

1. Hand painted buttons are imported from Mexico into the United States classified under 9606.21.4000 with a NAFTA claim for reduced duty. The Certificate of Origin indicated an origin criteria B claim under the transaction value method. The buttons were imported from Taiwan into Mexico where they were hand painted in a factory by Mexican laborers. The value of the buttons when imported into the United States. was \$1.00 each. The value of the buttons when imported into Mexico was \$.05 each. The Mexican laborers were paid \$.10 per button for the painting. The cost of the paint which was made in Italy was \$.01 per button. Allowable factory expenses were \$.02 per button. Which one of the following statement is true?
  - A) The buttons have met the required tariff shift as per HTS GN 12(t)/96.3(A).
  - B) The buttons have not met the required tariff shift, but have met the required RVC under TV as per HTS GN 12(t)/96.3(B)(1).
  - C) The buttons are eligible for NAFTA because they were imported directly after the work was complete in Mexico without being imported into the commerce of any other country.
  - D) The buttons are not eligible because they were imported into Mexico from Taiwan and the paint was imported from Italy.
  - E) The buttons have met the required tariff shift and have met the required RVC under TV as per HTS GN 12(t)/96.3.
  
2. A protest against a value advance for undeclared assists shall be filed within which of the following time periods?
  - A) 90 days of entry
  - B) 90 days of liquidation
  - C) 180 days of entry
  - D) 180 days of liquidation
  - E) 1 year of liquidation
  
3. Any person whose protest, which did not ask for accelerated disposition, has been denied has how many days to file a civil action in the U.S. Court of International Trade after the date of mailing the notice of protest denial?
  - A) 30
  - B) 60
  - C) 90
  - D) 120
  - E) 180
  
4. A petition for relief from liquidated damages shall be filed with which one of the following?
  - A) supervisory entry officer
  - B) supervisory import specialist
  - C) fines, penalties, and forfeiture officer
  - D) port director
  - E) special agent in charge
  
5. An importer imported merchandise from Canada for which he had a valid NAFTA certificate of

origin. The merchandise was entered for warehouse. Two years later, the importer arranged for his broker to file a withdrawal for consumption entry on all this merchandise. Although his NAFTA certificate was still valid, the importer failed to alert the broker to the fact that these goods qualified for reduced-duty treatment under NAFTA. The entry liquidated as entered 60 days after the filing of the warehouse withdrawal. Four months after the date of liquidation, the importer suddenly remembered that he should have instructed the broker to claim preferential NAFTA treatment for the merchandise. Which of the following is the **BEST METHOD** for the importer to obtain a refund of the excess duties paid as a result of the failure to make a NAFTA declaration?

- A) file a request for reliquidation pursuant to section 520(c)(1), Tariff Act of 1930
  - B) file a protest under the provisions of section 514, Tariff Act of 1930
  - C) file a request for a refund pursuant to section 181.32 of the Customs Regulations and section 520(d), Tariff Act of 1930
  - D) ask Customs to voluntarily reliquidate the entry
  - E) export the goods to Canada and file for drawback
6. An importer entered a shipment of 1,000 plastic shower curtains from Indonesia on October 3, 1996. The commercial invoice showed an ex-works price of \$55.00 per curtain, for a total invoice price of \$55,000. Based on this information, the broker entered this amount on the entry documents presented to Customs. This entry liquidated no change on January 6, 1997. In December 1997, while going over their year-end records, the importer discovered that the amount listed on the invoice for the shower curtain did not match the amount on the purchase order. The price agreed to was \$5.50 per curtain, not \$55.00. The importer alerted their broker of the discrepancy and instructed the broker to initiate duty refund procedures. What action should the broker take to obtain a refund for the client?
- A) protest the appraised value of the shower curtains pursuant to section 514, Tariff Act of 1930
  - B) request correction of a clerical error pursuant to section 520(a)(4), Tariff Act of 1930
  - C) make a post-importation duty refund claim under the provisions set forth in section 181.31 of the Customs Regulations
  - D) ask Customs to voluntarily reliquidate the entry to correct the appraisement error
  - E) file a refund request under authority of section 520(c)(1), Tariff Act of 1930, to correct a clerical error, mistake of fact, or inadvertence
7. Under the prior disclosure provisions, unless granted an extension by the port director, the time a person has to deposit the actual loss of duties after the port director notifies him/her in writing of the calculations and amounts is which of the following?
- A) 15 days
  - B) 30 days
  - C) 60 days
  - D) 75 days
  - E) 90 day
8. How much is the penalty for failure by the master of a vessel to produce a manifest?

- A) \$50
  - B) \$100
  - C) \$500
  - D) \$1,000
  - E) \$1,500
9. Laws involving the importation of helium gas are enforced by the Customs Service on behalf of which one of the following Federal agencies?
- A) Drug Enforcement Agency
  - B) Bureau of Alcohol, Tobacco, and Firearms
  - C) Office of Foreign Assets Control
  - D) Nuclear Regulatory Commission
  - E) Department of Health and Human Services
10. Which of the following is **NOT** a valid reason for liquidation of an entry to be extended?
- A) Customs determines that it needs more supporting documentation from the importer to verify that commissions are buying commissions, as claimed by the importer.
  - B) The importer requests an extension in writing, stating that he is waiting for important documents from the seller of the merchandise, which have just been found after a lengthy search and which will clear up a valuation discrepancy that appears on the invoice.
  - C) The importer requests an extension in writing, explaining that Customs is reviewing issues similar to those involved in its unliquidated entry.
  - D) Customs needs more time to go over the entry information submitted by the importer.
  - E) Customs needs more information about the classification of the merchandise.
11. The net weight of merchandise dutiable by net weight may be determined by which of the following methods?
- A) deducting the actual gross weight from the dead weight
  - B) deducting the actual gross weight from the tare weight
  - C) deducting the actual tare weight from the gross weight
  - D) deducting the actual dead weight from the tare weight
  - E) deducting the actual tare weight from the dead weight
12. Which of the following merchandise is **NOT** eligible for appraisement entry?
- A) articles sent by persons in foreign countries as gifts to persons in the United States
  - B) merchandise damaged on the voyage to the United States because of improper storage by the shipper
  - C) merchandise recovered from a wrecked or stranded vessel
  - D) tools of trade of a person arriving in the United States
  - E) secondhand articles whose value cannot be declared
13. Generally, with respect to privileged foreign merchandise, at which time will classification of merchandise subject to a tariff-rate import quota be made only at the higher non-quota duty rate

in effect?

- A) the date of importation
  - B) the date of exportation
  - C) the date of exportation from the country of origin
  - D) the date the privilege foreign status was granted
  - E) the time of entry
14. Which one of the following items is **NOT** excepted from country of origin marking requirements by the J-list?
- A) raw hides
  - B) 1/4 inch ball bearings
  - C) snelled fish hooks
  - D) jute bags
  - E) cut flowers
15. Unless by special authority of the Commissioner of Customs, merchandise in bulk shall not be withdrawn from a bonded warehouse in quantities less than \_\_\_ in weight or the entire quantity imported, whichever is smaller.
- A) 1 ton
  - B) 2 tons
  - C) 3 tons
  - D) 4 tons
  - E) 5 tons
16. The entry summary for merchandise entered for warehouse shall be executed on Customs Form\_\_\_\_\_.
- A) 301
  - B) 3461
  - C) 6043
  - D) 7501
  - E) 7512
17. In which of the following situations would release of the merchandise prior to the filing of entry summary and the deposit of estimated duties be most appropriate?
- A) The importer has repeatedly delivered entry summary documentation that is incomplete or that contains erroneous information.
  - B) The importer has not taken prompt action to settle a claim for liquidated damages.
  - C) The importer is substantially or habitually late in the payment of Customs bills.
  - D) The importer imports quota class merchandise and does not participate in the Automated Broker Interface.
  - E) The importer regularly imports restricted merchandise.
18. Generally, if there is a question as to whether merchandise being admitted into a foreign trade

zone is prohibited, which of the following is most accurate?

- A) The port director may permit the merchandise to be deposited into the zone pending a final determination of its status.
- B) Prohibited merchandise may be admitted into a foreign trade zone since it is outside of the Customs territory.
- C) The merchandise in question must be exported until a final determination is made as to its status.
- D) The merchandise must be entered into a bonded warehouse pending final determination of its status.
- E) Unless evidence exists to indicate that the merchandise is prohibited, Customs must allow it to be admitted into the zone.

19. Which one of the following facts would exclude a product from GSP eligibility?

- A) A shipment of hydrogen is classified under 2804.10.0000, country-of-origin, Indonesia.
- B) A shipment of stone monuments classified under 6802.99.0030, country-of-origin, India, is shipped from the Port of Calcutta on a through bill of lading with destination United States. It arrives at the Port of Montreal, Canada, and is shipped in-bond to the United States.
- C) The cost of processing done on the above shipment of stone monuments in India was 40 percent of the appraised value at the time of its entry into the United States.
- D) A shipment of jewelry classified under 7113.11.2000 from Thailand was shipped via air. The shipment was on a through bill of lading to the United States, but the plane landed in Rome. The merchandise did not leave the plane, nor enter the commerce of Italy. It then proceeded directly to the United States.
- E) A shipment of carrots is classified under 0712.90.1000 from Chile.

20. Which of the following is **NOT** an option available to an importer when merchandise is imported in excess of an absolute quota?

- A) make entry at the higher duty rate
- B) place it in a foreign trade zone
- C) enter it in a bonded warehouse
- D) export it under Customs supervision
- E) destroy it under Customs supervision

21. When goods are, *prima facie*, classifiable under two or more headings, which of the following is a true statement?
- A) The goods are always classified under the heading that occurs last in numerical order among those headings that equally merit consideration.
  - B) The heading that provides the most specific description shall be preferred to headings providing a more general description.
  - C) When two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, the heading with the most complete or precise description of the goods is to be used.
  - D) Mixtures shall be classified according to the main ingredient by description.
  - E) Each component of a set put up for retail sale must always be classified separately.
22. For importations by mail, any packages containing merchandise subject to an absolute quota that arrive after the quota is filled shall be\_\_\_\_\_
- A) returned to the postmaster for return to the sender immediately as undeliverable mail.
  - B) held at the mail facility until the quota opens.
  - C) destroyed under Customs supervision.
  - D) held at the mail facility until the importer decides what action to take.
  - E) held by Customs for 90 days and then destroyed if no action taken by the importer.
23. Which of the following statements concerning carnets is **FALSE**?
- A) A.T.A. carnets may be accepted in some cases for unaccompanied samples being imported.
  - B) An A.T.A. carnet shall not be accepted with a period of validity exceeding one year from the date of issue.
  - C) A TIR carnet may be accepted without limitation as to the time in many cases.
  - D) Merchandise not entitled to temporary importation under bond may be imported under cover of an A.T.A. carnet.
  - E) Carnets shall not be accepted for importations by mail.
24. Generally, except where merchandise is released directly to the carrier, one of the following types of evidence of the right to make entry shall be filed in connection with the entry of merchandise imported by common carrier **EXCEPT** which of the following?
- A) a nonnegotiable bill of lading endorsed by the consignee giving someone else the right to make entry
  - B) a bill of lading presented by the holder
  - C) an extract from the bill of lading certified by the carrier bringing merchandise to the port
  - D) a blanket carrier's release order covering any or all of the shipments arriving at the port on that carrier's conveyance
  - E) a shipping receipt bearing a proper carrier's certificate

25. Which following change to a Customs bond may be accomplished by a rider?
- A) a change in the name of the principal through merger with another corporation
  - B) a change in the address of the bond surety
  - C) the addition of the name of an incorporated subsidiary of a corporate principal
  - D) the deletion of a trade name of the corporate principal
  - E) the addition of the name of a partner who joins a partnership that is listed as a bond principal
26. Which of the following is the proper classification for Russet seed potatoes in containers weighing 45 kg net weight?
- A) 0601.10.9080
  - B) 0602.90.9090
  - C) 0701.10.0020
  - D) 0701.10.0040
  - E) 0701.90.5010
27. Which of the following is **NOT** considered part of the “Customs territory of the United States”?
- A) Alaska
  - B) New Mexico
  - C) District of Columbia
  - D) U.S. Virgin Islands
  - E) Puerto Rico
28. The *ad valorem* merchandise processing fee is assessed on which of the following?
- A) products of the insular possessions of the United States
  - B) articles returned from space within the purview of section 484a of the Tariff Act of 1930
  - C) merchandise imported by mail
  - D) photographic films and dry plates manufactured in the United States (except motion picture films to be used for commercial purposes), whether developed or not
  - E) merchandise that qualifies to be marked as goods of Mexico under Annex 311 of the North American Free Trade Agreement
29. The proprietor of a Customs warehouse shall comply with all but which one of the following record keeping requirements?
- A) All merchandise collected by a proprietor or her agent shall be receipted.
  - B) Those records retained shall be those which a prudent businessperson in the same type of business can be expected to maintain.
  - C) All merchandise entered into the bonded warehouse shall be recorded by lot number.
  - D) The Permit file folder shall be kept up to date by filing all receipts and withdrawals within five business days after the event occurs.
  - E) Any theft or overage shall be immediately brought to the attention of the port director and confirmed in writing within two business days after the event has been brought to the attention of the port.
30. Commercial cargo unloaded from a commercial vessel is subject to the harbor maintenance fee in

which of the following situations?

- A) The shipment arrived at the Port of Charleston, South Carolina, and is entitled to be entered under informal entry procedures.
  - B) The shipment arrived in Bangor, Maine, and consisted of fish caught and not previously landed on shore.
  - C) The shipment contained auto parts that were imported at Escanaba, Michigan.
  - D) The cargo entered the United States in bond for transportation and direct exportation to Japan.
  - E) The cargo arrived in the Port of Los Angeles, California, and consisted of humanitarian relief destined for Mexican earthquake victims donated by a “for-profit” corporation.
31. Chinese silk is imported into the United States and cut to length and width. The cut silk is then exported to the Dominican Republic, where the edges are sewn to make designer scarves. When the scarves are imported into the United States, which one of the following is true?
- A) The value of the cut silk components is not included in the dutiable value of the scarves because the silk became a product of the United States.
  - B) The value of the silk components is not included in the dutiable value of the scarves because the silk was cut to length and width in the United States.
  - C) The value of the silk components is not included in the dutiable value of the scarves because silk is not subject to quota.
  - D) The value of the silk components is not included in the dutiable value of the scarves because the scarves were produced in the Dominican Republic.
  - E) The value of the silk components is included in the dutiable value of the scarves because the silk is a product of China.
32. For ocean shipments, the value of U.S. components assembled abroad that can be subtracted from the full value of the assembled article is their cost\_\_\_\_\_.
- A) f.o.b. U.S. port of exportation
  - B) f.o.b. foreign port of importation
  - C) c.i.f. foreign port of importation
  - D) c.i.f. U.S. point of fabrication
  - E) c.i.f. foreign point of assembly
33. Which of the following products imported from Germany must show that it is in compliance with the EPA Federal antipollution emission requirements before it is entitled to admission to the United States?
- A) gasoline-fueled light-duty trucks and light-duty motor vehicles manufactured before January 1, 1968
  - B) motorcycles manufactured before January 1, 1978
  - C) diesel-fueled light-duty motor vehicles manufactured before January 1, 1975
  - D) diesel-fueled light-duty trucks manufactured before January 1, 1979
  - E) gasoline-fueled and diesel fueled heavy-duty engines manufactured before January 1, 1970



34. A shipment of merchandise consists of 116 boxes of kitchen dining table tops and legs. There are 100 finished flat wood table tops with holes drilled on the underside to accommodate four legs per table top. Each table top is individually boxed. There are 16 boxes, each containing 25 turned wooden table legs that are straight with one end cut on an angle. Which of the following is the correct classification of this shipment?
- A) 4419.00.8000
  - B) 4421.90.9840
  - C) 9403.40.9040
  - D) 9403.90.7000
  - E) 9403.90.8080
35. Yarn is made into knit fabric and cut into polo shirt components in the United States. The cut shirt components and German-origin buttons are exported to Mexico, where they are sewn into men's polo shirts. If an importer wants to pay the least amount of duty, which of the following tariff provisions is the best choice?
- A) 9802.00.5010
  - B) 9802.00.8040
  - C) 9802.00.8055
  - D) 9802.00.8065
  - E) 9802.00.9000
36. Carpenter Joe of Acme Corporation boards a plane in the United States and takes the company's \$5,000 German super drill with him to repair the hardwood floor in the Versailles Palace in France. After the job is complete, he decides to stay there, and never return to the United States. His boss orders him to ship the super drill back to the United States via airmail. Which of the following tariff provisions should Acme Corporation, as the importer, use to avoid paying duty on the super drill?
- A) 9801.00.10
  - B) 9801.00.80
  - C) 9801.00.85
  - D) 9802.00.50
  - E) 9804.00.10
37. Smith Company exports U.S. duty paid, Mexican-origin molds from the United States to Hungary. Smith Company imports Mexican origin molds into the United States and pays the appropriate Customs duties. Smith Company then exports the molds to Hungary. In Hungary, Giro Company uses these molds under a lease agreement with Smith Co. to produce flawless and expensive porcelain statues. The molds are imported without having been advanced in value by Smith Company into the United States from Hungary. Which of the following is the correct classification for the molds?
- A) 9801.00.10
  - B) 9801.00.20
  - C) 9801.00.25
  - D) 9802.00.60
  - E) 9802.00.80

38. Cow corium, the layer of cow hide beneath the skin, is cut into 2 x 6 inch rectangular strips in South America. This layer beneath the skin is identified as parings, a waste product of the tanning process, because only the skin itself is used to make leather. After the cow corium is cut, it is coated with beef flavoring, dried, and flavored to make raw hide dog chews. What is the correct classification of the raw hide dog chews?
- A) 0511.99.2000
  - B) 4101.30.0090
  - C) 4110.00.0000
  - D) 4111.00.0000
  - E) 4205.00.8000
39. A shipment consists of guitar cases made with the outer surface of leather specially fitted and shaped to hold an acoustical guitar. The value of the cases is \$20.00 each. Which of the following is the correct classification of the cases?
- A) 4202.91.0090
  - B) 4202.92.5000
  - C) 9202.90.2000
  - D) 9202.90.4000
  - E) 9209.92.8000
40. What is the correct duty for 30 boxes of fresh cucumbers weighing 75 kg each, entered on June 30, 1997, from Mexico with a valid NAFTA claim?
- A) \$0.00
  - B) \$13.50
  - C) \$29.25
  - D) \$108.00
  - E) \$137.25
41. Which of the following ports is **NOT** a Customs service port?
- A) Dallas
  - B) El Paso
  - C) Houston
  - D) Brownsville
  - E) Laredo

42. What is the column 1 duty rate for unmanufactured tobacco, entirely from Argentina, partly stemmed, not threshed, not containing over 35 percent wrapper tobacco, flue cured, to be used in cigarettes and not being entered pursuant to the provisions of HTS Chapter 24 Additional U.S. Note 5?
- A) FREE
  - B) \$.26/kg
  - C) \$.356/kg
  - D) \$.445/kg
  - E) 350%
43. Which is the appropriate symbol for an article that is eligible for reduced Merchandise Processing Fee, and a claim is made under the Agreement on Trade in Civil Aircraft?
- A) C#
  - B) CA
  - C) C
  - D) CA #
  - E) C\*
44. Which of the following is the correct classification for a pair of women's lined dress gloves made of artificial fur and constructed with seams and full fourchettes?
- A) 4203.21.6000
  - B) 4203.29.1500
  - C) 4203.29.5000
  - D) 4205.00.8000
  - E) 4304.00.0000
45. Which of the following is the correct classification of a dog collar made of braided nylon?
- A) 3926.20.9050
  - B) 3926.90.9890
  - C) 4201.00.3000
  - D) 5609.00.3000
  - E) 5808.10.9000
46. A men's belt is made in Canada. Webbing made by braiding textile material and leather together is sewn to two leather rectangular strips with the leather portion facing outward when worn. The leather strips are then each attached to a metal belt buckle to complete the belt. Which of the following is the correct classification of the belt?
- A) 4203.30.0000
  - B) 4205.00.8000
  - C) 5808.10.9000
  - D) 6217.10.9050
  - E) 8308.90.6000
47. A domestic water dispensing machine is imported. It consists of a closed metal frame that acts as

a stand and a case. It holds a large bottle of water inverted on top. The water flows by gravity into two small tanks inside the metal frame. One tank is fitted with an electrical element that heats the water. The other tank is fitted with electric cooling coils that cool the water. The two tanks are of equal size. On the outside of the frame case are two spouts that are valve operated. One spout is for the hot water and one is for the cold water. They are side by side and are of equal size. Which of the following is the correct classification of this water machine?

- A) 7323.94.0080
  - B) 8418.69.0020
  - C) 8419.89.9020
  - D) 8419.89.9060
  - E) 8516.10.0080
48. Which of the following is **NOT** a statistical requirement for imported goods when making Customs entry or withdrawal of goods?
- A) the date of importation
  - B) the net quantity in the units specified for the classification and with the units noted
  - C) the U.S. dollar value in accordance with the definition of section 402 of the Tariff Act of 1930, as amended, for all merchandise including that free of duty or dutiable at specific rates
  - D) the foreign port of lading
  - E) the name of the foreign inland freight company
49. Which of the following is **NOT** legally binding when classifying goods?
- A) terms of the headings
  - B) section notes
  - C) titles of chapters and sub-chapters
  - D) chapter notes
  - E) general rules of interpretation
50. Tote bags made of molded polyethylene plastic mesh and measuring approximately 17 1/2 inches wide at the bottom and 19 inches wide at the top are imported into the United States. The openings in the mesh are approximately 1/2 inch by 1/2 inch. The bottom of the totes are made of solid plastic and come about 13/16 inch up the mesh sides. The bags are approximately 16 inches high from the bottom to the top of the integral non-flexible handles. The tote bags will be used repeatedly to carry groceries, beach items, blankets, and similar items. Which of the following is the correct classification of the imported tote bags?
- A) 3923.29.0000
  - B) 3926.90.9890
  - C) 4202.22.1500
  - D) 4202.92.9040
  - E) 4202.99.9000
51. Generally, if a class of merchandise from the same country-of-origin subject to the same

statistical reporting number is included in more than one invoice, the importer:

- A) may combine the information for each class of merchandise and report it under one statistical number for all invoices
  - B) may report only the information for the class of merchandise with the highest aggregate value
  - C) may not combine information from multiple invoices for statistical reporting purposes
  - D) may list each invoice separately on the Customs Form 3461 and report the applicable information required by the General Statistical Notes
  - E) may combine the information for all classes of merchandise and report it under one statistical number for all invoices.
52. When advising a client or making representation to secure employment, a broker shall do which one of the following?
- A) not withhold information relative to any Customs business from a client
  - B) exercise due diligence to ascertain the correctness of any information which she gives to a client
  - C) not be required to notify her client immediately in cases where the broker knows that the client has made an error in any document that the law requires the client to execute
  - D) indicate to a potential client that she can obtain special favors from a port director in clearing entries
  - E) provide a client information on how to evade certain duties owed to the government, but not take part in such a plan
53. The Secretary of the Treasury issues an order vacating the prior order of suspension of a broker's license. The Commissioner shall do which of the following?
- A) notify the broker and publish a notice of the new order in the Federal Register and Customs Bulletin
  - B) reopen the original case and request a written notice from the broker to have the original order set aside
  - C) set a time and place for a hearing and give due notice to the broker
  - D) notify the broker that he has 60 days to file an appeal to the order vacating the prior order of suspension
  - E) send the case back to the originating port for review

54. Which of the following is the Customs definition of an “active client”?
- A) a client from whom a broker has obtained a power of attorney and for whom the broker has transacted Customs business on at least one occasion within the 12 months preceding notification
  - B) a client from whom a broker has obtained a power of attorney and for whom the broker has transacted Customs business on at least two occasions within the 12 month period preceding notification
  - C) a client from whom the broker has obtained a power of attorney that has not been revoked by the client
  - D) a client from who the broker has obtained a power of attorney that has been revoked within the past five years
  - E) a client from whom a broker has obtained a power of attorney and for whom the broker has transacted Customs business on at least two occasions during the last five years
55. Jane Smith received her broker’s license, permit, and a filer code in 1995. In 1996, she received approval to conduct Customs business under the fictitious name of ABC Customs Brokerage. The following year, for tax purposes, she incorporates under the name of ABC Customs Brokerage, Incorporated. Jane is the only officer of the corporation. She now wishes to conduct Customs business on behalf of her clients as ABC Customs Brokerage, Incorporated. Which of the following is true?
- A) Jane may conduct Customs business as ABC Customs Brokerage, Incorporated, without taking any further action, since she is the only officer of the corporation and already has a broker license.
  - B) Jane may conduct Customs business as ABC Customs Brokerage, Incorporated, without further action, since she has already been approved to use the fictitious name of ABC Customs Brokerage.
  - C) Jane simply has to inform the port director of the change of business name and structure and include it in the next status report. No other action is necessary.
  - D) ABC Customs Brokerage, Incorporated must attain a corporate broker license to conduct Customs business.
  - E) Jane has to voluntarily cancel her individual license and request a corporate license be issued instead.

56. American Broker Group, Inc., (ABG) is located in New York. They have offices and are permitted to conduct Customs business in New York, Miami, Los Angeles, and Dallas. The individual qualifying the permit in Dallas leaves the company. Which of the following statements is correct?
- A) ABG has only 120 days to replace the individual qualifying the permit in Dallas.
  - B) ABG may acquire a waiver from the requirements of CR 111.11(d) by demonstrating to the Commissioner that the licensed individual qualifying the Los Angeles permit can exercise responsible supervision and control over the business conducted in Dallas.
  - C) A waiver from the requirements of CR 111.11(d) can only be granted to the licensed individual qualifying the New York permit, since that is where the corporate license was issued.
  - D) There is no requirement to replace the licensed individual in Dallas, as long as it is shown that the quality of work rendered by the employees in Dallas is the same as that rendered by the licensed individual.
  - E) ABG has only 180 days to replace the individual qualifying the permit in Dallas.
57. Unless other notification is given, the records required by 19 CFR 111 to be kept by a broker shall be retained at what location?
- A) the port where the broker is permitted to conduct business
  - B) the CMC where the broker is permitted to conduct business
  - C) the corporate headquarters of the broker, if a corporation
  - D) the state in which the business resides
  - E) anywhere, as long as the records are readily available upon notification by Customs
58. With regard to relations between a licensed broker and an unlicensed person, which of the following statements is true?
- A) A broker may never enter into an agreement with an unlicensed person to transact Customs business for others, if the fees resulting from such services rendered for others benefit the unlicensed person.
  - B) If the unlicensed person employing the broker is not the actual importer, the broker may not transmit the bill for services rendered to the actual importer, unless the merchandise was purchased for delivery on an all-free basis.
  - C) A broker is not restricted from entering into an agreement with any unlicensed person to transact Customs business for others that benefits the unlicensed person, as long as the broker retains more than 50 percent of the proceeds.
  - D) A broker may not enter into an agreement with a freight forwarder with the intention of compensating the freight forwarder for services rendered to others.
  - E) A broker may compensate a freight forwarder for services rendered in obtaining brokerage business, provided certain stipulations are met.

59. When must the drawback entry and all documents necessary to complete a drawback claim be filed?
- A) within 1 year after the date of exportation of the articles on which drawback is claimed
  - B) within 3 years after the date of exportation of the articles on which drawback is claimed
  - C) within 3 years after the date of importation of the articles on which drawback is claimed
  - D) within 5 years after the date of importation of the articles on which drawback is claimed
  - E) within 5 years after the date of exportation of the articles on which drawback is claimed
60. Drawback may not be provided for which of the following?
- A) all ordinary Customs duties
  - B) internal-revenue taxes
  - C) marking duties assessed under section 304(c)
  - D) anti-dumping duties
  - E) packaging material
61. Which of the following classes of Customs warehouses is for the purpose of cleaning, sorting, repacking, or otherwise changing in condition, but not manufacturing, imported merchandise, under Customs supervision and at the expense of the proprietor?
- A) Class 2
  - B) Class 3
  - C) Class 4
  - D) Class 5
  - E) Class 8
62. A client has provided a customs broker with a valid NAFTA certificate of origin covering a shipment of merchandise from Mexico for which entry was made and duties paid six months earlier. The client has requested a refund of the duties paid. The entry has been liquidated and the protest period is over.
- As the client's broker, what action, if any, would the Customs broker take?
- A) call the appropriate import specialist and request a reliquidation of the subject entry summary
  - B) take no action because it is too late to make a claim for preferential tariff treatment under the NAFTA
  - C) file a claim on behalf of the client with the port director in accordance with 19 C.F.R. 173.4
  - D) file a claim on behalf of the client with the port director in accordance with 19 C.F.R. 173.3
  - E) file a claim on behalf of the client with the port director in accordance with 19 C.F.R. 181.32



63. The general requirements for the electronic entry of imported merchandise through the Customs Automated Commercial System (ACS) allow filers to store records and electronic data in centralized locations provided there is notification of whom?
- A) the port director at the location where the entry was filed
  - B) the port director where the permit was issued
  - C) the Assistant Commissioner of Field Operations
  - D) the Assistant Commissioner of the Office of Information Technology
  - E) both the port director at the point of entry and the Assistant Commissioner of Field Operations
64. Which of the following is the proper method of country-of-origin marking for a ceramic clock case?
- A) a sticker on the case
  - B) a string tag attached to the case
  - C) an engraving on the back of the case
  - D) an engraving on the bottom of the case
  - E) marking on the box containing the case, but not the case
65. Drapes pour la Maison, a Canadian bedding company, has decided to change its manufacturing procedures. The cotton is spun into yarn in India, the fabric woven in Pakistan and sent to UAE for bleaching and dyeing. The fabric is then sent in one piece to Canada, where the fabric is cut to size, quilted with United States polyester fill and bottom fabric, hemmed, and packaged for export to the United States. What is the country of origin of the quilted bedspreads?
- A) India
  - B) Pakistan
  - C) UAE
  - D) Canada
  - E) United States
66. Which of the following statements is FALSE?
- A) The rules enumerated in 19 CFR 102.11 apply only to imported goods from Canada, Mexico and the United States.
  - B) The rules listed in 19 CFR 102.11 are hierarchical in application when determining whether a good originates in Canada, Mexico, or the United States.
  - C) The rules listed in 19 CFR 102.20 are different than the rules listed in General Note 12(t).
  - D) The rules listed in 19 CFR 102.20 are related to the rules listed in 19 CFR 102.11.
  - E) The rules listed in 19 CFR 102.21 are not related to the rules listed in 19 CFR 102.11.

67. Merchandise transported in-bond by land, except transit air cargo provided for in 19 CFR 122.118, destined to a final port in the U.S., shall be delivered to Customs at the port of destination within how many days after the receipt by the forwarding carrier at the port of origin?
- A) 5 days
  - B) 10 working days
  - C) 30 days
  - D) 45 days
  - E) 60 days
68. An importer wants to bring in seamless, medical, disposable plastic gloves from Malaysia. Which of the following is the correct classification of the gloves?
- A) 3926.20.1010
  - B) 3926.20.1020
  - C) 3926.20.4010
  - D) 6216.00.1300
  - E) 6216.00.1900
69. How is a specially fitted case containing the musical instrument for which it was intended classified upon entry?
- A) separately by component material
  - B) together with the instrument
  - C) separately by its essential character
  - D) as an accessory to the instrument
  - E) separately under its own heading
70. Which of the following containers is classified separately from its contents?
- A) a plain glass bottle containing wine subject to a specific rate of duty
  - B) a Waterford cut crystal decanter containing Cognac
  - C) a \$50 fitted leather case for a medical instrument
  - D) an elaborate retail packing, provided that the packing is more valuable than the contents
  - E) a musical instrument case specifically provided for under heading 4202
71. A shipment of 1,000 black felt witches hats, imported from China, is being imported on September 25. Which of the following is the correct classification of the hats?
- A) 6503.00.3000
  - B) 6503.00.6000
  - C) 6503.00.9000
  - D) 9505.90.6010
  - E) 9505.90.6020
72. Which of the following is the correct classification of a shipment of leather insoles wholly of composition leather?

- A) 6406.10.1000
  - B) 6406.10.6500
  - C) 6406.10.9090
  - D) 6406.99.6000
  - E) 6406.99.9000
73. A broker shall forward to Customs duties and fees received from a client on or before the due date or within how many working days, if receipt was after the due date.
- A) 5
  - B) 10
  - C) 15
  - D) 20
  - E) 30
74. What is the maximum monetary penalty for transacting Customs business without a license?
- A) an aggregate \$30,000, and \$10,000 for each violation
  - B) an aggregate of \$30,000, and \$5,000 for each violation
  - C) an aggregate of \$15,000, and \$1,000 for each violation
  - D) \$30,000 for each violation
  - E) \$10,000 for each violation
75. When is renegotiation of the price disregarded in determining transaction value?
- A) when the adjustment is the result of a change in currency exchange rates
  - B) when the price is adjusted upward after the date of importation
  - C) when the price is adjusted downward after the date of importation
  - D) when the price is adjusted upward before the date of importation
  - E) when the price is adjusted downward before the date of importation
76. Which of the following charges is a dutiable charge under transaction value when included in the price actually paid or payable?
- A) U.S. Customs duties
  - B) ocean freight
  - C) marine insurance
  - D) packing
  - E) assembly charges and technical assistance in the United States

77. Assuming that USA Corporation established a wholly-owned factory in Malaysia and transaction value or deductive value does not exist for merchandise produced by the factory, which costs would **NOT** be part of the computed value of the merchandised imported by USA Corporation?
- A) cost of production molds supplied by the USA Corporation free of charge
  - B) cost of materials used in the production of the merchandise
  - C) cost of labor to produce the merchandise
  - D) general expenses and profit normally reflected in sales of merchandise of the same class or kind as the merchandise being imported
  - E) internal tax in Malaysia remitted upon exportation of finished goods
78. Which of these procedures constitutes an “assembly” operation for purposes of classification under 9802.00.80, the provision for foreign articles assembled with U.S. components?
- A) painting
  - B) gluing
  - C) mixing ingredients in a soup
  - D) smelting
  - E) inspecting and packing fruit
79. For which one of the following importations could transaction value be used as the basis of appraisalment?
- A) A U.S. buyer imports merchandise manufactured by a foreign seller under a 10-year lease arrangement.
  - B) A U.S. buyer purchases merchandise from a related foreign seller. As a result of the relationship, the foreign seller prices the merchandise lower than in sales to unrelated U.S. buyers.
  - C) A U.S. buyer purchases merchandise while in transit to the United States. The U.S. buyer agrees to purchase the goods from the original U.S. buyer at 10 percent above the purchase price paid by the original U.S. buyer to the foreign manufacturer.
  - D) A U.S. buyer imports merchandise manufactured by a foreign seller on a consignment basis. Payment will be made upon resale of the merchandise.
  - E) A U.S. buyer purchases merchandise from a foreign seller and receives a more favorable price than other U.S. buyers, based on the U.S. buyer’s agreement to purchase other merchandise manufactured by the foreign seller.
80. Which of the following is the correct classification of a shipment of canned imitation crabmeat (Alaskan pollock)?
- A) 1604.10.0510
  - B) 1604.19.1000
  - C) 1604.19.3000
  - D) 1605.10.2040
  - E) 1605.10.6010
81. Which of the following foreign trade zone status merchandise is **NOT** allowed to be transferred

for entry into a Customs bonded warehouse?

- A) non-privileged domestic
- B) privileged domestic
- C) zone-restricted
- D) non-privileged foreign
- E) privileged foreign

82. A client informs a Customs broker that she would like to export certain goods to Canada and Mexico for repairs or alterations, some pursuant to warranty agreements with suppliers located in both countries and some which are not subject to warranty agreements. The client has heard that, under the North American Free Trade Agreement (NAFTA), goods sent to Canada and Mexico for repairs or alterations provided for in the subheadings of the Harmonized Tariff Schedule, 9802.00.40 and 9802.00.50, are free of duty. The client would like the broker to confirm this prior to commencing the export operation.

Based on the above paragraph, which of the following statements is correct?

- A) Goods returned after having been repaired or altered in Mexico and Canada, whether or not pursuant to a warranty, are eligible for duty-free treatment.
- B) Goods returned after having been repaired or altered in Canada, whether or not pursuant to a warranty, are eligible for duty-free treatment.
- C) Goods returned after having been repaired or altered in Mexico, whether or not pursuant to a warranty, are eligible for duty-free treatment.
- D) Goods returned after having been repaired or altered in Mexico, whether or not pursuant to a warranty, are eligible for duty-free treatment; from Canada, only repairs or alterations pursuant to a warranty are eligible for duty-free treatment.
- E) Goods returned after having been repaired or altered in Canada, whether or not pursuant to a warranty, are eligible for duty-free treatment; from Mexico, only repairs or alterations pursuant to a warranty are eligible for duty-free treatment.

83. Which of the following items may **NOT** be directly exported?

- A) merchandise covered by an unliquidated consumption entry
- B) merchandise covered by an A.T.A. carnet
- C) merchandise that was known by the importer to be prohibited at the time of entry
- D) merchandise for which no entry was made or completed while in Customs custody
- E) merchandise covered by a TIR carnet

84. What are the consequences for an importer who is substantially or habitually delinquent in the payment of Customs bills?
- A) Customs will seize her goods at the border.
  - B) Customs will issue a warrant for his arrest.
  - C) Customs will place her goods in general order and arrange for the sale of the items at the expiration of the general order period.
  - D) Customs will discontinue her immediate delivery privileges.
  - E) Customs will ban future imports by this importer.
85. A written request to exempt a broker from keeping a current record of transactions in a prescribed format, in addition to the records of account required by 19 CFR 111.22, shall be addressed to whom?
- A) the port director
  - B) the CMC Director
  - C) the Assistant Commissioner, Office of Filed Operations
  - D) the Assistant Commissioner, Regulatory Audit
  - E) the Field Director, Regulatory Audit

**STOP.**  
**THIS IS THE END OF THE TEST.**  
**You may use the remaining time to go back and check your answers.**

**CUSTOMS BROKER LICENSING EXAMINATION SERIES 120**

<b>1.</b>	B (Void)	<b>26.</b>	C	<b>51.</b>	A	<b>76.</b>	D
<b>2.</b>	B	<b>27.</b>	D	<b>52.</b>	B	<b>77.</b>	E
<b>3.</b>	E	<b>28.</b>	E	<b>53.</b>	A	<b>78.</b>	(not scored)
<b>4.</b>	C	<b>29.</b>	D	<b>54.</b>	B	<b>79.</b>	(not scored)
<b>5.</b>	A	<b>30.</b>	E	<b>55.</b>	D	<b>80.</b>	(not scored)
<b>6.</b>	E	<b>31.</b>	E	<b>56.</b>	E	<b>81.</b>	(not scored)
<b>7.</b>	B	<b>32.</b>	A	<b>57.</b>	A	<b>82.</b>	(not scored)
<b>8.</b>	C	<b>33.</b>	D	<b>58.</b>	E	<b>83.</b>	C
<b>9.</b>	B	<b>34.</b>	C	<b>59.</b>	B	<b>84.</b>	D
<b>10.</b>	D	<b>35.</b>	E	<b>60.</b>	D	<b>85.</b>	A
<b>11.</b>	C	<b>36.</b>	C	<b>61.</b>	E		
<b>12.</b>	B	<b>37.</b>	B	<b>62.</b>	E		
<b>13.</b>	D	<b>38.</b>	A	<b>63.</b>	C		
<b>14.</b>	C	<b>39.</b>	A	<b>64.</b>	C		
<b>15.</b>	A	<b>40.</b>	C	<b>65.</b>	D		
<b>16.</b>	D	<b>41.</b>	D	<b>66.</b>	B		
<b>17.</b>	E	<b>42.</b>	E	<b>67.</b>	C		
<b>18.</b>	A	<b>43.</b>	A, C	<b>68.</b>	A		
<b>19.</b>	D	<b>44.</b>	C	<b>69.</b>	B		
<b>20.</b>	A	<b>45.</b>	C	<b>70.</b>	B		
<b>21.</b>	B	<b>46.</b>	A	<b>71.</b>	C,E		
<b>22.</b>	A	<b>47.</b>	E	<b>72.</b>	D		
<b>23.</b>	D	<b>48.</b>	E	<b>73.</b>	A		
<b>24.</b>	A	<b>49.</b>	C	<b>74.</b>	A		
<b>25.</b>	D	<b>50.</b>	B	<b>75.</b>	A, C		

1. Void
2. CFR174.12(e)
3. CFR174.31
4. CFR 172.12(a)
5. CFR 173, CFR 174, CFR 181
6. CFR173.4
7. CFR162.74(h)
8. CFR162.72(b)(1)
9. CFR161.2(b)(1)
10. CFR 159.12
11. CFR159.22(a)
12. CFR 143.11
13. CFR 146.65(a)(1)
14. CFR 134.33
15. CFR144.33
16. CFR144.11(b)
17. CFR 142.13
18. CFR 146.31(a)
19. CFR 113.13 and HTS GN 4(d)
20. CFR 132.5(a)
21. HTS GRI 3(a),(b),(c)
22. CFR132.22
23. CFR114.31(b)
24. CFR 141.11(a)(1)
25. CFR 113.24
26. HTS Section II
27. CFR101.1
28. CFR 24.23(c)
29. CFR 19.12
30. CFR 24.24
31. CFR 10.25
32. CFR10.17
33. CFR12.73(e)(1-5)
34. HTS Chapter 44 Note 1(o)
35. CFR 9802.00.90
36. CFR 9801.00.85
37. CFR 9801.00.20
38. CFR 0511.99.2000
39. HTS GRI 5(a)
40. HTS Section II
41. CFR101.3(2)
42. HTS Section IV
43. HTS GSN 3(c)
44. HTS Section VIII



45. HTS Section VIII
46. GRI 3(b)
47. HTS GRI 3(c)
48. HTS GSN 1(a)
49. HTS GRI 1
50. CFR 3926.90.9890
51. CFR 141.61(e)
52. CFR 111.38 and CFR 111.39
53. CFR 111.77
54. CFR 111.29(b)(2)(ii)
55. CFR 111.11 and CFR 111.36(a)
56. CFR 111.45(b)
57. CFR 111.22(a)
58. CFR 111.36
59. CFR 191.61
60. CFR 191.3, 191.4
61. CFR 19.1
62. CFT 181.31 and 181.32
63. CFR 143.37(c)
64. CFR.134
65. CFR 102.21 (textile rules of origin)
66. CFR 102.11-CB302
67. CFR 18.2(c)(2)
68. HTS Chapter 39 Section VII
69. GRI-5(a), HTSUS
70. GRI-5(a), HTSUS
71. HTS XII
72. HTS XII
73. CF.R.111.29(a)
74. 111.91 (b)
75. CFR 152.103(a)(4)
76. CFR 152.103 (I)
77. 19 CFR 152.106
78. Experimental, not scored.
79. Experimental, not scored.
80. Experimental, not scored.
81. Experimental, not scored.
82. Experimental, not scored.
83. CFR 18.25
84. CFR 142.25 and 142.26
85. CFR 111.22(a)