

U.S. CUSTOMS AND BORDER PROTECTION

Customs Broker License Examination

DIRECTIONS - READ CAREFULLY

This examination consists of 80 questions. The minimum passing score is 75%. For each question, choose the letter representing your answer (**A, B, C, D, or E**) and completely darken the corresponding space on your answer sheet.

You are responsible for having the following references:

- **Harmonized Tariff Schedule of the United States (2007)** (USITC Publication 3902)
- **Title 19, Code of Federal Regulations** Revised as of April 1, 2006 (**Parts 1-199**)
- **Customs and Trade Automated Interface Requirements (CATAIR)**
 - Introduction
 - Getting Started
 - Requirements
 - Appendix B – Valid Codes
 - Appendix D – Metric Conversion
 - Appendix E – Valid Entry Numbers
 - Appendix G – Common Errors
 - Appendix H – Census Warning Messages
 - Appendix L – Drawback Errors
 - Glossary of Terms
- **Instructions for Preparation of CBP Form 7501 (8-30-2005)**
- **Remote Location Filing**
- **Directives**
 - 3510-004, Monetary Guidelines for Setting Bond Amounts
 - Amendment to 3510-004 for Certain Merchandise Subject to Antidumping/Countervailing Duty Cases
 - 3550-055, Instructions for Deriving Manufacturer/Shipper Identification Code
 - 3550-067, Entry Summary Acceptance and Rejection Policy
 - 3550-079A, Ultimate Consignee at time of Entry or Release
 - 3560-001A, Census Interface-Processing Procedures
 - 5610-002A, Standard Guidelines for the Input of Names and Addresses Into Automated Commercial System (ACS) Files

There is no penalty for guessing; therefore, you should attempt to answer every question. **Each question is designed to have a single best answer.**

This examination lasts 4 hours. When you finish, please give your answer sheet to the test administrator. **You may take this booklet with you.**

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Customs Broker License Examination

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Section 1 **ENTRY**

1. "Released conditionally," as defined in 19 CFR, means _____.
 - A. a bond is needed prior to CBP Form 7501 presentation
 - B. any release from CBP custody before liquidation
 - C. that a foreign Trade Zone entry is needed
 - D. that If the conditions of the release are not met, the merchandise will be placed in General Order
 - E. a release that requires further action such as marking

2. When merchandise is **NOT** imported by a common carrier, _____ shall be deemed sufficient evidence of the right to make entry.
 - A. possession of the merchandise at the time of arrival in the U.S.
 - B. a negotiable bill of lading
 - C. the carrier's certificate
 - D. a certified letter of credit
 - E. a bona fide sales invoice signed by the foreign vendor

3. What is the proper entry type to file for a commercial shipment of plastic patio doors, classified at 3925.20.0010 with a transaction value of \$267.00?
 - A. Type 11
 - B. Type 01
 - C. Type 02
 - D. Type 23
 - E. Section 321

4. For the following U.S. importation, what is the correct value in U.S. Dollars?
 - The latest certified quarterly exchange rate from Canadian Dollars to U.S. Dollars is 0.626449.
 - The listed invoice value of the item being entered is \$1,200 in Canadian Dollars.
 - A. \$6,264
 - B. \$626
 - C. \$752
 - D. \$1,916
 - E. \$1,200

5. For the following U.S. importation, which is a dutiable charge?
- The Importer of record is the Canadian Shipper/Manufacturer.
 - The terms of sale are CIF, Duty Paid, and Packed.
 - The method of appraisement is Transaction Value.
- A. Freight Charges
B. Insurance Charges
C. U.S. Duty and Merchandise Processing Fee
D. Packing Charges
E. The Transportation charges for the merchandise after its importation
6. Merchandise received under an immediate transportation without appraisement entry more than 6 months after the date of original importation may be entered only _____.
- A. at the port of first arrival
B. under a consumption entry
C. to be transferred to a general order facility
D. for transportation and exportation
E. for warehouse entry
7. An import specialist is seeking additional information on a shipment of merchandise that has been released. This request is done via a CBP Form _____.
- A. 28
B. 4457
C. 3299
D. 7533
E. 7523
8. Which is **NOT** a requirement for a broker to participate in Remote Location Filing?
- A. Having a National Permit
B. Being operational on the Automated Broker Interface
C. Having a District Permit
D. Being operational on the Automated Clearing House 30 days before applying for Remote Location Filing
E. Having a certificate to obtain a distribution of dumping and subsidy offsets for the entry he intends to file using Remote Location Filing

9. In the following scenario, what type of ruling is the importer entitled to?
- CBP has rejected the importer's claim as to the tariff classification of green olives grown in Spain.
 - Entries filed for these ongoing shipments have **NOT** been liquidated.
 - Proposed rate advances (CBP Form 29) will result in substantial duty increases.
 - A ruling has **NOT** been requested or issued on these import transactions.
- A. A Ruling request submitted to the National Commodity Specialist Division
- B. A NAFTA Advance Ruling request forwarded to CBP Headquarters
- C. A protest application for further review filed at the CBP port of entry
- D. An Internal Advice request submitted through the CBP port of entry
- E. The importer is not entitled to request a ruling from CBP on this transaction
10. For an entry that contains a product subject to an antidumping (ADD) order with a current cash deposit rate of 0.00%, you must file a _____ entry and _____.
- A. Type 03 / do not indicate the case number or deposit rate on the CBP Form 7501 because it currently requires no cash payment
- B. Type 01 / do not declare the ADD case on the CBP Form 7501
- C. Type 01 / declare the ADD case on the correct line with a 0.00% deposit rate and pay no deposit at time of filing
- D. Type 03 / declare the ADD case on the correct line with a 0.00% deposit rate and pay no deposit at time of filing
- E. Type 01 / do not declare the ADD case on the CBP Form but note in your files that this product could be subject to ADD in the future
11. The **MAXIMUM** amount of time merchandise formally entered temporarily under bond under HTS # 9813.00.20 may remain in the Customs territory of the U.S. is _____ from the date of importation into the U.S.
- A. three years
- B. four years
- C. six months with no further extensions allowed
- D. two years
- E. five years with no further extensions allowed

12. An A.T.A. carnet is valid for _____.
- A. one year and can be extended three additional years
 - B. one year and can be extended for a total of three years from date of importation
 - C. up to one year from the date of issue
 - D. one year and can be extended one additional year
 - E. an unlimited period of time
13. Any additional expenses for cartage, storage or labor occasioned by reason of an entry by appraisement shall be borne by the _____.
- A. consignee
 - B. shipper
 - C. importer
 - D. broker
 - E. ultimate consignee
14. An importer wants to import frozen fish. When they contact their broker for the importation, how will the broker determine the origin of the fish?
- A. In the country where the fish were packaged and frozen
 - B. From the country where the ship is registered or recorded and flying its flag
 - C. In the waters where the fish were caught
 - D. In the country where the fish were caught, frozen, and packaged
 - E. The origin does not matter because they are fish
15. Which of the following U.S. imports does **NOT** require country of origin marking?
- A. Metal picture frames
 - B. Buttons sold in flower shaped containers
 - C. Bottled water
 - D. Flour tortillas packaged in clear bags
 - E. Plastic scrap

16. The importer may substitute an entry for a warehouse entry at any time within _____ from the date of importation provided that the merchandise _____.
- A. 10 days / has not left the carrier
 - B. six months / has not left CBP custody
 - C. one year / has not been liquidated
 - D. one year / has left the country
 - E. one year / has remained in continuous CBP custody

Questions 17-19 are based on the following scenario.

A U.S. importer supplies its unrelated foreign assembly facility a mold used in the production of merchandise destined to the U.S. and Mexico. The value of the mold is \$1,000, and is purchased by the foreign facility for \$200. The U.S. importer projects that the mold's continued life expectancy and amount to be sold based upon sales forecasts will be 3,000 units. Two thirds of the units will be consumed in Mexico, and the balance consumed in the U.S. The foreign assembler's cost of producing a single unit is \$3. The commercial invoice accompanying the shipment to the U.S. identifies the per unit price as \$5. The U.S. importer's domestic retail outlets will sell the finished product for \$50.

17. What is the amount of the assist per unit?
- A. \$0.00
 - B. \$0.80
 - C. \$1.00
 - D. \$0.20
 - E. \$1,000
18. What is the price actually paid or payable per unit?
- A. \$5
 - B. \$0.80
 - C. \$50
 - D. \$5.80
 - E. \$3
19. What is the per unit transaction value of the finished product when it is entered into the U.S. Customs territory?
- A. \$3
 - B. \$0.80
 - C. \$50
 - D. \$5.80
 - E. \$5.20

20. Merchandise that has arrived in-bond at the final destination port should be presented to CBP for clearance no later than _____ calendar days after arrival at the port of destination.
- A. 20
 - B. 15
 - C. 25
 - D. 30
 - E. 45
21. If merchandise is found **NOT** to be legally marked after release, and it was examined in a public store or a place of arrival, such as a pier, a demand for marking can be made by the Port Director not later than _____.
- A. 30 days after the date of entry
 - B. 60 days after the date of entry
 - C. 30 days after the date of release
 - D. 60 days after the date of release
 - E. 120 days after the date of entry

Section 2 CLASSIFICATION

22. What is the **CLASSIFICATION** of Italian ceramic glazed tiles that cover 2855 tiles per square meter?
- A. 6907.10.0000
 - B. 6908.10.1000
 - C. 6905.10.0000
 - D. 6802.10.0000
 - E. 6810.19.5000
23. What is the **CLASSIFICATION** for objective closed circuit television camera lenses?
- A. 8529.90.0900
 - B. 7020.00.6000
 - C. 9002.11.6000
 - D. 8529.90.9900
 - E. 9002.11.9000
24. What is the **CLASSIFICATION** for product labels printed by a flexographic process (not lithographic) on pressure-sensitive polyolefin plastic film and mounted on sheets of release paper?
- A. 3919
 - B. 3920
 - C. 4821
 - D. 4823
 - E. 4911
25. What is the **CLASSIFICATION** for red steel livestock identification ear tags engraved with numbers?
- A. 9817
 - B. 3926
 - C. 7326
 - D. 4911
 - E. 8310

26. What quota category applies when making entry for a shipment of 100% cotton knit socks made in China?
- A. 659
 - B. 832
 - C. 359
 - D. 332
 - E. 432
27. For the purposes of headings 6103 and 6104, the term _____ means a set of garments composed of two or three pieces made up, in respect of their outer surface, in identical fabric, that include a coat or jacket and a garment to cover the lower body.
- A. set
 - B. suit
 - C. outfit
 - D. ensemble
 - E. composition
28. What is the **CLASSIFICATION** for a woman's 82% silk, 13% polyester, 5% spandex knit tank top?
- A. 6109.10.0060
 - B. 6108.39.4000
 - C. 6106.90.1500
 - D. 6110.90.1060
 - E. 6109.90.4020
29. What is the **CLASSIFICATION** for a woven cotton baseball cap with detachable sunglasses attached under the bill of the cap?
- A. 6505.90.2590
 - B. 9004.10.0000
 - C. 6505.90.0800
 - D. 9004.90.0000
 - E. 9003.19.0000

30. What is the **CLASSIFICATION** for a truckload of 2"x4"x8' lumber from Canada that consists of 50% hemlock boards and 50% fir boards? The boards are commingled with each other in the bundles. The lumber is stud grade, square cut, finished on all four sides and not treated.
- A. 4407.10.0115
 - B. 4408.10.0125
 - C. 4407.10.0159
 - D. 4407.10.0164
 - E. 4407.10.0165
31. What is the **CLASSIFICATION** for an ambulance with a 6.8-liter gasoline engine?
- A. 8705.90.0000
 - B. 8704.31.0020
 - C. 8703.33.0010
 - D. 8703.24.0010
 - E. 8703.23.0078
32. What is the **CLASSIFICATION** for a plastic waterbed mattress?
- A. 9403.70.8010
 - B. 9403.90.5000
 - C. 9404.21.0000
 - D. 3926.90.9980
 - E. 3926.90.7700
33. What is the amount of duty on an upholstered oak chair, valued at \$10,000, found to be manufactured in Germany in 1908 and entered under 9706.00.0040 by an importer/retailer?
- A. \$660
 - B. \$0
 - C. \$25
 - D. \$66
 - E. \$425

34. What is the **CLASSIFICATION** for a machine that assembles integrated circuits by a eutectic (bonding by application of heat, i.e. welding) die attach process?
- A. 8515.80.0040
 - B. 8515.80.0080
 - C. 8479.89.9897
 - D. 8515.90.2000
 - E. 8479.89.9895
35. What is the **CLASSIFICATION** of a pencil with novelty erasers? The article has a pencil lead encased in a rigid sheath.
- A. 9609.20.2000
 - B. 9609.10.0000
 - C. 9505.10.5020
 - D. 9505.90.6000
 - E. 9608.40.8000
36. The **CLASSIFICATION** for grain-dampening machines is:
- A. 8419
 - B. 8434
 - C. 8433
 - D. 8437
 - E. 8438
37. House slippers that qualify as a product of Costa Rica are imported into the U.S. under HTSUS # 6403.99.9005. The appropriate Special Program Indicator (SPI) would be _____; which would entitle the importer to the most favorable duty rate of _____.
- A. A+ / free
 - B. CR / 20%
 - C. CA / free
 - D. E / 6.2%
 - E. R / free

38. What is the **CLASSIFICATION** of crude or roughly trimmed granite that has one face surface worked and is **NOT** cut to size?
- A. 2516.11.0000
 - B. 2516.12.0030
 - C. 6802.23.0000
 - D. 6802.93.0010
 - E. 6802.93.0060

Section 3 BROKER COMPLIANCE

39. A broker must provide written notification to CBP within _____ calendar days after any new employee has been employed by the broker for _____ consecutive days.
- A. 10 / 20
 - B. 15 / 30
 - C. 20 / 30
 - D. 25 / 30
 - E. 10 / 30
40. Once you pass the brokers exam and you wish to apply for your broker's license, how much time do you have to apply for your broker's license?
- A. 1 year
 - B. 18 months
 - C. 2 years
 - D. 3 years
 - E. No time constraints
41. An application for an individual broker's license requires _____.
- A. reference Letters
 - B. fingerprints
 - C. police reports
 - D. articles of incorporation
 - E. payment of the \$125 district permit fee
42. When hiring a new employee, the broker must submit all the following information to CBP except the employee's _____.
- A. social security number
 - B. date of birth
 - C. place of birth
 - D. current home address
 - E. misdemeanor arrest record

- 43.** Which circumstance would warrant the issuance of a filer code to a licensed customs broker?
- A.** A federal employee that passed the Customs broker's exam in 2004, and is still employed by the federal government
 - B.** A convicted felon, who smuggled ecstasy, passes the Customs broker exam
 - C.** The City of Lubbock, Texas, wants a filer code for its own account to import bus parts for use in the city's transit system
 - D.** XYZ Corporation, a licensed corporate Customs broker, wants a filer code to make entry for the account of one of its incorporated business divisions
 - E.** An illegal alien passes the Customs broker's exam, but is denied U.S. citizenship and barred from access into the Customs territory of the U.S.

Section 4 DRAWBACK

44. Which party does **NOT** have the authority to sign drawback documents?
- A. A licensed broker without power of attorney
 - B. Any employee of the business entity with power of attorney
 - C. An individual acting on his or her own behalf
 - D. A full partner of a partnership
 - E. The owner of a sole proprietorship
45. The _____ of record is the person entitled to claim drawback.
- A. Importer
 - B. Manufacturer
 - C. Exporter
 - D. Producer
 - E. Intermediate party
46. Which CBP Form must be presented to CBP prior to the export of merchandise that may be the subject of an unused merchandise drawback claim?
- A. 7551
 - B. 7552
 - C. 7553
 - D. 7501
 - E. 7514
47. A drawback claimant must furnish a properly executed drawback bond if approved for a/an _____.
- A. waiver of prior notice of intent to export
 - B. accelerated payment
 - C. exporters summary procedure
 - D. one-time waiver of prior notice for past exports
 - E. commercial interchangeability pre-determination
48. Merchandise transferred to a Foreign Trade Zone shall be given _____ status in order to be considered exported for purposes of drawback.
- A. non-privileged foreign
 - B. privileged foreign
 - C. zone restricted
 - D. domestic
 - E. non-zone restricted

Section 5 TRADE AGREEMENTS

49. Which is **NOT** a member of the Association of South East Asian Nations?
- A. Philippines
 - B. Indonesia
 - C. Cambodia
 - D. Thailand
 - E. Taiwan
50. Which must be used in the first tariff field (along with the Chapter 62 tariff number) to obtain preferential treatment for cotton woven shirts assembled in Haiti with U.S. thread and cut from fabric of U.S. origin made from U.S. yarns?
- A. 9821.11.25
 - B. 9820.11.06
 - C. 9915.61.01
 - D. 9820.11.09
 - E. 9820.11.18
51. Under the North American Free Trade Agreement, which of the following would **NOT** be considered an “indirect material” in the manufacture of a ceramic dish?
- A. Purified water added to the ceramic mix
 - B. Production molds
 - C. Electricity used to fire the dishes
 - D. Testing supplies
 - E. Lubricants used on the mixing machine
52. Which would **NOT** be considered a direct cost of processing operations performed in the beneficiary developing country in determining eligibility for the benefits of the Generalized System of Preferences (GSP)?
- A. Cost of tools, dies and molds used in the production of the merchandise
 - B. Salesmen’s salaries
 - C. Depreciation on machinery used in the production of the merchandise
 - D. Costs of labor and supervision for the manufacture and assembly of the merchandise
 - E. Design and engineering costs allocable to the merchandise

- 53.** What will a travel kit, imported into the U.S. from Singapore, qualify for under the U.S. – Singapore Free Trade Agreement if it is classified under HTS 9605.00.0000, and contains components that originate in the U.S. or Singapore except for the following non-originating items?
- A plastic case classified under HTS 3923.10
 - Sewing thread classified under HTS 5204.20
 - Sewing needles classified under HTS 7319.90
 - Toothpaste classified under HTS 3306.10
 - A toothbrush classified under HTS 9603.21
- A.** A preferential duty rate of FREE
- B.** A preferential duty rate of 2%
- C.** Preferential treatment because it has non-originating components
- D.** No preferential treatment because the non-originating toothbrush classified in HTS 9603.21 does not make the tariff shift required by the specific rule of origin
- E.** No preferential treatment because the non-originating plastic case classified in HTS 3923.10 does not make the tariff shift required by the specific rule of origin

Section 6 **RECORDKEEPING**

54. On December 20, 2005, a broker receives CBP approval for alternative methods of storage of entry documents. The broker's next shipment is released January 1, 2006. On January 16, 2006, the broker converts the original entry documents into an electronically readable format. CBP requests the commercial invoice and Certificate of Eligibility issued by the Mexican government for this entry on February 14, 2006. Which statement is **CORRECT**?
- A. The broker must submit the original documents to CBP
 - B. The broker shall submit the electronic readable version of the commercial invoice and Certificate of Eligibility to CBP
 - C. CBP may not request documentation on Valentine's Day
 - D. CBP has no authority to request that a broker provide a Certificate of Eligibility issued by a foreign government
 - E. The broker has 5 years from the date of liquidation to provide the documents
55. All of the following are "records" **EXCEPT** _____.
- A. Power of Attorney CBP Form 5291
 - B. Certificate of Eligibility
 - C. End Use Certificate
 - D. Re-melting Certificate
 - E. Universal Waiver Certificate
56. A broker is permitted in the Districts of Laredo and Houston Texas. The broker's mother becomes ill in Lubbock, Texas, and the broker ceases operation as a Customs broker to care for his mother. The broker's records _____.
- A. may be consolidated and stored in the District of Houston when the written request is forwarded and approved by CBP Washington, D.C.
 - B. shall be maintained in the District where the Customs business was performed
 - C. may be stored in the District of Dallas since Lubbock is a port of entry identified under the District of Dallas
 - D. may be immediately destroyed since the broker has ceased to operate as a licensed person
 - E. must be surrendered to CBP for protection of the business proprietary nature of the entry records

57. Any record relating to a drawback claim shall be kept until the _____.
- A. first anniversary of date of entry
 - B. second anniversary of the date of payment of the claim
 - C. third anniversary of the date of payment of the claim
 - D. fourth anniversary of the date of filing of the claim
 - E. fifth anniversary of time of entry
58. Brokers must retain revoked powers of attorney and letters of revocation for _____.
- A. five years from the date of revocation or 5 years after the date the client ceases to be active
 - B. five years from the date of importation of merchandise
 - C. five years from the date of the last withdrawal entry
 - D. one year from the date of entry summary
 - E. one year from the date of liquidation

Section 7 **BONDS**

59. Bonds and riders may be filed up to _____ before the effective date in order to provide adequate time for CBP administrative review and processing.
- A. 90 calendar days
 - B. 30 calendar days
 - C. 10 working days
 - D. 5 working days
 - E. 5 calendar days
60. If an importer anticipates that the merchandise entered under a Temporary Importation Bond will not be exported or destroyed in accordance with the terms of the bond, the importer may _____.
- A. indicate to CBP in writing before the bond period has expired of the anticipatory breach
 - B. request that the entry be cancelled
 - C. wait until the end of the bond period and have liquidated damages assessed
 - D. file a Supplemental Information Letter and request that the entry type be changed to 01
 - E. warehouse the merchandise until it is ready for exportation or destruction
61. A single entry bond would **NOT** have to be executed in an amount at least three times the total entered value for _____.
- A. a mold imported for repair
 - B. imported denim jeans
 - C. sugar
 - D. a motor vehicle
 - E. sterilized latex surgical gloves
62. When there is a single entry bond and the entry summary documentation is not filed timely, the Port Director shall _____.
- A. order redelivery of the merchandise
 - B. initiate a claim for liquidated damages equal to the domestic value of the merchandise
 - C. initiate a claim for liquidated damages equal to the foreign value of the merchandise plus the duty owed
 - D. initiate a claim for liquidated damages equal to the entire amount of the bond
 - E. initiate sanction action against the broker for delinquency

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63. Which document is **NOT** accepted by CBP as proof of exportation from the U.S. for the cancellation of an export bond?
- A. Outward Bill of Lading
 - B. Foreign Landing Certificate
 - C. Certificate of Origin
 - D. Inspectors Certificate
 - E. Outward Manifest
64. Which shipment, not imported for sale or for sale on approval, does **NOT** qualify for entry under a Temporary Importation Bond?
- A. Steel tubing imported to be heat treated and processed into another article that will then be exported to Great Britain
 - B. A motor vehicle entered for the purpose of EPA emissions testing and then being returned to Mexico
 - C. Cameras and associated equipment imported for the use of a non-resident importer in the production of a movie. The cameras and associated equipment will accompany the non-resident when he/she returns home
 - D. Samples imported for use in taking orders for merchandise by a salesperson who will take the samples out of the U.S. when he/she is finished taking orders
 - E. Aspirin tablets imported in a bulk container, repacked in retail bottles which then are exported to Canada for labeling
65. Which statement about CBP Form 301 Customs bond requirements is **NOT** true?
- A. A surety may terminate a Customs bond on which it is obligated only when it has the consent of all the principals listed on the bond
 - B. The names of the principal and sureties and their respective places of residence shall appear on the bond
 - C. Lines shall be drawn through all spaces and blocks on the bond which are not filled in
 - D. The bond liability amount of any Customs bond shall be stated as the next highest dollar amount
 - E. A bond rider to change the name of a principal may be used only when the change of name does not change the legal identity or status of the principal

Section 8 FP&F

66. In the following scenario, choose the appropriate CBP response.
- A Canadian electronics exporter to the U.S. submits a prior disclosure admitting that the company has filed false NAFTA claims within the past year in violation of 19 USC 1592 and other Customs laws.
 - The violator tenders \$30,000 to account for the apparent loss of revenue. Verification of this submission by CBP auditors discovers an additional \$300,000 loss of revenue for identical NAFTA violations that the disclosure did **NOT** identify.
 - The company (also the importer of record) agrees with the audit findings after being advised by CBP of these discrepancies.
- A. CBP should include the additional revenue loss in the prior disclosure
- B. CBP should assess a Section 1592 penalty for the undisclosed claims
- C. CBP should demand redelivery of the merchandise that is not disclosed
- D. CBP should return the \$30,000 tender because it is an illegal deposit
- E. CBP shall **NOT** take any action because of legal and other restrictions
-
67. In the following scenario, what penalty action by CBP is appropriate?
- A wearing apparel importer/ultimate consignee deliberately misdescribes and mislabels the imported merchandise in order to avoid quota/visa restrictions.
 - CBP discovers the violation in question within one year of the date of importation and entry.
 - This importer has also committed several identical violations during the past four years.
 - The value of these importations from China exceeds \$10 million.
- A. A civil penalty for ordinary negligence
- B. A civil penalty for gross negligence
- C. A civil penalty for fraud
- D. A NAFTA recordkeeping penalty
- E. None

68. A broker's penalty for not keeping a power of attorney on file is _____ per client.
- A. \$ 250
 - B. \$ 500
 - C. \$ 1,000
 - D. \$ 2,500
 - E. \$ 5,000
69. Which statement is **INCORRECT** regarding a claim for liquidated damages that has been cancelled upon payment of a lesser amount?
- A. Payment of a mitigated or cancellation amount in compliance with an administrative decision on a petition or supplemental petition for relief will be considered an election of administrative proceedings and full disposition of the case
 - B. Payment of a mitigated or cancellation amount will never serve as a bar to filing a supplemental petition for relief
 - C. Payment of a mitigated or cancellation amount will act as an accord and satisfaction of the government claim
 - D. Any payment made in compliance with any decision to cancel a claim for liquidated damages upon payment of a lesser amount is a protestable action as defined under the provisions of 19 U.S.C. 1514
 - E. Any decision to cancel a claim for liquidated damages upon payment of a lesser amount is not a protestable action as defined under the provisions of 19 U.S.C. 1514
70. What can be done with articles that are forfeited for violation of copyright laws?
- A. Obliterate the copyright and allow the articles to enter the commerce of the U.S.
 - B. Export the articles
 - C. Donate the articles to a charitable institution
 - D. Sell the articles at a public auction
 - E. Destroy the articles

Section 9 GENERAL

71. For those countries for which a quarterly rate of exchange is certified, the certified daily rate of exchange must vary from the certified quarterly rate by at least _____ before the certified daily rate is used.
- A. 2%
 - B. 3%
 - C. 5%
 - D. 1%
 - E. 2.5%
72. The port director may approve blanket applications to manipulate goods in a warehouse for up to _____.
- A. 5 years
 - B. 3 years
 - C. 2 years
 - D. 1 year
 - E. 6 months
73. In addition to CBP, the Food and Drug Administration, and the U.S. Department of Agriculture-Animal and Plant Health Inspection Service, which of the following regulates meat and meat-food products offered for entry into the U.S.?
- A. U.S. Consumer Product Safety Commission
 - B. Nature and Animal Conservation Services
 - C. Bureau of Export Administration
 - D. Food Safety and Inspection Services
 - E. Concerned Citizens for Animal Rights
74. Bills resulting from dishonored checks or dishonored ACH transactions are due _____.
- A. on the last business day of the following month
 - B. and payable within 30 days of the date of issuance of the bill
 - C. within 5 days
 - D. within 30 days
 - E. within 15 days of the date of issuance of the bill

75. When the transaction is in a foreign currency, for conversion purposes the correct rate of exchange is the one in effect on the date the goods were _____.
- A. imported into the U.S.
 - B. sold
 - C. exported from the country of export
 - D. packed
 - E. intended to be shipped to the U.S.
76. A CBP Form _____ must be submitted to CBP to reactivate an Importer of Record number that has not been used for 1 year and has no outstanding transactions associated with it.
- A. 4811
 - B. 3495
 - C. 3461
 - D. 7501
 - E. 5106
77. If textile goods are examined for marking at the importer's premises, and found **NOT** to be legally marked after release, a demand for marking can be made by the Port Director no later than _____.
- A. 60 days after the date of importation
 - B. 60 days after the date of release
 - C. 30 days after the date of examination
 - D. 30 days after the date of entry
 - E. 30 days after the date of release
78. An overseas shipper sells furniture to a party in the U.S. At the time of U.S. entry or release the ultimate consignee is the party _____.
- A. to whom the overseas shipper sold the imported merchandise
 - B. to whom the overseas shipper delivered the imported merchandise
 - C. to whom the overseas shipper consigned the imported merchandise
 - D. from whom the overseas shipper bought the merchandise
 - E. that manufactured the furniture

79. After an importer has been given written notice after any commingling of merchandise is discovered, the importer has _____ days after the date of mailing or personal delivery of the notice to take appropriate action.
- A. 60
 - B. 30
 - C. 90
 - D. 365
 - E. 10
80. Merchandise may remain in a bonded warehouse up to _____ years from the date of importation.
- A. 6
 - B. 7
 - C. 5
 - D. 10
 - E. 8

STOP.

THIS IS THE END OF THE TEST.

You may use the remaining time to go back and check your answers.

Please double check that your address is CORRECTLY bubbled in on your answer sheet. Your entire address must be filled in, including apartment numbers. Incorrectly bubbling of your address will delay notification of the results of the exam. If your address does not fit into the appropriate boxes, provide the Test Administrator with your full address AFTER the exam.

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APRIL 2007 CUSTOMS BROKER LICENSE EXAM ANSWER KEY

QUESTION	ANSWER	
1	B	19 CFR 141.0a(i)
2	A	19 CFR 141.12
3	B	19 CFR 143.21
4	C	19 CFR 159.34(a) $\$1,200 \times 0.626449 = \751.74 (rounded to \$752)
5	D	19 CFR 152.103(b)(1)(i)
6	B	19 CFR 18.12(a)
7	A	19 CFR 151.11
8	E	RLF Eligibility Requirements
9	D	19 CFR 177.11(b)(2)
10	D	CBP Form 7501 Instructions (8-30-2005)
11	A	Chapter 98, Subchapter XIII, U.S. Note 1(a)
12	C	19 CFR 114.23(a)
13	C	19 CFR 143.14
14	B	19 CFR 102.1(g)(5)
15	E	19 CFR 134.33
16	E	19 CFR 143.16
17	B	19 CFR 152.103(a)(1)
18	A	19 CFR 152.102(f)
19	D	19 CFR 152.103(b)
20	B	19 CFR 141.5; 19 CFR 142.2(a)
21	A	19 CFR 141.113(a)
22	B	Chapter 69 eo nomine
23	C and E	Answers C and E will be accepted as correct answers.
24	A	Harmonized Tariff Schedule General Rules of Interpretation (GRI)1; Section VII, Legal Note 2
25	E	GRI 1; Section XXII, Subchapter XVII, Note 2(s)
26	D	Chapter 61, heading 6115
27	B	Chapter 61, Note 3(a)
28	E	Chapter 61 eo nomine
29	A	Chapter 65 eo nomine; GRI 3(b)
30	E	Chapter 44; GRI 3(c)
31	D	Chapter 87 eo nomine
32	E	Chapter 39 eo nomine
33	A	Chapter 97, Additional U.S. Note 2; Chapter 94
34	B	GRI 1; Headings 8479 and 8515
35	B	Chapter 96 eo nomine
36	D	Chapter 84, Note 2(b); heading 8437
37	E	General Note 17
38	D	Chapter 68 eo nomine
39	E	19 CFR 111.28(b)(1)(ii)
40	D	19 CFR 111.11(a)(4)
41	B	19 CFR 111.12(a)

42	E	19 CFR 111.28(b)(1)(i) and (ii)
43	D	19 CFR 111.11(a)(4) and 111.15
44	A	19 CFR 191.6
45	C	19 CFR 191.28
46	C	19 CFR 191.35(a)
47	B	19 CFR 191.92(d)
48	C	19 CFR 191.181 and 191.182
49	E	General Note 4(a)
50	B	19 CFR 10.223(a)(3); General Note 7(a); Chapter 98
51	A	19 CFR 102.1(k); General Note 12(i)
52	B	19 CFR 10.178(b)(2)
53	D	General Note 25(b)(iii); General Note 25(o), Chapter 96, Rule 9
54	A	19 CFR 163.5(b)(2)(iii)
55	E	19 CFR 163.1
56	B	19 CFR 111.23(a)
57	C	19 CFR 163.4(b)(1)
58	A	19 CFR 111.239(a)(2)
59	B	19 CFR 113.26(a)
60	A	19 CFR 10.39(f)
61	A	19 CFR 113.129b); Customs Directive 3510-004 (Monetary Guidelines for Setting Bond Amounts)
62	D	19 CFR 142.15
63	C	19 CFR 113.55(a)(1)
64	E	Chapter 98, Subchapter XIII
65	A	19 CFR 113.27(b)
66	B	19 CFR 162.74
67	C	19 CFR 171 Appendix B(C)
68	C	19 CFR 171 Appendix C(V)(E)
69	D	19 CFR 172.22(a) and (b)
70	E	19 CFR 133.52(b)
71	C	19 CFR 159.34(a) and (b)(2)
72	D	19 CFR 19.11(d)
73	D	19 CFR 12.8(a)
74	E	19 CFR 24.3(e)
75	C	19 CFR 152.1(c); 19 CFR 159.32
76	E	19 CFR 24.5(e)
77	C	19 CFR 141.113(a)
78	A	Customs Directive 3550-079A, 6.3 (Ultimate Consignee at Time of Entry or Release)
79	B	19 CFR 152.13(a) and (c); General Note 3(f)
80	C	19 CFR 144.5