

U.S. CUSTOMS AND BORDER PROTECTION

Customs Broker License Examination

DIRECTIONS - READ CAREFULLY

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

You are responsible for having the following references:

- **Harmonized Tariff Schedule of the United States (2004)** (USITC Publication 3653) (No Supplements)
- **Title 19, Code of Federal Regulations** Revised as of April 1, 2003 (**All** parts)

(*Note:* You may use other editions of these references. However, this examination is based on the April 1, 2003 Revision of 19 CFR, which does not reflect the organizational changes caused when the Customs Service became U.S. Customs and Border Protection (CBP) in March 2003)

- **Customs and Trade Automated Interface Requirements (CATAIR)**
 - Introduction
 - Getting Started
 - Requirements
- **Directives**
 - 3550-061, Instructions for Preparation of CF 7501
 - 3550-055, Instructions for Deriving Manufacturer/Shipper Identification Code

You may use a silent battery-operated calculator.

Since there is no penalty for guessing, you should try to answer every question.

This examination lasts 4 hours. When you finish, please give this booklet and your answer sheet to the test administrator.

DO NOT MARK IN THIS BOOKLET AT ANY TIME.

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

1. Which would require a multiple country declaration?
 - A. Merchandise subjected to manufacturing processes in more than one country
 - B. Computers from Korea assembled in Mexico
 - C. Women's skirts made from Korean fabric, cut and sewn in Mexico
 - D. Books sent to Mexico for binding and returned to the U.S.
 - E. Produce grown and packaged in Mexico and imported to the U.S.

2. What is the Merchandise Processing Fee for polyester shirts made in Afghanistan and valued at \$10,000?
 - A. \$485
 - B. \$25
 - C. \$0
 - D. \$21
 - E. \$500

3. For determining the country of origin for Canadian merchandise, which are **NOT** considered indirect materials?
 - A. Fuel and energy
 - B. Catalysts and solvents
 - C. Tools, dies and molds
 - D. Thread and buttons
 - E. Gloves, glasses and footwear

4. Which is **NOT** considered "customs business?"
 - A. Transactions with CBP concerning the entry and admissibility of merchandise
 - B. Activities that involve the payment of duties, taxes, or other charges assessed or collected upon merchandise by reason of its importation
 - C. Classification and valuation of merchandise imported into the U.S. for consumption
 - D. The preparation of documents or forms in any format and the electronic transmission of documents, invoices and bills intended to be filed with CBP
 - E. The mere electronic transmission of data received for transmission to CBP

5. An application for an individual Customs broker license must be executed on which form and in what period of time?
- A. CBP Form 3124E; 30 days prior to the examination date
 - B. CBP Form 3124; 3 years after the applicant took and passed the written examination
 - C. CBP Form 3124E; 3 years after the applicant took and passed the written examination
 - D. CBP Form 3124; 5 years after the applicant took and passed the written examination
 - E. CBP Form 3131; 30 days prior to the expiration of the three-year period after the applicant took and passed the written examination
6. What alteration or erasure is **allowed** on a bond?
- A. The address on the bond
 - B. The amount of the bond
 - C. The importer number on the bond
 - D. The signature of the surety
 - E. The execution date of the bond
7. If there is no entry summary at the time of entry, an appropriately modified _____ in duplicate may be substituted for the CBP3461 to secure the release of merchandise imported from a contiguous country.
- A. bill of lading
 - B. commercial invoice
 - C. Inward Cargo Manifest (CBP7533)
 - D. pro-forma Invoice
 - E. Transportation Entry (CBP7512)
8. Who does **NOT** need a broker license?
- A. A person transacting business with CBP in connection with entry of merchandise for his or her own account
 - B. A person transacting business with CBP concerning the entry and admissibility of merchandise for another entity
 - C. A person providing assistance to importers when transacting customs business
 - D. A person preparing documents in any format for another person that are intended to be filed with CBP
 - E. A person transacting customs business in connection with classification, valuation and payment of duties for another entity

9. Which statement about an importer bond is **FALSE**?
- A. If CBP transactions will be submitted in multiple ports of entry, the continuous bond may be filed and approved by any port director.
 - B. The bond application must contain the value of merchandise entered annually and the names of all officers of the company.
 - C. A rider may be used to change the address of a principal on a bond.
 - D. The prior record of the principal in timely payment of duties, taxes and charges may be used to determine the amount of a bond.
 - E. The surety and the principal remain liable on a terminated bond for obligations incurred prior to the termination.
10. As a prefix to the appropriate 10 digit statistical reporting number, which symbol represents hand-loomed products?
- A. M
 - B. B
 - C. C
 - D. D
 - E. F
11. The Manufacturer Identification Code for All-Time Wear, Inc. located at 259 Saint John Avenue, Suite 2006, Plaster Rock, New Brunswick, Canada, E7G4B5 is:
- A. XBALLTIMWEA259CAN
 - B. XBALLWEA2006PLANEW
 - C. XBALL259SUI2006PLA
 - D. XBALLWEA2006PLA
 - E. XBALLWEA259SUI200CAN
12. Which statement about single entry bonds is **TRUE**?
- A. Except when a law or regulation expressly provides that a lesser amount may be taken, there is a minimum limit of liability of \$100 on a single entry bond.
 - B. A single entry bond should have an effective date that is 10 working days after release of the merchandise covered by the bond.
 - C. As a general rule, the bond limit of liability on a single entry bond is 25 percent of the value of the merchandise.
 - D. A single entry bond may only be used for merchandise moving inbond from another port.
 - E. The termination date of a single entry bond is determined at the time of the submission of the bond.

13. Which is needed for a broker to make an entry for a nonresident corporation identified as the importer of record?
- A. A copy of an entry summary prepared by the corporation's overseas broker
 - B. A visit to the U.S. broker by an officer of the nonresident corporation to establish a broker/client relationship
 - C. Evidence of authorization of a resident agent in the state where the port of entry is located who can accept service of process for the corporation
 - D. A license permitting the nonresident corporation to import merchandise into the U.S. in a vessel of less than 30 net tons in accordance with Section 6 of the Anti-Smuggling Act
 - E. A binding ruling for the classification of the merchandise being entered
14. When the entry documentation is filed in proper form without an entry summary, the time of entry is when the _____.
- A. appropriate CBP Officer authorizes the examination of the merchandise or any part of the merchandise covered by the entry documentation
 - B. appropriate CBP Officer authorizes the release of the merchandise or any part of the merchandise covered by the entry documentation
 - C. merchandise arrives within the port limits if the entry documentation is submitted after arrival and if requested by the importer on the entry documentation at the time of submission
 - D. entry documentation is filed if requested by the importer on the entry documentation at the time of filing and if the merchandise has not yet arrived within the port limits
 - E. merchandise arrives at the importer's premises if the entry documentation is submitted before arrival and if requested by the importer on the entry documentation at the time of submission
15. Which **MAY** be entered under an informal entry?
- A. A commercial shipment of electric floor lamps, the product of Taiwan, classified as 9405.20.4010 and valued at \$1,750
 - B. A commercial shipment of plastic picture frames, the product of China, classified as 3924.90.2000 and valued at \$1,850
 - C. Tools of the trade of a Canadian immigrant to the U.S. that are classified as 9804.00.15 and valued at \$1,950
 - D. Personal effects of a U.S. citizen who died abroad that are valued at \$2,050
 - E. A commercial shipment of bell peppers that are the product of Mexico and are classified under 0709.60.4090 and valued at \$2,150

16. Which statement is **FALSE** when referring to filer codes?
- A. CBP will assign a unique 3 character (alphabetic, numeric or alpha numeric) entry filer code to all licensed brokers filing CBP entries.
 - B. The broker or importer shall use the assigned filer code as the beginning three characters of the number for all CBP entries filed in only the ports, which are listed and approved on the initial filer code application .
 - C. CBP shall make available electronically a listing of filer codes and importers, and Customs brokers assigned those filer codes.
 - D. If an importer does not have an assigned entry filer code, or if the port director refuses to allow use of an assigned entry filer code, the importer or broker shall obtain forms with a CBP assigned pre-printed machine readable entry number with a computer check digit.
 - E. The port director may refuse to allow use of an assigned entry filer code if it is misused by the importer or broker.
17. Which are **CLASSIFIED** as textile articles?
- A. Sails of synthetic fibers
 - B. Furnishing articles of fine animal hair
 - C. Leather tobacco pouches
 - D. Fur skins
 - E. Shipments of footwear with textile components
18. Where in the HTS are the “NAFTA Change in Tariff Classification Rules” located?
- A. Section XI Notes
 - B. Chapter Notes
 - C. Subchapter Notes
 - D. General Note 12
 - E. General Note 3
19. A broker’s local permit has been revoked because her annual user fee was not paid. What must she pay to obtain a new permit?
- A. \$225
 - B. \$250
 - C. \$200
 - D. \$150
 - E. \$300

Using the commercial invoice provided below, answer questions 20 through 25.

COMMERCIAL INVOICE FASHION THE WORLD, INC.			
Shipper/Exporter Fashion the World, Inc. 250, 2-KA, Taepyung-Ro, Chung-Ku Seoul, Korea		No. and Date of Invoice US0001E Wednesday, July 14, 2004	
For Account and Risk of Messers Thorton Mellon's Stores 123 Rocky Blvd. Philadelphia, PA 45682		No. and Date of L/C	
Notify Party		L/C Issuing Bank	
Port of Lading Kimpo, Korea		Remarks P/O No.: IWUVU1	
Final Destination Seattle, WA		Marks and Numbers of Pkgs.	
Carrier Aircraft United Parcel Service		Departure on or about July 17, 2004	
Description of Goods	Quantity	Unit Price	Amount
1. Country of Origin: Korea Men's 100% Cotton Knit Polo Shirt Stitch count of 12 stitches per 2 cm in each direction PN: POKNSHRT	1,000pcs	1.50 USD	\$1,500
2. Country of Origin: Japan Women's Cotton Knit Black Bras Containing Lace PN: AB4OZYI	1,200pcs	2.00 USD	\$2,400
(2%, Net 15 Days) TOTAL	2,200pcs		\$3,900
Master Bill: 001-63324833 House Bill: UPS56676406 Estimated Entry Date 07/18/04			

20. What is the **CLASSIFICATION** of the Japanese merchandise?
- A. 6109.10.0037
 - B. 6108.21.0010
 - C. 6212.90.0010
 - D. 6212.10.5010
 - E. 6212.10.9010
21. What is the **CLASSIFICATION** of the Korean merchandise?
- A. 6105.10.0010
 - B. 6106.10.0010
 - C. 6109.10.0027
 - D. 6110.20.2010
 - E. 6110.20.2065
22. If Seattle is the port of entry and United Parcel Service is the broker, what is the port code?
- A. 2795
 - B. 2720
 - C. 3196
 - D. 1101
 - E. 3095
23. On July 17, 2004, Mr. Thorton Mellon notifies his broker that he has just forwarded Fashion the World, Inc., money for the shipment minus an early payment discount. On July 18, 2004, at 12:01 a.m. the aircraft arrives at Seattle with the intent to unlade. What is the entered value?
- A. \$3,900
 - B. \$3,822
 - C. \$1,500
 - D. \$2,400
 - E. \$3,978
24. For this shipment, the Manufacturer's Identification Code is:
- A. KRFASTHE2502SEO
 - B. KRTHOMEL123PHI
 - C. KRFASWOR250SEO
 - D. KRWORINC250SEO
 - E. KRUPSAIR2KASEA

25. On May 1, 2004, the Department of Commerce publishes a Federal Register Notice announcing a countervailing duty order on certain women's undergarments from Japan. This order is in effect for subject merchandise entered for consumption on or after May 1, 2004, and covers merchandise located in Chapters 61 and 62 of the HTS. The countervailing duty rate is 20%. What amount of duties and fees are due to CBP for this shipment?
- A. \$2,188
 - B. \$1,476
 - C. \$1,135
 - D. \$1,934
 - E. \$1,182
26. What is the **CLASSIFICATION** for concentrated sweetened frozen juice, comprised of 80% lemon juice and 20% lime juice, **NOT** fortified with vitamins or minerals, unfermented, **NOT** containing any added spirit, with a Brix value of 20, and fit for beverage purposes?
- A. 2009.90.4000
 - B. 2009.31.2040
 - C. 2009.31.4020
 - D. 2009.39.6020
 - E. 2009.31.6020
27. What is the correct **CLASSIFICATION** for rolls of uncoated kraft corrugated paper or paperboard, which are unbleached, weigh over 150 grams per square meter but not over 225 grams per square meter, have a width of 40 cm, and are printed at regular intervals with the words "Kenosha Mills Grade 1?"
- A. 4804.41.4000
 - B. 4805.92.4030
 - C. 4808.10.0000
 - D. 4810.32.1020
 - E. 4811.90.8000
28. What is the **CLASSIFICATION** for woven printed appliqued sheets that are not napped, and have a fiber content of 50% cotton, 30% polyester and 20% rayon?
- A. 6302.21.9020
 - B. 6302.22.1040
 - C. 6302.10.0008
 - D. 6302.21.5020
 - E. 6302.29.0020

29. What is the **CLASSIFICATION** for a hand-held, 100% nylon, 8 ribbed, 8 paneled, wooden-handled, push-button automatic, non-telescopic golf umbrella?
- A. 6601.10.0000
 - B. 6601.91.0000
 - C. 6601.99.0000
 - D. 6603.20.3000
 - E. 6603.90.8000
30. What is the **CLASSIFICATION** for chilled blackberries entered on June 30?
- A. 0811.90.8080
 - B. 0810.20.1040
 - C. 0810.20.9040
 - D. 0811.20.2040
 - E. 0811.20.4000
31. What is the **CLASSIFICATION** for duty-free entry of shirts assembled in Mexico using components made of fabric formed and cut in the U.S.?
- A. 9802.00.8068
 - B. 9802.00.8055
 - C. 9802.00.5060
 - D. 9999.00.6000
 - E. 9802.00.9000
32. What is the **CLASSIFICATION** for a vanity case that has an outer surface of pile fabric with a material content of 50% cotton and 50% silk?
- A. 4202.12.8020
 - B. 4202.12.4000
 - C. 4202.12.8060
 - D. 4202.12.6000
 - E. 4202.12.8080
33. What is the **CLASSIFICATION** of a fishing rod and reel set valued at \$6 per set and imported in one retail package. The reel is valued at \$3 and the rod at \$3.
- A. 9507.10.0040
 - B. 9507.30.4000
 - C. 7019.90.5050
 - D. 9507.10.0040 and 9507.30.4000
 - E. 9507.90.8000

34. What is the **CLASSIFICATION** for a specially shaped or fitted violin case with an outer surface formed from sheeting of plastic and a plush interior?
- A. 4202.92.5000
 - B. 4202.99.1000
 - C. 9202.10.0000
 - D. 3926.90.9880
 - E. 9209.92.8000
35. What is the **CLASSIFICATION** for a polyethylene canoe?
- A. 3926.90.9880
 - B. 9506.29.0040
 - C. 9506.99.6080
 - D. 9506.91.0030
 - E. 8903.99.0500
36. What is the **CLASSIFICATION** for a shipment of frozen freshwater tilapia fish that is gutted, has the head and tail on, and is not fit for human consumption?
- A. 0511.99.4070
 - B. 0304.20.6042
 - C. 0302.69.2070
 - D. 0511.91.0000
 - E. 0303.79.2094
37. What is the **CLASSIFICATION** for insecticide imported in retail packages?
- A. 2934.99.1600
 - B. 2933.99.1700
 - C. 3808.10.5000
 - D. 3825.90.0000
 - E. 3808.90.0800
38. What is the **CLASSIFICATION** for dried, crystallized mangoes entered on October 1, 2004?
- A. 0804.80.4040
 - B. 0804.50.8000
 - C. 2001.90.4500
 - D. 2006.00.7000
 - E. 2006.00.9000

39. What is the **CLASSIFICATION** for a manual juice squeezer with no moving parts, a plastic handle and a cast aluminum working surface?
- A. 3924.10.4000
 - B. 8205.51.6000
 - C. 7615.19.5040
 - D. 8205.51.3030
 - E. 8479.89.9897
40. What is the **CLASSIFICATION** for a metal futon seat frame that folds flat to convert into a bed and is imported unassembled with wood slats but without cushions?
- A. 9403.50.9040
 - B. 9403.90.7000 and 9403.90.8040
 - C. 9403.90.7000
 - D. 9403.90.8040
 - E. 9401.40.0000
41. What is the **CLASSIFICATION** for a 10mm copper plate, not in coils, that by weight is 93.48% Copper (Cu), 4.00% Nickel (Ni), 1.00% Beryllium (Be), 0.52% Zinc (Zn), and 1.00% other elements?
- A. 7409.29.0010
 - B. 7409.19.1000
 - C. 7409.40.0000
 - D. 7409.39.1060
 - E. 7409.90.1030
42. What is the **CLASSIFICATION** for a girl's knit, cotton dress?
- A. 6104.41.0010
 - B. 6104.42.0020
 - C. 6104.43.1020
 - D. 6104.44.2020
 - E. 6104.42.0010
43. The definition of the expression "made up" referring to textiles and textile articles can be found in:
- A. Chapter 61 Notes
 - B. Additional U.S. Note to Chapter 62
 - C. Section XI Notes
 - D. General Notes
 - E. Chapter 63 Notes

44. Exporters or producers are required to maintain any NAFTA certificate of origin used for a NAFTA claim for at least _____.
- A. 2 years
 - B. 5 years
 - C. 3 years
 - D. 4 years
 - E. 1 year
45. A petition for relief from a seizure must be filed with the correct Fines, Penalties and Forfeiture office within _____.
- A. 30 days from the date of mailing of the notice of seizure
 - B. 60 days from the date of receipt of the notice of seizure
 - C. 30 days from the date of the seizure violation
 - D. 60 days from the date of mailing of the notice of seizure
 - E. 30 days from the date of receipt of the notice of seizure
46. Supplemental petitions filed in cases involving violations of 19 U.S.C. 1641 will be forwarded to the Chief, Penalties Branch, Office of Regulations and Rulings when the amount of the penalty assessed exceeds _____.
- A. \$ 1,000
 - B. \$ 5,000
 - C. \$ 10,000
 - D. \$ 25,000
 - E. \$ 30,000
47. The port director may **NOT** discontinue immediate delivery privileges because an importer has:
- A. Repeatedly failed to file CBP documentation timely without justification
 - B. Failed to promptly settle a claim for liquidated damages
 - C. Failed to promptly provide a Certificate of Origin to support a NAFTA claim
 - D. Repeatedly delivered documentation that is incomplete or contains erroneous information
 - E. Been substantially or habitually delinquent in the payment of CBP bills

48. For violations of 19 U.S.C. 1641, which statement is **FALSE**?
- A. The maximum penalty for any one incident of conducting customs business without a license is \$10,000.
 - B. A penalty of \$1,000 shall be assessed against any broker who continuously makes the same errors on a particular type of entry.
 - C. A penalty of \$5,000 shall be assessed against any broker who is unable to satisfy the deciding CBP official that he has a working knowledge of any operation material to his ability to render valuable service to others in the conduct of customs business.
 - D. A penalty of \$25,000 shall be assessed for knowingly employing any convicted felon and continuing to employ this person after approval has been denied.
 - E. Customs business includes: classification and valuation; payment of duties, taxes or other charges; drawback or refund of duties; and the filing of entries or other documents relating to these activities.
49. In determining the liabilities for violations of 19 U.S.C. 1497, a mitigating factor can be ____?
- A. discovery of documentary or other evidence establishing the violator's intent
 - B. an informant providing information that tends to establish the violator's intent and leads to discovery of the violation after the violator has been given an opportunity to properly declare
 - C. concealment of undeclared articles to evade U.S. law
 - D. behavior, including extreme lack of cooperation, verbal or physical abuse, or attempted escape, that tends to demonstrate a lack of respect for law and authority
 - E. the fact that the violator is an inexperienced traveler
50. A shipment of bananas arrives in the U.S. on the 10th calendar day. Entry is attempted on the 12th calendar day, but the Food and Drug Administration's Prior Notice requirement has not been satisfied. When does the merchandise become eligible for General Order?
- A. 3 days after public notice
 - B. Whenever the port director determines entry cannot be made
 - C. 1 day after entry attempted
 - D. 15 business days after the shipment arrives in the U.S.
 - E. 5 days after the shipment arrives in the U.S.

Using the information provided below, answer questions 51 through 55.

Your client, a privately held U.S. corporation, imports five automobiles intended solely for show purposes. They will not be offered for sale. Two automobiles are valued at \$350,000 each. Three are valued at \$275,000 each. Their country of origin is the United Kingdom, which allows reciprocal privileges for similar imports to their country. The automobile shows in the U.S. will last three months. The first show starts two weeks after the date of importation. As the broker you file a CF7501 at time of entry via ABI. During the course of the shows, your client informs you that the shows are so successful that more have been added and the automobiles will be in the U.S. for an **additional** three months.

51. What is the CLASSIFICATION of the automobiles?

- A. 8706.00.15.20
- B. 9813.00.75
- C. 8706.00.25.00
- D. 8706.00.50.00
- E. 9813.00.35

52. How much DUTY is due?

- A. \$21,350
- B. \$38,125
- C. \$0
- D. \$24,400
- E. \$38,215

53. What is the ENTRY TYPE CODE?

- A. 25
- B. 06
- C. 01
- D. 08
- E. 23

54. When your client tells you the shows have been extended, you should ____.
- A. advise that no further action is required
 - B. file an additional CF301 at the original port of entry to cover the extension time period of the shows
 - C. advise the port director of the extension by mail
 - D. advise your client that the automobiles should be exported within six months from the date of importation
 - E. file a CF3173 to the port director requesting a one-year extension
55. What **ADDITIONAL** information is required on the entry summary?
- A. A statement that the foreign shipper testifies that the automobiles are new and the mileage on the odometer is less than or equal to 50 miles
 - B. A declaration by the importer that the automobiles are in compliance with the international safety standards as regulated by the United Nations
 - C. A declaration that the automobiles conform to the Clean Air Act as regulated by the Department of Transportation
 - D. A declaration that the automobiles are not to be put to any other use and that they are not imported for sale or sale on approval
 - E. A statement that the importer of record has paid all applicable state taxes due upon importation
56. An incorporated freight forwarder, not licensed to conduct customs business, hires an individually licensed Customs broker as an employee with full benefits and pay. Assuming the broker works regular business hours at the forwarder from 9 a.m. to 5 p.m. Monday through Friday, and performs no other broker-related activities, which is permissible?
- A. The broker may solicit "customs business" on behalf of his employer
 - B. The freight forwarder may issue a bill for his brokerage services to the importer
 - C. The freight forwarder may obtain a power of attorney from its customer that allows a subagency agreement, and may delegate the subagency authority to the broker so that the broker may perform "customs business" for the freight forwarder
 - D. The broker may use his filer code for purposes of filing ABI entries with CBP
 - E. The broker may contact the carrier prior to the arrival of freight destined to Mexico

57. What is **NOT** required on the ACS/ABI Letter of Intent?
- A. The identification of the corporate headquarters
 - B. A list of all offices that will communicate with ACS
 - C. A commitment to adhere to CBP performance requirements
 - D. The average monthly volume of formal entries per district
 - E. The estimated cost of programming
58. In order to become operational on cargo release in ABI you must ____.
- A. demonstrate your proficiency in Statement Processing
 - B. transmit normal business data for a minimum of five business days with an error rate of less than ten percent
 - C. purchase a dedicated line to send and receive data with CBP
 - D. become operational on entry summary processing
 - E. submit a Letter of Intent that includes the estimated completion date for cargo release testing
59. Participation in ABI is ____.
- A. for large brokerage firms only
 - B. voluntary and designed to use standard technology available to both large and small businesses
 - C. mandatory and available to both large and small businesses
 - D. limited to service bureaus only
 - E. designed to allow qualified trade participants to interface with other qualified trade participants
60. A Reimbursement Certificate of Antidumping or Countervailing Duties must be filed by the ____ prior to liquidation to the port director (formerly the district director) and identify the ____.
- A. importer; commodity
 - B. carrier; list of the entry numbers
 - C. broker; ultimate consignee
 - D. foreign producer, who is not acting as an importer; date of final determination of sales at greater than fair value
 - E. shipper; antidumping duty rate

61. **January 1, 1970**, an individual obtained his Customs broker's license. A U.S. corporate Customs broker employs the licensed individual as the corporate license qualifier on **May 1, 2000**. **February 27, 2003**, CBP receives the corporation's triennial report and applicable fees. **March 15, 2003**, CBP notifies the individual licensed broker of the requirements for filing the status report. **April 5, 2003**, due to a pending retirement scheduled for **July 4, 2003**, the individual licensed broker responds to CBP correspondence and notifies CBP that he will not be filing his individual triennial report. **June 1, 2004**, the corporate Customs broker provides written notification to CBP that it intends to dissolve its corporate status, liquidate all its assets, and cancel its license without prejudice **September 1, 2003**. What is the last date that the corporate Customs broker may file an entry and engage in "customs business?"
- A. September 1, 2003
 - B. July 4, 2003
 - C. July 13, 2003
 - D. November 1, 2003
 - E. June 29, 2003
62. In addition to the Cargo Declaration (CBP Form 1302), all **EXCEPT** the ____ must be provided 24 hours before cargo is laden aboard the vessel in the foreign port.
- A. Standard Carrier Alpha Code
 - B. container numbers
 - C. internationally recognized hazardous material code, if applicable
 - D. Harmonized Tariff Schedule number to the 4-digit level
 - E. seal number for all seals affixed to containers

Using the following information, answer questions 63 through 74.

- **July 5, 2004** - Household Makeovers, Inc., places an order with its affiliated Chinese manufacturer, Painted Spaces, for 3,000 wooden paintbrushes consisting of 90% natural (i.e., horsehair) and 10% synthetic bristles with a width of 3".
- **July 15, 2004** - Painted Spaces completes the production lot, and forwards the finished product to its distribution facility located in Hong Kong.
- **July 17, 2004** - The merchandise is laden on the vessel *Red Book* and departs the same day.

- **July 20, 2004** - *Red Book* arrives in Singapore. The container of paintbrushes, still destined for the U.S., is unloaded and placed on the dock.
- **July 21, 2004** - Household Makeovers, Inc. files for bankruptcy and immediately sells the paintbrushes while in transit to Casual Painter, a Taiwanese trading company. Casual Painter assumes the same terms of sale and will be the importer of record for this shipment. The container of paintbrushes is loaded onto the vessel *Minnow*, which is destined for the U.S.
- **July 23, 2004** - *Minnow* departs from Singapore destined for Los Angeles.
- **August 15, 2004** - The broker submits a CBP3461 and the shipment is released two days later.
- **August 19, 2004** - The vessel docks in Los Angeles with the intent to unlade.
- **September 1, 2004** - The paintbrushes are repackaged in the U.S. with disposable gloves, painters' tape, an acrylic 1" paintbrush, a 12" diameter stainless steel container for holding paint and one quart of white paint.

Manufacturer: Painted Spaces
 8 Jihu Road
 Unit 9
 Guangzhou, People's Republic of China

Broker: James Bond
 dba Quick Imports (CBP-approved trade name)
 456 Broadway
 Los Angeles, CA 90045
 Filer Code: 007

Price List (C.I.F. Port of Los Angeles), negotiated annually between Household Makeovers, Inc. and Painted Spaces, applies to both affiliated and unaffiliated parties:
 \$2.00 per brush greater than 3"
 \$1.59 per 3" brush
 \$1.35 per 1" brush

Actual freight, insurance and other costs incidental to the international shipment = \$579.

Estimated calculated costs for foreign inland freight for this shipment = \$325.

Gross Weight = 800 lbs. or 363 kgs.
 Tare Weight = 50 lbs. or 23 kgs.
 Net Weight = 750 lbs. or 340 kgs.
 Packing List = 150 cartons (20 brushes per carton)

Dumping Information:

1. On October 4, 2004, the Department of Commerce publishes in the Federal Register the Final Results of its Administrative Review of the Antidumping Duty Order (A-570-501) on Natural Paintbrushes from the People's Republic of China for the period October 31, 2003 through October 1, 2004.
2. For all shipments of natural paintbrushes from the Peoples Republic of China exported by the following producers/exporters, entered or withdrawn from warehouses for consumption during the period October 31, 2003 through October 1, 2004, the antidumping liability is as follows:

A-570-501-001	Painted Spaces	86%
A-570-501-002	Mao's Animal By Products	79%
A-570-501-003	Paint the World Red	116%
A-570-501-004	All Others	145%

63. What is the entered value of this shipment?

- A. \$4,770
- B. \$4,191
- C. \$4,516
- D. \$4,445
- E. \$5,349

64. What is the **CLASSIFICATION** of the shipment?

- A. 4417.00.4000
- B. 0503.00.0000
- C. 9603.40.4060
- D. 3212.90.0000
- E. 9603.40.4040

65. What amount is due to CBP for this shipment?

- A. \$4,095
- B. \$3,786
- C. \$4,324
- D. \$4,133
- E. \$211

66. What is the International Standard Country Code for the country of export?

- A. SG
- B. HK
- C. CN
- D. TW
- E. PRC

67. What is the country of origin for this shipment?

- A. Hong Kong
- B. Peoples Republic of China
- C. Taiwan
- D. United States of America
- E. Singapore

68. What is the date of exportation?

- A. July 15, 2004
- B. July 17, 2004
- C. July 21, 2004
- D. July 23, 2004
- E. August 19, 2004

69. What is the Manufacturer/Shipper's Identification Number?

- A. SGPAI89CUAGY
- B. CNPAISPA9GUA
- C. CNMAOANI8GUA
- D. CNPAICO89GUA
- E. HKPAISPA9GUA

70. What is the correct weight and quantity for blocks 31A and 32 on the CF 7501?

<u>Gross Weight</u>	<u>Net Qty. in HTSUS Units</u>
A. 363	3,000 No.
B. 800	150 No.
C. 363	340 Kgs.
D. 110	750 Lbs.
	20 No.
E. 363	340 Kgs.
	250 Doz

71. Which statement is **TRUE**?

- A. Transaction value would not be appropriate for determining the “amount paid or payable” between the original buyer and supplier.
- B. “C.I.F. Port of Destination” may only be applied to affiliated parties.
- C. The per-unit price of the paint brush identified with this shipment is \$2.
- D. Transaction value would be appropriate for determining the “amount paid or payable” between the original buyer and the supplier.
- E. For calculating duty, the ex-factory price is used instead of the f.o.b. price.

72. What is the **Entry Type** code for this shipment?

- A. 01
- B. 02
- C. 03
- D. 34
- E. 07

73. Block 41 of Customs Form 7501 for this shipment should read:

- A. Authorized Signature, Atty-in-fact, Date
- B. Authorized Signature, Date
- C. Quick Imports, Atty-in-fact, Date
- D. Authorized Signature, Atty-in-fact, Date
Quick Imports, Inc.
- E. Authorized Signature, Atty-in-fact, Date
Quick Imports

74. What is the date of entry for this shipment?

- A. August 15, 2004
- B. August 17, 2004
- C. August 19, 2004
- D. August 25, 2004
- E. August 29, 2004

75. If a company with a continuous bond on file with CBP changes its address, it must file a ____ and a ____.

- A. notification letter new bond
- B. notification letter CF4811
- C. CF4811 CF5106
- D. bond rider CF5106
- E. bond rider CF4811

76. Which statement is **TRUE**?
- A. The assigned importer identification number is used in all future CBP transactions when an importer number is required.
 - B. A new importer identification number is assigned each time the importer imports.
 - C. A new assigned importer identification number is required for each importation.
 - D. A broker may assign the importer identification number.
 - E. An importer identification number may be assigned even if the importer has an Internal Revenue Service employer identification number.
77. CBP seizes a shipment of merchandise because it violates your client's recorded trademark, and will notify your client of all of the following **EXCEPT** the ____.
- A. value of the shipment
 - B. name and address of the importer
 - C. date of importation
 - D. quantity involved
 - E. name and address of the manufacturer
78. When merchandise remaining in public stores or in a bonded warehouse beyond the time fixed by law is sold, which charge is paid first?
- A. Expenses of advertising and sale
 - B. Duties
 - C. Any lien for freight, charges, contributions
 - D. Expenses of cartage, storage and labor
 - E. Internal Revenue taxes
79. Customs/CBP Form ____ shall be used for merchandise formally entered for consumption. The entry summary for merchandise which may be entered free of duty may be on Customs/CBP Form ____.
- A. 3461; 5106
 - B. 7501; 3461
 - C. 7501; 5106
 - D. 7501; 3311
 - E. 3311; 5106

80. Where would you find additional information that is required on invoices for footwear?

- A.** General Note12, HTS
- B.** 19 CFR 102.20
- C.** 19 CFR 141.89
- D.** Section XI, HTS
- E.** 19 CFR 152.11

STOP.

THIS IS THE END OF THE TEST.

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

OCTOBER 2004 CUSTOMS BROKER LICENSE EXAM ANSWER KEY

QUESTION	ANSWER	
1	A and C	19 CFR 12.130(c)(1); 12.130(f)(2)
2	C	19 CFR 24.23(c)(iv)
3	D	19 CFR 102.1(k)
4	E	19 CFR 111.1
5	B	19 CFR 111.12(a)
6	A	19 CFR 113.23(a)(2)
7	C	19 CFR 142.3
8	A	19 CFR 111.2(a)(2)
9	B	19 CFR 113.12
10	E	HTS, Section XI, Statistical Note 1
11	D	19 CFR 142.6(a)(5); Directive 3550-055
12	A	19 CFR 113.13
13	C	19 CFR 141.18; 141.36
14	B	19 CFR 141.689a)(1), (2) &(3)
15	C	19 CFR 143.21
16	B	19 CFR 142.3a(b)(1)
17	A	HTS, Section XI, Notes; Heading 6306
18	D	HTS General Note 12
19	A	19 CFR 111.96(b)
20	D	Chapter 62 eo nominee
21	A	Chapter 61 eo nominee
22	E	HTS Schedule D
23	B	19 CFR 152.103(a)(4)
24	C	Directive 3550-055
25	E	19 CFR 24.23(b)(1)(I)(B); 159.41; General Note 3(a)(iii)
26	A	Chapter 20 eo nominee
27	E	Chapter 48, Note 7
28	B	Chapter 63 eo nominee
29	C	Chapter 66 eo nominee
30	C	Chapter 8, Note 2
31	E	Chapter 98 eo nominee
32	E	Chapter 42 eo nominee; General Rules of Interpretation 3(c)
33	B	General Rules of Interpretation 3(c)
34	A	Chapter 42 eo nominee
35	E	Chapter 89 eo nominee; Chapter 95 Note 1(p)
36	D	Chapter 5 eo nominee; Chapter 3 Note 1(c)
37	C	Chapter 38 eo nominee; Section VI Note 1(b)
38	D	Chapter 20 eo nominee
39	B	Chapter 82 eo nominee
40	E	Chapter 94 eo nominee; General Rules of Interpretation 2(a)
41	C	Chapter 74 Note 1(b); Subheading Note 1(d)
42	B	Chapter 61 eo nominee

43	C	HTS, Section XI, Note 7
44	B	19 CFR 181.12
45	A	19 CFR 171.2(b)(1)
46	C	19 CFR 171.62(a)
47	C	19 CFR 142.25
48	D	19 CFR 171, Appendix C Part VII D
49	E	19 CFR 171, Appendix A I 2 C
50	B	19 CFR 127.1(c)
51	B	HTS, Section XXII, Subchapter XIII, U.S. Note 1(a)
52	C	Column 1 Duty rate for 9813.0075
53	E	Directive 3550-061
54	D	HTS, Section XXII, Subchapter XIII, U.S. Note 1(a)
55	D	19 CFR 10.31(3)(iii)
56	E	19 CFR 111.36
57	E	CATAIR Requirements, REQ - 1
58	D	CATAIR Requirements, REQ - 6
59	B	CATAIR Requirements, REQ - 1
60	A	19 CFR 351.402(f)(2)
61	E	19 CFR 111.30(d)(4)
62	D	19 CFR 4.7a(c)(4)
63	B	19 CFR 152.102(f)
64	E	Chapter 96 eo nominee
65	*	No correct answer
66	A	General Statistical Note 1(b); HTS Appendix D
67	B	19 CFR 134.1(b)
68	D	19 CFR 152.1(c); 152.23
69	B	Directive 3550-061
70	A	Directive 3550-061
71	D	19 CFR 152.103(j)(2)
72	C	Directive 3550-061
73	E	Directive 3550-061
74	B	19 CFR 142.2(b); 141.68(a)
75	D	19 CFR 113.24(b)
76	A	19 CFR 24.5(c)
77	A	19 CFR 133.21(c)
78	E	19 CFR 127.31
79	D	19 CFR 142.11(a)
80	C	19 CFR 141.89