



October 26, 2022

## U.S. CUSTOMS AND BORDER PROTECTION

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### Customs Broker License Examination

### DIRECTIONS - READ CAREFULLY

This examination consists of 80 questions. The minimum passing score is 75%. For each question, choose the letter representing your answer (**A, B, C, D, or E**). There is no penalty for guessing; therefore, you should attempt to answer every question. **Each question has a single best answer.**

You are responsible for having the following references:

- Harmonized Tariff Schedule of the United States (2021 Basic Edition, No Supplements) (HTSUS)
- Title 19, Code of Federal Regulations (2021 Revised as of April 1, 2021) (Parts 1 to 140) (Parts 141 to 199)
- ACE Entry Summary Instructions Version 2.4a (ACE ES)
- Right to Make Entry (RTME) Directive 3530-002A
- ACE Entry Summary Business Rules and Process Document (Trade-External 10.50, March 2021 (Chapters 1 through 25) (ACE BRPD)

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

In addition to the 80 exam questions, U.S. Customs and Border Protection (CBP) will be administering six **voluntary** process evaluation questions at the end of the exam.

The questions should take no longer than 5 minutes to complete. The purpose of the survey questions is to inform future testing processes. These survey questions are voluntary and will have **NO** impact on your scores.



## **Section 2: Customs Broker License Examination**

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### **Category I – Bonds**

1. Whose bond is liable when merchandise is delivered directly to a container station from an importing carrier before merchandise is formally receipted?
  - A) Importer of Record
  - B) Customs Broker
  - C) Container Station
  - D) Bonded Warehouse
  - E) Importing Carrier
  
2. Which regulation discusses U.S. Customs and Border Protection's (CBP) authority to require Customs bonds?
  - A) 19 CFR, Part 103
  - B) 19 CFR, Part 111
  - C) 19 CFR, Part 113
  - D) 19 CFR, Part 127
  - E) 19 CFR, Part 148
  
3. What type of bond is needed to operate as a custodian of bonded merchandise?
  - A) Bond Type 1
  - B) Bond Type 2
  - C) Bond Type 3
  - D) Bond Type 4
  - E) Bond Type 14
  
4. A bond principal receives written notice from Customs and Border Protection (CBP) that the bond amount is inadequate. How many days does the principal have to remedy the deficiency?
  - A) 10 days from the date the principal received notification.
  - B) 10 days from the date of the bond's anniversary date.
  - C) 15 days from the date of notification.
  - D) 30 days from the date of filing of the principal's last entry.
  - E) 30 days from the date of notification.



## **Category II – Practical Exercise**

### **INSTRUCTIONS:**

In addition to the facts, use the documents provided, and choose the best answer for each of the following six questions.

### **FACTS:**

Creasioni Marchesa, a fashion design and clothing manufacturing business, has shipped 72 boxes of women's gowns in a single ocean container to its related wholesale business in Jacksonville, Florida. Creasioni Marchesa, Italy, is the importer of record and ABC Customs Brokers, LLC, has a valid power of attorney on file. Creasioni Marchesa has an active type 08 continuous bond.

Seventy-one of the boxes contain merchandise that was ordered, and the bridal gowns are shown on a commercial invoice. The final box contains fashion models of gowns that the U.S.-based business will use to solicit orders. The models are of gowns intended to be used as costumes for various Mardi Gras events in spring of the next year. A Pro Forma Invoice has been created for the models as there is no sale between the exporter and the ultimate consignee. The importer is the exporter, and the U.S.-based business is the ultimate consignee.

ABC Customs Brokers, LLC received the attached email. Later, the bill of lading and invoices arrived. All merchandise is arriving on a single conveyance and is consigned to the same consignee. After clearance, all the merchandise will be delivered to the U.S.-based business for Creasioni Marchesa, designated as the ultimate consignee on the paperwork.



## U.S. Customs and Border Protection

### INFO (ABC CUSTOMS BROKERS LLC)

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**From:** ALDO  
**Sent:** Monday, September 26, 2022 7:00 AM  
**To:** Info@abccustomsbrokerllc.us  
**Cc:**  
**Subject:** Temporary Importation Under Bond (TIB) entry for gowns on invoice  
CM10262022S

Ciao (Hello),

We have shipped 72 boxes on Shark Ocean Lines SOL Biter to arrive October 26, 2022, at the Port of Jacksonville, Florida. All 72 boxes are in one container. Please split the boxes in the container into two entries, one consumption entry for the 71 boxes of gowns that were purchased by our U.S. warehouse in Jacksonville. The other box contains samples of Mardi Gras costumes that are being imported for the purpose of taking orders. The samples are well-made dresses, with finished edges and zippers, less than 70 percent silk, and are representative models of the finished goods that we intend to sell. The samples will remain in the Jacksonville warehouse and shown as models to clients who visit that location. The samples will be re-exported and returned to Italy within three months. These samples should be entered under a TIB.

Please note that we have selected the HTS for the Mardi Gras costumes that we believe fits best; however, we will rely on your expertise to confirm. The costumes are similarly made to the bridal gowns that comprise the remainder of the shipment.

Cordiali saluti (Kind regards),

Aldo

Aldo Rossi  
Creazioni Marchesa  
Viale Europa 29  
16121 Genoa, LI  
Italy  
+36 339 7550176



**U.S. Customs and  
Border Protection**

<b>SHARK OCEAN LINES</b>		<b>Ocean Bill of Lading</b>		<b>SHOL</b>
<b>Exporter (Name and address including ZIP code)</b>  Creasioni Marchesa VIALE EUROPA 29 16121 GENOA LI ITALY		<b>Document Number</b> 999994444	<b>Booking Number</b> 123456	
<b>Consigned To</b> Creasioni Marchesa 7850 Baymeadows Way Jacksonville, FL 32207		<b>Forwarding Agent (Name and address)</b>  		
<b>Notify Party</b> ABC Customs Brokers, LLC 4800 Beach Boulevard, Suite 100 Jacksonville, FL 32207 1-904-999-9999		<b>Point (State) of Origin or FTZ Number</b>  		
<b>Pre-Carriage By</b>	<b>Place of Receipt By Pre-Carrier</b>	<b>Domestic Routing/Export Instructions</b>		
<b>Exporting Carrier</b> SOL BITER	<b>Port of Loading/Export</b> Genoa (Genova)			
<b>Foreign Port of Unloading</b> Jacksonville, FL	<b>Place of Delivery By On-Carrier</b>	<b>Type of Move</b>		
<b>Marks and Numbers</b>	<b>Number of Packages</b>	<b>Description of Commodities in Schedule B Detail</b>	<b>Gross Weight (Kilos)</b>	<b>Measurement</b>
		1 Container Said to Contain 72 BOXES	3780.00 KGS	
OF GARMENTS IN WARDROBE BOXES WITH RODS AND HANGERS NET WEIGHT OF GARMENTS, BOXES, RODS AND HANGERS 1512 KGS INVOICE COMMERCIAL NO. CM10262022A - 71 BOXES INVOICE PRO FORMA NO. CM10262022S - 1 BOX MODELS (SAMPLES)				
SHIPPER'S LOAD, STOW, WEIGHT AND COUNT				
There are: <u>17</u> pages, including attachments to this Ocean Bill of Lading				
<small>These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law prohibited.            Carrier has a policy against payment solicitation, or receipt of any rebate, directly or indirectly, which would be unlawful under the United States Shipping Act, 1994 as amended.</small>				
<b>FREIGHT RATES, CHARGES, WEIGHTS AND/OR MEASUREMENTS</b>				
<b>SUBJECT TO CORRECTION</b>	<b>PREPAID</b>	<b>COLLECT</b>		
PREPAID				
<b>GRAND TOTAL</b>				
<small>Received by Carrier for shipment by ocean vessel between port of loading and port of discharge, and for arrangement or procurement of pre-carriage from place of receipt and on-carriage to place of delivery, where stated above, the goods as specified above in apparent good order and condition unless otherwise stated. The goods to be delivered at the above mentioned port of discharge or place of delivery, whichever is applicable.</small>				
IN WITNESS WHEREOF <input type="checkbox"/> original Bills of Lading have been signed, not otherwise stated above, one of which being accomplished the others shall be void.				
DATED AT <b>GENOA</b> BY <u>John Smythe</u> Agent for the Carrier				
Mo. <u>10</u> Day <u>26</u> Year <u>2022</u>				
B/L No. <b>SHOL-999994444</b>				



**U.S. Customs and  
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PRO FORMA INVOICE					
					Invoice Number CM10262022S
<b>EXPORTER/SHIPPER</b> Creasioni Marchesa Viale Europa 29 16121 Genoa II ITALY			<b>IR#</b> 012345-54321		<b>FOR BROKER USE ONLY</b>      ABC Customs Brokers, LLC 4800 Beach Blvd., Suite 100 Jacksonville, FL 32207 1-904-999-9999
<b>Importer</b> Creasioni Marchesa Viale Europa 29 16121 Genoa II ITALY			<b>IR#</b> 012345-54321		
<b>Ultimate consignee</b> Creasioni Marchesa 7850 Baymeadows Way Jacksonville, FL 32207					
<b>Carrier</b> Shark Ocean Lines			<b>Duties / Fees for the Account of</b> Importer		<b>Terms of Sale</b> No sale - samples only
Line	C/O HS Tariff	Description HS Tariff Qty/UOM	Quantity	Unit Price Uom	Value
001	IT	Mardi Gras women's costume consisting of a gown of 100% silk woven fabric with a full overlay of 100% red woven cotton lace. A white woven cotton petti-coat is sewn below the waist, to add fullness.  9505.90.60 2 NO	2	\$800.00 EA	\$1,600.00
002	IT	Mardi Gras women's costume consisting of a gown of 100% white woven silk and 100% black nylon knit lace-like fabrics. The greater proportion of the gown is formed by the 100% nylon fabric.  9505.90.60 2 NO	2	\$600.00 EA	\$1,200.00
003	US	Cardboard wardrobe with rod and four wire hangers Per HQ H000000 instruments of international traffic 9803.00.50 NA	1	\$100.00	\$100.00
			<b>Invoice Date</b> 10/24/2022		<b>Currency of Value</b> US dollars
			<b>Grand Total</b>		<b>\$2,900.00</b>

**Notes/Special Instructions:**  
 THESE ARTICLES ARE NOT IMPORTED FOR SALE. THE GOWNS ARE BEING IMPORTED SOLELY FOR USE IN TAKING ORDERS FOR THE MERCHANDISE. LINE 003 IS IIT.



## U.S. Customs and Border Protection

5. If ABC Customs Brokers, LLC (ABC) is permitted to file more than one entry for the merchandise, as all the merchandise is arriving in one conveyance and consigned to one consignee, what type of entry will ABC file for the sample gowns for which the importer has requested a temporary importation under bond (TIB) be filed?
  - A) Entry type 01
  - B) Entry type 02
  - C) Entry type 12
  - D) Entry type 21
  - E) Entry type 23
6. ABC Customs Brokers, LLC (ABC) is filing entry at the port of unloading. What port code will ABC enter on the entry / entry summary for the port in which the entry is filed?
  - A) 1801
  - B) 1803
  - C) 2022
  - D) 3220
  - E) 3780
7. Which Customs Regulation provides the process for separating quantities of merchandise into separate entries and provides the exception to the rule that all merchandise arriving on one conveyance and consigned to one consignee must be included on one entry, under the facts of this Practical Exercise?
  - A) None, because the importer or broker decides how many entries to file for a quantity of merchandise arriving on one conveyance and consigned to one consignee.
  - B) 19 CFR, Part 10
  - C) 19 CFR 141.51
  - D) 19 CFR 141.52(g)
  - E) 19 CFR 141.54(a)
8. ABC Customs Brokers, LLC (ABC) is filing a Temporary Importation under Bond (TIB) entry for the merchandise listed on the Pro Forma Invoice No. CM10262022S. What would be the correct **CLASSIFICATION** in the correct order of reporting of the gowns on line 001 of the invoice on the entry summary (CBP Form 7501)?
  - A) 9813.00.10 / 6204.42.3050
  - B) 9813.00.20 / 6104.42.3050
  - C) 9803.00.50 / 9903.88.16 / 9505.90.6000
  - D) 6104.42.3050 / 9505.90.60
  - E) 6104.42.3050 / 9813.00.10





## U.S. Customs and Border Protection

9. Pursuant to the Temporary Importation under Bond (TIB) regulations and CBP Automated Commercial Environment (ACE) guidance and under the facts provided in this Practical Exercise, what supporting documents, if any, is ABC Customs Brokers, LLC (ABC) required upload into Document Imaging System (DIS) or the ACE Portal concurrent with filing the TIB entry summary electronic data?
- A) CBP Form 3461, CBP Form 7533, or copies of the electronic equivalent filed to secure Customs release of the merchandise with data usually shown but including the declaration that the bond securing the entry is a single transaction bond; a CBP Form 301 or equivalent single transaction bond type 08; and an invoice that complies with 19 CFR 141.81.
  - B) CBP Form 7501 entry summary with data usually shown on an entry summary form, the executed CBP Form 301 or equivalent single entry bond type 08, which is needed to secure a TIB entry as TIBs require single entry bonds, the bill of lading copy, the ocean manifest, and an invoice that complies with 19 CFR 141.81.
  - C) CBP Form 7501 entry summary with data usually shown with the Chapter 98 HTSUS, a statement of use, a declaration that the claimed use is the only use, and a declaration that the merchandise is not imported for sale or sale on approval; an invoice that complies with 19 CFR 141.81; and a statement of the bond amount secured or a copy of the Type 08 bond CBP Form 301 or equivalent.
  - D) CBP Forms 3461 and 7501 with data usually shown, a CBP Form 301 or equivalent single transaction bond type 08, the bill of lading copy, the ocean manifest, and an invoice that complies with 19 CFR 141.81 that also shows both the underlying HTSUS from Chapters 1 to 97 and the Chapter 98 HTSUS, the value of the merchandise, and the merchandise description.
  - E) No additional supporting documentation is required to be uploaded into DIS or the ACE Portal concurrent with filing the TIB entry summary electronic data, because when the capability for electronic filing of TIBs in October 2015, was implemented all declarations were automatically programmed into the system.



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10. CBP has issued a CBP Form 28, Request for Information, for the Temporary Importation under Bond (TIB) entry that ABC Customs Brokers, LLC (ABC) filed for the importer of record (IOR) Creazioni Marchesa. The IOR does not have an Automated Commercial Environment (ACE) account. CBP has issued the electronic CBP Form 28 dated October 28, 2022, with a 30-day response time and mailed a courtesy copy only to ABC. CBP did not provide the IOR with a copy of the CBP Form 28. Note from the facts above, that ABC has a valid Power of Attorney with the IOR. Which of the following is **FALSE**?
- A) Under the facts provided, the IOR did not receive proper notice of the CBP Form 28, Request for Information, because CBP failed to send a paper copy to the IOR in Italy or to ensure electronic delivery to the IOR in Italy.
  - B) If the IOR fails to respond to the CBP Form 28, Request for Information, within the 30-day response time, CBP may file a liquidated damages case against the IOR's bond for not filing a timely response.
  - C) In a valid Power of Attorney agreement, where a nonresident importer, such as an IOR based in a foreign country, is the principal, the agent (Customs broker) is designated to receive service of process on behalf of the nonresident importer; therefore, sending a copy of a CBP form to the agent has the effect of sending a copy to the principal.
  - D) In a valid Power of Attorney agreement, where a corporate nonresident importer, such as corporation based in a foreign country, is the principal, the agent has an obligation to attach supplemental documentation establishing the authority of the grantor to sign the Power of Attorney agreement on behalf of the principal.
  - E) ABC may respond on behalf of the IOR by providing the information requested on the CBP Form 28 by uploading the documents to Document Imaging System (DIS), through the ACE Portal, or by mailing the response to the requester indicated on the CBP Form 28.



**Category III – Antidumping and Countervailing Duties (AD/CVD)**

11. Type 01 entry ABC-1234567-8 was released by CBP on July 14, 2022. The summary was filed and paid on July 28, 2022. On October 1, 2022, the importer advises the broker that one of the lines was subject to antidumping duties. The increase in duties is \$15.90. Which of the following is **TRUE**?
- A) The filer should request that CBP reject the summary as an entry type change from 01 to 03 may only be made when an entry summary is in 'Trade' control.
  - B) The filer should transmit a Post-Summary Correction (PSC) to change the entry type from 01 to 03, update the entry summary information, and submit a supplemental duty payment.
  - C) The filer will not submit a supplemental duty payment as the importer does not owe CBP additional duties because the difference is de minimis (less than \$20).
  - D) The filer will not submit a supplemental duty payment as the importer may elect to receive a bill at the time of liquidation.
  - E) The original surety will not be responsible for any additional duties because the change to entry type 03 was made after the date of entry filing.
12. Sandra Smith imported a shipment of non-alloy steel threaded rods under 7318.15.5056 / Free from China. The invoice amount for the merchandise was \$7,564.49. The invoice amount reflects the actual price paid. The shipment arrived by air. The shipment is subject to additional duties of 25% under classification 9903.88.03. The shipment was entered on an 03 anti-dumping duty (ADD) entry and is subject to the Merchandise Processing Fee (MPF). The minimum and maximum for the MPF on the date of entry are \$27.75 and \$538.40, respectively. The MPF rate is 0.3464%. The ADD deposit rate is 48.91%. What is the total amount of duties, taxes, and fees that should be entered on the CBP Form 7501 Entry Summary?
- A) \$5,616.75
  - B) \$5,617.12
  - C) \$5,618.00
  - D) \$5,618.30
  - E) \$5,618.66



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13. Carbon and alloy steel threaded rod originating in China is subject to antidumping and/or countervailing duty cases in the United States. Steel Importers, Inc. (SII) is an import client of your brokerage firm. The Chief Executive Officer (CEO) of SII has contacted you for assistance in making an allegation under the Enforce and Protect Act of 2015 (EAPA) and CBP implementing regulations. SII's allegation is that a competitor is importing Chinese-origin carbon and alloy steel threaded rod from Germany and is avoiding paying the anti-dumping and/or countervailing duties (AD/CVD) by claiming that the merchandise is country of origin Germany. Which of the following statements is **FALSE** under these facts?

- A) A licensed Customs broker is an *interested party* under the EAPA implementing regulations found in Title 19 of the Code of Federal Regulations (CFR), which allows the brokerage to notify CBP of SII's allegations as an interested party and allows SII's business to remain confidential.
- B) Unless the person or other entity bringing the allegation is an interested party as defined in EAPA implementing regulations found in Title 19 of the CFR, the person making the allegation must either be an attorney or have a valid power of attorney from the interested party.
- C) When an interested party or the interested party's duly authorized attorney or agent makes an allegation through CBP's e-Allegations system or authorized method, the Trade Remedy Law Enforcement Directorate (TRLED) receives the allegation and conducts the investigation.
- D) If the CBP investigator lacks sufficient information to know whether the merchandise at issue in the allegation is properly within the scope of a valid AD/CVD order, the investigator will refer the matter to the Department of Commerce for a "scope" determination and notify the parties.
- E) The Customs broker should expect that liquidation of the unliquidated entries for which CBP has reasonable suspicion that the importer entered covered merchandise into the customs territory of the United States through evasion will be suspended.



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14. A duly licensed broker is preparing to file an entry type 03 entry on behalf of a client. The Department of Commerce (Commerce) has indicated in the Automated Commercial Environment (ACE) anti-dumping/countervailing duty (AD/CVD) Case information that the “status” of the case number is “inactive – company deactivated.” Which of the following is the correct action?
- A) File an entry type 01 consumption entry as the AD/CVD case no longer applies to the company and the merchandise, so no AD/CVD case number needs to be reported or duties deposited.
  - B) File an entry type 03 with the 10-digit case number that applied to the company prior to the change in company status, just in case the company is reactivated.
  - C) File an entry type 01 consumption entry and monitor the company status in the ACE case reference file so if it is reactivated you can file a post-summary correction (PSC).
  - D) File an entry type 03 with another case number indicated by the cash deposit instructions and the ACE AD/CVD case reference file.
  - E) File an entry type 09 reconciliation entry so that the entry summary is flagged for future resolution and monitor the company status in ACE for reactivation. If it is reactivated, file a PSC.



**Category IV – Classification**

15. What is the proper **CLASSIFICATION** of a battery-operated scuba dive watch computer with a liquid crystal display (LCD) screen, exclusive of the strap/band? The scuba dive watch computer manages a watch mode and dive mode. The watch component features a 12/24 clock with minutes and seconds, a second time setting, an option to switch between primary and secondary time, a calendar, a stopwatch, a countdown, and an alarm. The scuba mode provides management of recreational dive profiles with a Bühlmann ZHL-16C decompression algorithm for 1 or 2 mixes (air, Nitrox, and mixes with O<sub>2</sub>% concentrations up to 99%). The dive watch computer contains an LCD screen and an adjustable backlight. The subject article is designed to be worn on the wrist and is water resistant up to 100 meters. The case and the case back of the subject article are composed of stainless steel and the strap/band is made of rubber. The dive watch computer is covered with a rubber protector.
- A) 8471.41.0150
  - B) 9102.12.8000
  - C) 9014.80.2000
  - D) 8543.70.8900
  - E) 9101.19.2080
16. What is the **CLASSIFICATION** of rectangular billets consisting of 68% aluminum powder, 27.8% tungsten carbide, and the remaining 4.2% consisting of copper, magnesium, manganese, and iron powders, produced via sintering?
- A) 7601.20.6000
  - B) 7604.29.5020
  - C) 7603.10.0000
  - D) 8101.94.0000
  - E) 8113.00.0000
17. What is the **CLASSIFICATION** for furniture upholstery fabric as described? The imported merchandise is outdoor furniture upholstery fabric. This is flexible fabric constructed by weaving (interlacing warp and weft) polyester yarn, coated on one side with non-cellular (compact) polyurethane which can be seen with the naked eye, with no account taken for any resulting change of color. Lab analysis shows that the finished product is 69% by weight Polyurethane (coating) and 31% by weight polyester (woven fabric). The item's total weight is 1.25 kg/m<sup>2</sup>.
- A) 5903.20.1500
  - B) 5903.20.2500
  - C) 6306.90.5000
  - D) 3921.90.1500
  - E) 5407.30.1000



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18. What is the **CLASSIFICATION** of a seasoning blend consisting of a mixture of 42% turmeric, 37% rosemary, 10% onion, 5% garlic, 3% salt, and 3% black pepper, packaged for sale to potato chip manufacturers for use in manufacturing of potato chips?
- A) 0910.30.0000
  - B) 0910.91.0000
  - C) 2005.20.0020
  - D) 2103.90.8000
  - E) 2103.90.9091
19. What is the **CLASSIFICATION** of the following house wrap product? The subject merchandise is a plain, woven fabric composed of 100% polypropylene and weighs approximately 71 g/m<sup>2</sup>. It is constructed from strips measuring 5 millimeters in width in both the warp and filling direction. The fabric has been coated with an application of clear plastic on one side; however, this clear plastic coating is not visible to the naked eye?
- A) 3902.10.0000
  - B) 5407.10.0010
  - C) 5407.20.0000
  - D) 5407.42.0060
  - E) 5903.90.1500
20. What is the **CLASSIFICATION** of a clear plastic retail bag made for transporting deli food from the grocery store? The bag is made of polyethylene and is not insulated. The bag does not have handles. It measures six inches (152.4 mm) in length and six inches in width. The bag has a re-closable top seal with a slider that allows the bag to open and close.
- A) 3923.21.0020
  - B) 3923.21.0085
  - C) 4202.92.0809
  - D) 6305.33.0060
  - E) 6305.33.0080



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21. What is the **CLASSIFICATION** of a spherical object made of vulcanized rubber covered by felt with a diameter of 2.58” and has a single slice through the center which allows the sphere to be placed over the leg of a hospital walker or of straight-legged chair allowing the walker or chair to slide across the floor? The spherical object appears to be a standard tennis ball, except for the slice which impedes bounce but makes it easier to put over the leg. The object is made up of two components neither of which is predominant. It is made up of 44-46 grams of rubber, 8-9.5 grams of felt. The rubber cost is \$0.15 per unit and the felt cost is \$0.31 per unit.
- A) 4016.99.0500
  - B) 4016.99.2000
  - C) 6307.90.9891
  - D) 9021.10.0090
  - E) 9506.61.0000
22. Under which situation below would General Note 3(e)(v) apply?
- A) Container XYZ exported from Houston, TX on December 30, 2021, and arrived in Panama City, PA on January 10, 2022. Container XYZ was moved to a bonded facility and the sale was canceled, therefore the container was returned to Houston, TX on January 25, 2022, and the broker requested entry under General Note 3(e)(v).
  - B) Container XYZ exported from Houston, TX on December 30, 2021, and arrived in Panama City, PA on January 10, 2022. Container remained in possession of the carrier at the shipping terminal where the sale was canceled. Container XYZ was returned to Houston, TX on February 20, 2022, and the broker requested entry under General Note 3(e)(v).
  - C) Container XYZ exported Houston, TX on December 30, 2021, and arrived in Panama City, PA on January 10, 2022. Container XYZ remained in possession of the carrier at the shipping terminal where the sale was canceled. Container XYZ was returned to Houston, TX on February 6, 2022, and the broker requested entry under General Note 3(e)(v).
  - D) Container XYZ exported Houston, TX on December 30, 2021, and arrived in Panama City, PA on January 10, 2022. Container XYZ was transferred to the importer. Before the container was opened, it was determined by the shipper that container XYZ contained the wrong commodity. Importer should have received container ABC. The container was immediately returned to the carrier with the original seal intact and returned to Houston, TX on February 6, 2022, and the broker requested entry under General Note 3(e)(v).
  - E) Container XYZ exported Houston, TX on December 30, 2021, and arrived in Panama City, PA on January 10, 2022. Container XYZ was held by Panamanian Customs officials and determined to be inadmissible into Panama. The container was immediately returned to the carrier and returned to Houston, TX on February 26, 2022, and the broker requested entry under General Note 3(e)(v).





23. What is the **appropriate subheading** to enter live turkeys weighing more than 185g brought into the U.S. for temporary exhibition?
- A) 0105.12.00
  - B) 0207.24.00
  - C) 1602.31.00
  - D) 9812.00.20
  - E) 9813.00.60



**Category V – ACE**

24. Upon auditing an entry, the importer of record (IOR) discovered that the total entered value was incorrect. The correct entered value was \$5,718.00 more than shown on the entry documentation, resulting in additional duty in the amount of \$187.25 and additional MPF in the amount of \$19.81. The IOR requested that its broker file an accelerated liquidation PSC and advised that it would pay the bill for the underpayment upon receipt. There are 120 days between when the duties, taxes and fees are due and the liquidation of the entry, so that, if interest is due, the interest on the additional duties would be \$1.89 and the interest on the merchandise processing fee (MPF) would be \$0.20. How much will the bill for the underpayment be?
- A) The bill will be for the \$187.25 in additional duty because the MPF is under \$20.00 and the interest on both the additional duty and the MPF is under \$20.00, so the de minimus rule applies to both the MPF and the interest.
  - B) The bill will be for \$189.14 in additional duty plus interest and not the MPF because the de minimus rule applies to the additional MPF because the MPF is less than \$20.00.
  - C) The bill will be for \$207.06, the additional duty plus the additional MPF, because CBP does not charge interest on underpayments where the liquidation takes place 180 days or less after the duty due date.
  - D) The bill will be for \$208.95, the duty plus interest and the MPF, because CBP does not charge interest on the underpayment of fees but does charge interest on the underpayment of duties.
  - E) The bill will be for \$209.15 which is the duty of \$187.25 plus interest on the duty in the amount of \$1.89 added to the additional MPF of \$19.81 plus interest of \$0.20 because the net difference in duties, taxes, fees, and interest is greater than \$20.00.
25. Who of the following is **NOT** an owner or purchaser?
- A) A firm who is a buying or selling agent.
  - B) A firm who imports for exhibition at a trade fair.
  - C) A firm who is a freight consolidator.
  - D) A firm who imports under loan or lease.
  - E) A person who imports goods for repair.



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26. Merchandise that remains at the carrier's dock or terminal without a CBP release for a period of 15 calendar days is subject to what?
- A) Seizure order
  - B) General order
  - C) Immediate auction
  - D) Thirty-day extension
  - E) Immediate redelivery
27. Which Customs Form is filed with CBP to provide an importer's identification information?
- A) CBP Form 3347
  - B) CBP Form 4811
  - C) CBP Form 5106
  - D) CBP Form 5297
  - E) CBP Form 7501



**Category VI – Fines, Penalties and Forfeitures**

28. ABC Customs Brokers (ABC) received a penalty notice from the Fines, Penalties and Forfeitures Officer (FPFO) in Chicago, Illinois. The penalty notice indicated that the penalty amount was \$30,000.00 under 19 USC 1641. ABC filed a petition in accordance with 19 CFR 111.93, which was denied by the FPFO in Chicago. ABC filed a supplemental petition in accordance with 19 CFR 111.95 with the FPFO in Chicago, which the FPFO also intends to deny. To whom will the supplemental petition be forwarded?
- A) Center Director, Base Metals Center of Excellence and Expertise, Chicago Office of Field Operations
  - B) Branch Chief, Broker Management Branch, Commercial Operations, Revenue and Entry Division, Trade Policy and Programs, Office of Trade
  - C) Chief, Civil Enforcement Division, Trade Remedy Law Enforcement Directorate, Office of Trade
  - D) Associate Chief Counsel, Chicago Office of the Associate Chief Counsel
  - E) Chief, Penalties Branch, Border Security and Trade Compliance Division, Regulations and Rulings, Office of International Trade
29. A broker received a penalty notice from a Fines, Penalties and Forfeitures Officer (FPFO). The broker filed a petition in accordance with 19 CFR 111.93, which was denied by the FPFO. The broker plans to file a supplemental petition in accordance with 19 CFR 111.95 with the FPFO. The date of denial of the petition was October 3, 2022. What is the last date on which the broker can file the supplemental petition?
- A) Wednesday, November 2, 2022
  - B) Friday, December 2, 2022
  - C) Monday, January 2, 2023
  - D) Tuesday January 31, 2023
  - E) Monday, April 3, 2023
30. One of the allegations in a penalty notice sent to ABC Customs Brokers (ABC) was that ABC promised to hire National Import Specialist (NIS) Needa Token's son if NIS Token's review of a binding ruling request favored ABC's client by determining a duty-free classification provision was most appropriate and it was published accordingly. Which regulation section prohibits an attempt by ABC to influence NIS Token?
- A) 19 CFR 111.11
  - B) 19 CFR 111.31
  - C) 19 CFR 111.32
  - D) 19 CFR 111.34
  - E) 19 CFR 111.36



### Category VII – Value

31. 123 Import Company, a US importer, is seeking guidance on valuation methods for its various contracts with overseas vendors from whom it has imported or intends to import merchandise from a duly licensed broker. Which one of the following contracts would the broker advise 123 Import Company that **transaction value cannot be the basis of appraisement** on importation as the regulatory requirements for using transaction value are not met?
- A) 123 Import Company has contracted with Y Toy Company abroad to purchase toys. The Y Toy company owes money to its creditor Z Factor Company. The Y Toy Company contract with 123 Import Company provides that 123 Import Company will pay Z Factor Company one-third of the purchase price and pay the remaining two-thirds to Y Toy Company. The contract price is for both payments.
  - B) 123 Import Company has contracted with Y Toy Company abroad to manufacture toys. 123 Import Company has contracted with, and will directly pay, Tiny's Beads, a foreign manufacturer, to ship the plastic beads to Y Toy Company that it needs to manufacture the toys. The contract price is for Y Toy Company's costs and profit.
  - C) 123 Import Company has contracted with 123 Export Company, an unrelated company abroad to import National Football League (NFL)-branded jerseys. 123 Import Company has an NFL license and pays a royalty to the NFL for every NFL-branded jersey it imports. The contract price is as determined by 123 Export Company in the signed contract.
  - D) 123 Import Company has contracted with X-treme Company abroad to import office chairs on consignment. 123 Import Company will offer the office chairs for sale in the US and pay X-treme Company within 10 days of the sale. The contract price is for 40% of the usual retail price of the chairs with payment due within 10 days of each sale.
  - E) 123 Import Company (importer) has contracted with New Company (seller) abroad to import 1000 units of a brand-new product for which the market in the US is uncertain. Importer agrees to pay seller \$10.00 per unit immediately with an additional \$10.00 upon the sale of each unit in the US. Seller will buy back any unsold merchandise in 180 days. The contract price is \$10,000.00, plus \$10 per unit due after sale.



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32. Which of the following is **NOT** an acceptable basis for the appraisal of imported merchandise?
- A) Computed value
  - B) Contract value
  - C) Transaction value of identical merchandise
  - D) Transaction value of similar merchandise
  - E) Deductive value
33. The importer, a construction company, purchased construction cranes from a foreign supplier. Due to the size of the cranes, they are exported to the United States unassembled. The assembly of the cranes by employees of the supplier, after importation, is included in the purchase price and separately identified on the invoice. The assembly charge is reasonable for the work to be performed. Transaction value is the proper method of appraisal. Based upon these facts, which statement below is correct?
- A) Because the charge for the post-importation assembly of the merchandise is separately identified on the foreign supplier's invoice to the importer and is reasonable for the work performed, the charge for the assembly is included as an assist in transaction value and is dutiable.
  - B) Because the charge for the post-importation assembly of the merchandise is separately identified on the foreign supplier's invoice to the importer and is reasonable for the work performed, the charge for the assembly is included in transaction value and is dutiable.
  - C) Because the charge for the post-importation assembly of the merchandise is included in the definition of the price actually paid or payable, whether or not separately identified on the foreign supplier's invoice to the importer or reasonable for the work performed, the charge for assembly is included in transaction value and is not dutiable.
  - D) Because the charge for the post-importation assembly of the merchandise is for services rendered in the United States and is payable to the foreign supplier, the charge for assembly is a domestic fee that is excluded from transaction value and is dutiable.
  - E) Because the charge for the post-importation assembly of the merchandise is separately identified on the foreign supplier's invoice to the importer and is reasonable for the work performed, the charge for the assembly is excluded from transaction value and is not dutiable.



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34. An importer purchases used sewing machines for \$3,000.00 from an unrelated party and supplies the machines, free of charge, to a foreign manufacturer to use exclusively to produce apparel the importer will purchase from the manufacturer. The actual market value of the used sewing machines is \$4,500.00. It cost the importer \$500.00 to ship the used sewing machines to the foreign manufacturer from the place of purchase. What is the value of the assist provided by the importer to the foreign manufacturer?
- A) \$3,000.00
  - B) \$3,500.00
  - C) \$4,000.00
  - D) \$4,500.00
  - E) \$5,000.00

Other Fee Summary (for Block 39)		35. Total Entered Value		<b>CBP USE ONLY</b>	
499	220.87	\$		A. LIQ Code	B. Ascertained Duty
500	79.70	Total Other Fees		37. Duty	
		\$ 300.57		REASON CODE	C. Ascertained Tax
				38. Tax	

35. Please refer to the snippet of a CBP Form 7501 above. A shipment of powdered milk departed the Port of Auckland, New Zealand on June 1, 2022, bound for the United States on an ocean vessel. The ship arrived and was unladen on July 1, 2022, at the Port of Oakland, California. Entry was filed the same day and the cargo was released July 1, 2022. The invoice price for the powdered milk is 98,532.84 NZD. It is appropriate to use the foreign currency daily exchange rate for calculations in submitting the entry / entry summary. Research shows that the daily exchange rate from New Zealand dollars to US dollars was 0.6471 on June 1, 2022. The daily exchange rate from New Zealand dollars to US dollars was 0.6187 on July 1, 2022. The invoice indicates that the shipment consists of 14,000 kilograms (Kg). The powdered milk is classified under 0402.91.7000 / 31.3¢ / Kg. Based upon the facts, what is the **total entered value** to be recorded in Block 35?
- A) \$60,962.00
  - B) \$63,761.00
  - C) \$65,645.00
  - D) \$68,444.00
  - E) \$98,533.00



**Category VIII – Entry / Entry Summary**

36. Which form is filed with CBP seeking permission to manipulate, manufacture, exhibit, or destroy merchandise in a Foreign Trade Zone?
- A) CBP Form 214
  - B) CBP Form 216
  - C) CBP Form 3461
  - D) CBP Form 7501
  - E) CBP Form 7512
37. The broker received a copy of a CBP Form 4647, Notice to Mark/Notice to Re-deliver, on behalf of a client. CBP has determined that the merchandise is not legally marked. The broker files a CBP Form 3499 and receives an approval to manipulate the merchandise under Customs supervision to bring it into compliance by appropriately marking the goods. In which type of warehouse can the merchandise be manipulated?
- A) Container freight station (CFS)
  - B) Foreign Trade Zone (FTZ)
  - C) In-bond Export Consolidator (IBEC)
  - D) Bonded warehouse
  - E) Centralized examination station (CES)
38. G and G Bedding, Inc. imported 50 mattresses from China which are classified under 9404.21.0013 of the Harmonized Tariff Schedule of the United States (HTSUS) at a 3.0 percent ad valorem duty rate and are subject to antidumping and countervailing duties along with Section 301 duties at 25 percent. The mattresses arrive by air on M-Air Cargo Express and are formally entered at Los Angeles International Airport. The total value of the shipment is \$12,500 USD. The applicable antidumping duty cash deposit rate is 1731.75 percent and the countervailing duty cash deposit rate is 97.78 percent. The current rate for the merchandise processing fee (MPF) is 0.3464 percent. The harbor maintenance fee (HMF) stands at 0.125 percent. Using the above information, what is the total amount of fees and duties that should be reported on CBP Form 7501?
- A) \$375.00
  - B) \$3,500.00
  - C) \$232,191.25
  - D) \$232,234.55
  - E) \$232,250.18





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39. Fish are caught by a Norwegian flagged vessel in international waters off the coast of Portugal. The fish are kept either whole or filleted on board. The fish is sent to Spain, where it is cut, seasoned, battered, pre-fried and frozen. The frozen fish is consolidated with other frozen foods into a container in Ireland and exported from the Port of Dublin to the US. What is the country of origin of the frozen fish?
- A) Portugal
  - B) Spain
  - C) Norway
  - D) European Union
  - E) Ireland
40. Which CBP Form must be presented to CBP timely to request authorization for bonded merchandise to be transported to another port or exported out of the country?
- A) CBP Form 3461
  - B) CBP Form 3495
  - C) CBP Form 6043
  - D) CBP Form 7501
  - E) CBP Form 7512
41. Dee Company GmbH (Dee) is a foreign-based company, but imports machinery into the U.S. XYZ Brokers (XYZ) has a valid power of attorney with Dee and has been the Customs broker for Dee for several years. Dee has executed a CBP Form 4811 naming XYZ. Dee has hired RT Protest Attorneys (RT) to file their protests. The protests contain language stating that refunds pursuant to an entry under protest shall be mailed to Dee in care of RT. To whom will CBP mail refund payments on protested entries?
- A) CBP will mail the refund checks to Dee because refunds of protested entries are always mailed to the importer of record.
  - B) CBP will mail the refund checks to XYZ because the CBP Form 4811 names XYZ.
  - C) CBP will mail the refund checks to XYZ because the broker is responsible for paying monies to their clients under 19 CFR 111.29.
  - D) CBP will not mail the refund check but will apply the amount of the refund to the duties, taxes, and fees owed on the next entry until the credit is used.
  - E) CBP will mail the refund check to RT because the refund assignment language in a protest supersedes the assignment on the CBP Form 4811.



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42. Under which circumstance may an individual who qualifies as an importer of record under 19 USC 1484 authorize an unpaid agent to enter merchandise on their behalf?
- A) The individual, a known importer in the United States, is receiving in one shipment on one day merchandise that is a bona fide gift from a person in a foreign country and that has an aggregate fair retail value in the country of shipment of less than \$100.00.
  - B) The individual, a known importer in the United States not acting on behalf of a corporation, partnership, or association, makes a written request to the agent claiming to be indigent with proof that the individual cannot afford to pay the agent.
  - C) The individual, a regular importer in the United States, appoints the agent to handle an importation of a single article of merchandise and the agent is a relative of the individual.
  - D) The individual, a person in the United States acting on behalf of a corporation, partnership, or association, is receiving in one shipment on one day merchandise that has a fair retail value not exceeding \$800.00.
  - E) The individual, a person in the United States who is not a regular importer, is receiving a non-commercial shipment, and authorizes the unpaid agent in writing using power of attorney language.
43. An importer of any article detained under a Withhold Release Order who desires to contend that the article was not mined, produced, or manufactured in any part with the use of forced labor, shall submit proof of admissibility documents to the port director or Commissioner of CBP within three (3) months of what action?
- A) Within three (3) months after the entry is filed on the article.
  - B) Within three (3) months after the presentation of the article for physical examination.
  - C) Within three (3) months after the importer Security Filing (ISF) is filed on the article.
  - D) Within three (3) months after the date the article was imported.
  - E) Within three (3) months after the duties are paid on the article.
44. What method is used to submit physical product samples to CBP in support of an electronic protest?
- A) Directly to the Port or Center team
  - B) Via email to the Port or Center team
  - C) Automated Broker Interface (ABI) submission
  - D) Via the protest record in the Automated Commercial Environment (ACE) portal
  - E) Automated Commercial System (ACS) submission



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45. Which situation is a matter subject to protest?
- A) Because of a broker clerical error, only one of two invoices was entered on the entry summary. The second invoice needs to be added to the unliquidated entry summary.
  - B) CBP refused to allow amendment of a protest involving one entry 200 days after the underlying entry was liquidated.
  - C) CBP liquidated a drawback claim with a full refund on a drawback claim where the full amount was paid through the accelerated payment process.
  - D) CBP refused to flag an entry for reconciliation which was not flagged at entry summary filing in error.
  - E) CBP refused to liquidate or re-liquidate a post-summary 19 USC 1520(d) claim under the United States-Korea Free Trade Agreement filed in the ACE Protest Module.
46. What is the maximum allowable time for which extension of liquidation may be granted by the Center Director?
- A) 1 year
  - B) 2 years
  - C) 3 years
  - D) 4 years
  - E) Liquidation can never be extended.
47. At which point in the importation process will required partner government agency (PGA) forms be filed?
- A) Upon execution of the sales contract between the importer and the foreign supplier.
  - B) During the Importer Security Filing (ISF) process.
  - C) During the cargo release process.
  - D) With the entry summary and duty payment filing.
  - E) At the time that the entry is liquidated.
48. What is the maximum value that may be entered as an informal entry (Type 11)?
- A) Shipments of merchandise not exceeding \$250.00.
  - B) Shipments of merchandise not exceeding \$800.00.
  - C) Shipments of merchandise not exceeding \$1,500.00.
  - D) Shipments of merchandise not exceeding \$2,500.00.
  - E) Shipments of merchandise not exceeding \$3,500.00.



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49. Given the following protest types concerning merchandise for which entry was filed within the last two years, select the answer that provides the correct amount of time in which the Center Director shall review the protest.

- The Center Director has \_\_\_\_ from the date of filing to review a protest relating to **the exclusion of merchandise**.
- The Center Director has \_\_\_\_ from the date of the mailing of the **accelerated disposition request** to review the protest.

Answer selections for each protest type will be separated by a comma.

- A) 30 days, 30 days
  - B) 30 days, 90 days
  - C) 30 days, 1 year
  - D) 90 days, 2 years
  - E) 180 days, 180 days
50. What is the exception to the general rule that the notice of liquidation will be dated with the date posted electronically on [www.cbp.gov](http://www.cbp.gov)?
- A) The courtesy notice of liquidation is posted electronically on [www.cbp.gov](http://www.cbp.gov) seven (7) days before the date of liquidation so that importers and brokers can request an extension before the actual liquidation date.
  - B) Reconciliation entries are not posted on the notice of liquidation with a liquidation date of the date that it is posted electronically on [www.cbp.gov](http://www.cbp.gov) because only the underlying entries of a reconciliation entry liquidate, and they would have been posted on their liquidation dates.
  - C) There is no exception to the general rule that the notice of liquidation will be dated with the date posted electronically on [www.cbp.gov](http://www.cbp.gov).
  - D) The notice of liquidation on a warehouse entry will not be posted on the date of liquidation of the entry when merchandise is being rewarehoused as both the warehouse entry liquidation and rewarehouse liquidation will be posted on the same date, the date that the rewarehouse entry liquidated.
  - E) Entries that are liquidated by operation of law will be deemed liquidated as of the date of the expiration of the appropriate statutory period and will be posted on [www.cbp.gov](http://www.cbp.gov) when CBP determines that each entry has liquidated by operation of law and will be dated with the date of liquidation by operation of law.



### Category IX – Drawback

51. What is the timeframe during which an unliquidated drawback claim filed on October 26, 2022, may be amended?
- A) Unliquidated drawback claims may be amended at any time prior to liquidation.
  - B) Unliquidated drawback claims may be amended within 90 days of the date the claim was accepted by CBP.
  - C) Unliquidated drawback claims may be amended within 180 days of the date the claim was filed with CBP.
  - D) Unliquidated drawback claims may be amended within five (5) years after the date of importation of the claimed merchandise.
  - E) Unliquidated drawback claims may be amended within three (3) years after the date of exportation or destruction of the claimed merchandise.
52. The importer imported shirts into the United States on July 15, 2020, and paid the appropriate duties, taxes, and fees. The shirts were exported without the benefit of drawback on July 17, 2020, to Mexico to be warehoused until sold with the expectation that the shirts would be reimported duty-free under 9801.00.1098. The importer finds a foreign buyer for these shirts on September 20, 2021. The shirts were exported from Mexico on October 15, 2021. By when must the completed drawback claim for the shirts be filed?
- A) Three (3) years from July 17, 2020
  - B) Three (3) years from October 15, 2021
  - C) Five (5) years from July 15, 2020
  - D) Five (5) years from September 30, 2021
  - E) Five (5) years from October 15, 2021
53. For which drawback claim types filed after February 24, 2016, is it permissible for the drawback claimant to be a successor of a predecessor that transferred its preexisting rights to merchandise and/or drawback product to the successor?
- A) Foreign-built jet aircraft engine drawback and supplies for certain vessels and aircraft drawback.
  - B) Substitution manufacturing drawback and substitution unused merchandise drawback.
  - C) Nonconforming rejected merchandise drawback and unordered rejected drawback.
  - D) Defective merchandise drawback and substitution manufacturing drawback.
  - E) Unused merchandise drawback and rejected merchandise drawback.



**Category X – Marking**

54. What is the citation in the Code of Federal Regulations for the section requiring that every article of foreign origin, or its container, imported into the United States be marked with the country of origin of the article in a conspicuous place as legible, indelibly, and permanently as the nature of the article, or container, will permit?
- A) 19 CFR 134.0
  - B) 19 CFR 134.1
  - C) 19 CFR 134.11
  - D) 19 CFR 134.13
  - E) 19 CFR 134.46
55. What are the consequences if the broker, acting as importer for a shipment, takes no action within 30 days on a Notice to Mark / Notice to Redeliver (CBP Form 4647) it received indicating that merchandise contained in the shipment was not properly marked with country of origin? The merchandise was cleared and delivered to the ultimate consignee before the timely CBP Form 4647 was issued.
- A) There are no consequences because the broker has 60 days under the regulations to address whether merchandise is properly marked with country of origin.
  - B) There are no consequences because the broker is automatically entitled to a 30-day extension of time to act on a CBP Form 4647.
  - C) The consequence is that the merchandise will be sent to general-order stores by CBP for disposition in accordance with Part 127 of the Customs Regulations.
  - D) The consequence is that the Center Director will cause liquidated damages in an amount equal to the entered value of the articles not properly marked or redelivered to be issued to the broker under its import bond.
  - E) The consequence is that the entry will be change liquidated on the 31<sup>st</sup> day with a bill to collect the 10 percent additional duty for merchandise not exported or destroyed under Customs supervision.



56. Which of the following articles has **NOT** been legally marked under Part 134 of the Customs Regulations?
- A) An ocean container marked “Container Made in Germany” filled with nuts and bolts manufactured in Taiwan that have not been marked with the country of origin and delivered to an automobile manufacturer in Detroit, Michigan.
  - B) Standard poker deck playing cards manufactured in China not marked with the country of origin but printed with a U.S. casino logo indicating the city and state of the casino’s location sealed in playing card box marked “Made in China” and imported by the casino.
  - C) Newly manufactured rugs of traditional Persian design marketed as Persian rugs with a sewn label indicating “Made in Iran” and delivered to a retail carpet store in Milwaukee, Wisconsin.
  - D) Frozen cod filets imported by Rhode Island Fisheries that are wrapped individually in clear plastic and boxed, twelve filets to a box, with the words “Atlantic Cod” in 36 pt. type on the top center of the box top. Nearby are “Distributed by Rhode Island Fisheries” and “Product of India” also in 36 pt. type.
  - E) Wool yarn in skeins manufactured in Ireland each with a coated paper wrapper showing the brand and details about the yarn with “Finest Irish Wool” on the wrapper imported by Big Box Store.



**Category XI – Intellectual Property Rights**

57. What is the period of detention for merchandise suspected of bearing a counterfeit version of a registered trademark after which the merchandise will be seized, and forfeiture proceedings instituted?
- A) Forty-eight (48) hours after the date of detention.
  - B) Within the five-day (5-day) period (excluding weekends and holidays) following the date on which the merchandise is presented for Customs examination.
  - C) Thirty (30) days from the date on which the merchandise is presented for Customs examination.
  - D) Thirty (30) days from the date of entry.
  - E) Sixty (60) days from on the date on which the merchandise is presented for Customs examination.
58. Importer Y operates a discount jewelry store and advises Broker A that it has a shipment of Rolex Submariner watches arriving from Vietnam. Importer Y asks Broker A to clear the shipment of watches. The shipment is detained and seized by CBP after an inspection revealed that the watches were counterfeit merchandise. The commercial invoice from the vendor in Vietnam indicates that the ten (10) Rolex Submariner watches were sold to Importer Y for \$10,000.00. The manufacturer's suggested retail price (MSRP) of one genuine Rolex Submariner is \$19,250.00. Importer Y previously had a shipment of counterfeit NFL Superbowl rings seized and forfeited by CBP. Importer Y receives a notice and demand for a civil fine and consults with Broker A. What is the maximum civil fine amount that could be sought by CBP under these facts?
- A) The maximum civil fine is \$10,000.00.
  - B) The maximum civil fine is \$19,250.00.
  - C) The maximum civil fine is \$20,000.00.
  - D) The maximum civil fine is \$38,500.00.
  - E) The maximum civil fine is \$385,000.00.





59. Which of the following is **TRUE** with respect to imported merchandise after the U.S. International Trade Commission (ITC) finds a violation of section 337 of the Tariff Act (19 USC 1337) and issues an exclusion order, as implemented by CBP under 19 CFR 12.39?
- A) The exclusion order is not effective until 60 days after issuance, at which point merchandise subject to the exclusion order no longer may be entered.
  - B) Merchandise subject to the exclusion order may be entered under a single entry bond, in an amount set by the ITC, from the time the exclusion order issues until the time it expires.
  - C) Merchandise subject to the exclusion order may be entered under bond, in an amount set by the ITC, that is secured by the importer's basic importation bond.
  - D) Merchandise subject to the exclusion order may be entered under bond as provided for in 19 CFR 113, until the determination of a violation becomes final.
  - E) Merchandise subject to the exclusion order may not be entered after the exclusion order has issued.



**Category XII – Free Trade Agreement (FTA)**

60. According to 19 CFR 24.23(c), which of the listed countries is **NOT** exempt from the Merchandise Processing Fee (MPF) under a preferential trade program?
- A) Israel
  - B) Oman
  - C) Jordan
  - D) Peru
  - E) Bahrain
61. Which Free Trade Agreement (FTA) is **NOT** eligible to be flagged for a Post Importation Claim via reconciliation?
- A) Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR)
  - B) U.S. Oman Free Trade Agreement (OMFTA)
  - C) U.S.-Peru Trade Promotion Agreement (PETPA)
  - D) U.S.-Chile Free Trade Agreement (CLFTA)
  - E) U.S.-Jordan Free Trade Area Agreement (JOFTA)
62. Of the agreements listed below, which agreement does **NOT** authorize a trade preference level (TPL) for textiles and apparel?
- A) U.S.-Bahrain Free Trade Agreement (BHFTA)
  - B) Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA)
  - C) U.S.-Chile Free Trade Agreement (CLFTA)
  - D) U.S.-Japan Trade Agreement (JPTA)
  - E) U.S.-Singapore Free Trade Agreement (SGFTA)



### Category XIII – Powers of Attorney

63. If a power of attorney is revoked, how long must a licensed Customs Broker retain the power of attorney and letter of revocation?
- A) The later of five (5) years after the date of revocation or five (5) years after the date the client ceases to be an “active client.”
  - B) At the time written notice of revocation is given to and received by CBP, either at the port of entry or electronically.
  - C) Two (2) years from the date of the execution of the power of attorney.
  - D) Five (5) years from the date of importation of the most recent entry filed.
  - E) Five (5) years from the date of entry of the most recent entry filed.
64. A duly licensed broker has a power of attorney (POA) on file from Valley Computer Co., Inc. (Valley, Inc.), a publicly traded California corporation. Michael Valley called the broker and advised that he has reorganized Valley, Inc. and it is now a privately held corporation, incorporated in Delaware and it is also called Valley Computer Co., Inc. (Valley Delaware). Michael Valley, in his capacity as President of Valley Delaware, wants the broker to clear a shipment on an ocean cargo ship that will arrive in 20 days. Before entry can be filed, what action must the broker take regarding the POA?
- A) No action need be taken because the Valley, Inc. POA does not expire.
  - B) No action need be taken because the standard POA language provides that successor companies are covered by the terms of the agreement with the Customs broker.
  - C) Review the POA and, if the POA was signed by Michael Valley as an officer of the California corporation, no additional action need be taken.
  - D) Request a POA termination letter from the California corporation named Valley Computer Co., Inc.
  - E) Request a new POA from Michael Valley and the Delaware corporation named Valley Computer Co., Inc.
65. Which regulation states the rules concerning powers of attorney with respect to filing protests on behalf of importers?
- A) 19 CFR 111.23
  - B) 19 CFR 141.31
  - C) 19 CFR 174.3
  - D) 19 CFR 190.6
  - E) 19 CFR 191.6



### Category XIV – Recordkeeping

66. Generally, how many years after the date of entry or final withdrawal for a warehouse entry must the broker retain the records?
- A) One (1) year
  - B) Two (2) years
  - C) Three (3) years
  - D) Five (5) years
  - E) Seven (7) years
67. Under 19 CFR 111.24, brokers must not disclose the records defined in the regulation to any persons other than those entities listed in the regulation. To which of the following is a broker **NOT** permitted to disclose confidential records?
- A) The client's surety
  - B) The client's overseas vendor
  - C) CBP Regulatory Audit
  - D) CBP Center Director
  - E) Special agent in charge
68. Where in the regulations would you go to make a copy of the (a)(1)(A) list?
- A) 19 CFR 24.3
  - B) 19 CFR 101.2
  - C) 19 CFR 111.23
  - D) 19 CFR, Appendix to Part 163
  - E) 19 CFR, Appendix C to Part 171



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69. A duly licensed customs broker was served and named in a Customs summons signed by the Director of the Consumer Products and Mass Merchandising Center. The summons requires the broker to provide CBP with the entry files for ten entries prepared on behalf of Company Z within the last three years. The broker terminated Company Z as a client one year ago. Company Z has not provided the broker with any specific written instructions regarding responding to a summons within its now revoked power of attorney document. How must the broker respond to the Customs summons?
- A) Return the summons back to CBP because it must be signed by an auditor or special agent, not a Center Director, to be legally effective.
  - B) No response to the summons is required because Company Z is a former client.
  - C) No response to the summons is required because the record retention period for Company Z's entry files expired upon the termination of the broker-client relationship.
  - D) Forward the summons to Company Z and notify the Center Director that it has been forwarded to the party obligated to respond to the summons.
  - E) Respond to the summons by providing CBP with the entry files requested because the broker is legally obligated to make such records available for examination by CBP.
70. A broker filed an entry for an importer of Irish tea. In addition to retaining the Customs Documents required to make entry and file entry summary for tea, which partner government agencies' forms must also be filed and retained?
- A) Animal and Plant Health Inspection Service and the Food and Drug Administration
  - B) Bureau of Census and Department of Agriculture
  - C) Department of Agriculture and the Drug Enforcement Agency
  - D) Food and Drug Administration and Department of Health and Human Services
  - E) State Department and Department of Health and Human Services



### Category XV – Broker Compliance

71. Which of the following answer choices is **NOT** a factor that CBP considers in deciding whether a licensed broker has exercised responsible supervision and control over unlicensed employees?
- A) Any circumstance which indicates that an individually licensed broker has a real interest in the operations of a broker.
  - B) Issuance of written instructions and guidelines to employees of the broker.
  - C) Volume and type of business of the broker.
  - D) Number of penalties assessed against the employees.
  - E) The extent to which the individually licensed broker who qualifies the district permit is involved in the operation of the brokerage.
72. An importer of record (IOR) contacts its broker to revise entry 123-1234567-8 because an internal audit revealed that an invoice was omitted from the original filing. The paperwork indicates that the goods qualify under the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) as goods originating and exported from the Dominican Republic. There will be no change in the duties, taxes, and fees owed. The entry is not liquidated, is fully paid, and less than one year passed since the date of import. Which process below should be used to make the changes with CBP?
- A) Nothing needs to be done to change the entry summary with CBP because there is no change in duties, taxes, and fees.
  - B) File a PSC to add a line with the invoice to the entry summary and include the Special Program Indicator (SPI) for CAFTA-DR on the additional line.
  - C) File a protest under 19 USC 1514.
  - D) First file a PSC to add the invoice with the duties, taxes, and fees owed. As soon as the entry is liquidated with the bill, file a claim under 19 USC 1520(d) to seek the duty-free treatment permitted under CAFTA-DR.
  - E) File a claim under 19 USC 1520(d) asking to both add the invoice and allow duty free treatment under CAFTA-DR.



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73. Under what circumstances may a licensed broker accept fees from an attorney?
- A) A broker may accept a retainer fee from an attorney for recommending the attorney to brokerage import and export clients, so long as the retainer is associated with a per client referral fee that is expensed over a reasonable amount of time.
  - B) A broker may accept fees measured to be commensurate with the time, effort, and skill, expended for services provided to the attorney on account of any case litigated in any court of law or other legal service rendered by an attorney to a client.
  - C) A broker may accept fees measured to be commensurate with the time, effort, and skill, expended for services provided, along with an amount in fees not-to-exceed five percent (5%) of any court ordered judgment which directly involves the brokerage services rendered.
  - D) A broker may accept fees from an attorney provided that a valid power of attorney is in place, and there is explicit written confirmation of the fees to be paid from the represented client.
  - E) A broker may accept fees from an attorney when a pre-existing legally binding contract is in place to document the terms of agreement between all interested parties.
74. In the solicitation, promotion, or performance of any customs business or transaction, who may a broker allow to use their license, permit, or name?
- A) An employee of the broker with authorization.
  - B) A duly appointed legal counsel representing the broker.
  - C) The clients' authorized freight forwarders, carriers, or legal counsel.
  - D) Upon written authorization of the Center Director, other professional entities, such as freight forwarders, carriers, or legal counsel.
  - E) Employees of another licensed Customs broker.
75. Who listed below is responsible for paying the annual user fee detailed in Part 111 of the Customs Regulations?
- A) Importers who file their own entries.
  - B) An existing permit holder.
  - C) All licensed individuals, corporations, partnerships, and associations.
  - D) A permit holder reporting monthly employee new hires and terminations.
  - E) A licensed entity with an employee embedded at a client's facility.



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76. What must a corporate broker do to continue to conduct Customs business after the corporate officer who qualified its license retires?
- A) Submit a request for a waiver to CBP allowing continued use of the broker's license to conduct Customs business.
  - B) Appoint a new broker as an officer of the corporation and notify CBP of the new license qualifier.
  - C) Submit a power of attorney to CBP from the retiring license qualifier.
  - D) Notify the port director in writing that the broker has retired and is no longer an officer of the corporation but will continue to be the license qualifier.
  - E) Notify the broker who is retiring to surrender the broker's license to CBP for cancellation.
77. A broker must notify Customs of all the following **EXCEPT**:
- A) Any conduct that could constitute grounds for suspension or revocation of an individual broker under 19 CFR 111.53.
  - B) A change in name or proposal to operate under a trade or fictitious name within his permitted District.
  - C) A change of non-business mailing address if he is an individual broker not actively engaged in transacting business as a broker.
  - D) A newly hired employee's name, date of birth, place of birth, current home address, and misdemeanor arrest records.
  - E) The date a licensed brokerage member ceases to be the qualifying officer for purposes of 19 CFR 111.11(b) or (c)(2), and the name of the succeeding broker.





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78. Under what circumstances may a Customs broker employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice (former broker)?
- A) A Customs broker may not employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice under any circumstances.
  - B) A Customs broker may employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice under all circumstances.
  - C) A Customs broker may employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice after receiving written permission from the Assistant Commissioner upon appropriate notification or petition.
  - D) A Customs broker may employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice if the hiring Customs broker never asked about and is unaware of such status.
  - E) A Customs broker may employ a convicted felon or an individual who formerly was a broker whose license was cancelled with prejudice if five (5) years has passed since the felon was released from prison and/or parole or five (5) years has passed since the former broker's license was cancelled with prejudice.
79. Broker Blue is a U.S. corporation and is a licensed and permitted U.S. Customs broker. The sole shareholder of Broker Blue is a Canadian Customs Broker, Maple. For certain Canadian-based businesses who import into the U.S. and are clients of Maple, Broker Blue receives completed paper documentation needed to file entry and completes the process in Automated Broker Interface (ABI). Broker Blue's invoices to Maple's clients reflect Maple as the bill to party. Internal payment advice records show that the invoices to Maple are paid to Broker Blue by Maple. Maple invoices its clients for all of Maples's services and Broker Blue's services on a single monthly invoice. What U.S. Customs Regulation, if any, is being violated under these facts?
- A) No violations have occurred.
  - B) 19 CFR 111.11(c)(2)
  - C) 19 CFR 111.16
  - D) 19 CFR 111.28(d)
  - E) 19 CFR 111.36(a)



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80. Jane works for Broker D. Jane neglected to get a Notice of Intent to Export, Destroy, or Return Merchandise for Purposes of Drawback (CBP Form 7553) signed by a CBP Officer prior to the destruction of the merchandise on which Broker D's client is filing a drawback claim. Jane advises Broker D of the error and her plan to fix the mistake. Jane knows that CBP Officer Smith is a country music fan. When Jane arrives at the Customs House, she asks for Officer Smith. Attached to the CBP Form 7553 is a backstage pass to an upcoming concert by a country star. Jane asks Officer Smith to sign the backdated CBP Form 7553 indicating that CBP will not witness the destruction and tells Officer Smith that she cannot use the backstage pass, but that Officer Smith is welcome to keep it. What liability does Broker D have under the circumstances?
- A) Broker D is relieved of liability under 19 CFR 111.28(b)(3).
  - B) Broker D is potentially liable under the conflict-of-interest regulation at 19 CFR 111.31.
  - C) Broker D is potentially liable under 19 CFR 111.36 because Jane is an unlicensed person.
  - D) Broker D is potentially liable under 19 CFR 111.1 for Jane's potential violations of 19 CFR 111.32 and 111.34.
  - E) Broker D is potentially liable under the recordkeeping regulations at 19 CFR 190.15.