such merchandise shall not be considered within the purview of the Foreign-Trade Zones Act, but shall be treated in all respects as though remaining in U.S. Customs & Border Protection 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 U.S. Customs & Border Protection 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 primary uses of the Zone.

*RETAIL TRADE WITH ZONE:*

No retail trade shall be conducted within a Zone except under permits issued by the Zone Grantee and approved by the Board. Such permittees shall sell no goods

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except such domestic or duty-paid or duty-free goods as are brought into the Zone from U.S. Customs & Border Protection territory. Permits which are sent to the Board for approval shall be accompanied by a 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 of the kinds specifically authorized by the Act, which are brought into the Zone from U.S. Customs & Border Protection 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 on the political jurisdiction in which the Zone is located. ~~If the permittee violates any provision of the regulations in this Section, his permit shall be revoked by the Zone Grantee, who shall immediately report such action to the Board.~~

*ERECTION OF BUILDINGS WITHIN THE ZONE:*

~~The Zone Operator may with the approval of the Zone Grantee and~~ under reasonable and uniform regulations for like conditions and circumstances to be prescribed by it, permit other person, firms, corporations, or associations to erect such building and other structures within the Zone as will meet their particular requirements: Provided, (a) that such permission shall not constitute a vested right against the United States, nor interfere with or complicate the revocation of the grant by the United States; (b) that in the event of the United States or the Zone Operator desiring to acquire the property of the permittee, no good will shall be considered as accruing from the privilege granted to the Zone; and (c) that such permits shall not be granted on the terms that conflicts 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.

*HOURS OF BUSINESS AND SERVICE:*

Hours of business and service, for U.S. Customs & Border Protection purposes, shall be the same as those prescribed in U.S. Customs & Border Protection regulations.

The Zone shall be available for business activities on a 24-hour basis. Regular or normal business hours shall be between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

The Zone may be opened at other times, on an irregular or regular basis, upon application and with approval of the Zone Operator and U.S. Customs & Border Protection officials.

**RULES AND REGULATIONS**

*RULES AND REGULATIONS CONFORM:*

General Rules and Regulations in this section governing procedure within Foreign-Trade Zone No. 257 are issued in conformity with and supplementary to the Foreign-Trade Zone Board's Regulations and such of the United States laws and regulations relating to ports of entry as are

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applicable to Foreign Trade Zone operations.

*GENERAL RULES:*

All general rules published in this Imperial County Foreign-Trade Zone No. 257, Zone Schedule / Tariff No. 1 may be revised. Supplements or revisions to this Zone Schedule / Tariff will govern and control in the event they conflict with this Zone Schedule / Tariff.

*FOREIGN-TRADE ZONES BOARD:*

Foreign-Trade Zone No. 257 is regulated by the Foreign Trade Zones Board, Washington, D.C., under 15 C.F.R. Part 400. Copies of these regulations are maintained at the Foreign-Trade Zone No. 257 office for reference.

All persons and merchandise of every description entering or leaving Zone No. 257 for any purposes whatsoever shall be bound by the lawful regulations of the Foreign Trade Zones Board and by the Zone regulations issued thereunder.

*UNITED STATES CUSTOMS REGULATIONS:*

Foreign-Trade Zone No. 2 is subject to special U.S. Customs & Border Protection regulations as defined in 19 C. F. R., Section 146. Copies of these regulations are maintained at the office of Foreign-Trade Zone No. 257 for reference.

*CONFIDENTIAL RELATIONSHIP:*

The FTZ Operator will take precautions 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.

*GOVERNMENT AGENCIES:*

All lawful regulations of government agencies must be complied with insofar as they are not in conflict with Public Law No. 397 of the 73<sup>rd</sup> Congress (Foreign Trade Zones Act), and as expanded under Public Law No. 566, 81st Congress, and the regulations issued thereunder.

*COMPENSATION INSURANCE:*

Every person employed by contractors or customers in the Zone shall be properly covered by Workers Compensation Insurance. As required by law, proof of this shall be furnished before any work may be started or release of liability, must be given to the zone.

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*PUBLIC INTEREST, HEALTH AND SAFETY:*

No operation or process of treatment will be permitted in the Zone that, in the judgment of the City or County, is detrimental to the public interest, health and safety. All Insurance/Fees/Agreement requirements set forth in the operator agreement and zone schedule must be adhered to prior to activation.

*SPECIAL SERVICES:*

Operator/users of Zone facilities requiring special or additional service not being regularly furnished to all Operator/users of Zone must request same in writing to the Zone Operator, who shall clear the possibility of furnishing such services with U.S. Customs & Border Protection and consider cost thereof for account of Operator/user. If service is established, it will be made available under similar circumstances to all Operator/users on the same basis.

*INSURANCE:*

Insurance is carried by the Zone Operator on its own property only and does not include insurance on the contents stored therein. Any lessee and/or Zone tenant shall not put anything within the Zone or the General Purpose Facility which will cause the cancellation or forfeiture of the insurance or affect the premium rate thereof on the buildings of which the leased premises forms a part. Insurance on commodities or other property stored on the leased premises, must be carried by and at the expense of owner of the commodities or other properties.

Merchandise stored, manipulated or transferred within the Zone is not insured by the Port or the Zone Operator and the Zone Schedule / Tariff rates do not include insurance on merchandise.

***LIABILITY***

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

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

Further, the Zone shall not be liable for loss which results from Acts of God; nor from animals, insects, rodents or vermin; nor from decay, deterioration, evaporation, shrinkage or loss of quantity, quality or value from inherent vice of product; nor from flood, fire, frost, leakage or discharge from fire protective sprinklers, oxidation or rusting; nor from civil disorder, insurrection, riot, strike, slowdown or labor stoppage whether or not agents or the employees of the Zone or the Port are involved; nor for delay caused by shortage of qualified labor.

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

The Zone will not be responsible for loss or damage occasioned by any misunderstanding of orders or instructions received or taken by telephone.

**CLAIMS:**

Claims against the Zone Operator for loss of or damage to cargo or merchandise, must be filed with the Zone Operator, in writing, within one year following initial receipt of such properties or within three (3) years or such other period as provided by law, whichever is the shorter, following final delivery of such merchandise, whichever shall occur first.

Notwithstanding the foregoing, all claims for damage to persons and/or property against the Zone Grantee shall be subject to the provisions of the California Tort Law (California Government Code)

**VALUABLE MERCHANDISE:**

(a) — For the purpose of fixing the maximum limit of the Zone's liability for loss of or damage to merchandise, the value of the merchandise shall be conclusively presumed to be not in excess of 12 1/2 cents per pound (including all government duties and excise taxes) unless a greater value shall be declared as hereinafter provided. At the time the merchandise is admitted into the Foreign Trade Zone, the Zone Operator/user, subject to the provisions of paragraph (b) of this item, may declare in writing, on forms supplied by and filed with the Zone, a value greater than 12 1/2 cents per pound. In the event such declaration is made and filed with the Zone, the value of the merchandise shall be conclusively presumed to be not in excess of the value so declared. In no case shall the Zone's liability exceed the actual value of the merchandise, the "actual value" of the merchandise being defined as the landed value, as declared on CBPF-214, of the fair market value of the merchandise at the time of the loss, whichever is the lower.

The limitation of liability as provided in this rule shall apply separately and proportionately to each part of the Zone merchandise and the liability, if any, for any partial loss of, or damage to, any part thereof shall be limited to such portion of the actual loss damage as shall be proportionate to the limitation of liability as herein provided with respect to such part.

(b) — In the event that the Zone Operator/user elects to declare the value of merchandise to be in excess of 12 1/2 cents per pound as provided in the first paragraph of this item, the tariff rates applicable thereto will be subject to additional charges per transaction equal in amount to one percent of the excess value declared, except as otherwise provided in individual rate items.

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~~Where the value of merchandise changes after Zone Operator/users original written declaration, it will be incumbent upon the Zone Operator/user to declare a new value in writing in order to obtain a revision of liability under this item.~~

*EMPLOYEE AND PERSONS ENTERING AND LEAVING THE ZONE:*

Employees and other persons entering or leaving the Zone shall only use the designated entrance(s). Anyone entering or leaving the Zone may be subject to physical examination as the Port Director, U.S. Customs & Border Protection, deems necessary, or at the request of the Zone Operator. Anyone entering the Zone for whatever reason shall adhere to the Foreign-Trade Zones Board regulations, U.S. Customs & Border Protection regulations and the rules and regulations issued by the Zone Operator of the Zone.

**RATES, CHARGES AND PAYMENT APPLICABLE**

*TERMS OF PAYMENT:*

Terms are net 10 days. All charges and advances are due and payable as accrued. In case of delay or failure to pay invoices when, the Zone Operator reserves the right to demand payment of charges in advance before further services will be performed or before delivery of cargo upon which charges have accrued. Any pending or alleged claims against the Port or the Zone Operator will not be allowed as an offset outstanding invoice or accrued charges.

*DELINQUENT INVOICES:*

Invoices covering charges in this Zone Schedule / Tariff as issued by the Zone Operator are due and payable upon presentation.

Any invoice for any charge or charges prescribed by this Zone Schedule / Tariff remaining unpaid for a period of thirty (30) calendar days after the date of the invoice is delinquent and shall be subject to a delinquent charge.

The delinquency charge is 1 1/2 percent per month on the total unpaid balance thereof. Invoices will be rendered for delinquency charges when these charges total \$10.00 or more. All extra expenses, including legal expense, litigation cost or costs of agents employed to effect collection shall also be assessed to, and payable by, such accounts.

*CHARGE FOR U.S. CUSTOMS & BORDER PROTECTION OFFICER:*

U.S. Customs & Border Protection officers are available on an "as needed" basis pertinent to irregular Operator/user activity on the Zone. U.S. Customs & Border Protection officer services rendered during Holiday, Saturdays and Sundays or during overtime hours at the specific request of the Operator/user of Zone facilities for such purpose will be charged to Operator/user of such

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services at the cost billed to Zone Operator by U.S. Customs & Border Protection, plus a service fee of \$150.00.

Operator/users of Zone facilities requiring special or additional services must request same in writing to the Zone Operator of the Zone, who shall clear the possibility of furnishing such services with U.S. Customs & Border Protection and consider costs thereof for account Operator/user. If service is established, it will be made available Operator/user similar circumstances to all Operator/users on the same basis.

The cost of the U.S. Customs & Border Protection personnel, for U.S. Customs & Border Protection services at special purpose Sub-Zones which may, from time to time be authorized, shall be subject to prior arrangement of cost between Zone Operator of the Zone and Operator/user of special purpose Sub-Zone.

**CHARGES BY OTHER GOVERNMENT AGENCIES:**

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

**SCHEDULE OF FEES AND RATES**

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Foreign Trade Zone 157 General Purpose Zone located in Imperial County, California. The Grantee is the Imperial Valley Foreign Trade Zone Authority. The Grantee is authorized to charge a fee to operators in accordance with CFR 400.42(b)(ii) for the privilege of operating or under the auspices of Zone 157. These monetary entitlements, in the form of fees, are charged to operators and users to recover both the direct and indirect costs of zone operating expenses such as promotion, Foreign Trade Zones Board reports, U.S. Customs and Border Protection documentation, marketing and advertising programs.

**FEE SCHEDULE**

All fees in this schedule are payable to:  
Imperial Valley Foreign Trade Zone Authority  
940 W. Main St., El Centro, CA 92243

Zone Fees are due and payable when invoiced. All Fees are non-refundable.

**FEES**

**Activation / Application: Upon approval by the Imperial Valley Foreign Trade Zone Authority (Grantee 257) to support a business or entity in the participation of the FTZ Program, a non-refundable fee will be required. If the business' application is successful, the fee will be applied to the applicant's annual fee.**

General Purpose Zone	\$1,000.00
Subzone	\$1,000.00

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**Annual: Upon activation of a site, the Zone Operator will be charged an annual fee. This fee covers Grantee zone administration costs, preparation of the Annual Report to the Foreign Trade Zones Board and other zone staff services.**

General Purpose Zone	\$5,000.00
Subzone	\$10,000.00

**Customs: Merchandise-processing fees will be paid by the importer of the zone site. Additionally, all other fees and charges assessed by Customs for services provided to the affected zone site will be invoiced to the operator of that site. The Grantee is not liable or responsible for customs fees or charges.**