



May 1, 2024

## 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**, or **D**). There is no penalty for guessing; therefore, you should attempt to answer every question. **Each question has a single best answer.**

You are responsible for having the following references:

- Harmonized Tariff Schedule of the United States (2023 Basic Edition, No Supplements) (HTSUS)
- Title 19, Code of Federal Regulations (2023 Revised as of April 1, 2023) (Parts 1 to 140) (Parts 141 to 199) (Parts 200 to End)
- ACE Entry Summary Instructions Version 2.4a (ACE ES)
- Right to Make Entry (RTME) Directive 3530-002A
- ACE Entry Summary Business Rules and Process Document (Trade-External 11.0, March 2023 (Chapters 1 through 24) (ACE BRPD)

You have four and a half (4.5) hours (270 minutes) to complete this examination.

In addition to the 80 exam questions, U.S. Customs and Border Protection (CBP) will be administering six **voluntary** process evaluation questions at the end of the exam. The questions should take no longer than 5 minutes to complete. The purpose of the survey questions is to inform future testing processes. These survey questions are voluntary and will have **NO** impact on your scores.



**Section 2: Customs Broker License Examination**

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### Category I –Broker Compliance

1. Which of the following statements is **FALSE**?
  - A) Only customs brokers who have been approved for a National Permit are required to pay the annual user fee every year.
  - B) All customs brokers are required to file the triennial status report and pay the associated fee every three years after 1985.
  - C) Every applicant for a customs broker's license must pay an application fee, the amount of which is based upon whether the applicant is an individual, a partnership, an association, or a corporation.
  - D) All customs brokers are required to file an annual status report and pay the annual user fee every year after 1985.
  
2. Number One Car Company (NOC Co.) is an existing importer whose account is not in frozen or void status with the CBP Office of Finance Revenue Division and whose account is assigned to the Automotive and Aerospace Center of Excellence and Expertise (A&A Center). NOC Co.'s broker is Jack Frost Customhouse Broker (Jack Frost). Jack Frost is licensed and has his National Permit through Los Angeles/Long Beach and his processing Center is the Electronics Center of Excellence and Expertise (Electronics Center). NOC Co. has advised Jack Frost that it is adopting an alternate name of NOC Co. as it has permission from its State of incorporation. Which of the following correctly states a method Jack Frost can use to notify CBP of NOC Co.'s adoption of an alternate name?
  - A) Jack Frost will email a completed and signed Customs Form 5291 showing the NOC Co.'s alternate name to the A&A Center.
  - B) Jack Frost will use NOC Co.'s ACE Portal account to create an Importer Certifying Statement showing the adoption of the alternate name.
  - C) Jack Frost will email a completed and signed Customs Form 5106 showing NOC Co.'s alternate name to the A&A Center.
  - D) Jack Frost will follow the change of name instructions found in 19 CFR 111.30(c) and email the Electronics Center with NOC Co.'s alternate name.



3. ZXY Importer (ZXY) is switching customs brokerages. ZXY is terminating its relationship with Slick Customs Brokerage Co. (Slick). The power of attorney contract between ZXY and Slick was granted for an unlimited time period. Which of the following pairings correctly indicates who may revoke the power of attorney between ZXY as the principal and Slick as the agent?
  - A) Principal Yes, Agent No
  - B) Principal No, Agent Yes
  - C) Principal No, Agent No
  - D) Principal Yes, Agent Yes
  
4. Which statement accurately reflects the duration limitations for powers of attorney?
  - A) Powers of attorney issued by a partnership can be granted for an unlimited period and all other powers of attorney are limited to a period not to exceed two (2) years from the date signed.
  - B) Powers of attorney issued by a partnership and all other powers of attorney have the same duration limitation of two (2) years from the date signed.
  - C) Powers of attorney issued by a partnership shall be limited to a period not to exceed two (2) years from the date of execution, while all other powers of attorney may be granted for an unlimited period.
  - D) Powers of attorney issued by a partnership are valid for five (5) years from the date of execution, while all other powers of attorney may be granted for an unlimited period.
  
5. A duly licensed customs broker plans to switch from keeping paper records of documents created in the course of conducting customs business to keeping digital records electronically. These documents are not required to be maintained as original paper records under laws and regulations administered by other Federal Government agencies. From whom must the broker receive permission to switch the method of storage and within what time frame?
  - A) Regulatory Audit, Charlotte, North Carolina; at least 30 calendar days before implementing the alternative storage method
  - B) The Executive Director, Office of Trade, CBP Headquarters; no more than 30 calendar days after implementation of the alternative storage method
  - C) Broker Management Branch, CBP Headquarters; at least 60 calendar days before implementation of the alternative storage method
  - D) The Executive Director, Trade Regulatory Audit, CBP Headquarters; no more than 15 calendar days after implementation of the alternative storage method



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6. Which of the following is **TRUE** regarding the record retention period?
- A) Records pertaining to articles that are admitted free of duty and tax pursuant to 19 USC 1321(a)(2) shall be kept for five (5) years from the date of the entry.
  - B) Packing lists shall be retained for a period of ninety (90) calendar days from the end of release or conditional period, whichever is later.
  - C) Any record relating to a drawback claim shall be kept until the fifth (5<sup>th</sup>) anniversary of the date of the payment of the claim.
  - D) A consignee who is not the owner and appoints a customs broker shall keep a record of merchandise covered by informal entry for two (2) years from the date of the informal entry.
7. A customs broker license applicant has been denied a customs broker license. Which of the following best describes the next action the applicant must take to initiate an appeal?
- A) File with the Executive Assistant Commissioner, Office of Trade, in writing, a request for additional review that the Executive Assistant Commissioner deems appropriate not later than ninety (90) days of the denial.
  - B) File with the appropriate Executive Director, Office of Trade, in writing, additional information or arguments in support of the application. Such information and arguments must be received by the Executive Director within sixty (60) calendar days of the denial.
  - C) Appeal the decision to the Court of International Trade within thirty (30) days of the denial.
  - D) Appeal the decision by filing a written or electronic appeal with the Office of Trade, CBP Headquarters within thirty (30) days of the denial.



8. Which of the following scenarios demonstrates that a customs broker may have failed to maintain responsible supervision and control over their customs business?
- A) John Smith Customs Brokerage (Smith) terminated Sally Johnson's (Johnson) employment. Johnson was listed in Smith's Automated Commercial Environment (ACE) portal account as the knowledgeable point of contact to be available to CBP during and outside of normal operating hours. Smith updated Johnson's employee record but did not designate a new knowledgeable point of contact in ACE. CBP has been unable to contact Smith for over six months.
  - B) Countrywide Customs Brokerage (Countrywide) has ten offices across the United States under a National Permit with an approved supervision plan. Two of these offices do not have a licensed broker on site and have not had one for six months. Although Countrywide has not requested a waiver, Countrywide has a licensed broker conduct a supervisory visit twice a week to those offices.
  - C) National Customs Brokerage (National) unwittingly hired James Jones, Sr., a convicted felon who committed embezzlement ten (10) years ago. On his employment application, Jones stated that he did not have any felony convictions and used another person's social security number. National did not seek a waiver to employ a convicted felon.
  - D) Trustworthy Customs Broker Co. (Trustworthy) received \$10,000.00 from Sally Doe, an importer of handblown glass figurines. Sally has designated Trustworthy to make payment for all imports over the course of a year, and to collect any refunds issued by CBP. Sally owes \$4,000.00 in estimated duties for her most recent acquisition of figurines. Trustworthy remitted payment to CBP within 12 days of the figurines' arrival at the Port of Long Beach.
9. A broker has failed to file their triennial status report within the required timeframe. They have received written notice of their license being suspended from CBP. What action must the broker take to get their license reinstated?
- A) Pay the fee plus a monetary penalty designated by the Executive Assistant Commissioner within six (6) months of the date of notice of suspension.
  - B) Submit the report electronically through a CBP-authorized electronic data interchange (EDI) system within ten (10) calendar days of the date of notice of suspension.
  - C) Transmit written notice of appeal to CBP by certified mail, return receipt requested within ninety (90) calendar days of the date of notice of suspension.
  - D) File the required report and pay the fee within sixty (60) calendar days of the date of the notice of suspension.



10. Which of the following statements is **TRUE**? For the purposes of this question, an organization means a partnership, association, or corporation.
- A) An applicant for a national permit applying on behalf of an organization must be an individually licensed customs broker employed by the organization and such individual will also be responsible for exercising responsible supervision and control over the activities conducted under that national permit.
  - B) An applicant who obtains a passing grade on the examination for an individual broker license may apply for a national permit and the permit will be issued if the broker license is denied as long as the requirements of 19 CFR 111.19(b)(2) - (11), (c) and (d) are met.
  - C) An organizational broker must be issued a district permit by the processing Center before the organization may apply for a national permit for the purpose of transacting customs business in accordance with the requirements in 19 CFR Part 111.
  - D) An employee of a broker may, acting on his or her own behalf and without an individual license, while on the employer's premises, execute powers of attorney between the employee and clients of the employee and use the employer's facilities to conduct customs business on behalf of those clients.
11. Pursuant to CBP regulations regarding CBP's Office of Information Technology Security (CBP SOC), what must a broker do when there is a breach of physical records related to the broker's customs business?
- A) Notify electronically the CBP Office of Information Technology Security Operations Center (CBP SOC) within 72 hours of the discovery and provide CBP SOC with any known compromised importer identification numbers.
  - B) Notify electronically and by mail CBP SOC within 72 hours of the discovery and provide CBP SOC any known compromised importer identification numbers.
  - C) Notify the broker's assigned processing Center within 72 hours of the discovery and let their clients know their operations are temporarily suspended.
  - D) Notify the CBP Executive Assistant Commissioner within ten (10) days of the discovery and provide any known compromised importer identification numbers.
12. Which of the following statements is **FALSE**?
- A) A broker must transmit payment to the Government within five (5) working days after receipt from a client if the due date has passed.
  - B) Records pertaining to the business of the clients serviced by customs brokers are to be considered confidential.
  - C) Without exception, a broker who imports merchandise must not act as a broker for an importer who imports merchandise of the same general character as that imported by the broker.
  - D) Each broker must exercise responsible supervision and control over the transaction of customs business.



13. Which of the following is **NOT** required for a corporation to file entry / entry summary for commercial merchandise on behalf of others?
- A) A corporate officer who is a licensed customs broker.
  - B) A broker license and a national permit.
  - C) A valid power of attorney obtained from the principal.
  - D) Automated Broker Interface (ABI) functionality.
14. In which of the following circumstances is a power of attorney required when filing a protest?
- A) When the protest is filed directly by the importer.
  - B) When the protest is filed by the importer's attorney-at-law.
  - C) When a protest is filed by the importer's agent, and that agent is not an attorney at law, a licensed customs broker, or an authorized employee of a licensed customs broker.
  - D) A power of attorney is not required to file a protest.
15. John Rose has an individual customs broker license and a National Permit. Shady is importing eighteen (18) unmounted 1-carat diamonds worth \$2,500.00 each for a total of \$45,000.00 in his luggage. Shady is arriving from London, England, via private airplane. Shady intends to put the diamonds in rings to sell from his U.S.-based jewelry store. Rose obtains a power of attorney from Shady to be Shady's broker, and Rose advises Shady that the diamonds do not need to be declared because the diamonds are absolutely duty free. Which statement below is **TRUE** with respect to any penalty that may be imposed under these circumstances?
- A) A \$45,000.00 penalty may be assessed against the client under 19 USC 1497, but no penalty will be assessed against the broker as only one penalty may be assessed.
  - B) A \$45,000.00 penalty may be assessed against the broker under 19 USC 1641(d)(1)(D), and a \$45,000.00 penalty may be assessed against the client under 19 USC 1497.
  - C) A \$30,000.00 penalty may be assessed against the broker under 19 USC 1641(d)(1)(D), and a \$45,000.00 penalty may be assessed against the client under 19 USC 1497.
  - D) A \$30,000.00 penalty under 19 USC 1641 may be assessed against the broker and the client jointly, because penalties against a broker may not exceed \$30,000.00.





## **Category II – Practical Exercise**

### **FACTS:**

Baltimore Quick Printers of Baltimore, Maryland (BQ Printers) ordered a Luxemburg Digital Press (press) from manufacturer Stampa Fabbrica of Genoa, Italy (Stampa), an unrelated party. The contract price for the machine is \$60,000.00. Stampa will prepay international freight and insurance and invoice the BQ Printers on an C.I.F. (cost, insurance, freight) basis. Although the press was on backorder at the time it was ordered, Stampa promised the next available press would be shipped to the BQ Printers.

Stampa shipped a press to a purchaser in Beijing, China, but the purchaser declined to accept the shipment claiming that it was late. Stampa contacted BQ Printers to confirm their order and offered BQ Printers a rebate to induce acceptance of the press that was rejected by the purchaser in China. BQ Printers confirmed the order and Stampa arranged for an air shipment from China to Baltimore, Maryland.

While enroute from Beijing, China to Baltimore, Maryland, the flight was diverted from Baltimore, Maryland to Boston, Massachusetts due to inclement weather in Baltimore. BQ Printers's Customs broker, Fast Broker, LLC (Fast) was notified of the flight diversion. An alert employee of Fast modified the unsubmitted entry / entry summary documentation in their automated broker interface system to reflect that the shipment was landing and being unladen in Boston instead of Baltimore, the intended port of entry. The employee worked with a representative of Shark Airlines to arrange for ground transportation from Boston to Baltimore by Exact Trucking, a carrier bonded under 19 CFR 113.63 for the transportation and delivery of merchandise. Fast created the Customs Form 7512 (CF 7512) naming Exact Trucking as the bonded carrier.

Below are the documents timely provided by Shark Airlines to Fast prior to exportation. Using the provided partial manifest, airway bill of lading, commercial invoice, and broker bill to the importer, as well as the facts above, answer the following five (5) questions choosing the best answer.

On the provided Broker Invoice, MPF stands for merchandise processing fee, and HMF stands for Harbor Maintenance Fee.

The date of importation is January 17, 2024. BQ Printers paid Stampa's invoice on January 19, 2024. Stampa issued the rebate on January 29, 2024.



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DEPARTMENT OF HOMELAND SECURITY  
U.S. Customs and Border Protection

OMB CONTROL NUMBER: 1651-0001  
EXPIRATION DATE: 11/30/2025

**AIR CARGO MANIFEST**

19 CFR 122.35, 122.48, 122.52, 122.54, 122.73, 122.113, 122.118

2. OWNER/OPERATOR Shark Airlines		3. MARKS OF NATIONALITY AND REGISTRATION N11111			4. FLIGHT NO. 1650	
5. PORT OF LADING PEK - Beijing Capital Int'l Airport		6. PORT OF UNLADING BWI Baltimore, MD Airport (1303)			7. DATE 01/16/2024	
ITEMS 8 AND 9 FOR CONSOLIDATION SHIPMENTS ONLY		8. CONSOLIDATOR			9. DE-CONSOLIDATOR	
10. AIR WAYBILL TYPE (M=Master, H=House, S=Sub)	12. NO. OF PIECES	13. WEIGHT (Kg./Lb.)	14. NO. OF HAWBs	15. SHIPPER NAME AND ADDRESS	16. CONSIGNEE NAME AND ADDRESS	17. NATURE OF GOODS
M	6	11,500 kg		Stampa Fabbrica San Jian Fang Dong Lu Si Hao Chaoyang District Beijing China	Baltimore Quick Printers 6830 Hayley Ridge Way Unit A Baltimore, MD 21209 USA	Digital Press 8443.32
11. AIR WAYBILL NO.	98923499976					



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989- -2349 9976

989 - 2349 9976

Shipper's Name and Address Stampa Fabbrica San Jian Fang Dong Lu Si Hao Chaoyang District Beijing China		Shipper's Account No. SAL-5545	<b>AIR WAYBILL</b>		Shark Airlines		
Consignee's Name and Address Baltimore Quick Printers 6830 Hayley Ridge Way, Unit A Baltimore, MD 21209		Consignee's Account No.	It is agreed that the goods described herein are accepted in apparent good order and condition (except as noted) for carriage SUBJECT TO THE CONDITIONS OF CONTRACT ON THE REVERSE HEREOF. ALL GOODS MAY BE CARRIED BY ANY OTHER MEANS INCLUDING ROAD OR ANY OTHER CARRIER UNLESS SPECIFIC CONTRARY INSTRUCTIONS ARE GIVEN HEREON BY THE SHIPPER, AND SHIPPER AGREES THAT THE SHIPMENT MAY BE CARRIED VIA INTERMEDIATE STOPPING PLACES WHICH THE CARRIER DEEMS APPROPRIATE. THE SHIPPER'S ATTENTION IS DRAWN TO THE NOTICE CONCERNING CARRIER'S LIMITATION OF LIABILITY. Shipper may increase such limitation of liability by declaring a higher value for carriage and paying a supplemental charge if required.				
Issuing Carrier's Agent Name and City		Received in good order and condition at _____ (place) on _____ (Date and time)					
Agent's IATA Code		Account No.		Signature of Consignee or his agent			
AIRPORT OF DEPARTURE PEK - Beijing Capital Int'l Airport		ALSO NOTIFY NAME AND ADDRESS (OPTIONAL) Fast Brokers, LLC 4800 Beach Blvd., Suite 100 Jacksonville, FL 32207 1-904-999-9999					
AIRPORT OF DESTINATION BWI - Baltimore, MD							
CURRENCY	DECLARED VALUE FOR CARRIAGE	DECLARED VALUE FOR CUSTOMS	FOR CARRIER USE ONLY FLIGHT/DATE				
USD	\$94,200.00	\$60,000.00					
HANDLING INFORMATION		INSURANCE - If shipper requests insurance in accordance with conditions on reverse hereof, indicate amount to be insured in figures in box marked amount of insurance.					
		AMOUNT OF INSURANCE \$60,000.00					
No. of Pieces	GROSS WEIGHT	KG / LB	ITEM NO.	BLE WEIGHT	RATE / CHARGE	TOTAL	NATURE & QUANTITY OF GOODS
6	11,500	KG	8443.32	11,000	\$3.00	\$33,000.00	One Digital Press Machine (Disassembled and in six (6) boxes)  MARKS & NOS SF1201202 SF05012023S Origin IT Origin CN
PREPAID \$34,200.00		COLLECT	P-UP ZN	PICKUP CHARGES	OTHER CHARGES Insurance @ \$2.00/\$100		
VALUATION CHARGE		DEL. ZNE	DELIVERY CHARGES				
TAX							
TOTAL OTHER CHARGES DUE AGENT		Shipper certifies that the particulars on the face hereof are correct and that insofar as any part of the consignment contains dangerous goods, such part is properly described by name and is in proper condition for carriage by air according to applicable Dangerous Goods Regulations.					
TOTAL OTHER CHARGES DUE CARRIER		Signature of Shipper or Agent					



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COMMERCIAL INVOICE						Invoice Number SF05012023S		
<b>EXPORTER/SHIPPER</b> Stampa Fabbrica Viale Europa 29 16121 Genoa II ITALY			<b>IR#</b> 012345-54321			<b>FOR BROKER USE ONLY</b>       Fast Brokers, LLC 4800 Beach Blvd., Suite 100 Jacksonville, FL 32207 1-904-999-9999		
<b>Importer</b> Baltimore Quick Printers 6830 Hayley Ridge Way, Unit A Baltimore, MD 21209			<b>IR#</b> 84-155999901					
<b>Ultimate consignee</b> Baltimore Quick Printers 6830 Hayley Ridge Way, Unit A Baltimore, MD 21209								
<b>Carrier</b> Shark Airlines		<b>Duties / Fees for the Account of</b> Importer				<b>Terms of Sale: C.I.F.</b> Due 10 days after importation		
Line	C/O HS Tariff	Description	Quantity	Unit Price Uom	Value			
001	IT  8443.32	Luxemburg Digital Press with 1000s of color capability  1 NO	1	\$60,000.00 EA	\$60,000.00			
002		Freight & Insurance	1	\$34,200.00 EA	\$34,200.00			
<b>Grand Total</b>					<b>\$94,200.00</b>			
<b>Notes/Special Instructions:</b> Rebate of \$15,000.00 will be wire transferred 10 days after invoice payment.								



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BROKER INVOICE		Invoice Number	20165823478
<b>Broker</b> Fast Brokers, LLC 4800 Beach Blvd., Suite 100 Jacksonville, FL 32207 1-904-999-9999	<b>FOR BROKER USE ONLY</b>		
<b>Importer</b> Baltimore Quick Printers 6830 Hayley Ridge Way, Unit A Baltimore, MD 21209	IR#	84-155999901	

G/L Code	Description	Line Amount
400	Customs entry / entry summary FBL-1234567-8 broker fee	\$ 390.00
405	Additional document	\$ 30.00
205	Document fees - Shark Airlines	\$ 35.00
299	Customs duties, taxes, fees and other CBP charges	\$4,782.84
	Duty	\$0.00
	Add'l duty Sec. 301	\$4,500.00
	MPF	\$207.84
	HMF	\$75.00

Invoice Date	
01/08/2024	

Grand Total	\$5,237.84
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Notes/Special Instructions: C/O China HTS: 9903.88.15/7.5% + 8443.32.5000/Free
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**NOTICE TO CLIENT OF METHOD OF PAYMENT**

If you are the importer of record, payment to Fast Brokers, LLC (the broker) will not relieve you of liability for customs charges (duties, taxes, or other debts owed CBP) in the event the charges are not paid by the broker. Therefore, if you pay by check, customs charges may be paid with a separate check payable to the "U.S. Customs and Border Protection" which will be delivered to CBP by the broker.





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16. Which of the following statements is **TRUE** regarding country of origin?
- A) The country of origin of cargo is required data on the air cargo manifest under 19 CFR 122.48.
  - B) The country of origin of cargo is required data on the commercial invoice under 19 CFR 141.86.
  - C) The country of origin of cargo is required data on the air waybill under 19 CFR 141.11.
  - D) The country of origin of the Luxemburg Digital Press is China because Beijing was the port of departure.
17. During the in-bond movement, Exact Trucking's driver delivered the press directly to the importer's address instead of to the port of entry. Using this additional fact, which party will be liable for the breach resulting from mis-delivery of the press?
- A) Shark Airlines
  - B) Exact Trucking
  - C) Fast Brokers LLC
  - D) Baltimore Quick Printers
18. Baltimore Quick Printers is an active client of Fast Broker LLC with a power of attorney executed on May 1, 2020. Please refer to the provided broker's invoice for the "NOTICE TO CLIENT OF METHOD OF PAYMENT" (Notice) language. If the invoice did not contain this Notice, which of the statement(s) is/are correct regarding the broker's obligation to provide active clients this language?
- I. The notice is not required by Customs regulations.
  - II. The notice is required on every broker invoice to active clients under the Customs regulations.
  - III. The notice is required on or attached to the power of attorney between the broker and the client under the Customs regulations.
  - IV. The notice is required in writing at least once per 12-month period under the Customs regulations.
- A) I.
  - B) II.
  - C) II. And IV.
  - D) III. And IV



19. Refer to the Commercial Invoice. How will the rebate offered by Stampa Fabbrica, the seller, to Baltimore Quick Printers, the buyer, affect transaction value?
- A) The rebate will not be added to or subtracted from the price paid or payable as it will be paid to the buyer after the buyer pays the seller's invoice.
  - B) The rebate will be added to the price paid or payable as it is paid to the buyer by the seller after the buyer pays the seller's invoice.
  - C) The rebate will be deducted from the price paid or payable because the receipt by the buyer of the rebate after importation of the press is disregarded.
  - D) The rebate will be deducted from the price paid or payable because the rebate was negotiated before the date of importation.
20. Use these additional facts to answer this question. Fast Broker, LLC (Fast) obtained additional documentation from the client stating that the country of origin of the Luxemburg Digital Press is Italy. Baltimore Quick Printers (BQ Printers) has already paid the broker's invoice. How much did Fast overcharge BQ Printers on the Broker Invoice?
- A) \$75.00
  - B) \$207.84
  - C) \$4,575.00
  - D) \$4,782.84



**Category III – Modernized Drawback**

21. Factory imports pistons from Italy. Factory subjects the pistons to heat treatment and coats them with a specialized alloy, in order to render them fit for use in motorcycle engines. Any pistons Factory does not sell to domestic engine manufacturers are exported for sale abroad. May Factory claim unused merchandise drawback on the exported pistons?
- A) Yes, because the pistons were reworked but not manufactured.
  - B) No, because the pistons were manufactured when made fit for a particular use.
  - C) Yes, because the pistons were adjusted but not manufactured.
  - D) Yes, because the pistons were manufactured into an engine, which is a new and different article with a distinctive name.
22. Which of the following is considered foreign territory for drawback purposes?
- A) American Samoa
  - B) Guantanamo Bay Naval Station
  - C) Puerto Rico
  - D) U.S. Virgin Islands
23. What is the maximum civil administrative penalty for any person who seeks, induces, or affects, or attempts to seek, induce, or affect, the payment of drawback by fraud?
- A) One (1) times the total actual or potential loss of revenue.
  - B) Three (3) times the total actual or potential loss of revenue.
  - C) Five (5) times the total actual or potential loss of revenue.
  - D) Twenty (20) percent of actual or potential loss of revenue.





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24. CBP has determined that a drawback claim is complete, but additional information is still required and has notified the drawback claimant ("claimant"). Five days after the notification date, the claimant filed, in writing, an extension for time to respond. Therefore, within how many days of the original date of notification from CBP to the claimant must the claimant furnish the CBP-requested information?
- A) Five (5)
  - B) Twenty-five (25)
  - C) Thirty (30)
  - D) Sixty (60)
25. Drawback is allowable pursuant to 19 USC 1313 on duties, taxes, and fees paid on imported merchandise which were imposed under Federal law upon entry or importation. Duties include "ordinary customs duties." In the modernized drawback regulations, which **ONE** of the following is **NOT** included in ordinary customs duties?
- A) Marking duties assessed under section 304(c), Tariff Act of 1930, as amended.
  - B) A tender of duties in connection with notices of prior disclosure under 19 USC 1592(c)(4).
  - C) Duties paid on an entry, or withdrawal from warehouse, for consumption, for which liquidation has become final.
  - D) Duties restored under 19 USC 1592(d).



### Category IV – Classification

26. What is the **CLASSIFICATION** of the following plywood panel? The plywood panel measures 4' (1.22m) wide x 8' (2.44m) long x 18mm in thickness, and has 13 wood plies (sheets of wood), each measuring approximately 1.38mm in thickness. The panel has a face ply and back ply (collectively, the “outer plies”) of birch wood (*Betula* spp., a non-tropical, nonconiferous wood) and the remaining plies are poplar wood (*Populus* spp., a non-tropical, nonconiferous wood). Both the face and back plies are surface-covered with opaque phenolic resin - a wood sealer - which fully obscures the grain of the wood it covers.
- A) 4412.31.0620
  - B) 4412.31.9200
  - C) 4412.33.0670
  - D) 4412.33.5700
27. What is the **CLASSIFICATION** for boys’ football shoes that have the provision for the attachment of cleats that cover the ankle with outer soles of plastic and uppers of leather valued at \$12.50 per pair?
- A) 6403.19.4090
  - B) 6403.91.6040
  - C) 6403.99.6060
  - D) 6404.11.8590
28. What is the **CLASSIFICATION** of a 100% knit cotton infant bootie where the outer sole is not sewn to the upper?
- A) 6111.20.6050
  - B) 6111.30.5050
  - C) 6405.20.3070
  - D) 6405.20.9070



29. What is the **CLASSIFICATION** of a four-piece U-shaped modular sofa sectional unit from Brazil? The sofa sectional is constructed of plywood and upholstered in polyester, rayon, and nylon textile fabrics. The sofa sectional is comprised of (1) left arm facing (LAF) component, (1) right arm facing (RAF) chaise component, (1) double seat component with no armrests, and (1) ottoman component. Each seat component contains a connector plate and an interlocking bolt that links one piece to the next. Once assembled, a unified sectional sofa is presented.
- A) 9401.71.0031
  - B) 9401.31.0000
  - C) 9401.79.0003
  - D) 9401.61.6011
30. What is the **CLASSIFICATION** of floor tiles, which measure approximately fifteen (15) centimeters long by fifteen (15) centimeters wide by one (1) centimeter thick, made of cellulose fiber-cement board which does not contain asbestos?
- A) 6808.00.0000
  - B) 6810.19.1400
  - C) 6811.82.0000
  - D) 6811.89.9000
31. What is the **CLASSIFICATION** of a sound signaling apparatus imported with two components, Part A and Part B, that is battery operated, wireless, and has the following additional characteristics? Part A is a chime unit that is placed inside a home no more than 150 feet from an exterior door. It has a radio frequency (RF) receiver. Part B is a backlit button that, when pressed, sends an RF signal to the receiver in Part A, resulting in a chime sound. Part B is placed outside the home near the exterior door.
- A) 8512.30.0040
  - B) 8531.80.1500
  - C) 8531.80.9041
  - D) 8538.80.0000



32. What is the **CLASSIFICATION** of an electronic food processing machine designed to emulsify foods (e.g., fruits, vegetables) into frozen textures such as ice cream, sorbet and mousse. The machine includes two stainless steel jars and a specially designed shaving blade. The shaving blade, along with an air-injection system, mixes the food into a frozen texture. The machine is designed and marketed for use in restaurants and other commercial establishments.
- A) 8208.30.0060
  - B) 8418.69.0180
  - C) 8438.80.0000
  - D) 8509.40.0025
33. What is the **CLASSIFICATION** of nonalloy (carbon) steel doors to be used in offshore windmill turbines? The doors will be used to access the monopile's foundation and wind turbine.
- A) 7308.30.1000
  - B) 8412.90.9081
  - C) 7308.30.5050
  - D) 7325.10.0080
34. What is the **CLASSIFICATION** of a cat harness, developed by the Princess Paws Pet Company. The harnesses are designed for cats and are available in size small, medium, and large. They are constructed of genuine leather and are partially covered with a plastic reflective material for safety.
- A) 4112.00.3060
  - B) 4201.00.3000
  - C) 4201.00.6000
  - D) 4205.00.8000
35. What is the **CLASSIFICATION** of an injectable liquid derived from a combination of Botulinum toxin (99.9%), Albumin Human (0.025%), and sodium chloride (0.075%) imported in measured doses and prescribed by a doctor to treat humans suffering from chronic migraine headaches?
- A) 3002.90.5250
  - B) 3304.99.5000
  - C) 3502.90.0000
  - D) 3924.90.5650



36. What is the **CLASSIFICATION** of iodized sea salt used as a food seasoning?
- A) 2103.90.7400
  - B) 2501.00.0000
  - C) 2801.20.0000
  - D) 2829.11.0000
37. Number One Car Company (NOCC), an electric vehicle manufacturer, has asked Jack Frost Customshouse Broker (Jack Frost) to classify imported battery assemblies intended for use in electric vehicles in the Harmonized Tariff Schedule (HTS) in advance of the next shipment. NOCC tells Jack Frost that it typically classifies the battery assemblies under 8507.60.0010 / 3.4%. Jack Frost has the following information.
- the nominal voltage is 696.96 V
  - the nominal energy is 77.4 kWh
  - the weight is 480 kg.

What additional information does Jack Frost need to confirm that 8507.60.0010 is the correct classification?

- A) The battery chemistry.
  - B) The HTS subheading of the vehicle into which the battery assembly will be installed.
  - C) The shape of the battery.
  - D) Both A and B
38. At what point in time is the tariff classification, which is controlled by principal use in the United States, determined?
- A) At, or immediately prior to, the date of exportation.
  - B) At, or immediately prior to, the date of importation.
  - C) At, or immediately after, the date the goods are entered.
  - D) Within three (3) years after the date the goods are entered.



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39. A shipment of fresh yellow potatoes is being imported. The invoice indicates that the potatoes are "certified organic" to \_\_\_\_\_ and the importer has stated that the merchandise is classifiable under 0701.90.1010. Which of the following entities would **NOT** correctly fill in the blank?

- A) The United States Department of Agriculture National Organic Program Regulation (7 CFR 205)
- B) The Mexican National Service or Animal and Plant Health, Food Safety and Quality Ley de Productos Organicos regulations (RLPO)
- C) The Canadian Organic Products Regulations (SOR/2006-338 COPR)
- D) The European Union (EU) Council Regulation (EC) No. 834/2007

40. Refer to the table below. Of the four multiple choice answers, which list of pairings correctly matches the parts of a 10-digit classification with the portion of the Harmonized Tariff Schedule hierarchy represented by the numerical digits?

A) 01xx.xx.xxx	1) Heading
B) 0106.xx.xxxx	2) Subheading
C) 0106.00.50xx	3) Statistical suffix
D) xxxx.xx.xx10	4) Chapter

- A) A1, B2, C3, D4
- B) A3, B1, C2, D4
- C) A4, B2, C1, D3
- D) A4, B1, C2, D3



### **Category V – Entry/Entry Summary**

41. Sean Reno Fashion (Sean Reno) is a clothing manufacturer in Chicago that imports textiles and apparel products. As part of a planned expansion of its sportswear line, Sean Reno applies to CBP for a continuous bond to secure multiple entries of merchandise over the coming year. In the calendar year prior to filing its application, Sean Reno imported merchandise under single transaction bonds at several different ports of entry. Which of the following is information that Sean Reno must include in its continuous bond application?
- A) Copies of the single transaction bonds that Sean Reno used in the previous calendar year.
  - B) A specific description of the merchandise to be entered under the continuous bond, including estimated value and anticipated classification.
  - C) The total amount of ordinary customs duties (including any taxes required by law to be treated as duties), plus the estimated amount of any other tax or taxes on the merchandise to be collected by CBP, accruing on all merchandise Sean Reno has imported during the calendar year preceding the date of the application.
  - D) A statement of the duties and taxes Sean Reno estimates will accrue on all importations during the current year.
42. Importer has a contract with Kitchen Sink Surety Co. (Kitchen Sink) for a continuous bond. Importer is terminating its relationship with its current broker and is hiring a new broker effective April 15, 2024, and before its next shipment due June 1, 2024. The new broker does not have an existing relationship with Kitchen Sink but has its bond with Best Surety Co. (Best). What changes will need to be made to Importer's continuous bond contract with Kitchen Sink when Importer terminates its relationship with its current broker and hires the new broker?
- A) The existing bond contract between Importer and Kitchen Sink must be terminated and a new continuous bond contract created between Importer and Best.
  - B) The existing bond contract will need to be converted from a continuous bond to a single transaction bond contract to cover the June 1, 2024 shipment.
  - C) The new broker will notify CBP to substitute Best for Kitchen Sink. on Importer's continuous bond contract.
  - D) No changes to the existing bond contract are required and Importer as the principal, Kitchen Sink as the surety, and CBP as the beneficiary will remain intact.



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Border Protection**



DEPARTMENT OF HOMELAND SECURITY  
U.S. Customs and Border Protection

OMB APPROVAL NO. 1651-0050  
EXPIRATION DATE 08/31/2025

**CUSTOMS BOND**

19 CFR Part 113

<b>CBP USE ONLY</b>	BOND NUMBER (Assigned by CBP)
	24C001ZZZ

Broker Filer Code: YS1 Surety Reference Number: 123456

In order to secure payment of any duty, tax or charge and compliance with law or regulation as a result of activity covered by any condition referenced below, we, the below name principal(s) and surety(ies), bind ourselves to the United States in the amount or amounts, as set forth below.			Execution Date <u>12/27/2023</u>		
<b>SECTION I – Select Single Transaction OR Continuous Bond (not both) and fill in the applicable blank spaces.</b>					
<input type="checkbox"/> <b>SINGLE TRANSACTION BOND</b>	Identification of transaction secured by this bond (e.g., entry number, seizure number, etc.)		Transaction Date		Port Code
<input checked="" type="checkbox"/> <b>CONTINUOUS BOND</b>	Effective Date <u>02/01/2024</u>	This bond remains in force for one year beginning with the effective date and for each succeeding annual period, or until terminated. This bond constitutes a separate bond for each period in the amounts listed below for liabilities that accrue in each period. The intention to terminate this bond must be conveyed within the period and manner prescribed in the CBP Regulations.			
<b>SECTION II – This bond includes the following agreements. Check one box only. (Except 3a may be checked independently or with 3.)</b>					
Activity Code	Activity Name and CBP Regulations in which conditions codified	Limit of Liability	Activity Code	Activity Name and CBP Regulations in which conditions codified	Limit of Liability
<input checked="" type="checkbox"/> 1	Importer or broker .....\$113.62	\$50,000.00	<input type="checkbox"/> 8	Detention of Copyrighted Material ..... \$113.70 -Single Transaction Only-	
<input type="checkbox"/> 1a	Drawback Payments Refunds .....\$113.65		<input type="checkbox"/> 9	Neutrality .....\$113.71	

43. Yellow Submarine Brokerage (YSB), a Customs broker with filer code YS1 assisted its importer client, Classy Duds, in obtaining bond No. 24C001ZZZ (bond), pictured above. For which **ONE** of the following entries will Bond No. 24C001ZZZ be effective?
- A) Yellow Submarine Brokerage (YSB) files entry type 01 for Classy Duds on an air shipment of commercial goods valued at \$25,000.00 that arrived on December 29, 2023, and cleared the next day.
  - B) YSB receives documents for Classy Duds regarding an ocean shipment of commercial goods valued at \$500,000.00 on January 31, 2024. The ocean shipment is due to arrive in ten (10) days. It arrives as scheduled and clears.
  - C) YSB filed entry / entry summary information along with the payment of duties, taxes, and fees on a Classy Duds shipment valued at \$245.00 on January 31, 2024 and the shipment liquidated on February 9, 2024.
  - D) YSB pre-filed entry / entry summary information for Classy Duds on an ocean shipment valued at \$300,000.00 on December 27, 2023. The ocean shipment is scheduled to arrive on January 20, 2024. The shipment arrives as scheduled and clears immediately.





44. A filer submits an in-bond application of an Immediate Transportation (IT) entry for a warehouse withdrawal. If the shipment takes longer than 30-days transit time to be transported, to whom would the filer submit a written extension request?
- A) Port Director of the origin port
  - B) Bonded Carrier
  - C) Port Director of the destination or port of exportation
  - D) Importer of Record
45. A port director serves a written notice to show cause upon a foreign trade zone operator advising of the port director's intention to suspend an individual user from the foreign trade zone for cause. The operator timely requests a hearing to respond to the proposed suspension. When must the hearing take place?
- A) Within seven (7) days of the operator's request
  - B) Within thirty (30) days of the operator's request
  - C) Within sixty (60) days of the operator's request
  - D) Within ninety (90) days of the operator's request
46. How long does an importer have to file an application with the Port Director for abatement or refund of duties resulting from the destruction of merchandise in an accidental fire while located in a Customs Bonded Warehouse?
- A) Within thirty (30) days of the importer's discovery of the destruction
  - B) Within thirty (30) days of date of entry into the warehouse
  - C) Within ninety (90) days of the date of the warehouse proprietor's discovery
  - D) Within ninety (90) days of the date of the notification by the warehouse proprietor to the importer.
47. Unless an extension is granted, generally the total period of time that merchandise subject to duty may remain in a bonded warehouse is:
- A) One (1) year from the date of importation
  - B) Three (3) years from the date of entry
  - C) Five (5) years from the date of entry
  - D) Five (5) years from the date of importation



48. Relief from detention of articles bearing copying or simulating trademarks can be accomplished by all of the following, **EXCEPT**:
- A) Removing or obliterating the objectionable mark as a condition to entry in such a manner as to be illegible and incapable of being reconstituted.
  - B) Claiming, and CBP allowing, the one-time personal use exemption under 19 CFR § 148.55 for importing articles of foreign manufacture bearing a recorded trademark.
  - C) Proving to CBP's satisfaction that the merchandise was imported by the recordant of the trademark or trade name or his designate.
  - D) Affixing a conspicuous and legible label in close proximity to the trademark stating that: "This product is not a product authorized by the United States trademark owner for importation and is physically and materially different from the authorized product."
49. A liquid sauce is prepared in Japan by mixing raw materials from Japan, China, Thailand, and the United States. The raw materials from Japan are water, liquid sugar, salt, apple pulp, orange pulp, bonito extract, squid extract, citric acid, konbu, and paprika. The raw materials from China are garlic, fermented vegetables, chili pepper and ginger. The raw materials from the United States are soy protein hydrolysate and xanthum gum. The raw material from Thailand is s-inosinate. What is the country of origin marking on the bottles of sauce, all of which are to be shipped to the United States and sold in United States grocery stores?
- A) Product of China
  - B) Product of Thailand
  - C) Product of Japan
  - D) Product of the USA
50. What is the appropriate country of origin marking for an unsealed, disposable, cardboard shoe box manufactured in Japan that reads "Kickers! America's Favorite Shoes" on the top panel of the box when it is imported with a pair of shoes manufactured in India that are properly marked as "Made in India" on the inside tongue of each shoe?
- A) The unsealed, disposable, cardboard shoe box is exempt from marking with the country of origin of the shoes because the shoes are already properly marked with the country of origin of the shoes.
  - B) The unsealed, disposable, cardboard shoe box must be marked as "Made in" or "Product of" Japan or words of similar meaning.
  - C) The unsealed, disposable, cardboard shoe box must be marked with the country of origin of the shoes on the top panel of the box.
  - D) The unsealed, disposable, cardboard shoe box must be marked with the country of origin of the box and the shoe.



51. What is the earliest possible time that duties and the liability for their payment accrue on imported commercial goods arriving by vessel?
- A) Upon arrival of the importing vessel within a Customs port of entry with the intent then and there to unlade.
  - B) Upon the departure of the importing vessel from a foreign port of lading with the intent to unlade at a U.S. Customs port of entry.
  - C) Upon the filing of the entry information on Form 3461 or its electronic equivalent and obtaining a clearance from CBP.
  - D) Upon filing an entry summary on CBP Form 7501 or its electronic equivalent and scheduling the duty payment on a statement.
52. Of the forms listed below exclusive of other documents which may be required, which Customs Form will Wilson Customs Broker and Freight Forwarder complete to facilitate the in-bond movement of cargo from Argentina arriving by aircraft at Milwaukee's Mitchell International Airport to Chicago's O'Hare International Airport, where it will be exported to Saudi Arabia via aircraft?
- A) Customs Form 7509
  - B) Customs Form 214
  - C) Customs Form 7512
  - D) Customs Form 214B
53. Which of the following data elements of an entry summary (CBP Form 7501) may not be changed through the submission of a Post-Summary Correction (PSC)?
- A) Country of origin
  - B) Description of the merchandise
  - C) Port of entry
  - D) Tariff number under the Harmonized Tariff Schedule of the United States (HTSUS)
54. What is the current rate of the Harbor Maintenance Fee (HMF)?
- A) 0.125 percent
  - B) 0.3464 percent
  - C) 0.215 percent
  - D) 1.25 percent



55. Which of the following statements about the reconciliation program is **TRUE**?
- A) An eligible importer must have a valid single transaction bond for each flagged entry and a valid reconciliation bond rider on file for each importer of record number at the time the entry summaries are flagged for reconciliation.
  - B) An eligible importer must have a valid continuous bond for each flagged entry and a valid reconciliation bond rider on file for each importer of record number at the time the entry summaries are flagged for reconciliation.
  - C) The same surety and the same single transaction bond must cover all flagged entry summaries on one reconciliation entry.
  - D) The same surety and any continuous bond must cover all flagged entry summaries on one reconciliation entry.
56. Who may import honeybees from any country without exception for experimental or scientific purposes?
- A) Any university or college with a experimental or scientific need.
  - B) U.S. Department of Agriculture
  - C) The American Beekeeping Federation with a license from the U.S. Foreign Agriculture Service
  - D) Any importer with a certificate of quota eligibility or foreign government export permit as honeybees are subject to quota.
57. A carnet presented by a freight forwarder without an interest in the merchandise referenced in the carnet shall not be accepted by CBP unless the freight forwarder is a \_\_\_\_\_.
- A) Nominal consignee
  - B) Ultimate consignee
  - C) Licensed customs broker
  - D) Common carrier
58. Which one of the following matters is **NOT** subject to protest under 19 USC 1514?
- A) The classification and rate and amount of duties chargeable
  - B) The appraised value of merchandise
  - C) The refusal to reliquidate an entry made before December 18, 2006, under 19 USC 1520(c)
  - D) The liquidation or reliquidation of an entry, or any modification of an entry



59. Which of the following is **NOT** a required field when a broker creates a blanket U.S. – Mexico - Canada Agreement (USMCA) certificate of origin (CBP Form 434) in the Automated Commercial Environment (ACE) Portal on behalf of an importer without an ACE portal account?
- A) Valid Date From and Valid Date To
  - B) Manufacturers Identification Code (MID)
  - C) Harmonized Tariff Schedule (HTS) Number
  - D) Filer code and importer of record number
60. Broker ABC receives documents to clear an ocean shipment of \$250,000 in ceramic plates. The invoice indicates that the merchandise was manufactured in South Korea. Broker ABC did not receive additional information regarding the country of origin before filing the entry summary and paying the duties, merchandise processing fee, and harbor maintenance fee. Upon receiving the proof of country of origin, Broker ABC filed a timely post importation claim under the US-Korea Free Trade Agreement (KORUS). Upon liquidation, what will CBP refund?
- A) The refund will be 100% of the duties, merchandise processing fee (MPF), harbor maintenance fee (HMF), plus interest calculated from the date of payment to the date of liquidation.
  - B) The refund will be 100% of the duties and MPF only plus interest calculated from the date of payment to the date of liquidation.
  - C) The refund will be 100% of the duties, MPF, and HMF plus interest calculated from the date of entry to the date of payment.
  - D) The refund will be 99% of the duties and MPF only but no interest as a refund resulting from post-importation claim for duty preference under the KORUS is not eligible for interest.
61. The following types of evidence of right to make entry for importations by common carrier when merchandise is not released directly to the carrier are acceptable types of evidence **EXCEPT**:
- A) A bill of lading or air waybill properly endorsed when required.
  - B) An extract from a bill of lading or air waybill that has not been certified to be genuine by the carrier bringing the merchandise to the port of entry.
  - C) A certified duplicate bill of lading or air waybill with the carrier's certificate in the required form.
  - D) A shipping receipt or other document presented in lieu of a bill of lading when entry is made by the actual consignee in person.



<b>2024</b>																																									
<b>January</b>					<b>February</b>					<b>March</b>					<b>April</b>					<b>May</b>					<b>June</b>																
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3	3	4	5	6	7	8	9	1	2	3	4	5	6	5	6	7	8	9	10	11	2	3	4	5	6	7	8	
7	8	9	10	11	12	13	4	5	6	7	8	9	10	10	11	12	13	14	15	16	7	8	9	10	11	12	13	12	13	14	15	16	17	18	9	10	11	12	13	14	15
14	15	16	17	18	19	20	11	12	13	14	15	16	17	17	18	19	20	21	22	23	14	15	16	17	18	19	20	19	20	21	22	23	24	25	16	17	18	19	20	21	22
21	22	23	24	25	26	27	18	19	20	21	22	23	24	24	25	26	27	28	29	30	21	22	23	24	25	26	27	19	20	21	22	23	24	25	23	24	25	26	27	28	29
28	29	30	31				25	26	27	28	29			31							28	29	30					26	27	28	29	30	31		30						

  

<b>July</b>					<b>August</b>					<b>September</b>					<b>October</b>					<b>November</b>					<b>December</b>																
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3	1	2	3	4	5	6	7	6	7	8	9	10	11	12	3	4	5	6	7	8	9	1	2	3	4	5	6	7
7	8	9	10	11	12	13	4	5	6	7	8	9	10	8	9	10	11	12	13	14	13	14	15	16	17	18	19	10	11	12	13	14	15	16	8	9	10	11	12	13	14
14	15	16	17	18	19	20	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	17	18	19	20	21	22	23	15	16	17	18	19	20	21
21	22	23	24	25	26	27	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
28	29	30	31				25	26	27	28	29	30	31	29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

# denotes U.S. Federal Holiday

62. Use the provided calendar and the following entry record information to determine the answer with the correct dates in order for 1) entry filing due date, 2) final possible post-summary correction (PSC) submission date without an extension, and 3) final protest submission date. If any single date in the series is incorrect, the entire answer is incorrect.
- The shipment is of commercial goods whose entered value exceeds \$2,500.00, and it arrived at the port of entry on February 15, 2024.
  - The date of entry is the same date that the broker filed entry and is February 16, 2024.
  - Broker filed entry summary and paid the amount due on March 4, 2024.
  - Broker filed a PSC on April 15, 2024, requesting a refund and accelerated liquidation. CBP disagreed in part with the PSC, and the entry liquidated on April 26, 2024.
- A) March 1, 2024; December 12, 2024; October 23, 2024  
 B) February 15, 2024; April 15, 2024; August 15, 2024  
 C) March 7, 2024; December 10, 2024; July 25, 2024  
 D) March 1, 2024; December 10, 2024; October 23, 2024



63. How should you report the known U.S. State of Destination Code on CBP Form 7501 at the time of entry summary filing when the contents of the shipment are destined to more than one state, territory, or possession?
- A) Report the state of destination by spelling out the entire name of the destination location with the least aggregate value.
  - B) Report the state of destination using the standard postal two-letter state or territory abbreviation of the destination location with the greatest aggregate value.
  - C) Report the state of destination as "MULTI" to reflect that there are multiple destinations.
  - D) Report all of the states, territories, and possessions that are listed on the shipping documents using the standard postal two-letter state or territory abbreviation.
64. A cartman has custody of in-bond merchandise coming from Mexico or Canada, for which entry has **NOT** been made. Within how many calendar days is the carrier required to notify CBP of merchandise for which entry has not been made?
- A) Five (5)
  - B) Ten (10)
  - C) Twenty (20)
  - D) Thirty (30)
65. Which one of the following types of merchandise must be seized upon importation and delivered to the nearest United States Secret Service representative?
- A) Metal die stamps containing the likeness of a toonie, a \$2 dollar coin of Canadian currency.
  - B) A movie film containing matter advocating or urging treason or insurrection against the United States.
  - C) Matches manufactured with white phosphorus.
  - D) Switchblade knives that do not qualify for an exception under 15 USC 1244.





### Category VI – Valuation, Appraisal and Duty Assessment

66. Commerce initiates a/an \_\_\_\_\_ investigation when a proper and complete petition is filed on behalf of an affected United States industry, alleging that foreign merchandise is being sold in the United States at “less than fair value” and that such sales are materially injuring, or threatening to materially injure, a United States industry.
- A) Scope
  - B) Antidumping
  - C) Countervailing
  - D) Sunset
67. No later than once every five years, a \_\_\_\_\_ occurs when the Secretary of the Department of Commerce determines whether antidumping or countervailable subsidies would be likely to continue or resume if an order were revoked or a suspended investigation were terminated.
- A) Changed circumstance review
  - B) Sunset Review
  - C) Preliminary determination
  - D) Termination of investigation
68. CBP initiates an investigation of a claim that an importer of merchandise within the scope of antidumping or countervailing duty (AD/CVD) orders is evading those orders. Through its investigation, CBP decides there is reasonable suspicion that the importer has entered covered merchandise into the customs territory of the U.S. through evasion. Which of the following actions would CBP **NOT** take after deciding there is reasonable suspicion of evasion?
- A) Notify the Department of Commerce of its decision that there is reasonable suspicion and ask the Department of Commerce to identify the applicable AD/CVD assessment rates for the covered merchandise.
  - B) Suspend the liquidation of each unliquidated entry of the covered merchandise that entered on or after the date the investigation was initiated.
  - C) Extend the period of liquidation for each unliquidated entry of covered merchandise that entered before the date the investigation was initiated.
  - D) Notify parties to the investigation of its decision that there is reasonable suspicion within five business days of taking any interim measures and provide parties to the investigation with a public version of the administrative record as of that date.





69. The U.S. importer entered into an agreement with an unrelated exporter/manufacturer for the purchase of 10,000 branded hats. The purchase contract contained the following terms: the price for the 10,000 hats is \$50,000.00; the merchandise may be resold only in New York; and the buyer indicates that it will spend \$5,000.00 on his own account to promote the sale of the merchandise. No selling commission, assist, royalty, or license fee is involved. Is transaction value the proper method of appraisement and, if so, what is the transaction value?
- A) No, transaction value is inapplicable because there is a restriction on the disposition or use of the merchandise (i.e., the merchandise may be resold only in New York).
  - B) Yes, \$50,000.00
  - C) Yes, but it is impossible to calculate the transaction value based on the information provided
  - D) Yes, \$55,000.00
70. A U.S. hardware company imports hammers from a manufacturer in Argentina. The U.S. company purchases and sends the designs and materials set forth below to the Argentinian manufacturer free of charge to aid in the production process. The cost of which of the following should not be added to the price actually paid or payable as an assist?
- A) Brazilian wood used for the handle
  - B) A German origin hammer head mold
  - C) A hammer design schematic by a U.S. engineering firm
  - D) A Taiwanese lathe machine
71. What is the Most Favored Nation rate of duty applicable to dried paprika?
- A) 3 cents/kilogram
  - B) 5 cents/kilogram
  - C) 11 cents/kilogram
  - D) 66 cents/kilogram
72. Which of the following is **NOT** an acceptable basis of appraisement for imported merchandise?
- A) The price of merchandise in the domestic market of the country of exportation.
  - B) The transaction value which is the price actually paid without regard to its method of derivation.
  - C) The computed value if the deductive value cannot be determined.
  - D) The deductive value if the transaction of similar merchandise cannot be determined.



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73. Gemma Jones purchases 10,000 glass vases from Sklyana Vasa Company (SVC). The wholesale price charged by SVC is \$3.00 per vase with the following volume discounts:

Quantity Range	Discount
0 – 1,000 vases	Full price
1,001 – 5,000 vases	5% discount
5,001 – 15,000 vases	10% discount
15,001 – 25,000 vases	15% discount

Jones receives the shipment and finds that 100 of the vases are broken. She contacts SVC who agrees not to charge her for the broken vases. What is the transaction value for the vases?

- A) \$26,730.00
- B) \$27,000.00
- C) \$28,215.00
- D) \$29,700.00



74. For which **ONE** of the following transactions would the commission amount paid by the buyer **NOT** be added to the price paid or payable when determining transaction value?
- A) A foreign manufacturer attended a trade fair with 100 vendors (sellers). The trade fair operator offered to provide the manufacturer with a translator who would also guide English speaking buyers who may be interested in the manufacturer's products to the manufacturer's booth. The manufacturer signed an agreement with the trade fair operator stating that each invoice from the manufacturer on transactions for which the translator found a buyer and provided translation services would include a 5% commission to be paid to the translator for those services.
  - B) Canadian Machine Manufacturer (CMM) had an agreement with We Sell Inc. (We Sell), a U.S. corporation, whereby We Sell would locate purchasers in the United States to buy CMM productions. We Sell would contract for CMM's products with CMM and receive a 15% discount from the manufacturer's suggested price. We Sell would invoice the purchaser for the manufacturer's suggested price, keeping the 15% as We Sell's commission; however, CMM had to approve the sale to the purchaser first.
  - C) Seller X in China offered U.S. buyers the opportunity to have purchased goods inspected prior to lading for shipment to the U.S. by a third party. Buyers could choose any one of three inspection companies offered by Seller X. The buyer could negotiate the price with the inspection company and pay the inspection company directly. The inspection company was required to rebate one-third of its fee to Seller X.
  - D) Needless Markup, a Delaware company, wants to begin importing fleece sweatshirts from the Dominican Republic (DR). Needless Markup hires Caribbean Trading, an established purchasing company, to travel to the DR and make several purchases on behalf of Needless Markup. The invoice from Caribbean Trading includes the sweatshirts and a commission for Caribbean Trade of 7% of the purchase price of the goods.
75. An examining officer finds merchandise during a cargo inspection that is not invoiced. There is no evidence that smuggling was intended, and the failure to invoice the merchandise is conclusively a mistake. Which of the following is true regarding the duties on the merchandise found?
- A) Estimated duties are paid according to what is actually listed on the invoice.
  - B) Duties are suspended until a new entry is made.
  - C) Duties are assessed on the merchandise actually found.
  - D) Duties are assessed based on whichever is the higher rate (merchandise listed on invoice versus merchandise actually found).



76. A shipment of portable gas stoves manufactured in Sweden are imported into the United States. The appraised value of each stove upon importation is \$600.00. They are classified under 7321.11.1030 with a duty rate of 5.7 percent. The importer discovers that 15 of the stoves have a faulty gas valve. The stoves are exported to Canada for warranty repair. Upon reimportation from Canada, there is no charge to the importer, but the value of the repair is \$120.00 each. The reimportation is under 9802.00.40 in the Harmonized Tariff Schedule of the United States. Which statement accurately reflects the dutiable value and duty rate upon reimportation?
- A) The dutiable value is \$1,800.00, and the duty rate is "Free" with a claim of "S" as the goods were repaired in Canada and the United States-Mexico-Canada Agreement applies to repairs of goods originating outside of the United States, Mexico, or Canada.
  - B) The dutiable value is \$1,800.00, and the duty rate is 5.7%, the rate of duty on the article itself, as goods originating outside of the United States, Canada, or Mexico are not eligible for duty free treatment under the United States-Mexico-Canada Agreement.
  - C) The dutiable value is \$0.00 because the importer was not charged for the repair, and the rate of duty is not relevant since any rate of duty multiplied by a dutiable value of \$0.00 will be \$0.00 owed.
  - D) The dutiable value is \$0.00 because the importer was not charged for the warranty repair, and the duty rate is 5.7 percent because it is the duty rate that applies to the article itself.
77. Transaction value means:
- A) The price actually paid or payable for the merchandise.
  - B) The price actually paid or payable for the merchandise plus buying commissions, royalties, assists, packing costs, and proceeds.
  - C) The price actually paid or payable for the merchandise plus selling commissions, royalties, packing costs, and U.S. inland freight.
  - D) The price actually paid or payable for the merchandise plus selling commissions, royalties, assists, packing costs, and proceeds.



78. Which statement is **FALSE** with respect to the applicable rates of duty?
- A) Subject to exceptions specified in the Customs Regulations, rates of duty applicable to merchandise shall be the rates in effect at the "time of entry," which is defined in 19 CFR 141.68.
  - B) Merchandise entered for warehouse is dutiable at the rates in effect at the time withdrawal for consumption is made in accordance with 19 CFR 141.68(g).
  - C) Dutiable merchandise eligible for informal mail entry is dutiable at the rates in effect at the time the preparation of the entry documentation by a CBP employee is completed.
  - D) For quota-class merchandise where the quota period opens in one calendar year and closes in another calendar year, the applicable rate of duty shall be determined at the time of liquidation.
79. What are the two methods of calculating regional value content under the United States-Mexico-Canada Agreement?
- A) Transaction Value and De Minimis
  - B) Transaction Value and Net Cost
  - C) De Minimis and Net Cost
  - D) Computed Value and Net Cost
80. A shipment of leather handbags manufactured in India and subject to absolute quota arrives in the U.S. You find that the quota for this merchandise from India is closed. Which of the following describes the suitable action for the importer?
- A) Make a consumption entry and pay column 2 rates.
  - B) Export the merchandise to Pakistan and re-import into the U.S. as a product of Pakistan.
  - C) Request a visa waiver from the Pakistan embassy.
  - D) Make a warehouse entry.



### Section 3: Examination Process Evaluation Survey

This survey is administered to collect information about the Customs Broker License Examination process (CBLE). The survey is **voluntary**, and your responses will have no impact on your score.

1. What is your background regarding Customs laws and regulations?
  - A. Former CBP employee
  - B. Currently works or has worked for a broker in the past
  - C. Currently works or has worked for an importer on trade issues in the past
  - D. No working experience with Customs laws and regulations
  - E. Currently works or has worked for both broker and importer in the past
2. How did you prepare for the Customs Broker License Exam?
  - A. Took an in-person course through an educational institution
  - B. Took an online course through an educational institution
  - C. Self-prepared
  - D. Did not spend time preparing for the examination
3. Approximately how many hours did you spend preparing for the examination?
  - A. 1-10
  - B. 11-25
  - C. 26-100
  - D. More than 100
  - E. Did not spend time preparing for the examination
4. How difficult was the examination?
  - A. Very easy
  - B. Easy
  - C. Moderate
  - D. Difficult
  - E. Very Difficult
5. Would you have like more, less or the same amount of time for this examination?
  - A. Less time – I finished early
  - B. Same amount of time – it was just right
  - C. Slightly more time – to consider or review my answers
  - D. More time – I did not finish the examination
6. Using the scale below, how would you rate the truthfulness of the following sentence? I prefer to use electronic references over paper references while completing the CBLE.
  - A. Strongly Agree
  - B. Agree
  - C. Neutral
  - D. Disagree
  - E. Strongly Disagree



**May 1, 2024 Customs Broker License Exam Answer Key**  
CBP Publication: 3718-0524

Question Number	Answer	Citations
1	Answer D	19 CFR 111.96
2	Answer C	ACE BRPD Chapter 23, Section 23.6 and 23.10
3	Answer D	19 CFR 141.35
4	Answer C	19 CFR 141.34
5	Answer A	19 CFR 163.5(b)
6	Answer D	19 CFR 163.4(b)(3)
7	Answer B	19 CFR 111.17(a)
8	Answer A	19 CFR 111.3(b); 19 CFR 111.28(a)
9	Answer D	19 CFR 111.30(d)(4)
10	Answer A	19 CFR 111.19
11	Answer A	19 CFR 111.21(b)
12	Answer C	19 CFR 111.31(c)
13	Answer D	19 CFR 111.2; 19 CFR 111.11; 19 CFR 141.46; 19 CFR 143.1
14	Answer C	19 CFR 174.3(a)
15	Answer C	19 CFR 171, Apx C Section VI(D)(1)
16	Answer B	19 CFR 141.86(a)(10)
17	Answer B	19 CFR 18.8(a)
18	Answer D	19 CFR 111.29(b)(2)
19	Answer A	19 CFR 152.103(a)(4)
20	Answer C	HTS 9903.88.15; 19 CFR 24.23; 19 CFR 24.24
21	Answer B	19 C.F.R. § 190.2, 190.31(c), 190.32(e)
22	Answer B	19 CFR 190.5
23	Answer B	19 CFR 190.62
24	Answer C	19 CFR 190.52(b)
25	Answer A	19 CFR 190.3(a)(1), 19 CFR 190.3(a)(2)
26	Answer D	HTSUS 4412.33.5700; General Rule of Interpretation 1; Additional US Note 1(c) to Chapter 44
27	Answer A	Harmonized Tariff Schedule of the United States-HTS SUB NOTE (1)(a) TO CHAPTER 64
28	Answer A	2023 HTSUS Basic Edition Chapter 64 Note 1(b)
29	Answer D	HTS Chapter 94, Note 2 and 2(a), Heading 9401
30	Answer C	6811.82.0000 and GRI 1
31	Answer B	8531.80.1500 and GRI 1
32	Answer C	GRI 1 and 6, Chapter 85, Note 4
33	Answer C	GRI 1; HTSUS 7308.30.5050
34	Answer C	GRI 3(a); Heading 4201
35	Answer A	HTS Chapter 30, Heading 3304, Chapter 35 Note 1
36	Answer B	2501.00.0000
37	Answer D	8507.60.0010, GRI 1 and GRI 6
38	Answer B	Additional U.S. Rules of Interpretation 1(a)
39	Answer B	General Statistical Notes, Note 6
40	Answer D	General Statistical Note 3(a)
41	Answer C	19 C.F.R. § 113.11(b)(1)(ii)
42	Answer D	ACE BRPD Chapter 3
43	Answer B	19 CFR 113.26(c)
44	Answer C	19 CFR 18.1(i)(2)
45	Answer B	19 CFR 146.82(b)(2)

46	Answer A	19 CFR 158.23
47	Answer D	19 U.S.C. § 1557; 19 C.F.R. § 144.5
48	Answer D	19 CFR 133.23
49	Answer C	19 CFR 134.1(b)
50	Answer C	19 CFR 134.11; 19 CFR 134.46
51	Answer A	19 CFR 141.1
52	Answer C	19 CFR 122.91; 19 CFR 122.92
53	Answer C	ACE Business Rule 6.4; ACE Business Rule 6.5
54	Answer A	19 CFR 24.24(a)
55	Answer B	ACE BRPD Chapter 10
56	Answer B	19 CFR 12.32
57	Answer C	Right to Make Entry Directive 3530-002A
58	Answer C	19 CFR 174.11
59	Answer B	Business Rules and Process Document v 11 (Trade) Section 4.3
60	Answer B	19 CFR 24.3a; 19 CFR 24.23(c)(13); 19 CFR 24.24
61	Answer B	19 CFR 141.11
62	Answer A	19 CFR 141.5; ACE BRPD, Chapter 6; 19 CFR 174.12(e)
63	Answer B	ACE ES Instructions v. 2-4
64	Answer C	19 CFR 123.10(b)
65	Answer A	19 CFR 12.48(a)
66	Answer B	19 CFR Part 351
67	Answer B	19 CFR 351.218(a)
68	Answer A	19 CFR 165.24
69	Answer B	19 CFR 152.103(a)(2)
70	Answer C	19 CFR 152.102(a)(1)(iv)
71	Answer A	HTS 0904.21.2000
72	Answer A	19 CFR 152.108(c)
73	Answer B	19 CFR 152.103(a)(1)
74	Answer D	19 CFR 151.102 - 152.103
75	Answer C	19 CFR 152.3
76	Answer A	Chapter 98, Subchapter II, U.S. Note 3
77	Answer D	19 CFR 152.103(a), 19 CFR 152.103(b)
78	Answer D	19 CFR 141.68, 19 CFR 132.11a
79	Answer B	19 CFR 182, Appendix A, Section 7
80	Answer D	19 CFR 132.5 (c)