

**U.S. CUSTOMS AND BORDER PROTECTION**

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

You are responsible for having the following references:

- **Harmonized Tariff Schedule of the United States (2008)** USITC Publication 3840 (Supplement 1)
- **Title 19, Code of Federal Regulations** Revised as of April 1, 2008 (**Parts 1-End**)
- **Customs and Trade Automated Interface Requirements (CATAIR)**
  - 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)**
- **C-TPAT – Minimum Security Criteria for Customs Brokers (3-20-2007)**
- **Submission Changes for Supplemental Information Letters and Post Entry Amendments**
- **Remote Location Filing Eligibility Requirements (4-18-2005)**
- **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

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

**DO NOT TURN THIS PAGE UNTIL TOLD TO DO SO BY THE EXAMINER.**

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**Customs Broker License Examination**

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## **Section 1: ENTRY**

1. Which of the following is **NOT** true regarding a blanket Toxic Substances Control Act certification?
  - A. An importer or authorized agent may certify a shipment is subject to TSCA and complies with the requirements, or is not subject to TSCA.
  - B. The blanket certificate must list the products covered by name.
  - C. A blanket certificate must include the Harmonized Tariff Schedule of the United States subheading number of the products covered.
  - D. A blanket certificate must identify the foreign supplier by name and address.
  - E. An approved blanket certification is valid for two years.
  
2. Which of the following is **NOT** an additional invoice requirement for footwear classified in headings 6401 through 6405 of the HTSUS?
  - A. Manufacturer's style number
  - B. Specific size of the footwear
  - C. Percent by area of the external surface area of the upper by material
  - D. Importers style number and/or stock number
  - E. Percent by area of external surface area of outersole by material
  
3. Which would be the correct amount of duty for 7200 liters of red wine made in Spain having an alcohol strength by volume of 14.72% and a value of \$47,912?
  - A. \$121.68
  - B. \$453.60
  - C. \$1216.80
  - D. \$3018.46
  - E. Free
  
4. For the purpose of determining whether the country of origin of textiles and textile products subject to the provisions of 19 CFR 102.21 or 19 CFR 102.22, has been accurately represented to CBP, the release of any such textiles from CBP custody is conditional during the \_\_\_\_\_ day period following the date of release.
  - A. 30
  - B. 60
  - C. 90
  - D. 180
  - E. 314

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5. What is the date of exportation for the following?

Oil was produced in Algeria on June 4 and was shipped via pipeline to a storage facility in Morocco on June 6. On June 20, the owners of the oil found a buyer in Houston Texas. On June 28 the oil was loaded onto a U.S. bound tanker and the ship set sail from Casablanca on June 30.

- A. June 4
- B. June 6
- C. June 20
- D. June 28
- E. June 30

Which of the following statements is **TRUE** regarding the duty due?

6. An importer is entering \$20,000 worth of gold jewelry which had previously been imported from Thailand and then re-exported for repairs under warranty. The broker classifies the repaired jewelry in 9802.00.4040 with a secondary classification of 7113.19.5080.

- A. The importer owes 5.5% duty on the total value of the jewelry
- B. The importer owes no duty since the importer was not charged for the repairs under warranty
- C. The importer owes no duty because the goods qualify for duty free treatment under the GSP trade agreement
- D. The importer owes 5.5% duty on the value of the repairs
- E. The importer owes duty on the total value of the jewelry minus the value of the repairs

7. When the transaction is in foreign currency, the date that should be considered for conversion purposes is the date the \_\_\_\_\_.

- A. goods were exported from the country of export for the U.S.
- B. goods were sold
- C. goods were imported into the U.S.
- D. goods were packed
- E. payment is transferred from the buyer to the seller

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8. Which statement is **INCORRECT** regarding the processing of a single entry for a single shipment that was split by the carrier into multiple portions that arrived into the U.S. separately?
- A. The CBP Form 3461 must be annotated that the shipment was split at the initiative of the carrier and that an election is made to file a single entry for all portions of the shipment
  - B. In Box 29 of CBP Form 3461, the filer will enter the carrier code, voyage/flight/trip number, arrival date and piece count for each portion of the split shipment covered by the single entry
  - C. There are two procedures by which to file a single entry for a split shipment: "hold-all" procedure and "incremental release" procedure
  - D. Any portion of a split shipment that does not arrive at the port of entry within 15 calendar days of the arrival of the first portion must be entered separately
  - E. Any merchandise subject to quota and/or visa requirements is excluded from the incremental release procedure
9. If a CBP Form 214 is designated as a Temporary Deposit due to incomplete documentation, a complete and accurate CBP Form 214 must be submitted within \_\_\_\_\_ days, unless an extension is granted by the port director.
- A. 5
  - B. 10
  - C. 15
  - D. 20
  - E. 30

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## **Section 2: ANTIDUMPING/COUNTERVAILING DUTY**

10. A broker has \_\_\_\_\_ days from the date of reject to resubmit a summary that is rejected for failure to post bond/cash for merchandise subject to antidumping and/or countervailing duty cases.
- A. 2 calendar
  - B. 2 working
  - C. 5 working
  - D. 10 calendar
  - E. 10 working
11. What additional information is required when filing an entry subject to antidumping duties?
- A. A certificate/statement of reimbursement.
  - B. An application to manipulate, examine, sample or transfer goods.
  - C. A Transportation Entry on CBP Form 7512.
  - D. A certificate of origin.
  - E. An application for allowance in duties on CBP Form 4315
12. A broker presents a formal entry for merchandise which is subject to an antidumping case. Which one of the following statements is **FALSE**?
- A. A certificate of non-reimbursement must be filed with CBP prior to the liquidation of the summary, to avoid the presumption that the exporter or producer reimbursed the antidumping duty payment
  - B. The antidumping duty rate assessed at liquidation may be different than the original rate required at time of deposit, if the company involved was included in a request to review the order
  - C. When the Secretary of Commerce instructs CBP to liquidate the antidumping entry subject to a case, interest is calculated on each entry overpayment or underpayment for summaries required suspended prior to the dumping order
  - D. At the time an order is issued in an antidumping investigation, a bond in lieu of cash payment is generally not acceptable for security of the antidumping duty
  - E. Once an antidumping case has reached order stage, a revocation is necessary to end the case

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13. An entered commodity determined by the Department of Commerce to be included within the scope of an antidumping order \_\_\_\_\_.
- A. shall be entered as a type '03' entry type code
  - B. may be entered using remote location filing
  - C. may be rejected by CBP since CBP determines whether a commodity is subject to an antidumping order
  - D. may receive drawback of the collected antidumping duty
  - E. must report the antidumping case number on line 10 of the CBP Form 7501
14. A CBP Form 7501 identifies Big Dragon Imports, a Taiwanese nonresident as the importer of record. PRC International Group, Inc., an incorporated legal entity in the Customs territory of the U.S. is the ultimate consignee. The Chinese overseas manufacturer of the imported commodity, Red Garments, is subject to an antidumping duty order of 15.2%. West Texas CHB, Inc. acts as the licensed broker in the entry of the merchandise. \_\_\_\_\_ must file the Reimbursement Certificate of Antidumping or Countervailing Duties prior to liquidation.
- A. West Texas CHB, Inc.
  - B. Red Garments
  - C. PRC International Group, Inc.
  - D. Big Dragon Imports
  - E. The surety company. The importer of record is precluded from filing the Reimbursement Certificate of Antidumping or Countervailing Duties since it is a nonresident importer
15. An antidumping or countervailing duty reimbursement certificate must be filed \_\_\_\_\_.
- A. at the time of importation of the goods
  - B. prior to liquidation of the entry
  - C. with the CBP Form 7501 Entry Summary
  - D. prior to issuance of liquidation instructions by the Department of Commerce
  - E. prior to importation of the goods

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### **Section 3: BROKER COMPLIANCE**

16. Which of the following is **CORRECT**?

- A. A Customs broker is prohibited from transacting customs business on behalf of a notoriously disreputable importer or exporter
- B. Payments received by a broker from a client after the due date must be transmitted to the Government within 5 calendar days from receipt by the broker
- C. A broker must never compensate a freight forwarder for referring brokerage business
- D. Brokers have an option to notify active clients that customs charges may be paid with a separate check payable to CBP
- E. Payment of duty, tax, or other debt or obligation owing to the Government for which the broker has received payment from a client, must be made to the Government on or before the date that payment is due

17. Which of the following statements is **INCORRECT**?

- A. During the period of retention, the broker must make available upon reasonable notice for inspection, copying, or other CBP official use for a period not to exceed 5 working days
- B. A broker must not endorse or accept, without authority of his client, any U.S. government draft, check, or warrant drawn to the order of the client
- C. A broker who is an importer himself must not act as broker for an importer who imports merchandise of the same general character as that imported by the broker unless the client has full knowledge of the facts
- D. If consolidated storage is desired by the broker, he must submit a written notice addressed to the Office of International Trade, Regulatory Audit, 2001 Cross Beam Dr., Charlotte, North Carolina 28217
- E. Each broker must designate a knowledgeable company employee to be the contact for CBP for customs business and financial recordkeeping requirements

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18. How long is a broker required to retain records according to the requirements set forth in 19 CFR?
- A. 1 year other than powers of attorney
  - B. 3 years
  - C. 5 years other than powers of attorney
  - D. 7 years
  - E. 10 years other than powers of attorney
19. A person transacting customs business without holding a valid broker's license is subject to a penalty of:
- A. \$100
  - B. \$5,000
  - C. \$100,000
  - D. An amount not to exceed \$10,000 for each violation and not to exceed an aggregate of \$30,000 for all violations
  - E. An amount not to exceed \$25,000 for each violation and not to exceed an aggregate of \$50,000 for all violations
20. The license of a broker that is a corporation or association can be revoked by operation of law if it fails for \_\_\_\_\_ continuous days to have at least one officer of the corporation or association who holds a valid individual broker license.
- A. 30
  - B. 60
  - C. 120
  - D. 160
  - E. 180

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## **Section 4: CLASSIFICATION**

21. What is the correct classification of a woman's knit sweater constructed from 50% acrylic (man-made)/50% wool fabric that measures 11 stitches per two centimeters counted in the horizontal direction?
- A. 6110.12.1060
  - B. 6110.19.0030
  - C. 6110.19.0080
  - D. 6110.30.1520
  - E. 6110.30.1560
22. What is the classification for men's woven pants, invoiced as 50% cotton/50% lyocell (an artificial fiber)? The goods were made in China; visa for category 347 was provided.
- A. 6103.42.1020 (category 347)
  - B. 6103.49.1020 (category 647)
  - C. 6203.42.4016 (category 347)
  - D. 6203.49.2015 (category 647)
  - E. 6203.49.8020 (category 347)
23. What is the classification of a 15 mega pixel, single-lens reflex, digital camera? The camera cannot capture sequential images.
- A. 8525.80.4000
  - B. 8525.80.5010
  - C. 9006.40.6000
  - D. 9006.51.0090
  - E. 9006.52.9160
24. What is the classification of a multimedia video system consisting of an interactive, flat screen display of Japanese origin, and a Canadian-made projector? If imported separately, they would be classified under 8528.51.0000 and CA8528.69.4500, respectively? The two components are of equal value, and both are equally essential.
- A. 8528.51.0000
  - B. CA8528.51.0000
  - C. 8528.69.4500
  - D. CA8528.69.4500
  - E. 8528.51.0000/CA8528.69.4500 (components separately classifiable)

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25. What is the classification for an inflatable dock fender made of vulcanized rubber other than hard rubber?
- A. 3926.90.7500
  - B. 3926.90.9880
  - C. 4016.94.0000
  - D. 8905.90.1000
  - E. 9506.29.0080
26. What is the classification for French King Louis XIV's personal writing desk made in 1710 of cherry wood?
- A. 4420.90.8000
  - B. 9403.30.8000
  - C. 9403.60.8080
  - D. 9403.70.8030
  - E. 9706.00.0040
27. What is the classification of an alloy steel, non-welded gas line with an outside diameter of exactly 114.3 mm?
- A. 7306.11.0010
  - B. 7306.19.1010
  - C. 7306.19.1050
  - D. 7306.19.5110
  - E. 7306.19.5150
28. What is the classification heading for the following product described as a "non-standardized cheese sauce mix" in a powder form? The product consists of whey protein concentrate powder, blended condensed skim milk powder, condensed buttermilk powder, sweet whey, curd cheese, cheddar cheese, sodium, citric acid, color mix and lactic acid. The powder is mixed with butter and milk to make the sauce although the product is palatable solely with the addition of milk.
- A. 0401
  - B. 0404
  - C. 0406
  - D. 1901
  - E. 2103

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29. What is the classification of a woven chenille fabric composed of 55% rayon and 45% polyester and containing yarns of different colors? The weight is 372 g/m<sup>2</sup>; the width is 145 cm. It is coated with an application of plastic that is visible to the naked eye. The chenille yarn is on one side only.
- A. 5407.20.0000
  - B. 5801.36.0010
  - C. 5806.31.0000
  - D. 5903.90.3090
  - E. 6002.90.8080
30. What is the classification for footwear with upper straps or thongs assembled to the sole by means of plugs (zoris)?
- A. 6401.10.0000
  - B. 6402.12.0000
  - C. 6402.20.0000
  - D. 6402.91.0500
  - E. 6402.99.0400
31. What is the classification of an electric motor valued at \$50.00 and is used solely to start internal combustion engines?
- A. 8412.80.9000
  - B. 8501.10.2000
  - C. 8501.32.4500
  - D. 8501.51.2040
  - E. 8511.40.0000
32. What is the classification and duty rate for a shipment of glazed porcelain salt and pepper shaker sets made in Brazil and imported from Italy?
- A. 6912.00.4100 / 3.9%
  - B. 6913.10.5000 / Free
  - C. 6911.10.4100 / 6.3%
  - D. 6911.10.4100 / Free
  - E. 6911.10.8010 / 20.8%

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33. What is(are) the classification(s) of a girl's size 6, 100% cotton knit t-shirt and 50% cotton, 50% polyester woven shorts, put up together as a set for retail sale?
- A. 6109.10.0045 & 6204.63.3540
  - B. 6204.63.3540
  - C. 6104.22.0060 & 6204.23.0045
  - D. 6204.23.0045
  - E. 6111.20.2000 & 6209.30.3030
34. What is the classification of a 50 inch (127 centimeter) flat panel plasma high definition color television receiver with a built-in DVR (digital video recorder)?
- A. 8528.49.2000
  - B. 8528.59.2000
  - C. 8528.69.4000
  - D. 8528.72.6400
  - E. 8528.72.7210
35. What is the classification of a slide-in camper?
- A. 8703.23.0010
  - B. 8708.99.8130
  - C. 8716.10.0030
  - D. 8716.10.0075
  - E. 9406.00.8030
36. What is the classification for unrecorded "smart cards"?
- A. 4909.00.4020
  - B. 8523.52. 0000
  - C. 8525.60.2000
  - D. 9209.99.8000
  - E. 9504.40.0000

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37. What is the classification of frozen orange juice concentrate fortified with calcium?
- A. 2009.11.0020
  - B. 2009.12.2500
  - C. 2009.19.0000
  - D. 2106.90.4800
  - E. 2106.90.5200
38. What is the classification for cross-country ski footwear from China? The footwear is welted, outer soles of plastic, rubber or composition leather and uppers of leather, valued at \$7 per pair.
- A. 6401.10.0000
  - B. 6401.92.3000
  - C. 6403.12.3000
  - D. 6403.12.6000
  - E. 6404.11.9050
39. Which of the following statements is **FALSE** regarding the classification of merchandise?
- A. An article which is imported unassembled cannot be classified in the heading that refers to the completed article
  - B. A heading that provides a more specific description of the merchandise is the preferred heading
  - C. If there are two headings which equally merit consideration the one that occurs last in numeric order should be used
  - D. Containers specifically shaped to hold specific articles and imported and sold with those articles are to be classified with those articles
  - E. The cardboard boxes used to pack goods and entered with the goods therein are classified with the goods

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## Section 5: SCENARIO

For questions 40 to 42, please use the following information.

 <p style="margin: 0;">P.T. Jakarta Garment Trading JI Gatot Subroto 3315 - 1002 Jakarta Indonesia</p>				
<p><b>ACCOUNT OF:</b> Cover Me, LLC 123 Main St Slaton, TX 79428</p> <p>PH: 806.867.5309 FX: 806.867.3991</p> <p>Contact: Waylon G. Smithers <b>CUSTOMER ID:</b> 273359875</p>	<p><b>DATE:</b> April 1, 2009 <b>EXPORT REF:</b> 10CCI00234BA Inv. 1, p. 1</p> <p><b>COUNTRY OF MANUFACTURE:</b> Macau</p> <p><b>COUNTRY OF ORIGIN/EXPORT:</b> Macau/ Taiwan</p> <p><b>SHIP TO:</b> Consolidated Warehouses of America 742 Evergreen Terrace Springfield, IN 79423</p> <p><b>PORT OF ARRIVAL:</b> Port Hueneme <b>VESSEL/VOYAGE:</b> Speed Express/HE578US24</p>			
TYPE OF PACKAGING	DETAILED DESCRIPTION OF GOODS	QTY	UNIT VALUE (Macanese pataca)	SUBTOTAL
Piece	Adult Baseball Caps 100% Cotton, Woven	200 doz.	97 fob	19,400
TOTAL PACKAGES			TOTAL WEIGHT	TOTAL VALUE
<p>Contact: Apu Nahasapeemapetilon Title: Warehouse Manager</p> <p><b>OTHER REMARKS:</b> Manufacturer - Fabrica de Artigos de Vestuario Clothing Universe Avenida da Amizade 555, Macau Landmark, Torre Banco Seng Heng, 18, Macau</p>				

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40. Construct the Manufacturer Identification Number.

- A. MOFABDE555MAC
- B. IDPTJAK3315JAK
- C. USCONWAR742SPR
- D. MOCLOUNI555MAC
- E. TWCOVME123SLA

41. What is the classification of the baseball caps?

- A. 6504.00.9045
- B. 6505.90.1540
- C. 6505.90.2060
- D. 6505.90.9089
- E. 6506.99.6000

42. What is the port code for the port of arrival?

- A. 2704
- B. 2709
- C. 2712
- D. 2713
- E. 2720

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## **Section 6: TRADE AGREEMENTS**

43. A broker is asked for help by a U.S. importer in correcting a NAFTA Certificate of Origin executed for a shipment. The broker advises the importer that they shall within \_\_\_\_\_ make a corrected declaration and pay any duties that may be due.
- A. 20 calendar days after the date of discovery of the error
  - B. 30 calendar days after the date of discovery of the error
  - C. 45 calendar days after the date of discovery of the error
  - D. 60 calendar days after the date of importation
  - E. 90 calendar days after the date of importation
44. To qualify for preferential tariff treatment under the Caribbean Basin Trade Partnership Act for textile goods, an imported article must **NOT** \_\_\_\_\_.
- A. be imported directly from a designated beneficiary country
  - B. be an apparel article in Chapters 61 or 62, or headings 6501 through 6504, or subheadings 6406.99 and 6505.90 of the HTS
  - C. be identified on a properly executed CBTPA Certificate of Origin, as provided for in 19 CFR 10.224 (that was in the importer's possession at the time of the claim)
  - D. meet the requirements specified in the applicable heading 9820 or subheading 9802.00.80 provision of the HTS
  - E. be an apparel article in Chapter 42, 52 or 54
45. Which of the following statements is **NOT** required when filing a post-importation claim under NAFTA?
- A. Statement indicating the basis of appraisal used in determining the value of the shipment, i.e., transaction value, computed value, etc.
  - B. Statement indicating whether or not the importer of the good provided a copy of the entry summary or equivalent documentation to any other person
  - C. Declaration that the good qualified as an originating good at the time of importation
  - D. Statement as to whether or not any person has filed a protest or a petition or request for reliquidation relating to the good under any provision of law
  - E. Statement as to whether or not the importer is aware of any claim for refund, waiver or reduction of duties relating to the merchandise

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46. If the Port Director determines that a NAFTA Certificate of Origin is illegible or defective, the importer shall be given a period of not less than \_\_\_\_\_ working days to submit a corrected Certificate.

- A. 5
- B. 10
- C. 30
- D. 90
- E. 314

47. Which statement is **TRUE** regarding this shipment of trousers?

- Nylon filament yarn of subheading 5402.32.30 formed in Israel
- Nylon fabric woven in Honduras
- Elastic for waistband formed in Israel
- Sewing thread formed and finished in Dominican Republic
- Cut and assembled into men's nylon trousers with elastic waistband in Honduras
- Trousers shipped from Honduras to US

- A. The yarn from Israel disqualifies the trousers from Dominican Republic-Central America-United States Free Trade Agreement preference
- B. The elastic waistband from Israel disqualifies the trousers from Dominican Republic-Central America-United States Free Trade Agreement preference
- C. The sewing thread from the Dominican Republic disqualifies the trousers from Dominican Republic-Central America-United States Free Trade Agreement preference
- D. The trousers qualify for Dominican Republic-Central America-United States Free Trade Agreement preference
- E. The trousers qualify for Caribbean Basin Trade Partnership Act preference

48. Which statement is **INCORRECT** for the United States-Australia Free Trade Agreement (UAFTA)?

- A. The good must be originating in Australia
- B. The good must be imported directly from Australia into the customs territory of the United States
- C. The special preference indicator (SPI) is AU
- D. The UAFTA is found under General Note 28
- E. The de minimis does not exceed 10 percent of the adjusted value of the good

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49. Which statement is **INCORRECT** for the identification of goods which are “wholly obtained or produced” under the NAFTA?

A good originates in the territory of a NAFTA country where the good is \_\_\_\_\_.

- A. a mineral good extracted in the territory of one or more of the NAFTA countries
  - B. a vegetable or other good harvested in the territory of one or more of the NAFTA countries
  - C. a good obtained from hunting, trapping or fishing in the territory of one or more of the NAFTA countries
  - D. fish, shellfish or other marine life taken from the sea by a vessel registered or recorded with a NAFTA country and flying its flag
  - E. used goods collected in the territory of one or more of the NAFTA countries
50. Frozen orange juice concentrate fortified with calcium classified 2106.90.4800 is produced in Canada. The bill of materials shows the following:

<u>Material</u>	<u>Origin</u>	<u>Tariff</u>	<u>Percent by volume</u>
Water	Canada	Heading 2201	26.95%
Orange Juice Concentrate	Argentina	Heading 2009 Sub-Heading 2008.30	70.00%
Orange Pulp Tricalcium Phosphate	Chile	Heading 2835	2.95%
Calcium Lactate	Italy	Heading 2918	0.05%
	Netherlands		0.05%
			100.00%

What is the **COUNTRY OF ORIGIN** for marking purposes?

- A. Canada
- B. Chile
- C. Argentina
- D. Italy
- E. Netherlands

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## **Section 7: FP&F**

51. Which is the **INCORRECT** statement related to Fines, Penalties, and Forfeitures?
- A. Payment of a mitigated amount will never serve as a bar to filing a supplemental petition for relief
  - B. A prior disclosure must be made before, or without knowledge of, the commencement of a formal investigation of the violation
  - C. The Fines, Penalties and Forfeitures Officer may cancel a claim without regard to assessed amount if it is determined that the act or omission forming the basis of the Liquidated Damages did not occur
  - D. A supplemental petition for mitigation may be filed only after the mitigated penalty forfeiture remission amount designated in the decision is paid
  - E. Mitigation decisions are not subject to protest
52. A petition for relief of a claim for liquidated damages should be addressed to the \_\_\_\_\_.
- A. Fines, Penalties & Forfeiture office, HQ, by the surety company only
  - B. local entry branch office by the surety company only
  - C. Fines, Penalties and Forfeitures officer whose name is given in the notice, by the bond principal
  - D. Fines, Penalties and Forfeitures office, HQ, by the broker only
  - E. Port Director by the broker
53. An administrative appeal to an adverse decision rendered on a petition for relief from a seizure, penalty, or liquidated damage case must be submitted in the form of a(n) \_\_\_\_\_.
- A. protest
  - B. application for further review
  - C. offer in compromise
  - D. supplemental Petition
  - E. complaint filed with the Court of International Trade

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54. When submitting an offer in compromise on behalf of a client to settle a claim for liquidated damages, or a penalty, the broker must also submit \_\_\_\_\_.

- A. a petition for relief
- B. a copy of the penalty notice
- C. a tender of funds
- D. a copy of the power of attorney
- E. 3 copies of the submission

55. The liquidated damages amount for failing to redeliver restricted or prohibited merchandise that fails to comply with the laws or regulations governing admission into the U.S. is \_\_\_\_\_.

- A. two times the unpaid duties, taxes and charges estimated to be due or \$1000, whichever is greater
- B. \$100
- C. two times the value of the merchandise
- D. \$1000 for each default or any amount as may be authorized by law or regulation
- E. three times the value of the merchandise or any amount as may be authorized by law or regulation

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## **Section 8: GENERAL**

56. Which of the following statements regarding Remote Location Filing is **FALSE**?
- A. Only entry types 01, 02 and 11 will be accepted
  - B. Participants must be operational on the Electronic Invoice Program
  - C. Participants must be operational on the Automated Broker Interface
  - D. Participants must maintain a continuous bond on file
  - E. Participant must be operational on the Automated Clearing House
57. If a protest relates to an administrative action involving exclusion of merchandise from entry or delivery under any provision of CBP laws, the port director shall review and act on this protest within \_\_\_\_\_ days from the date the protest was filed.
- A. 15
  - B. 20
  - C. 30
  - D. 45
  - E. 60
58. What is the correct Manufacturer's Identification Code for the following?
- Chapeaux pour Chiens  
17, rue de Lyons  
38031 Grenoble Cedex 1  
FRANCE
- A. GRCHAPOU17FR
  - B. FRCHAPOU17GRE
  - C. 17CHAPOURGREFR
  - D. FRCHAPOU3803GRE
  - E. FRCHAPPOU17GRE
59. Which is **NOT** acceptable for reduced duty under 9802.00.80 of the following operations performed on U.S. components?
- A. Soldering
  - B. Removing rust
  - C. Cutting garment parts
  - D. Lubricating
  - E. Laminating

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60. Which method of marking is **NOT** acceptable?
- A. Die stamping an Italian fork with the clearly visible word "Italie"
  - B. Labeling the outer shipping container of a shipment of 150 Chinese pens with "Made in China". The pens are complimentary gifts to visitors to a trade show. They will not be displayed in the container
  - C. Marking the blister package of a French camera with a "Made in France" sticker
  - D. Marking a souvenir "Alaska" mug with an adhesive label that says "Made in Canada" right beneath the word "Alaska"
  - E. Engraving the clasp of a Native American style bracelet with "Made in Taiwan"
61. If merchandise released under a special permit for immediate delivery is later found to be prohibited, the port director will demand its recall in accordance with 19CFR141.113 and an entry summary and the deposit of estimated duties, if any, shall not be required provided certain conditions are met. Which of the following is **NOT** one of these conditions?
- A. The merchandise is exported under CBP supervision.
  - B. The merchandise is deposited in a Foreign Trade Zone.
  - C. The merchandise is destroyed under CBP supervision.
  - D. An entry for Transportation and Exportation is filed for the merchandise and the exportation is accomplished promptly.
  - E. An entry for exportation is filed for the merchandise and the exportation is accomplished promptly.
62. A power of attorney issued by a partnership to file a protest is limited to a period not to exceed \_\_\_\_\_ year(s) from the date of receipt by the port director.
- A. one
  - B. two
  - C. three
  - D. four
  - E. five

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63. Which of the following statements is **TRUE**?
- A. A centralized examination station is a government operated facility in the charge of a CBP Officer, at which merchandise is physically examined
  - B. Juneau Harbor in Juneau, Alaska is exempt from the Harbor Maintenance Fee; Hoonah Harbor in Juneau, Alaska is not exempt from the Harbor Maintenance Fee
  - C. Informal Entry procedures may generally be used for shipments not exceeding \$2500 in value which are imported by express consignment operators and carriers
  - D. A good of a NAFTA country must be marked with the names of the country of origin in English, French, and Spanish
  - E. "Slip-on" merchandise does not include a boot which must be pulled on
64. When using statement processing which one of the following alternatives is correct?
- A. A mixing of payment methods for a single statement is acceptable
  - B. Statement processing can only be made using checks or cash
  - C. Statement processing can only be made through ACH
  - D. Non- quota entries cannot be deleted from a preliminary statement
  - E. quota-class merchandise must use only ACH payment, not cash or checks
65. An importer has \_\_\_\_\_ days after liquidation to request a written explanation of how the value of the imported merchandise was determined?
- A. 20
  - B. 30
  - C. 90
  - D. 120
  - E. 180
66. What are the official office hours for the purpose of administering quotas?
- A. 8:30 am to 4:30 pm in all time zones
  - B. 8:30 am to 5:00 pm in all time zones
  - C. 8:00 am to 5:00 pm in all time zones
  - D. 8:30 am to 5:00 pm EST
  - E. 8:00 am to 4:30 pm in all time zones

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67. The recordation of a copyright shall remain in effect for \_\_\_\_\_ year(s) unless the copyright ownership expires before that time.
- A. one
  - B. five
  - C. ten
  - D. sixteen
  - E. twenty
68. What does ATA Carnets **NOT** cover?
- A. Prototype vehicles
  - B. Professional Equipment
  - C. Trade Show Items
  - D. Furniture
  - E. Giveaways
69. When no extension of the period is authorized, merchandise cannot remain in a bonded warehouse longer than \_\_\_\_\_ from the date of importation.
- A. 360 days
  - B. 1 year
  - C. 3 years
  - D. 4 years
  - E. 5 years
70. What is the correct input of "The 2<sup>nd</sup> National Savings and Loan Association of Texas" into the SRE file of ACS?
- A. The Second National Savings & Loan Assoc. of TX
  - B. Second National Savings and Loan Association of Texas
  - C. The 2<sup>nd</sup> National Savings & Loan Association of Texas
  - D. Second National Savings & Loan Association of TX
  - E. 2<sup>nd</sup> National Savings and Loan Association of TX
71. The operator of a foreign trade zone has \_\_\_\_\_ days to prepare a reconciliation report after the end of the zone/sub zone year unless the port director authorizes an extension for reasonable cause.
- A. 30
  - B. 60
  - C. 90
  - D. 120
  - E. 180

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72. A \_\_\_\_\_ is a building or other secured area in which imported merchandise may be stored or manipulated without the payment of duty or taxes for up to five years.
- A. foreign trade zone
  - B. bonded warehouse
  - C. container freight station
  - D. centralized examination station
  - E. general order warehouse
73. Where is the definition of the expression “**parts of general use**” found?
- A. Section XVII Note 2
  - B. Section XI Note 4(A)
  - C. Section XV Note 2
  - D. Section IV Additional U.S. Note 2(a)
  - E. Section XVI Note 5
74. Which of the following is **NOT** an option for an importer when merchandise is imported in excess of an absolute quota/textile safeguard?
- A. Holding the merchandise for the next opening by placing it in a bonded warehouse
  - B. Commingling of the merchandise and classification with non-quota class goods
  - C. Exporting the merchandise
  - D. Destroying the merchandise under CBP supervision
  - E. Holding the merchandise for the next opening by placing it in a foreign trade zone
75. Select the correct answer for the transaction value of shipment whose details are as follows:
- \$200,000 entered amount
  - CIF LA Duty Paid, MPF included
  - Price includes \$2,000 ocean freight, \$300 marine insurance
  - The actual duty rate is 10%
  - The actual MPF rate is 0.21%
- A. \$177,445
  - B. \$179,008
  - C. \$179,033
  - D. \$179,385
  - E. \$197,700

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**76.** Select the correct answer for calculating the transaction value of a shipment with details as follows:

- \$1,750,000 entered amount,
- CIF New York Duty Paid, MPF included
- Price includes \$25,000 ocean freight, \$2500 marine insurance, \$1500 trucking freight (New York to Baltimore, MD), \$100 broker fee in Baltimore, \$100,000 Customs duties and fees
- The actual duty rate is 6.5%
- The actual MPF rate is 0.21%

- A.** TV = entered amount minus ocean freight, marine insurance, trucking freight, and customs broker fee; add MPF and 6.5% duty
- B.** TV = entered amount minus ocean freight, marine insurance, trucking freight, and Customs broker fee. Divide remainder by 1.0671. Multiply the remainder by .0021. Subtract \$485 from the entered amount minus the authorized deductions. Divide the remainder by 1.065
- C.** TV = entered amount minus ocean freight, marine insurance, trucking freight, maximum MPF, and 6.5% actual duty rate
- D.** Divide out the actual duty rate, and then subtract the ocean freight, marine insurance, trucking freight and customs broker fee
- E.** TV = entered amount minus ocean freight, marine insurance, and trucking freight fee and divide by 1.0671, multiply by .0021 for actual MPF; subtract MPF as allowed from the entered amount minus deductions and divide by 1.065 to yield Transaction Value

**77.** When considering test values in a related party transaction, the appraising officer must have:

1. Previously established Customs values determined pursuant to 19 USC 1401 a(c),(d) and (e).
2. Goods produced in the same country as the merchandise under appraisement
3. Goods exported from the same country as the merchandise under appraisement
4. Goods exported at or about the same time as the merchandise under appraisement

- A.** only (1), (2) and (3) above
- B.** only (2), (3) and (4) above
- C.** only (1), (3) and (4) above
- D.** only (1), (2) and (4) above
- E.** (1), (2), (3) and (4) above

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78. Each transfer of merchandise from a Foreign Trade Zone to the Customs territory for transportation to and exportation from a different port, will be made under an entry for transportation and exportation using CBP Form \_\_\_\_\_.

- A. 301
- B. 3461
- C. 3499
- D. 6043
- E. 7512

Comment [P1]: I changed the order to ascending is this OK?

79. Merchandise subject to \_\_\_\_\_ requirements does **NOT** require a single entry bond in an amount which is not less than 3 x total entered value?

- A. Food and Drug Administration
- B. quota/visa
- C. Bureau of Alcohol, Tobacco and Firearms
- D. Federal Communications Commission
- E. antidumping/countervailing duty

80. Changes to a valid continuous bond on file for an importer may be submitted in the form of a bond rider in order to change the \_\_\_\_\_.

- A. address of the principal
- B. limit of liability
- C. name of a new corporation as a result of a merger
- D. name and address of the surety
- E. activity code for which the bond is being used

**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.**

## APRIL 2009 CUSTOMS BROKER LICENSE EXAM ANSWER KEY

QUESTION	ANSWER	
1	E	19 CFR 12.121(a)
2	B	19 CFR 141.89(a)
3	C	Harmonized Tariff Schedule (HTS) 2204.21.8060
4	D	19 CFR 141.113(b)
5	E	19 CFR 152.1(c); HTS General Statistical Note 1(b)(i)
6	Credit	Due to printing error by U.S. ITC, proper HTS # was not provided on granted to all printed version of 2008 HTS, Supplement 1
7	A	19 CFR 152.1(c); 159.32
8	D	19 CFR 141.57
9	A	19 CFR 146.35(e)
10	E	Directive 3550-067 Entry Summary Acceptance and Rejection Policy
11	A	19 CFR 351.402(f)(iii)(2)
12	C	19 CFR 351.212(e)
13	A	CBP Form 7501 Instructions
14	D	19 CFR 351.402(f)(2)
15	B	19 CFR 351.402(f)(2)
16	E	19 CFR 111.29(a)
17	A	19 CFR 111.25
18	C	19 CFR 111.23(a)
19	D	19 CFR 111.91(b)
20	C	19 CFR 111.45(a)
21	E	HTS Chapter 61, Statistical Note 3; Section XI, Note 2(A)
22	D	HTS Section XI, Note 2(A)
23	A	HTS 8525.80.4000; Chapter 90, Note 1(h)
24	D	HTS General Rules of Interpretation (GRI) 3(c)
25	C	HTS 4016.94.0000 eo nominee
26	E	HTS 9706.00.0040 eo nominee
27	D	HTS 7306.19.5110 eo nominee
28	E	HTS Heading 2103; GRI 1
29	B	HTS 5801.36.0010 eo nominee
30	C	HTS 6402.20.0000 eo nominee
31	E	HTS 8511.40.0000 eo nominee
32	C	HTS 6911.10.4100; General Note 4(c)
33	A	HTS 6109.10.0045, 6204.63.3540; Section XI, Note 14
34	D	HTS 8528.72.6400 eo nominee
35	B	HTS 8708.99.8130 eo nominee
36	B	HTS 8523.52.0000 eo nominee
37	D	HTS 2106.90.4800; Chapter 21, Additional U.S. Note 1
38	C	HTS 6403.12.3000 eo nominee
39	A	HTS GRI 2(a)
40	D	19 CFR 102.21(b)(5); CBP Form 7501 Instructions

41	C	HTS 6505.90.2060 eo nominee
42	D	HTS Statistical Annex C
43	B	19 CFR 181.21(b)
44	E	19 CFR 10.222
45	A	19 CFR 181.32(b)
46	A	19 CFR 181.22(c)
47	B	HTS General Note 29, Chapter 62, Chapter Rule 3
48	B	HTS General Note 28(a)
49	E	19 CFR 181 Appendix , Part II, Section 4 (1)
50	C	19 CFR 134.1(b); 102.11(a)(3); 102.1(e); 102.20(f); 102.11(b)(1)
51	D	19 CFR 171.61
52	C	19 CFR 172.3
53	D	19 CFR 172.41
54	C	19 CFR 161.5; 172.31
55	E	19 CFR 113.62
56	A	Remote Location Filing Eligibility Requirements
57	C	19 CFR 174.21(b)
58	B	Directive 3550-055 Instructions for Deriving Manufacturer/Shipper Identification Code
59	C	19 CFR 10.13; 10.14; 10.16
60	B	19 CFR 134
61	B	19 CFR 142.28(a)
62	B	19 CFR 174.3(c)
63	B	19 CFR 24.24(b)(1)
64	E	19 CFR 24.25
65	C	19 CFR 152.101(d)
66	A	19 CFR 132.3
67	E	19 CFR 133.34(b)
68	E	19 CFR 114.22
69	E	19 CFR 144.5
70	D	Directive 5610-002A Standard Guidelines for the Input of Names and Addresses Into Automated Commercial System (ACS) Files
71	C	19 CFR 146.25
72	B	19 CFR 19
73	C	HTS Section XV, Note 2
74	B	19 CFR 132.5(c)
75		Credit granted to all
76		Credit granted to all
77	D	19 CFR 152.103
78	E	19 CFR 146.67(c)
79	E	Directive 3510-005 Monetary Guidelines for Setting Bond Amounts
80	A	19 CFR 113.24(a)