

## **IMPORTANT INFORMATION ABOUT ZONE SCHEDULES**

This zone schedule is being made available pursuant to 15 CFR 400.44(e), which states: “The Board shall make copies of zone schedules available on its Web site.”

Availability of this zone schedule on the FTZ Board’s website does not imply that the FTZ Board has approved any rate/charge, policy or other content of this zone schedule. In particular, while the FTZ Board staff intends to conduct spot checks over time, zone schedules are not reviewed for compliance with the public utility requirement (19 U.S.C. 81n, 15 CFR 400.42) prior to making the zone schedules available via the Board’s website.

Pursuant to 15 CFR 400.44(b)(4), a grantee may not assess any specific rate or charge for which the amount – or formula for calculating the amount – does not appear in the zone schedule that the grantee has submitted to the FTZ Board.

Complaints about a grantee’s compliance with statutory and regulatory requirements related to public utility and uniform treatment – including rate or charge amounts/formulas, a grantee assessing a rate or charge amount/formula that does not appear in its zone schedule, and a grantee not affording uniform treatment under like conditions – may be presented to the FTZ Board under 15 CFR 400.45 (which also allows for complaints to be made on a confidential basis, if necessary).

Questions or concerns may be addressed to the FTZ Board staff at (202) 482-2862 or [ftz@trade.gov](mailto:ftz@trade.gov).

# **FOREIGN-TRADE ZONE #106**

## **ZONE SCHEDULE**



### **CHARGES, RATES, RULES, AND REGULATIONS APPLICABLE AT FOREIGN-TRADE ZONE # 106**

**Operating Under Grant of Authority  
from the  
United States Foreign-Trade Zones Board  
to the  
Port Authority of the Greater Oklahoma City Area**

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**FOREIGN TRADE ZONE NO.106**

Operating under the authority granted by the Foreign-Trade Zones Board  
United States Department of Commerce  
Board Order No. 271 (Docket No.33-83)

**GENERAL OFFICE:**

Alliance for Economic Development of Oklahoma City, Inc.  
105 N. Hudson, Suite 101  
Oklahoma City, OK 73102

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## SECTION I - AUTHORITY

**Grantee Authority:** On September 14, 1984 Foreign-Trade Zone No. 106 was granted authority by the Foreign-Trade Zones Board (Order No. 271) to the Port Authority of the Greater Oklahoma City Area (Zone Grantee) which was established by Oklahoma City ordinance #9960 enacted by Oklahoma City pursuant to 82 Oklahoma Statutes section 1101 et. seq. This Zone Schedule sets forth the operational structure of Foreign-Trade Zone No. 106 and the regulations and charges associated with active Zone operations.

On March 15, 2012 the Foreign Trade Zone approved the reorganization of FTZ No. 106 under the Alternative Site Framework (ASF) program. The ASF program allows a grantee to designate a Service Area (for example a Service Area could encompass several counties), which allows for expedited approval of Foreign Trade Zone designation anywhere in the Service Area. The Zone Grantee submitted an ASF application to the Foreign Trade Zones Board in 2011 and was approved in 2012. The service area for FTZ 106 covers Blaine, Caddo, Canadian, Cleveland, Comanche, Custer, Garfield, Garvin, Grady, Kay, Kingfisher, Lincoln, Logan, McClain, Noble, Oklahoma, Payne, Pontotoc, Pottawatomie, Seminole and Stephens Counties.

The goal of the Zone Grantee is to promote economic development throughout the Greater Oklahoma City Area through the promotion and utilization of Foreign-Trade Zone No. 106. Foreign-Trade Zone No. 106 assists in the economic development of the region by providing a Customs duty management tool to importers and exporters.

This Zone Schedule may be modified, amended or replaced by the Port Authority at any time if it is determined to be necessary or appropriate to do so. The Port Authority shall, in its sole discretion, interpret the provisions of this Zone Schedule and determine the applicability of any of its provisions.

**U.S. Customs & Border Protection Authority:** The rates, rules and regulations provided in this Zone Schedule do not supersede Customs Statutes, Regulations and Rules. Any new measures, rulings, or determinations made by Customs will apply.

**Statutory and Regulatory Authority:**

Foreign-Trade Zones Act: 19 U.S.C. 81  
Foreign-Trade Zones Board Regulations: 15 CFR 400  
Customs & Border Protection Regulations: 19 CFR 146

**Authority Granted:** The Grantee grants the FTZ Operator the authority to utilize the Zone Site as a FTZ subject to the terms and conditions set forth within the Operating Agreement executed between the Grantee and the FTZ Operator.

**Authority Accepted:** The FTZ Operator assumes responsibility for the operation and management of the Zone Site in accordance with the terms and conditions of the Operating Agreement during the term set within the Agreement and any extensions thereof.

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**SECTION II - GENERAL RULES & REGULATIONS**

**Schedule of Rules, Regulations, Rates and Charges:** This schedule is published pursuant to a [grant issued](#) by the Foreign-Trade Zones Board, U.S. Department of Commerce, Washington, D.C., on September 14, 1984, to The Port Authority of the Greater Oklahoma City Area. The rules, regulations, rates and charges of this Schedule shall apply at Foreign-Trade Zone No. 106. The Grantee is authorized to compile, publish, post and file revisions and amendments to this Schedule. Copies of this Schedule are on file with the Foreign-Trade Zones Board, Washington, D.C., and are available at the Grantee's office located at 105 N. Hudson Avenue, Suite 101, Oklahoma City, OK 73102

**Application and Interpretation of Schedule:** The Grantee shall interpret and determine the applicability of this Schedule. However, any matter involving interpretation or action by U.S. Customs & Border Protection or another agency of the U.S. Government will be determined by the Director of Customs or duly appointed representative.

**Zone Operated as a Public Utility:** All rates and charges for services or privileges within the Zone shall be fair and reasonable, and the Grantee shall afford to all who may apply for the use of the Zone uniform treatment under like conditions.

**Board Regulations:** Foreign-Trade Zone No. 106 is regulated by the Foreign-Trade Zones Board, Washington, D.C. under U.S. Code of Federal Regulations, Title 15, Chapter IV, Part 400.

**U.S. Customs Regulations:** Foreign-Trade Zone No. 106 is subject to special Customs regulations as defined in U.S. Code of Federal Regulations, Title 19, Chapter I, U.S. Customs, Part 146 Foreign-Trade Zones.

**Reports to Governmental Agencies:** The Grantee is required to submit periodic reports to the Foreign-Trade Zones Board and to U.S. Customs & Border Protection and may be required to perform other acts as the sponsor of the Zone in compliance with governmental regulations. Operators and Users are required to and shall cooperate with the Grantee in the creation and maintenance of procedures, systems, regulations or programs, and provide information and statistics, which the Grantee considers necessary to ensure compliance with governmental requirements. Without limiting the generality of the foregoing, the Operator shall provide such information as may be required by the Grantee for inclusion in its Annual Report to the Board. Such information shall be furnished on or before February 1 of each calendar year by all zone operators (including Usage-Driven and Magnet site, and Subzone operators), except as may be authorized in writing by the Grantee.

**Governmental Agencies:** All lawful regulations regarding government agencies in or about ports of entry must be complied insofar as they are not in conflict with Foreign-Trade Zones Act of June 18, 1934, (48 Stat. 998-1003; 19 U.S.C. 81a-81u) as amended.

**Public Interest, Health and Safety:** No Operation or process of treatment will be permitted in the Zone that is detrimental to the public interest, health and safety.

**Non-Liability:** The Grantee is not liable and cannot assume any responsibility for any loss or damage to freight, cargo or merchandise or other property in the Zone, or for any loss or damage arising from acts of commission or omission of other occupants, or users of adjacent or contiguous compartments or for other

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portions in or about the Zone.

All liabilities for duties, taxes or penalties due any agency of the United States Government and arising from the utilization of Zone premises shall be borne by the Zone user, including any duty, taxes or penalties on merchandise which is pilfered, lost, damaged, or otherwise not accounted for to the satisfaction of Customs.

**Insurance:** Insurance is carried by the Grantee on its own property only and does not include insurance on the contents stored therein. Users shall not place or cause to be placed in the zone any merchandise which will cause the cancellation or forfeiture of the insurance or affect the premium rate thereof on the building or buildings in the Zone; and in the event of any merchandise placement, the user shall, subject to all proper procedures, remove such offending merchandise from the Zone.

**Compensation Insurance:** Every person employed by contractors or customers in the Zone shall be properly covered by Workmen's Compensation Insurance as may be legally required.

**Security and Safety Requirements in the Zone:** All Foreign-Trade Zone Sites, in order to be approved for their initial activation by Customs, must meet certain security and safety requirements. After a Zone Site has been activated, all security and safety measures required to achieve the initial activation must be maintained. Spot checks may be conducted by Customs and the Grantee, and liquidated damages or notices may be assessed if these requirements are found to be insufficiently met in any way.

**Inventory Control and Recordkeeping Systems:** All inventory control and recordkeeping systems employed by Operators within the Zone must meet the requirements of Customs Regulations.

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**SECTION III – RATES, CHARGES AND FEES**

**GRANTEE FEES**

Fees	Description of Fees	
<b>A.) Application Fees</b>		
1.) ASF Usage Driven Site/Subzone <i>Includes Traditional Subzone</i>	One-Time/Non-Refundable	\$6,000
2.) ASF Magnet Site	One-Time/Non-Refundable	\$6,000
3.) Boundary Modification	One-Time/Non-Refundable	\$3,000
<b>B.) Annual Operating Fee</b>		
1.) ASF Usage Driven Site/Subzone <i>Includes Traditional Subzone</i>	Paid annually/Non-Refundable <i>*A company with multiple sites will be charged one annual operating fee.</i>	\$12,000
2.) ASF Magnet Site	Paid annually/Non-Refundable <i>*A magnet site operator with multiple users will be charged one annual operating fee.</i>	\$4,000
<b>C.) Deactivation Fee</b>	One-Time/Non-Refundable	\$1,500
<b>D.) Reactivation Fee</b>	One-Time/Non-Refundable	\$1,500

The application fee is due before the Grantee will provide its written concurrence for the submission of the Application to the Foreign Trade Zones Board. The Grantee will forward an invoice to the operator/user for payment of the application fee. In addition to the Grantee fee, all application costs will accrue to the party requesting FTZ designation.

The annual fee for ASF Usage Driven/Subzone site, Magnet site or a Traditional Subzone site is due as stated in the executed Grantee /Operating Agreement with the Grantee. Unless otherwise stated in the agreement, the annual fee for each fiscal year is due on January 15<sup>th</sup> of that fiscal year or within 40 days of activation (the annual fee shall be prorated according to the number of months in that calendar year during which the agreement is in effect). The Grantee will forward the Operator an invoice one month before the annual fee is due.

The Port Authority of Greater Oklahoma City charges no operational fee to users. If a zone user elects to utilize the services of a third-party operating company, the operator rates and charges should be independently negotiated between the user and third-party operating company.

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**Explanation of Grantee Fees**

Application Fee:

The Application Processing Fee covers the Grantee's expenses for assistance in preparing and reviewing the application for the submission of an Application to the Foreign-Trade Zones Board and any necessary support required in the Application process. The applicant is responsible to obtain any applicable taxing district support letters. The application fee will be a non-refundable one-time charge and is required to be paid prior to the Grantee's submission of the Application.

Annual Operating Fee:

The annual fee shall include the administration of the Zone by the Grantee, preparation of the Annual Report to the Foreign-Trade Zones Board, and support services from the Grantee staff. Upon activation, a Zone Operator shall be charged an annual fee, payable to the Grantee. It is required that the operator notifies the Grantee at the time of activation and provide a copy of the activation approval letter from Customs. The annual operating fee will be pro-rated in the first year based upon the date of activation. After which, the fee will be collected for the calendar year.

Deactivation Fee:

A deactivation fee of \$1,500, payable to the Grantee, will be charged to a Zone Operator seeking to deactivate a Zone Site. The fee is due prior to the Grantee providing its concurrence letter for deactivation.

Reactivation Fee:

A reactivation fee of \$1,500, payable to the Grantee, will be charged to a Zone Operator seeking to reactivate a Zone Site. The fee is due prior to the Grantee providing its concurrence letter for reactivation.

**FEDERAL CHARGES (FOREIGN TRADE ZONES BOARD)**

The Foreign Trade Zones Board charges a fee for certain applications.

1. Traditional Subzones:
  - a. Non-manufacturing/processing or less than 3 products: \$4,000
  - b. Manufacturing/processing 3 or more products: \$6,500
2. Expansions: \$1,600

CBP currently does not charge any fees to obtain FTZ designation.



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**APPENDIX A: DEFINITION OF FOREIGN-TRADE ZONE TERMS AND U.S. CUSTOMS FORMS**

**Act:** The Foreign-Trade Zones Act of June 18, 1934 as amended (Title 19 U.S.C. 81a-81u).

**Activation:** Filing of an application with Customs and Border Protection by the FTZ Operator, with Grantee's concurrence, results in the actual utilization of an FTZ eligible site as an FTZ.

**Alteration/Modification:** A change in the boundaries of an activated Zone or Subzone; activation of a separate Site of an already activated Zone or Subzone with the same Operator at the same port; or the relocation of an already-activated Site with the same Operator.

**Board:** The Foreign-Trade Zones Board, which consists of the Secretary of the Department of Commerce (Chairman), the Secretary of the Treasury, and the Secretary of the Army or their designated alternatives.

**Customs Form 214:** Application and permit to admit merchandise into a Foreign-Trade Zone, permit to transfer merchandise through Customs territory to Zone and Customs return thereon, and Customs or operator's report of merchandise received at the Zone. Application and permit for Foreign-Trade Zone status designation.

**Customs Form 216:** Application and permit for the manipulation, manufacture, exhibition or destruction of merchandise within a Foreign-Trade Zone.

**Customs Form 3461:** Document prepared by the User, which must be approved by Customs & Border Protection (CBP) and furnished to the FTZ Operator prior to the physical removal of any merchandise from the FTZ into the customs territory of the United States.

**Customs Form 7512:** Document prepared by the User, which must be approved by Customs & Border Protection (CBP) and furnished to the FTZ Operator prior to the physical removal of any merchandise from the FTZ for exportation of merchandise from the United States.

**Customs:** United States Customs & Border Protection, U.S. Department of Homeland Security.

**Customs Territory:** The territory of the United States in which the general tariff laws of the United States apply, but which is not included in any Foreign-Trade Zone. Customs territory of the United States includes only the States, the District of Columbia, and Puerto Rico.

**Deactivation:** Voluntary discontinuation of the activation of an entire Zone or Subzone by the Grantee or Operator. Discontinuance of the activated status of only part of a Zone is an alteration/modification.

**Domestic Merchandise:** Merchandise which has been: (1) produced in the United States and not exported there from; or (2) previously imported into Customs territory and properly released from Customs custody.

**Entry:** To bring merchandise into U.S. Customs territory.

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**Foreign Merchandise:** Imported merchandise which has not been properly released from Customs custody into Customs territory.

**Grantee:** The Port Authority of the Greater Oklahoma City Area to which the privilege of establishing, operating, and maintaining Foreign-Trade Zone No. 106 has been granted by the Foreign-Trade Zones Board.

**Imports:** Foreign merchandise of every description (export articles specifically and absolutely prohibited by statute) entered into Customs territory to become a part of the domestic supply for the purpose of domestic commerce or consumption, and particularly that which is entered into Customs territory through the Zone and foreign merchandise which, under the laws and regulations of various other Federal agencies having jurisdiction within the Zones, is said to be “imported” into Foreign-Trade Zones, Customs bonded warehouses, or Customs custody. This latter merchandise, in relation to the operations of the Zones, is considered to be Foreign Merchandise until its entry into the commerce of the United States.

**In-Transit Merchandise:** Includes all foreign merchandise transported into and out of the United States, whether in and out of the same port or across the country to another port, with or without transshipment, warehousing, breaking bulk, or change in mode of transportation, which originated in one foreign country and is destined at the time of the original shipment to another foreign country. Its distinctive feature is that it is being transported, from one foreign country through the United States to another foreign country, under a through bill of lading or other documentation for a completed journey. The term is particularly applied to foreign merchandise shipped in-transit through a Foreign-Trade Zone.

**Magnet Site:** A site intended to serve or attract multiple operators or users.

**Manipulation:** The breaking up, repacking, assembling, distributing, sorting, grading, cleaning, mixing with foreign or domestic merchandise, or other processing which does not constitute a manufacture.

**Manufacturing:** Activity involving the substantial transformation of a foreign article resulting in a new and different article having a different name, character, and use.

**Merchandise:** Includes goods, wares and chattels of every description, except prohibited merchandise. Building materials, production equipment, and supplies for use in operation of a zone are not “merchandise” for the purpose of this part.

**Non-Privileged Foreign Merchandise:** Foreign merchandise which has the duty and applicable taxes determined at the time the merchandise enters U.S. Customs territory for consumption purposes. Non-Privileged Foreign status is also given to: (1) waste recovered from any manipulation or manufacture of privileged foreign merchandise; (2) Domestic Merchandise taken into a Zone whose identity has been lost; and (3) Foreign Merchandise in the Zone which does not have the status of (a) Privileged Foreign Merchandise, or (b) Zone Restricted Merchandise.

**Operator:** The firm or firms designated by the Grantee to operate and administer the Zone or a portion thereof.

**Operator Agreement:** Prior to activation of the Site, an agreement between the Operator of the Zone Site

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and the Grantee will be executed. Activation cannot occur without an executed Operator Agreement.

**Operator's Bond:** All Zone Operators must submit to Customs a bond to assure compliance with Customs regulations. The bond is submitted on Customs Form (CF) 302. The bond provisions are set forth at 19 C.F.R. 113.73, Customs Regulations. A failure to comply with the regulations may be deemed a "default" by Customs and result in the assessment of liquidated damages under the bond.

**Port Director:** Customs official with responsibility for overseeing the activation and operations of zone projects within his or her Customs Port of Entry.

**Port of Entry:** A place designated by the United States Government at which a Customs Officer is assigned with the authority to accept entries of merchandise, collect duties, and enforce the various provisions of the Customs laws.

**Privileged Domestic Merchandise:** Merchandise which includes: (1) U.S. products on which all internal revenue taxes, if applicable, have been paid; (2) previously imported merchandise on which duty and/or taxes have been paid; and (3) previously admitted merchandise which is free of duty and tax.

**Privileged Foreign Merchandise:** Foreign merchandise which has the duty and applicable taxes determined at the time the status is approved. The determined duty rate and taxes are not subject to future fluctuation. Once established, Privileged Foreign status cannot be changed. If merchandise has already been admitted into the Zone with a Non-Privileged Foreign status, Privileged Foreign status may be obtained by filing CF214 and related entry documents. However, application for this status must be filed prior to manipulation or manufacture.

**Prohibited Merchandise:** Merchandise the importation of which is prohibited by law on grounds of public policy or morals, or any merchandise which is excluded from a zone by order of the Board.

**Re-Exports or Reshipments:** Merchandise from one foreign country initially destined to the United States which, after being unladed, stored, and/or manipulated or manufactured in the country, is transported under a new bill of lading or other new documentation to another foreign country. The term is particularly applied to re-exports or reshipments through a Foreign-Trade Zone.

It includes Privileged, Non-Privileged or Zone-Restricted Foreign Merchandise which: (1) is in the same condition as when transported into the United States; or (2) has been manipulated without any change in its form or nature; or (3) has been manipulated or processed in such manner as to change its form, whether or not mixed with Domestic Merchandise, provided the Domestic Merchandise is not a component part or substantial ingredient thereof.

**Subzone:** A specialized purpose zone established as part of a zone project for a limited purpose that cannot be accommodated within an existing zone. A subzone can be established under the Alternative Site Framework or under the Traditional Site Framework.

**Transfer:** To take merchandise with zone status from a zone for consumption, transportation, exportation, warehousing, cartage or lighterage, vessel supplies and equipment, admission to another zone, and like purposes.

**Transshipment Merchandise:** Foreign merchandise which enters and leaves the United States through the same port, being transferred from one vessel to another directly or by way of a Foreign-Trade Zone or

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Customs bonded warehouse. The term is particularly applied to such merchandise transferred through a Foreign-Trade Zone.

**United States:** The several States, the District of Columbia, and Puerto Rico. The term “United States” includes all the territories and possessions of the United States, except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, and the Island of Guam.

**Usage-Drive Site:** A site tied to a single operator or user.

**User:** A person or firm using a zone or subzone for storage, handling, or processing of merchandise.

**Zone:** A Foreign-Trade Zone and/or Foreign Trade Zone No. 106. A Foreign-Trade Zone is an isolated, enclosed and policed area, operated as a public utility, in or adjacent to a port of entry, furnished with facilities for lading, unloading, handling, storing, manipulating, manufacturing, and exhibiting goods, and for reshipping them by land, water or air.

Any foreign and domestic merchandise, except such as is prohibited by law or such as the Board may order to be excluded as detrimental to the public interest, health or safety, may be brought into a Zone without being subject to the Customs laws of the United States governing the entry of goods or the payment of duty thereon; and such merchandise permitted in a Zone may be stored, exhibited, manufactured, mixed or manipulated in any manner, except as provided in the Foreign-Trade Zones Act and other applicable laws or regulations. The merchandise may be exported, destroyed, or sent into Customs territory from the Zone, in the original package or otherwise. It is subject to Customs duties if sent into Customs territory, but not if reshipped to foreign points.

**Zone-Restricted Merchandise:** Merchandise admitted into a Zone site for the purpose of exportation, destruction (except destruction of distilled spirits, wines and fermented malt liquors), or storage pending exportation or destruction. Merchandise with zone-restricted status may not be returned to U.S. Customs territory for domestic consumption, except as approved by the Foreign-Trade Zones Board.

**Zone Schedule:** This document constitutes the FTZ No. 106 Zone Schedule as required by 15 C.F.R. 400.42.