**DEPARTMENT OF COMMERCE**

**Foreign-Trade Zones Board**

**[B–47–2018]**

## Foreign-Trade Zone (FTZ) 64—Jacksonville, Florida; Notification of Proposed Production Activity; Bacardi USA, Inc. (Kitting of Alcoholic Beverages); Jacksonville, Florida

Bacardi USA, Inc. (Bacardi) submitted a notification of proposed production activity to the FTZ Board for its facility in Jacksonville, Florida. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on July 13, 2018.

Bacardi already has authority solely for the kitting of alcoholic beverages into gift sets (*i.e.,* does not involve authority for any type of manufacturing involving alcohol prohibited by the fifth *proviso* of Section 81c of the FTZ Act) within Subzone 64E. The current request would add finished products and foreign status components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Bacardi from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status components noted below and in the existing scope of authority, Bacardi would be able to choose the duty rates during customs entry procedures that apply to gift packs of: Asti spumante with glasses; moscato with glasses; vermouth with glasses (all flavors); cognac with glasses; rum with glasses; gin with glasses; vodka with glasses (all flavors), and tequila with glasses (all flavors) (duty rate ranges from duty-free to 0.198/PFL). Bacardi would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components sourced from abroad include: Asti spumante; moscatos; vermouth (all flavors); cognacs; whiskies; rums; gins; vodka (all flavors); tequila (all flavors); ice molds; stemware drinking glasses, and lead crystal glass decanters (duty rate ranges from duty-free to 28.5%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is September 4, 2018.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230–0002, and in the ''Reading Room'' section of the Board's website, which is accessible via *www.trade.gov/ftz.*

For further information, contact Christopher Wedderburn at *Chris.Wedderburn@trade.gov* or (202) 482–1963.

Dated: July 17, 2018.

**Elizabeth Whiteman,**

*Acting Executive Secretary.*

[FR Doc. 2018–15693 Filed 7–20–18; 8:45 am]

**BILLING CODE 3510–DS–P**

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**DEPARTMENT OF COMMERCE**

**Foreign-Trade Zones Board**

**[B–48–2018]**

## Foreign-Trade Zone (FTZ) 176—Rockford, Illinois; Notification of Proposed Production Activity; Leading Americas Inc. (Wire Harnesses); Hampshire, Illinois

Leading Americas Inc. (Leading Americas) submitted a notification of proposed production activity to the FTZ Board for its facility in Hampshire, Illinois. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on July 16, 2018.

The Leading Americas facility is located within Site 17 of FTZ 176. The facility is will be used for the production of wire harnesses for the forklift and heavy-duty construction equipment industries. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Leading Americas from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Leading Americas would be able to choose the duty rates during customs entry procedures that apply to wire harnesses (duty rate 3.5%). Leading America would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include electrical tape, electrical terminals, copper winding wire, electrical connectors, and flexible polyvinyl chloride tubes (duty rate ranges from duty-free to 5.8%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is September 4, 2018.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230–0002, and in the ''Reading Room'' section of the Board's website, which is accessible via *www.trade.gov/ftz.*

For further information, contact Juanita Chen at *juanita.chen@trade.gov* or 202–482–1378.

Dated: July 17, 2018.

**Elizabeth Whiteman,**

*Acting Executive Secretary.*

[FR Doc. 2018–15690 Filed 7–20–18; 8:45 am]

**BILLING CODE 3510–DS–P**

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**DEPARTMENT OF COMMERCE**

**Bureau of Industry and Security**

## Order Terminating Denial Order Issued on April 15, 2018, Against Zhongxing Telecommunications Equipment Corporation and ZTE Kangxun Telecommunications Ltd.

*In the Matter Of:* Zhongxing Telecommunications Equipment Corporation, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, China; ZTE Kangxun Telecommunications Ltd., 2/3 Floor, Suite A, Zte Communication Mansion Keji (S) Road, Hi-New Shenzhen, 518057 China

On March 23, 2017, I signed an order (the ''March 23, 2017 Order'') approving the terms of the settlement agreement entered into in early March 2017, between the Bureau of Industry and Security, U.S. Department of Commerce (''BIS''), and Zhongxing Telecommunications Equipment Corporation, of Shenzhen, China (''ZTE Corporation''), and ZTE Kangxun Telecommunications Ltd., of Hi-New Shenzhen, China (''ZTE Kangxun'') (collectively, ''ZTE'') (the ''March 2017 Settlement Agreement''), to resolve 380 violations of the Export Administration Regulations (the ''Regulations'') admitted by ZTE and set forth in the Proposed Charging Letter attached to and incorporated in the March 2017 Settlement Agreement and the March 23, 2017 Order.[1]

On March 6, 2018, ZTE notified BIS that it had made false statements in letters it sent to BIS on November 30, 2016 and July 20, 2017, respectively, regarding the discipline of 39 employees involved in the violations that led to proposed charges settled through the March 2017 Settlement Agreement. After providing notice to ZTE and an opportunity to respond pursuant to the Regulations, I issued an order on April 15, 2018 (the ''April 15, 2018 Order''), activating the suspended denial of export privileges set forth in the March 2017 Settlement Agreement and the March 23, 2017 Order. See 83 FR 17,644 (April 23, 2018).

On June 8, 2018, I issued a Superseding Order approving a superseding settlement agreement between BIS and ZTE (the ''Superseding Settlement Agreement''), whereby the parties agreed to additional and enhanced settlement terms and conditions, including, *inter alia*, the full and timely payment by ZTE of $1,000,000,000 to the Department of Commerce within 60 days of the date of the Superseding Order, and the full and timely placement of $400,000,000, within 90 days of the date of the Superseding Order, in an escrow account with a bank located and headquartered in the United States to be selected by ZTE and approved by BIS. The $400,000,000 escrow amount is the suspended portion of the $1,761,000,000 civil penalty imposed pursuant to the Superseding Settlement Agreement and the Superseding Order.[2] The Superseding Order also provided, as agreed to by the parties, that BIS would terminate the denial of export privileges set forth in the April 15, 2018 Order and remove ZTE from the Denied Persons List upon ZTE's full and timely payment of the $1,000,000,000 referenced above and compliance with the escrow requirements relating to the $400,000,000 suspended portion of the civil penalty.

ZTE has made full and timely payment of the $1,000,000,000 and has complied with the escrow requirements relating to the $400,000,000 suspended portion of the civil penalty. Therefore, BIS is hereby terminating the April 15, 2018 Order, and BIS will remove ZTE from the Denied Persons List.

This Order does not modify any provision of the Superseding Order or the Superseding Settlement Agreement. Under the terms of the Superseding Settlement Agreement and Superseding Order, if ZTE does not fully and timely comply with all other probationary conditions set forth in the Superseding Settlement Agreement and Superseding Order during the ten-year probationary period, the $400,000,000 suspended portion of the BIS civil penalty may immediately become due and owing in full or in part, at BIS's discretion, and the suspended denial order may be modified or revoked by BIS and a denial order including a ten-year denial period activated against ZTE from the date that it is determined that ZTE has failed to comply.

This Order is effective immediately and shall be served on ZTE and shall be published in the **Federal Register**.

Issued this day of July 13, 2018.

**Richard R. Majauskas,**

*Acting Assistant Secretary of Commerce for Export Enforcement.*

[FR Doc. 2018–15633 Filed 7–20–18; 8:45 am]

**BILLING CODE P**

[1] The Regulations are currently codified in the Code of Federal Regulations at 15 CFR parts 730–774 (2018) (available at *https://www.govinfo.gov/app/collection/CFR*). The Regulations issued under the authority of the Export Administration Act of 1979, as amended. 50 U.S.C. 4601–4623 (Supp. III 2015). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 16, 2017 (82 FR 39,005 (Aug. 15, 2017)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*) (2012).

[2] ZTE satisfied $361,000,000 of this civil penalty amount through the payment made by ZTE on or about May 19, 2017, following issuance of the March 23, 2017 Order.

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## DEPARTMENT OF COMMERCE

## Bureau of Industry and Security

## Notice of Partially Closed Meeting: Materials Processing Equipment Technical Advisory Committee

The Materials Processing Equipment Technical Advisory Committee (MPETAC) will meet on August 7, 2018, 9:00 a.m., Room 3884, in the Herbert C. Hoover Building, 14th Street between Pennsylvania and Constitution Avenues, NW, Washington, DC. The Committee advises the Office of the Assistant Secretary for Export Administration with respect to technical questions that affect the level of export controls applicable to materials processing equipment and related technology.

**Agenda**

*Open Session*

1. Opening remarks and introductions.
2. Discussions on results from last, and proposals from last Wassenaar meeting.
3. Report on proposed and recently issued changes to the Export Administration Regulations.
4. TAC Membership.
5. Proposed Cyber Rule circulated 6/12/18.
6. TAC Meeting Attendance.
7. Coordinate TAC Project—Draft Announcement.
8. Industry 4.0 and New Technologies.

*Closed Session*

9. Discussion of matters determined to be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 §§ 10(a)(1) and 10(a)(3).

The open session will be accessible via teleconference to 20 participants on a first come, first serve basis. To join the conference, submit inquiries to Ms. Joanna Lewis at *Joanna.Lewis@bis.doc.gov,* no later than July 31, 2018.

A limited number of seats will be available for the public session. Reservations are not accepted. To the extent that time permits, members of the public may present oral statements to the Committee. The public may submit written statements at any time before or after the meeting. However, to facilitate the distribution of public presentation materials to the Committee members, the Committee suggests that presenters forward the public presentation materials prior to the meeting to Ms. Lewis via email.

The Assistant Secretary for Administration, with the concurrence of the delegate of the General Counsel, formally determined on February 13, 2018, pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. app. 2 § 10(d)), that the portion of the meeting dealing with matters the premature disclosure of which would be likely to frustrate significantly implementation of a proposed agency action as described in 5 U.S.C. 552b(c)(9)(B) shall be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 §§ 10(a)(1) and 10(a)(3). The remaining portions of the meeting will be open to the public. For more information, call Joanna Lewis at (202) 482–6440.

**Joanna Lewis,**

*Committee Liaison Officer.*

[FR Doc. 2018–15675 Filed 7–20–18; 8:45 am]

**BILLING CODE 3510–JT–P**