
TARIFF NO. 5

Foreign-Trade Zone No. 25

OCTOBER 1, 2023

GRANTEE: BROWARD COUNTY

Port Everglades Department | 1850 Eller Drive, Fort Lauderdale, Florida 33316

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DEFINITIONS

Item No. 001—Definitions.

Any singular pronouns used in this Tariff shall include the plural and vice versa unless the context otherwise requires. The following words and terms shall have the meanings as set forth herein.

Act: The Foreign-Trade Zones Act of 1934, as amended, codified at 19 U.S.C. § 81a et seq.

Activation: Approval by U.S. Customs and Border Protection and concurrence of Grantee for a Zone site to begin receiving merchandise in zone status. The term “Activated Areas” refers to areas approved as described in this definition.

Alternative Site Framework (ASF): An optional approach to designation and management of Zone sites adopted by the Foreign-Trade Zones Board allowing greater flexibility and responsiveness to serve single-operator/user locations.

CBP Territory: The territory of the United States in which the general tariff laws of the United States apply.

Controlled Access Areas: Areas designated as “Restricted or Secure Areas” as defined in Chapter 42 of the Broward County Administrative Code and the Port Everglades Facility Security Plan.

Customs And Border Protection (CBP): United States Customs and Border Protection of the United States Department of Homeland Security.

Domestic Status: Domestic Status is the CBP status for domestic origin and duty-paid, foreign origin Zone merchandise (19 C.F.R. § 146.43).

Entry For Consumption: The general process of filing the appropriate CBP documents (including duty evaluation) that allows merchandise to be brought into the commerce of the U.S. (19 C.F.R. § 141). With respect to the Zone, this process occurs when merchandise is shipped from the Zone into United States commerce.

Exports: The category of merchandise that is forwarded from the Zone to destinations in foreign countries.

Foreign Status: Describes Zone merchandise admitted to the Zone under CBP supervision that is normally of foreign origin. Such merchandise is admitted to the Zone without being subject to formal CBP entry procedures and payment of duties, unless and until the foreign merchandise enters CBP Territory for domestic consumption.

FTZ Board: The United States Foreign-Trade Zones Board created by federal law and defined in 19 U.S.C. § 81a et seq., as amended.

FTZ Operator: An entity that operates a Zone site under the terms of an agreement with Grantee with the concurrence of CBP.

FTZ Operator Agreement: A written agreement between Grantee and an FTZ Operator setting forth the terms and conditions for the operations at a specific Zone site.

FTZ User: A user of the Zone pursuant to the terms and conditions set forth in an FTZ User Agreement and this Tariff; also referred to as a “Zone User.”

FTZ User Agreement: A written agreement between Grantee and an FTZ User setting forth the specific terms and conditions of the entity’s use, occupancy, and operations at a specific Zone site.

Grantee: Broward County (successor in interest to the Port Everglades Authority), which has been granted the privilege of establishing, operating, and maintaining the Zone.

Grantee’s Operator: The entity responsible for the operation of Zone sites that are not operated pursuant to an FTZ Operator or Subzone Operator Agreement with Grantee. The Port Everglades Department of Broward County is Grantee’s Operator.

Main Office: The physical office of Grantee’s Operator.

Modification: A change to a Zone that requires action by the FTZ Board or authorization by the FTZ Board’s Executive Secretary. A Major Modification requires action by the FTZ Board; a Minor Modification may be authorized by the FTZ Board’s Executive Secretary.

Site: Any designated area of the Zone, including Magnet Sites, Subzones, and Usage-driven Sites. Specific information regarding any particular site within the Zone can be found at <https://ofis.trade.gov/Zones/Details/134>.

Subzone: A Zone site or group of Zone sites established for a specific use.

Subzone Operator: An entity responsible for the operations of a Subzone site under the terms and conditions set forth in a Subzone Operator Agreement with Grantee.

Subzone Operator Agreement: A written agreement between Grantee and a Subzone Operator setting forth the terms and conditions for the operations of a Subzone site.

Tariff No. 5: This Tariff, setting forth information, terms, and rates for Foreign-Trade Zone No. 25. Tariff No. 5 is a “Zone Schedule” as described in 15 C.F.R. § 400.44.

Tariff No. 12: Port Everglades Tariff No. 12, as reissued or amended. A copy of the most recent Tariff No. 12 is available on the Port Everglades’ website at <https://www.porteverglades.net/development/tariff>.

Zone: Foreign-Trade Zone No. 25, as established under the provisions of the Act. The term includes Magnet, Usage-driven, and Subzone site(s), unless the context indicates otherwise.

Zone Status: The status of merchandise upon entry into the Zone, either Domestic Status or Foreign Status.

SECTION ONE - DESCRIPTION OF FOREIGN-TRADE ZONE NO. 25

Item No. 101—Ownership and Operation.

The Zone is owned by Grantee, which legally succeeded to the Grant of Authority for the Zone on November 22, 1994. Foreign-Trade Zone authority was originally granted to the Port Everglades Authority pursuant to a grant issued by the FTZ Board on December 27, 1976, under provisions of the Act.

Item No. 102—Location.

The Zone is located on various tracts of land throughout Broward County, Florida. The Main Office is located within Site 1 at Port Everglades, Florida, 23 miles north of Miami, 48 miles south of Palm Beach, and 312 miles south of Jacksonville. The street address of the Main Office is 3423 McIntosh Road, Fort Lauderdale, Florida 33316. Under the ASF, the FTZ Board authorized the standard 2,000-acre activation limit for the Zone.

Item No. 103—Communications.

Business Development Division	(954) 468-3501
Zone's Main Office	(954) 468-0216
Zone's Main Office Fax	(954) 765-4628

SECTION TWO - GENERAL INFORMATION

Item No. 201—Application and Interpretation of Tariff.

(a) The rules, regulations, indemnity and insurance provisions, rates, fees, and charges contained in this Tariff shall apply at the Zone, unless otherwise stated in writing in an agreement with Grantee.

(b) Grantee's Operator shall be the sole judge to interpret and determine the applicability of any rates, regulations, or services provided for in this Tariff, except that any interpretation of action by CBP or another agency of the United States government will be determined by the duly appointed representative of such agency.

Item No. 202—Consent to Terms of Tariff.

The use of the Zone or the Zone's services shall constitute consent to the terms and conditions of this Tariff, amendments hereto, and reissues hereof, and shall constitute an agreement between Grantee and each FTZ User, FTZ Operator, or Subzone Operator to: (i) pay all charges in accordance with this Tariff relating to use of the Zone, and (ii) be governed by all rules, regulations, terms, and conditions contained in this Tariff.

Item No. 203—Compliance with Laws.

(a) Grantee and all persons and entities entering, leaving, or conducting activities within the Zone are governed by and must comply with any and all applicable (a) provisions of the Act, as amended, (b) laws, rules, and regulations of the FTZ Board and CBP, and (c) laws, rules, regulations, ordinances, and directives of federal, state, and local government entities with jurisdiction over the Zone or the activities of FTZ Users, FTZ Operators, and Subzone Operators.

(b) The rules in this Tariff governing activities within the Zone are intended to be issued in conformity with and supplementary to the Act and other laws, rules, and regulations applicable to foreign-trade zone operations. Accordingly, this Tariff will control activities within and relating to the Zone to the extent not in direct conflict with the Act, Tariff No. 12, or other applicable federal, state, or local laws, rules, or regulations.

Item No. 204—Copies of Zone Tariff.

Copies of this Tariff shall be maintained on file with the FTZ Board, and shall be made available at the Main Office and at <https://www.porteverglades.net/development/tariff>.

Item No. 205—Port Everglades Tariff.

Tariff No. 12 shall be applicable to all Zone FTZ Users, FTZ Operators, and Subzone Operators that are not governed by either: (a) the terms of this Tariff (Tariff No. 5), (b) an FTZ User Agreement, (c) an FTZ Operator Agreement, or (d) a Subzone Operator Agreement.

Item No. 206—Availability of Information.

The laws, regulations, and other information relating to foreign-trade zones in the United States can be found on the official website of the International Trade Administration at <https://www.trade.gov/foreign-trade-zones-board>.

Item No. 207—Zone to be Operated as a Public Utility.

All rates and charges for services and privileges within the Zone shall be reasonable, and Grantee shall afford uniform treatment under like terms and conditions, as are now in force or may hereafter be promulgated, to all who may apply for the use of the Zone and its facilities and appurtenances.

Item No. 208—Business Hours.

Grantee's Operator personnel will be available for FTZ Users from 8:00 a.m. to 4:30 p.m., Monday through Friday, except holidays as set forth in Item 209 of this Tariff. Additional services, labor, and materials provided by Grantee's Operator on behalf of any FTZ User will be charged to the FTZ User in accordance with the rates set forth in Section Six of this Tariff.

Item No. 209—Holidays.

When reference is made in this Tariff to holidays, it means those days observed by Grantee. The current holiday list is available at <https://www.broward.org/Commission/Pages/Closings.aspx>.

Item No. 210—Approval of FTZ User, FTZ Operator, and Subzone Operator Agreements.

(a) Approval by Grantee of all FTZ User Agreements, FTZ Operator Agreements, and Subzone Operator Agreements shall be handled pursuant to the Broward County Administrative Code and all other applicable federal, state, and local laws, rules, and regulations. Grantee, as lessor, may lease space that encourages and facilitates foreign commerce for, among other things, storage of cargo and merchandise, or for handling, processing, manipulating, and manufacturing cargo or other property.

(b) Forms of FTZ User Agreements, FTZ Operator Agreements, and Subzone Operator Agreements containing the standard terms and conditions for the Zone are available upon request from the Port Everglades Department’s Business Development Division. All FTZ User Agreements, FTZ Operator Agreements, and Subzone Operator Agreements must be approved as to form by the Office of the County Attorney with the concurrence of the Port Everglades Department’s Risk Manager. An applicant for an FTZ User Agreement, FTZ Operator Agreement, or Subzone Operator Agreement must establish its creditworthiness to the satisfaction of Grantee.

(c) Prior to commencing activity in the Zone, any FTZ User, FTZ Operator, and Subzone Operator must enter into a properly executed agreement with Grantee. The agreement will include the assessment of charges and outline the rights and obligations between Grantee and the FTZ User, FTZ Operator, or Subzone Operator. The Chief Executive and Port Director of Grantee’s Operator is authorized, on behalf of Grantee, to execute FTZ User Agreements, FTZ Operator Agreements, and Subzone Operator Agreements, provided the duration of the applicable agreement does not exceed five (5) years in duration. Agreements exceeding five (5) years in duration must be approved by the Broward County Board of County Commissioners.

Item No. 211—Subzones; Boundary Modifications; Expansions.

(a) Grantee may consider requests for modifications or expansions of the boundaries of the Zone or the establishment of Subzones, provided all requirements of Grantee, the FTZ Board, and CBP are met. A boundary modification is a change to existing Zone boundaries that does not substantially expand Zone operations. An expansion is a change in the Zone that results in an increase of the Zone’s geographical area. FTZ Users, FTZ Operators, and Subzone Operators of proposed modified or expanded Zone spaces may be required to submit documentation to assist Grantee in assessing the request for the change in the Zone’s boundary, and must furnish Grantee with any requested information and documentation reasonably requested by Operator’s Grantee to assess and effectuate any Zone modification or expansion. Grantee has the sole discretion to determine whether an application for a Zone modification or Zone expansion will be submitted to FTZ Board, as applicable.

(b) The Chief Executive and Port Director of Grantee’s Operator is authorized to submit applications for Minor Modifications of boundaries to the FTZ Board on behalf of Grantee.

(c) All persons and entities requesting an expansion or boundary modification under this item shall be responsible for all applicable federal, state, and local application fees and expenses.

SECTION THREE - ZONE RULES AND REGULATIONS – GENERAL

Item No. 301—Use of Zone/Premises.

(a) An FTZ User, FTZ Operator, or Subzone Operator may only use the Zone for the purposes permitted in this Tariff and only in connection with merchandise that has been lawfully brought into the Zone in accordance with the Act and CBP regulations, as amended. Merchandise may be received, stored, handled, sold, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign and domestic merchandise, processed, or otherwise manipulated or manufactured, except as otherwise provided by applicable laws and regulations.

(b) No FTZ User, FTZ Operator, or Subzone Operator may process, manipulate, manufacture, exhibit, or destroy merchandise in the Zone without CBP's prior written approval. In addition, no FTZ User, FTZ Operator, or Subzone Operator may undertake any production (as defined herein) within the Zone without the FTZ Board's prior written approval. "Production" means (i) an activity, including manufacturing or processing, involving the substantial transformation of a foreign article resulting in a new and different article having a different name, character, and use, or (ii) an activity that involves a change in the condition of the article and that results in a change in the CBP classification of the article or in its eligibility for Entry for Consumption. "Manipulate" means an activity involving breaking up, repacking, assembling, distributing, sorting, grading, cleaning, or mixing of merchandise that does not constitute production.

(c) No person shall be allowed to reside within the Zone. FTZ Users, FTZ Operators, and Subzone Operators shall not use or permit the Zone to be used for any purposes other than those enumerated herein without Grantee's prior written consent.

(d) FTZ Users, FTZ Operators, and Subzone Operators shall not permit or perform any activity in or about the Zone that will in any way obstruct or interfere with the rights of other Zone users or occupants. FTZ Users, FTZ Operators, and Subzone Operators shall avoid the creation of any nuisance arising from dust, smoke, odors, fumes, noise, or an unwarranted activity in the Zone.

Item No. 302—Restrictions and Prohibitions on Zone Merchandise.

Certain merchandise may be prohibited or otherwise restricted from entering the Zone by operation of federal law, regulation, rule, procedure, or order. Such merchandise is subject to inspection or seizure by federal officers and subject to future restrictions on its use and disposition. FTZ Users, FTZ Operators, and Subzone Operators are responsible for complying with all applicable federal laws, regulations, rules and procedures, or orders, and must report any knowledge of noncompliant activity to Grantee's Operator.

Item No. 303—Public Health, Welfare, and Safety.

No operation, process, cargo, goods, commodities, equipment, chemicals, and/or merchandise or treatment of same will be permitted in the Zone that, in the judgment of Grantee's Operator, creates a nuisance or is detrimental to the public health, welfare, and safety. Grantee's Operator may require a cessation of any activities within the Zone deemed, in the sole and reasonable discretion of Grantee's Operator, to be a nuisance or detrimental to Zone occupants or the general public.

Item No. 304—Storage and Handling.

FTZ Users, FTZ Operators, and Subzone Operators shall store and handle merchandise in the Zone in a manner that is safe and sanitary and that minimizes damage to the merchandise, avoids hazard to persons, and meets all local, state, and federal requirements applicable to the goods at issue. All trash and waste must be promptly removed from a Site. Aisles must be established and maintained, and doors and entrances must be left unblocked for access by CBP officers and other persons in the performance of their official duties.

Item No. 305—Security.

Pursuant to CBP regulations and guidance (19 C.F.R. § 146, and as further set forth at <https://www.cbp.gov/document/guides/foreign-trade-zones-manual>), FTZ Users, FTZ Operators, and Subzone Operators shall take whatever security precautions are necessary to protect their premises and Activated Areas, and all persons and property thereon. Grantee is not responsible for the protection of the property of any FTZ User, FTZ Operator, or Subzone Operator. Security services (such as the staffed gate) contracted by Grantee shall be responsible only for the protection of Grantee's property. All FTZ Users, FTZ Operators, and Subzone Operators entering or operating in Controlled Access Areas must comply with applicable provisions of the Port Everglades Security Plan.

Item No. 306—Parking.

Grantee assumes no responsibility for any loss, damage, or injury to any vehicle, property, or person resulting from use of the parking facilities at Port Everglades.

Item No. 307—Inspection by Grantee.

Grantee, by Grantee's Operator, may enter upon the Activated Area(s) of FTZ Users, who must cooperate with Grantee's Operator and provide Grantee's Operator with access during normal working hours and at all other reasonable times to enter upon the Activated Area(s) for the purposes of: (i) inspecting the merchandise stored therein; (ii) inspecting the Activated Area(s) and the sufficiency of the security thereon; (iii) reviewing the books and records, and all documents relating to the Activated Area(s) or any merchandise or activities within the Zone; (iv) observing the performance by FTZ Users of their obligations under this Tariff; and/or (v) for the doing of any act or thing that Grantee or Grantee's Operator may be obligated or have the right to do under applicable federal, state, or local law. FTZ Users shall make all inventory records and merchandise in the Zone available for inspection by Grantee's Operator and, upon request by Grantee's Operator, make specific key personnel available to meet with Grantee's Operator

and provide copies of and information regarding such books, records, and merchandise, as may be requested by Grantee's Operator.

Item No. 308—CBP Inspection of Merchandise While in Zone.

FTZ Users, FTZ Operators, and Subzone Operators must, at all times, make merchandise in the Zone immediately available for inspection if required by CBP, and shall have the sole responsibility of opening crates and packages. FTZ Users, FTZ Operators, and Subzone Operators must secure the crates and packages following any inspection performed by CBP.

Item No. 309—Disclaimer for Loss and/or Damage to Cargo, Merchandise, and Injury to Persons and Property.

(a) Grantee assumes no responsibility for any loss, damage, or repair to goods, furniture, fixtures, equipment or other merchandise or property stored and/or handled in or through any other Port Everglades' facility that is owned, controlled, and/or operated by Grantee, except to the extent required by state law in instances where the loss and/or damage is caused by the negligence of Grantee.

(b) Grantee shall not be responsible or liable for any loss, damage, or repair to any cargo, merchandise, or other property stored, handled, used, kept, or placed upon any wharf or other structure or property occasioned by or on account of pilferage, rodents, insects, natural shrinkage, waste, decay, seepage, leakage, overheating, evaporation, fire, earthquakes, rain, floods, war, riots, strikes, or any other acts beyond the control of Grantee, except to the extent required by state law in instances where the loss and/or damage is caused by the negligence of Grantee.

(c) Grantee does not provide services for handling cargo, merchandise, or other property and shall not be responsible or liable for any injury or fatality to any person arising from services provided by other entities, including, without limitation, by Broward County franchised and/or permitted entities, tenants, FTZ Users, FTZ Operators, Subzone Operators, or other independent third-party service providers at Port Everglades, unless and to the extent required by state law in instances where such injury or fatality is caused by the negligence of Grantee.

(d) Nothing herein is intended to serve as a waiver of sovereign immunity by Grantee or Grantee's Operator, nor shall anything included herein be construed as consent by Broward County to be sued by third parties in any matter related to this Tariff.

Item No. 310—Damage to Zone Property.

Damage to Grantee's property by an FTZ User, FTZ Operator, or Subzone Operator is to be reported immediately to Grantee's Operator by the FTZ User, FTZ Operator, or Subzone Operator responsible for the damage. FTZ Users, FTZ Operators, or Subzone Operators causing the damage shall, at Grantee's option, either repair property damage to Grantee's Operator's satisfaction, or reimburse Grantee within fifteen (15) calendar days after written demand for expenses and costs incurred in repairing same.

Item No. 311—Suspension of Operations.

Grantee’s Operator may at any time immediately order halted any operation that is deemed to create an unsafe condition potentially causing personal injury or damage to property or the environment, that may create a hazardous or obnoxious condition, or that otherwise impedes operations in the Zone or violates any provision of this Tariff. Said operation must remain halted until necessary corrective measures are taken to Grantee’s Operator’s sole and reasonable satisfaction.

Item No. 312—Entry of Persons into the Zone.

(a) Only those persons authorized by an FTZ User, FTZ Operator, or Subzone Operator, where applicable, shall be allowed in the Zone. Persons found loitering or performing unauthorized activities on Grantee’s property shall be considered to be trespassing and may be prosecuted by Grantee under applicable Florida law.

(b) All FTZ Users, FTZ Operators, or Subzone Operators, and their respective employees, business invitees, and/or guests, needing access to Controlled Access Areas within Port Everglades for more than fifteen (15) times in any ninety (90) day period are required to obtain permanent identification badges from the Port Everglades I.D. Office.

(c) Permanent and temporary badges issued by Grantee’s Operator shall be worn in an easily visible area on the person’s outer garments at all times while in Controlled Access Areas. Grantee’s Operator reserves the right at all times to refuse entry to Controlled Access Areas to any person who is deemed a security risk or who cannot establish a legitimate business purpose in the Controlled Access Areas.

Item No. 313—Right of Relocation.

Grantee’s Operator reserves the right to order the relocation of any FTZ User, FTZ Operator, Subzone Operator, cargo, or other property, whether located in Port Everglades or County-owned areas of the Zone. Any risk or expense incurred in the relocation shall be assumed by the applicable FTZ User, FTZ Operator, or Subzone Operator.

SECTION FOUR - PAYMENT OF CHARGES AND OTHER REQUIREMENTS

Item No. 401—Payment and Collection of Zone Charges.

Grantee maintains agreements with various FTZ Users, FTZ Operators, and Subzone Operators. Unless specifically described to the contrary in an FTZ User Agreement, FTZ Operator Agreement, Subzone Operator Agreement, or other written agreement with Grantee, the rules and regulations contained in this Tariff shall govern the use of the Zone and payment and collection of all charges incurred in connection therewith.

Item No. 402—Bond Requirements.

(a) FTZ Users shall, at their sole expense, provide to Grantee, and keep in continuous force and effect during any operations within the Zone, an indemnity bond in an amount set by Grantee’s Operator in the applicable FTZ User Agreement. The bond shall be written in Grantee’s

name to protect and indemnify Grantee for any loss it sustains or expense that it incurs due to an FTZ User's failure to comply with the laws, rules, or regulations of CBP, including, but not limited to, the payment of duties, charges, fines, penalties, and liquidated damages.

(b) Grantee's Operator reserves the right to increase the required amount of an indemnity bond if it determines that such adjustments are necessary to protect Grantee, including, but not limited to, a need arising from an FTZ User's: (i) failure to comply with the laws, rules, or regulations of CBP; (ii) maintenance of inventory with unusually high risk; (iii) failure to maintain accurate inventory records; or (iv) change in the type of its warehousing operations (e.g., from nonpublic to public).

(c) All bonds must be obtained from a surety company acceptable to Grantee's Operator and be in a form satisfactory to the Office of the County Attorney. Copies of approved bond forms are available from the Business Development Division of Grantee's Operator.

Item No. 403—Indemnification of Grantee.

Each FTZ User, FTZ Operator, and Subzone Operator shall protect, indemnify, and hold harmless Grantee and its current, past, and future employees, officers, directors, and agents from any and all losses, liabilities, costs, claims, charges, demands, expenses, penalties, and damages including, but not limited to, reasonable attorneys' fees, penalties, and damages imposed for the violation of any law of the United States of America, the State of Florida, or the ordinances or resolutions of local jurisdictions governing the applicable FTZ User, FTZ Operator, or Subzone Operator, including to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the FTZ User, FTZ Operator, or Subzone Operator. The provisions of this indemnity shall apply equally as well to all liabilities, obligations, claims, damages, penalties, causes of action, costs, and expenses (including reasonable attorneys' fees), imposed upon or incurred by Grantee by reason of the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) 42 U.S.C. § 9601, et seq., and/or Superfund Amendments and Reauthorization Act of 1986 (SARA), as may be amended. If any action or proceeding is brought against Grantee by reason of any matter subject to this section, the FTZ User, FTZ Operator, or Subzone Operator shall, upon written notice from Grantee's Operator, defend such action or proceeding by counsel approved by the Office of the County Attorney.

Item No. 404—Insurance.

Fire and Casualty:

(a) FTZ Users, FTZ Operators, and Subzone Operators, each at their sole cost and expense, may elect to provide and maintain fire and casualty coverage for personal property (such as merchandise, cargo, contents) stored within their premises and/or their Activated Area(s).

(b) FTZ Users, FTZ Operators, and Subzone Operators entering or operating on Grantee's property shall provide the following minimum coverage and limits:

- (1) Commercial General Liability:
Bodily injury and property damage: \$1,000,000 per occurrence
- (2) Business Automobile Liability:
Combined single limit for bodily injury and property damage: \$500,000 per occurrence
- (3) Workers' Compensation:
Coverage shall be in accordance with Chapter 440, Florida Statutes, and policy must include Employers' Liability coverage.

(c) All required coverage must remain in continuous force and effect throughout the period during which the FTZ User, FTZ Operator, or Subzone Operator enters, remains, or operates on Grantee's property. The commercial general liability policy must include "Broward County" as a listed and endorsed additional insured. The Certificate Holder address shall read, "Broward County."

(d) Unless stated to the contrary in a written agreement with Grantee, all FTZ Users, FTZ Operators, and Subzone Operators shall comply with the insurance requirements set forth in this item, shall bear the sole cost of providing said coverage, and shall be responsible for any policy deductibles.

Item No. 405—Limitations to Grantee Liability.

(a) The risk of loss and damage to personal property, including, but not limited to, cargo, commodities, and equipment, that has been stored at or moved within the Zone shall be borne solely by the FTZ User, FTZ Operator, or Subzone Operator, as applicable, or the owner of such property. Grantee has no liability or responsibility for any loss or damage to such personal property arising from any act or omission of any FTZ User, FTZ Operator, or Subzone Operator, or any owner, employee, or representative thereof. Furthermore, Grantee has no liability or responsibility for any loss or damage to personal property within the Zone relating to an Uncontrollable Force. The term "Uncontrollable Force" shall mean any event that results in the prevention or delay of performance by Grantee or Grantee's Operator due to forces beyond the reasonable control of Grantee or Grantee's Operator, and includes, without limitation, fire, earthquake, hurricane, tornado, storm, lightning, epidemic, pandemic, war, riot, civil disturbance, sabotage, transportation security incident, and governmental action.

(b) All FTZ Users, FTZ Operators, and Subzone Operators, at all times during their use or occupancy of the Zone, assume sole responsibility for the condition of the Activated Areas, and Grantee shall not be liable for injury or damage caused by the condition thereof or any defect therein, whether such injury or damage is to property or person.

(c) Nothing herein is intended to serve as a waiver of sovereign immunity by Grantee or Grantee's Operator, nor shall anything included herein be construed as consent by Grantee or Grantee's Operator to be sued by third parties in any matter related to this Tariff.

Item No. 406—FTZ User Fees.

Unless specifically described to the contrary in an FTZ User Agreement, the fees and charges for FTZ Users shall be:

(a) *FTZ Transaction Fee:* An FTZ Transaction Fee of thirty-eight dollars and thirty-seven cents (\$38.37) will be charged to an FTZ User for each Transaction. A “Transaction” means each time the FTZ Operator processes a permit required by CBP that authorizes the movement of the FTZ User’s merchandise in or out of the Zone or that authorizes any other CBP-controlled activity involving the FTZ User’s merchandise within the Zone.

(b) *FTZ User Application Fee:* An Application Fee of ten thousand five hundred dollars (\$10,500.00) will be charged upon initial application to be an FTZ User. This fee was referred to as an “Activation Fee” prior to October 1, 2022. References to an “Activation Fee” in an FTZ User Agreement with reference to the fee for an initial application to be an FTZ User are deemed to refer to the FTZ User Application Fee as set forth in this item.

(c) *FTZ User Alteration Request Fee:* An Alteration Request Fee of two thousand five hundred dollars (\$2,500.00) will be charged each time an existing FTZ User requests an alteration of the Zone site to include a new area or facility. An alteration is defined as any change in the dimensions of the active space secured for Zone activity. This fee was referred to as an “Activation Fee” prior to October 1, 2022. References to an “Activation Fee” in an FTZ User Agreement, FTZ Operator Agreement, or Subzone Operator Agreement with reference to the fee charged to an existing FTZ User requesting an alteration are deemed to refer to the FTZ User Alteration Request Fee as set forth in this item.

(d) *Error Correction and Research Fee:* If Grantee’s Operator must research, correct, or reprocess a formerly processed transaction in order to remedy any FTZ User’s inaccuracy, the applicable FTZ User will be charged a fee for the utilization of Grantee’s Operator’s personnel at the rate of forty-six dollars and thirty-five cents (\$46.35) per personnel hour or fraction thereof.

Item No. 407—FTZ Operator and Subzone Operator Fees.

FTZ Operators and Subzone Operators shall be charged fees by Grantee as follows:

(a) FTZ Operator Fees:

Application Fee:	\$5,150
Annual Fee (no production):	\$12,360
Annual Fee (production):	\$30,385
Activation Fee:	\$5,150
Production Authorization Request Fee:	\$5,150 per request
Alteration Request Fee:	\$3,090 per request

(b) Subzone Operator Fees:

Application Fee:	\$5,150
Annual Fee:	\$30,385
Activation Fee:	\$5,150
Production Authorization Request Fee:	\$5,150 per request
Alteration Request Fee:	\$3,150 per request

Item No. 408—Zone Personnel - Overtime Rate.

If Grantee’s Operator’s personnel must remain on duty to perform services after normal business hours, the FTZ User, FTZ Operator, or Subzone Operator prompting such overtime will be charged forty-six dollars and thirty-five cents (\$46.35) per personnel hour or fraction thereof (any fraction will be rounded up to one hour).

SECTION FIVE - INVENTORY CONTROL AND RECORDKEEPING

Item No. 501—The Inventory Control and Recordkeeping System and Alternate Inventory Control System.

(a) All FTZ Users must use an Inventory Control Recordkeeping System (ICRS) for all Foreign Status merchandise that complies with the CBP and the United States Department of Commerce requirements. If the FTZ User also handles Domestic Status merchandise, the FTZ User must also track said merchandise in an Alternate Inventory Control System (AICS) of the FTZ User’s choosing.

(b) Each FTZ Operator and each Subzone Operator must establish and maintain an ICRS in accordance with the CBP Regulations at 19 C.F.R. § 146.

(c) If an FTZ User requests a system enhancement or upgrade to the ICRS to benefit the FTZ User, and the Grantee’s Operator, at its sole discretion, approves implementing such enhancement or upgrade, the FTZ User shall be responsible for the cost of the enhancement or upgrade plus a fifteen percent (15%) administrative charge.

Item No. 502—User Responsibility.

(a) Grantee provides FTZ Users with permission to use ICRS software. FTZ Users shall utilize the ICRS software at their sole expense and shall be responsible for acquiring any necessary computer software, hardware, and internet connectivity.

(b) FTZ Users shall be responsible for all maintenance and repair work required to keep their equipment in operating order. FTZ Users shall ensure that their locations or their terminals are not used by unauthorized personnel to access information from the ICRS. Unauthorized personnel for the purposes of this Tariff shall be any person or entity other than the FTZ User and its employees. In addition, FTZ Users shall ensure that any use of the ICRS by their employees is conducted in a proper and legal manner.

Item No. 503—ICRS Access Hours.

(a) Access to the ICRS, via Internet, is generally available to FTZ Users 24 hours per day, seven days per week; however, U.S. Customs Forms printed outside of normal business hours will not be submitted to CBP until normal business hours, as defined in Item 208 of this Tariff.

(b) Grantee's Operator reserves the right to reduce the ICRS service levels during unusual circumstances such as, but not limited to, (a) electrical outages, (b) requirements mandated by applicable laws, rules, or regulations, (c) requirements of Grantee, (d) intrusions against security regulations and measures, and (e) adverse operational impacts, including errors, omissions, and noncompliance with Grantee's internal procedures.

Item No. 504—Limitations on Grantee Liability.

(a) Neither Grantee nor Grantee's Operator is liable for or assumes any responsibility for the integrity or accuracy of the data, or for incorrect data, submitted to CBP via the ICRS regardless of the person or entity that inputs or verifies the data. Neither Grantee nor Grantee's Operator shall be held liable for failure of the ICRS, including, without limitation, due to Uncontrollable Forces as defined in Item 407 of this Tariff.

(b) In consideration of Grantee's provision of the ICRS infrastructure, each FTZ User, FTZ Operator, and Subzone Operator hereby releases, acquits, and forever discharges Grantee and Grantee's Operator of and from any and all claims, demands, damages, actions, rights, suits, defenses, judgments, executions, obligations, and liabilities of any kind or nature that the FTZ User, FTZ Operator, or Subzone Operator had, now has, or hereafter may have that arise out of, or are directly or indirectly connected with or related to, the ICRS, except as required by law. Each FTZ User, FTZ Operator, and Subzone Operator agrees at all times hereafter to indemnify, reimburse, and hold Grantee and Grantee's Operator harmless against any and all claims, suits, actions, damages, costs, charges, and expenses (including, without limitation, court costs and attorneys' fees) and against liabilities and losses Grantee or Grantee's Operator shall or may hereafter suffer or incur by reason of any action taken by the FTZ User, FTZ Operator, or Subzone Operator in connection with the ICRS.

SECTION SIX - SERVICES AND RATES

Item No. 601—Generally.

The rates and charges herein do not include sales tax or the cost of insurance; FTZ Users, FTZ Operators, and Subzone Operators are solely responsible for sales tax and the cost of insurance. Applicable sales taxes shall be paid to Grantee at the time and by the entity or person responsible for payment of the Tariff charges for which the tax is imposed.

Item No. 602—Charges by Government Agencies.

Any charges imposed by government agencies must be arranged for and paid by the applicable FTZ User, FTZ Operator, or Subzone Operator directly to the government agencies in question.

Item No. 603—Inventory Services.

Special audits of the Zone may require the services of an inventory specialist to guarantee compliance with CBP regulations. If, in the discretion of the CBP or Grantee's Operator, a special audit is necessary, the applicable FTZ User, FTZ Operator, or Subzone Operator shall be charged the cost of the inventory specialist plus a fifteen percent (15%) administrative charge.