

TITLE PAGE

**BOARD OF COMMISSIONERS
of the
PORT OF NEW ORLEANS
(Grantee)**

**FOREIGN-TRADE ZONE NO. 2
TARIFF NO. 5
(CANCELS TARIFF NO. 4)**

RATES, CHARGES, RULES AND REGULATIONS

Applying at

Foreign-Trade Zone No. 2

New Orleans, Louisiana

**Operating under grant authority of the Government of the United States
of America to the Board of Commissioners of the Port of New
Orleans, a political subdivision of the State of Louisiana.**

Effective September 1, 2001

ADMINISTRATIVE PAGE
BOARD OF COMMISSIONERS
of the
PORT OF NEW ORLEANS
(A POLITICAL SUBDIVISION OF THE STATE OF LOUISIANA)
(GRANTEE)

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**PORT OF NEW ORLEANS
FOREIGN TRADE ZONE**

SECTION I - DESCRIPTION OF FOREIGN-TRADE ZONE NO. 2

Foreign-Trade Zone No. 2 is sponsored by the Board of Commissioners of the Port of New Orleans as Grantee pursuant to a grant issued by the Foreign-Trade Zones Board, Washington, D.C., on July 16, 1946. The Zone consists of seven sites designated in the records of the Foreign-Trade Zones Board and described below.

- Site 1: (11 acres) adjacent to the Napoleon Avenue Wharf on the north bank of the Mississippi River in New Orleans.
- Site 1A: (168,799 sq. ft.) located within a 295,000 square foot warehouse at 500 Louisiana Avenue, New Orleans, operated by Metro International Trade & Transportation Services, Inc.
- Site 1B: (30,000 sq. ft.) located at 500 N. Cortez Street, New Orleans, owned and operated by Dave Streiffer Company, Inc.
- Site 1C: (122,560 sq. ft.) located at 720 Richard Street, New Orleans, owned by Herbert D. Hughes Estate Trust and operated by Port Cargo Services, Inc. current operator of Site 5, Parcel 1 (expires 12/1/02).
- Site 2: (76 acres) in the Almonaster-Michoud Industrial District (AMID) on the Inner Harbor Navigation Canal and the Mississippi River Gulf Outlet, New Orleans. (inactive)
- Site 3: (675 acres) New Port Industrial Park, adjacent to Almonaster-Michoud Industrial District on the Mississippi River Gulf Outlet at Bayou Bienvenue in New Orleans. (inactive)
- Site 4: (3 acres, 159,000 sq. ft.) Lacour Warehousing, Inc. facility located at 200 Crofton Road, adjacent to the New Orleans International Airport, Kenner (Jefferson Parish). (inactive)
- Site 5: (23 acres, 4 parcels) London Metals Exchange warehouse facilities, New Orleans:
Parcel 1: (7 acres) located at 5200 Coffee Drive, owned by Riverside Properties, Inc. and operated by Port Cargo Services, Inc.
Parcel 2: (2 acres) located at 601 Market Street, owned by Diversified Group, Inc. and operated by Port Cargo Services, Inc.
Parcel 3: (2 acres) located at 1601 Tchoupitoulas Street, owned by Universal Furniture House, Inc. and operated by Neeb-Kearney, Inc.
Parcel 4: (12 acres) located at 5630 Douglas Street, owned and operated by Dupuy Storage and Forwarding Corp.
- Site 6: (136-acres) Arabi Terminal and Industrial Park, at Mile Point 90.5 on the Mississippi River, Arabi, owned and operated by the St. Bernard Port, Harbor and Terminal District.

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(inactive)

SECTION I - DESCRIPTION OF FOREIGN-TRADE ZONE NO. 2

Site 7: (216-acres) Chalmette Terminal and Industrial Park, one mile down river from the Arabi Terminal, owned and operated by the St. Bernard Port, Harbor and Terminal District. (inactive)

Additionally there are seven subzones:

Subzone 2C: (Avondale Industries, Inc.) 250-acre main shipyard at 5100 River Road, Avondale, Louisiana.

Subzone 2D: (Avondale Industries, Inc.) 17-acre facility on River Road in Westwego, Louisiana.

Subzone 2F: (Avondale Industries, Inc.) 156,411 square feet at 3101 Paterson Road, New Orleans, Louisiana.

Subzone 2G: (Trinity Marine Group, Inc.) 38-acre Equitable Shipyard located at 4325 France Road, New Orleans, Louisiana.

Subzone 2H: (Mobil Corporation) 400-acre oil refinery complex.

Subzone 2I: (BP Exploration & Oil, Inc.) Crude oil refinery complex in the New Orleans, Louisiana area.

Subzone 2J: (Murphy Oil USA, Inc.) 620-acre refinery complex located at 2500 East St. Bernard Highway in St. Bernard Parish.

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**PORT OF NEW ORLEANS
FOREIGN TRADE ZONE**

SECTION II - DEFINITIONS OF TERMS

ACT: The Foreign-Trade Zones Act of June 18, 1934 (48 Stat. 98-1003; 19 U.S.C. 81a-81u), as amended by Pub. L. 566, 81st Congress, approved June 17, 1950 (64 Stat. 246), and Pub. L. 791, 85th Congress, approved August 28, 1958 (72 Stat. 945).

BOARD: The Foreign-Trade Zones Board created by the Act to carry out the provisions thereof. It consists of the Secretary of Commerce, who is chairman and executive officer, the Secretary of the Treasury and the Secretary of the Army.

DOMESTIC ZONE STATUS: Merchandise produced in the U.S., not exported therefrom, and on which all internal revenue taxes, if applicable, have been paid; and, imported merchandise properly released from Customs' custody on which all applicable duties and taxes have been paid.

GRANTEE: The Board of Commissioners of the Port of New Orleans to which the privilege of establishing, operating, and maintaining Foreign-Trade Zone No. 2 and its Sub-Zones has been granted.

HANDLING IN AND OUT: Means handling when applied to warehouse operations and consists of moving freight from warehouse platform or highway truck tailgate into a storage area; ordinary sorting, checking, stacking and unstacking; and trucking back to warehouse platform or highway truck tailgate. It does not include loading into railroad cars on withdrawal of merchandise from storage area, but may, under certain circumstances, include unloading railroad cars on receipt of merchandise for storage.

HANDLING: Means any physical handling or movement of freight under circumstances other than those defined as Handling In and Out.

LOADING: The operation performed in moving freight from warehouse platform on or into railroad cars or other land vehicles. The services include the ordinary sorting, checking, and stacking of commodities.

LOT: The unit or units of goods for which a separate account is to be kept by the Grantee. Delivery of all or any units of a lot shall be made without subsequent sorting except by special arrangement and subject to a charge therefor.

MANAGER: Manager of Foreign-Trade Zone No. 2 or his designated representative or agent.

MANIPULATION: Breaking up, repacking, assembling, distributing, sorting, grading, cleaning, mixing of foreign or domestic merchandise with other foreign or domestic merchandise or other processing which does not constitute a manufacture.

MANUFACTURE: Producing offinished or semi-finished products by hand or machinery from foreign or domestic materials or components.

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NONPRIVILEGED FOREIGN (NPF) ZONE STATUS: Foreign merchandise or non-tax-paid domestic merchandise on which the duty and applicable taxes will be determined at the time the merchandise enters the Customs territory of the United States from the Zone for consumption.

OPERATOR: A corporation, partnership, or person that operates a Zone Site or Subzone under the terms of an agreement with the Grantee.

SPACE ASSIGNMENT: This is a prior claim to the use of a particular area or areas by a particular person, firm or corporation, and shall not be construed to mean the exclusive use of such particular area or areas.

PRIVILEGED FOREIGN (PF) ZONE STATUS: Foreign merchandise or non-tax-paid domestic merchandise on which the duty and applicable taxes have been determined at the time this status is approved. The determined duty rate and taxes are not subject to future fluctuation. Once established, privileged foreign status cannot be changed.

QUANTITY: The numerical count of the units composing a shipment of a commodity.

STORAGE: The actual physical keeping of merchandise in or on property within the Zone.

STORAGE PERIOD: Means each thirty (30) day or fractional part thereof unless otherwise specified.

SUBZONE: A special purpose zone established as part of the Zone Project for a limited purpose that cannot be accommodated within an existing Zone.

TARIFF: Means the tariff as enacted by Grantee unless otherwise noted.

TON: Weight ton of 2,000 pounds unless otherwise indicated; measurement ton 40 cubic feet unless otherwise indicated.

UNLOADING: The operation performed in moving freight from railroad cars or other land vehicles onto a warehouse platform. The service includes ordinary sorting operations.

USER: A corporation, partnership, or person using a Zone Site or Subzone for storage, handling, manufacturing, exhibiting, or processing of merchandise and/or the assignee or lessee of Zone space.

WEIGHT: Means the gross weight of the merchandise including all containers except as noted to the contrary.

ZONE: Means the zone site(s) operated by Grantee.

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SECTION II - DEFINITIONS OF TERMS

ZONE PROJECT: All of the Zone, Zone Sites and Subzone Sites under the jurisdiction of the Grantee.

ZONE RESTRICTED (ZR) STATUS: Merchandise admitted to a zone for the sole purpose of exportation or destruction. Merchandise with Zone Restricted status may not enter Customs territory for consumption except when approved by the Foreign-Trade Zones Board.

ZONE SITE: The physical location of a Zone Site or Subzone operated by an operator other than Grantee. A Zone Site available for use by companies other than the operator is referred to as a "Multi-User Zone Site". When the Operator is the sole user of the Zone Site, including operators of Subzone Sites, the Zone Site is referred to as a "Single-User Zone Site."

ZONE STATUS: The status of merchandise admitted to a Foreign-Trade Zone, i.e., domestic(D), non-privileged foreign (NPF), privileged foreign (PF), or Zone restricted (ZR) status.

WAREHOUSE: A structure in which goods may be either stored or manipulated over such a period of time as necessary to make further distribution.

**PORT OF NEW ORLEANS
FOREIGN TRADE ZONE****SECTION II - Abbreviations****EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS USED IN THIS SCHEDULE:**

¢	Cents
\$	Dollar
%	Percent
(A)	Increase
(C)	Change in wording which results in neither increase nor reduction
(I)	New Item or initial
(R)	Reduction
Bbl.	Barrel
bdle.	Bundle
Cont'd	Continued
Cu.Ft.	Cubic Feet
Cwt.	Hundred Pound Weight
Doz.	Dozen
Gal.	Gallon
KD	Knocked Down
Lb.	Pound
N.O.S.	Not Otherwise Specified
No.	Number
Oz.	Ounce
Pkg.	Package
SU	Setup
Sq. Ft.	Square Feet

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SECTION III - PRINCIPAL REGULATIONS AND AGREEMENTS GOVERNING THE ZONE PROJECT

FOREIGN-TRADE ZONES ACT

Foreign-Trade Zone No. 2 is governed by the Foreign-Trade Zones Act, 19 United States Code § § 81a-81u, as amended. Copies of the Act are maintained at the office of Foreign-Trade Zone No. 2.

FOREIGN-TRADE ZONES BOARD REGULATIONS

Foreign-Trade Zone No. 2 is regulated by the Foreign-Trade Zones Board, Washington, D.C., under U.S. Code of Federal Regulations, Title 15, Part 400, as amended. Copies of these regulations are maintained at the office of Foreign-Trade Zone No. 2 for reference.

U.S. CUSTOMS SERVICE REGULATIONS

Foreign-Trade Zone No. 2 is subject to the regulations of the U.S. Customs Service under U.S. Code of Federal Regulations, Title 19, Part 146, as amended. Copies of these regulations are maintained at the office of Foreign-Trade Zone No. 2 for reference.

FOREIGN-TRADE ZONE NO. 2 TARIFF

All corporations, partnerships and persons operating within activated Zone space are subject to this Tariff No. 5. The Foreign-Trade Zone Grantee shall be the sole judge to interpret and determine the applicability of any of the rates, rules, regulations or services provided for in this Tariff. However, any matter involving interpretation of action by U.S. Customs or other agency of the U. S. Government will be determined by the District Director of Customs as resident representative of the Foreign-Trade Zones Board. One copy of this Tariff will be provided to each operator. Updates will be provided as revisions occur. Additional copies of this Tariff are maintained at the office of Foreign-Trade Zone No. 2 for reference.

FOREIGN-TRADE ZONE OPERATING AGREEMENTS

Every corporation, partnership and person seeking to operate a Zone Site (including a Subzone) within Foreign-Trade Zone No. 2 must enter into an operating agreement with the Port of New Orleans as Grantee. Copies of operating agreements are maintained at the office of Foreign-Trade Zone No. 2 for reference. If any conflict between this Tariff and any operating agreement occurs, the operating agreement shall prevail. To the extent not inconsistent with any applicable operating agreement with Grantee, operators of Zone Sites shall enact an individual tariff to promulgate rules, regulations, and policies regarding internal procedures and applicable rates for each Zone Site. Said tariffs are listed and incorporated herein in Section VIII. Copies of Zone Site tariffs are available from the operators of the Zone Sites or at the office of Grantee.

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SECTION IV - ZONE RULES AND REGULATIONS GENERAL

ADMITTANCE OF PERSONS: Any persons having business at the Zone shall enter and leave at the prescribed entrance. The gatekeeper shall direct persons whose admittance has not previously been authorized to the Manager for a pass against which the gatekeeper will issue a temporary badge which must be shown to watchmen and guards on request and which must be surrendered to the gatekeeper on departure. Permanent badges are issued to tenants and their employees on application to the Manager. Their names and the names of other persons authorized admittance to the Zone are registered with the gatekeeper.

Only registered persons are admitted to the Zone after regular working hours unless application for a pass shall have been granted during regular working hours and such pass has been filed with the gatekeeper or is presented to him.

APPLICATIONS FOR ZONE ACCOMMODATIONS: Application on a Customs-approved CF214 and invoice must be filed with the Grantee prior to the arrival of merchandise.

AVAILABILITY OF ZONE: All rates and charges for all services and 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 and its facilities uniform treatment under like conditions, subject to such treaties or commercial conventions as are now in force or may hereafter be made from time to time by the United States with foreign governments.

All Zone services and facilities shall be administered fairly and reasonably. In addition, the availability of all said services and facilities is subject to the physical limitations of Foreign-Trade Zone No. 2, with said services and facilities available on a "first-come, first-served" basis.

CLEANLINESS: The area assigned or leased to User shall be kept clean at all times, and failure to do so shall be cause for Grantee, on twenty-four (24) hours' written notice, to clean area at User's own cost, risk and expense plus an additional twenty five percent (25%) of the cost as compensation to Grantee for discharging an obligation of User.

COLLECTION OF CHARGES: All charges are on a month-to-month basis or for other periods of time agreed on or as provided for in this Tariff or any applicable operating agreement.

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All charges shall be payable within thirty (30) days from the date of bill or invoice. Interest of .0333 percent per day, or approximately 12 percent per year, shall be assessed on the balance due on invoices more than thirty (30) days old.

Grantee reserves the right to place User on a cash basis or to deny the use of the facilities to User until all outstanding delinquent charges have been paid.

COLLECTION FOR MISCELLANEOUS SERVICES: Charges shall be due and payable when services are rendered or when Grantee incurs an indebtedness for the account of User. Grantee also reserves the right to require either a deposit or full payment in advance before rendering any services or incurring any indebtedness for the account of User in addition to any other appropriate action which Grantee may take under this Tariff.

CONSTRUCTION: User may make or cause to be made on the premises such improvements as may be necessary or appropriate in connection with the construction thereon of buildings and other facilities for the conduct of User's business, provided that no such construction or improvements on said premises not specifically authorized by Grantee shall be undertaken without User's first having submitted the plans and specifications therefor to and securing the written approval of Grantee.

EQUIPMENT & MATERIAL RATES: Unless otherwise provided by Grantee, use of special equipment furnished by Grantee to handle merchandise shall be billed at rates set forth below:

(a) Fork-lifts

(1) First hour or fraction thereof, each	\$28.00
(2) Each additional half-hour or fraction thereof	14.00

(b) Pallet Boards:

Rental per month or fraction thereof, each	.50
(Subject to \$15.00 minimum billings)	

FIRE-FIGHTING APPARATUS: No person shall obstruct or interfere with the free and easy access to or remove or in any manner disturb any fire extinguisher, fire hose, fire hydrant, or other fire fighting apparatus installed in or on any property within the Zone Project.

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SECTION IV - ZONE RULES AND REGULATIONS GENERAL

HAZARDOUS MERCHANDISE: Explosives, flammables, and other hazardous merchandise shall not be permitted in the Zone Project unless complying with all federal, state, municipal and Grantee regulations.

HOLIDAYS: Legal holidays at the Zone are as follows:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
Mardi Gras Day	
Good Friday	
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans' Day	November 11
Thanksgiving Day	4th Thursday in November
Christmas Day	December 25

HOURS OF BUSINESS: The Zone is available to users twenty-four (24) hours a day every day in the week. Business to be transacted with the Zone staff is confined to the hours of 8:00 A.M. to 5:00 P.M., Monday through Friday with the exceptions of holidays as set forth in this Tariff. Any deviation from the above hours shall be subject to overtime charges.

INSPECTION: Grantee may inspect any Zone, Zone Site or Subzone at any and all reasonable times to ascertain whether or not the covenants or conditions related to its proper use are being observed.

INSURANCE: User shall be responsible for furnishing evidence of insurance coverage, including but not limited to workers' compensation, comprehensive general liability and such other insurance in such form and with such minimum limits as Grantee's President and Chief Executive Officer may require.

Failure to obtain and retain or submit evidence of the insurance coverages required by Grantee's President and Chief Executive Officer shall constitute cause for denying the use of Zone's facilities or cancellation of an assignment or lease previously made on five (5) days advance written notice.

NO SMOKING: Smoking in the Zone is prohibited except where specified.

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OBSTRUCTIONS: Stevedores' tools, appliances, equipment, vehicles, or any other materials or objects which are not part of the cargo shall not remain in the Zone without prior approval of the Grantee. If such obstruction is not removed immediately on notification by the Grantee, it may be removed, stored, or sold at Grantee's discretion, and User shall be liable for all expenses incurred.

PROPRIETARY INFORMATION: Proprietary information relative to merchandise in the Zone shall not be disclosed to unauthorized persons.

PUBLIC INTEREST, HEALTH, WELFARE AND SAFETY: No operations, process or treatment shall be permitted in the Zone that, in the judgment of Grantee, creates a nuisance or is detrimental to the public interest, health, welfare and safety.

RUBBISH DISPOSAL: User is responsible to dispose of rubbish or waste products resulting from its operations. Users must contract with established firms rendering disposal services.

TRANSPORTATION OF ZONE MERCHANDISE: Transfer of foreign merchandise to the Zone, movement of merchandise between Zone Sites, or removal of merchandise from the Zone for exportation must be made by a Customs-bonded cartman or carrier and is subject to all Customs regulations.

UTILITIES: Depending on the Zone Site, User shall make all arrangements with utility companies for the furnishing of all electricity, gas and water at User's own cost, risk and expense for a metered service in User's own name with consumption to be billed directly to User. Any and all electrical arrangements shall comply with the requirements of the Louisiana Rating & Fire Prevention Bureau, and User shall furnish written evidence of such compliance.

Where User requires special drainage and sewerage installations, such arrangements shall be made by User with Grantee at User's own cost, risk and expense.

It shall be distinctly understood, however, that before any arrangements are made with utility companies, User agrees to submit the plans and specifications therefor to and secure the prior written approval of Grantee.

ZONE REGULATIONS: All rules and regulations governing procedures within Foreign-Trade Zone No. 2 are issued in conformity with and supplementary to the Foreign-Trade Zones Board's regulations and such of the United States laws and regulations relating to the port of entry as are applicable to Foreign-Trade Zone operations.

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SECTION V - STORAGE RULES AND REGULATIONS

CHARGES, ENFORCEMENT OF: For the purpose of enforcing the payment of charges set out in this Tariff on merchandise handled, stored, or manipulated in the Zone, Grantee may take possession of such merchandise and may remove and store same at the charge, risk, and expense of the owner or consignee thereof and/or may sell the goods by public auction, and/or pursue such other remedies as may be provided by law. Grantee reserves the right to deny the use of Zone facilities and/or services to any User until all outstanding delinquent charges have been paid.

CHECKING, SPECIAL: Where special physical warehouse checking of inventory is requested, the charge will be on a man-hour basis at Grantee's prevailing labor rate.

CLERICAL SERVICES, SPECIAL: If extra or special clerical services are required which involve excessive or special correspondence, preparation of special reports or statements, or other special attention, the charge shall be on a man-hour basis at Grantee's prevailing labor rate. However, if such services are regularly required on a monthly basis, a monthly charge may be arranged with Grantee.

DELIVERY REQUIREMENTS: (a) No merchandise shall be delivered or transferred except on receipt of complete instructions properly signed by User or User's agent. (b) When merchandise is ordered out, a reasonable time shall be given Grantee to carry out instructions, and if it is unable because of causes beyond its control to effect delivery before expiring storage dates, the goods shall be subject to charges for another storage month.

HANDLING IN AND OUT CHARGES: Charges for handling merchandise in or out of storage as defined under Item 108 are assessed when merchandise is admitted and are due on the first day of the first storage period. Under special arrangement with Grantee, charges for handling merchandise in or out of storage may be waived, provided User furnishes the labor and equipment necessary for such handling. Any handling additional to one movement in and one movement out of warehouse storage area shall be charged for the extra handling on a man-hour basis at Grantee's prevailing labor rate and for the equipment necessary at rates provided for in this Tariff. Charges for extra handling are due when incurred.

IMPROPER PACKING: Merchandise not suitably packed for ordinary handling may, in the discretion of Grantee, be rejected or replaced at the expense of User or User's agent.

INSURANCE: Grantee shall not be responsible for insuring merchandise in the Zone.

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SECTION V - STORAGE RULES AND REGULATIONS

MANIPULATION OR MANUFACTURING OF MERCHANDISE: Before merchandise may be manipulated or manufactured within the Zone, application on Customs Form 216, properly endorsed by Customs, must be presented to Grantee, which in turn may authorize the manipulation or manufacture.

MARKING AND LABELING: All merchandise handled in the Zone, before entry into Customs territory, must be truly marked in accordance with Customs regulations as to the country of origin and in accordance with all other government regulations, and no merchandise shall be permitted to leave the Zone for any purpose that carries any false or misleading label or mark. When repacked or labeled in the Zone, the goods should, when possible, be marked to indicate that fact.

MAXIMUM FLOOR LOAD AND PILE HEIGHT: Grantee reserves the right to specify the maximum load that may be placed on the warehouse floor or aprons and the manner in which single heavy pieces shall be moved over said floors or aprons and also reserves the right to specify the maximum height to which any commodity may be stacked or piled.

MERCHANDISE HELD OR REFUSED BECAUSE ACCOUNT IN ARREARS: Grantee reserves the right, in its discretion, to withhold delivery of merchandise held for account of User when such account is in arrears.

RATES FOR STORAGE: (a) All merchandise admitted into the Zone, except as otherwise provided in this Tariff or by special arrangement with Grantee, shall be placed in storage at rates quoted in the Tariff. (b) Merchandise may be stored or manipulated in space or enclosures permitted or leased to User or User's agent at rates provided for in the Tariff or under special agreement made with Grantee. (c) Minimum charges as provided for in this Tariff shall be assessed for storage handling in or out.

STORAGE PERIOD, EXPIRATION, TRANSFERS: (a) Charges for storage are on a month-to-month basis unless otherwise provided. A storage month shall extend from the date in one calendar month when the first unit of a particular lot is delivered to the Zone to, but not including, the same date of the next and all succeeding calendar months. (b) When merchandise in storage is transferred on the books of Grantee from one party to another, a new storage date is established on the date of transfer unless otherwise specified on the delivery order of the original owner of the merchandise. (c) Grantee may, on written notice to the owner or agent of record, require the removal of any goods by the end of the next succeeding storage month. (d) Grantee reserves the right to move, at its own expense of transfer, and on notice to

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the owner or agent of record, any merchandise from any location of the Zone in which it may be stored to any other location of the Zone. If the transfer is required by Customs, the expense of transfer shall be chargeable to the User or User's agent or operator.

SECTION V - STORAGE RULES AND REGULATIONS

TENDER FOR STORAGE AND MANIPULATION: (a) User shall furnish at or prior to delivery to the Zone an invoice and packing list showing marks, brands, quantity, weights, measurements and value of the merchandise to be kept and accounted for separately. Otherwise, merchandise may be stored in bulk or assorted lots. (b) When an agent of the User is the applicant for admittance of merchandise, he shall clearly indicate the name and address of the party or office to be billed either on Custom Form 214, which is required for each lot of merchandise admitted, or shall refer on Custom Form 214 to the separate letter providing the billing instruction. In the absence of special billing instruction, Agent's office shall be invoiced, and Grantee shall hold Agent responsible for all charges on any merchandise held for Agent's account. Grantee reserves the right, in its discretion, to refuse admittance of any merchandise for account of Agent where such agent's account is in arrears with Grantee. (c) Grantee undertakes to store and deliver merchandise only in the packages in which they are received unless the merchandise has been manipulated, repacked or remarked. When manipulation has been completed, information shall be furnished to Grantee giving the new marks, brands, quantities and sizes, and delivery shall be made in accordance therewith.

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SECTION VI - SPACE ASSIGNMENTS & LEASES - ZONE RULES AND REGULATIONS

ASSIGNMENT OF SPACE: Subject to need and availability, manipulation areas as well as storage areas will be assigned by Grantee on request.

Such assigned areas shall be in effect commencing with the date granted by Grantee and may be revoked on thirty (30) days written notice by either party.

Assignees shall be required to pay the cost of any special alterations for the installation of machinery and equipment.

If electricity or water is needed for assignee's operation, a separate meter may be installed with written approval of Grantee. The assignee shall be responsible for the utility charges and the cost of the meter installation.

Assigned areas shall be for the exclusive use of the assignee.

Assignee shall not assign in whole or in part, or sublet the assigned area or any portion thereof to anyone under any circumstances.

Unless otherwise provided by Grantee, rates for assignments of space are as follows:

Covered Area	\$.31 per square foot per month
Open Area	.06 per month
Office Area	.26 per month

LEASES: Subject to need and availability, areas for storage of general commodities, or for handling, processing, manipulating and manufacturing of goods may be leased for a term of not less than one year.

Unless otherwise provided by Grantee, rates for storage are as follows:

Covered Area	\$3.00 per square foot per year
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Open Area	.45 per square foot per year
Office Area	2.35 per square foot per year

SECTION VI - SPACE ASSIGNMENTS & LEASES - ZONE RULES AND REGULATIONS

INDEMNITY: User agrees to protect, defend, indemnify and keep and save forever harmless Grantee from any and all losses, costs, claims, charges, expenses, penalties, fines and damages imposed for the violation of any law of the United States, the State of Louisiana, or the Ordinances of the City of New Orleans or Grantee, if occasioned by any act or omission of User or of those holding or occupying under or employed by User, or of any other person or persons, and not occasioned by any act, omission or negligence of Grantee or its agents; and User shall protect, indemnify and keep and save forever harmless Grantee from any and all losses, costs, claims, charges, expenses, penalties, fines and damages arising out of any accident or other occurrence causing injury to any persons (fatal or otherwise) or damages to property directly or indirectly caused by the use or occupancy of said premises or of the improvements, facilities or equipment placed on the assigned or leased area by any person or persons holding or occupying under User, or to any act of omission or commission of User or of such other person or persons, or caused by any failure on User's part in any respect to comply with the requirements and provisions hereof, and not caused by the negligence of Grantee or its agents.

User, from the time of its occupancy, shall assume sole responsibility for the condition of these premises, and Grantee shall not be liable for injury or damage, whether to person or property, caused by any vice or defect therein either to User or to anyone in or on the premises by license of User.

UTILITIES: Grantee may waive the requirement for the installation of electric metered service in User's own name with consumption billed directly to User only where all of the following three conditions prevail: (a) there is an existing installation; (b) the consumption is exclusively for normal lighting purposes; and (c) estimated consumption is not in excess of \$3.00 per month. For electrical installations by User, see Item 340.

NON-LIABILITY: Grantee, as a political subdivision of the State of Louisiana, is not liable and cannot assume any responsibility for any loss or damage to freight, cargo or merchandise or other property on the leased or assigned premises, or for any loss or damage arising from acts of commission or omission of Users or Operators, or of co-tenants, or of users of adjacent or contiguous compartments or of other portions in or about the Zone, nor for the breakdown of cranes or power service, nor for loss or damage

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occasioned by plumbing, electric wires, automatic fire or sprinkler apparatus, nor for any loss or damage from any cause whatsoever, including, but not limited to the provisions of Item 412 hereof.

LEASES FOR OTHER THAN STORAGE: Leases, other than for storage of commodities or other property, on forms approved by Grantee, shall be subject to negotiation between Grantee and User as to area, term, usage, right of cancellation, option to renew, and such other terms and conditions which may have a bearing on User's operations.

SECTION VI - SPACE ASSIGNMENTS & LEASES - ZONE RULES AND REGULATIONS

TERMINATION: At the termination of any lease, whether by lapse of time, expiration, cancellations as provided in said lease assignment, or in any other manner whatsoever, User shall yield up immediate possession of the leased or assigned premises to Grantee, and in case of failure or refusal to so do so shall pay as liquidated damages for the whole time such possession is withheld double the proportionate amount of rent as specified in said lease or assignment agreement which User and Grantee agree shall constitute liquidated damages.

UNAUTHORIZED OCCUPANCY: In the event any person, partnership or corporation shall occupy premises without authorization or, in the event of a lease or assignment, such Users shall occupy areas in excess of the premises leased, then, in that event, such person, partnership or corporation shall pay as liquidated damages for the area occupied double the proportionate amount of monthly rental as specified in the Tariff, which User and Grantee agree shall constitute liquidated damages.

The above provisions shall not constitute a waiver by Grantee of any remedies now or hereafter given to Grantee by the laws of Louisiana.

ALTERATION OR MODIFICATION OF PREMISES: Any alteration or modification on or to Grantee's property must have prior written approval of Grantee.

CONSTRUCTION: Lessee may make, or cause to be made, on the leased premises, such improvements as may be necessary or appropriate in connection with the construction thereon of buildings and other facilities for the conduct of Lessee's business, provided that no such construction or improvements on said leased premises not specifically authorized by Grantee shall be undertaken without lessee first having submitted the plans and specifications therefor to, and securing the written approval of, Grantee.

INDEMNITY: Lessee herein agrees to protect, indemnify and keep and save forever harmless Grantee from any and all loss, cost, claims, charges, expenses, penalties and damages imposed for the violation

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of any law of the United States, or of the State of Louisiana, or of the Ordinances of the City of New Orleans, or of Grantee, if occasioned by any act or omission of lessee or of those holding or occupying under or employed by lessee, or of any other person or persons, and not occasioned by any act, omission or negligence of Grantee or its agents; and lessee shall protect, indemnify and keep and save forever harmless Grantee from any and all loss, cost, claims, charges, expenses, penalties and damages arising out of any accident or other occurrence causing injury to any persons (fatal or otherwise) or damages to property directly or indirectly caused by or related to the use or occupancy of said premises or of the improvements, facilities or equipment placed on the premises by lessee or any person or persons holding or occupying under lessee, or to any act of omission or commission of lessee or of such other person or persons, or because of any failure on lessee's part in any respect to comply with the requirements and provisions hereof, and not due to the negligence of Grantee or its agents.

SECTION VI - SPACE ASSIGNMENTS & LEASES - ZONE RULES AND REGULATIONS

Lessee, from the time of its occupancy, shall assume sole responsibility for the condition of these premises, and Grantee shall not be liable for injury or damage, whether to person or property, caused by any vice or apparent or latent defect therein either to Lessee or to anyone in or on the premises by license of Lessee.

RESTORATION UPON TERMINATION: At the termination of an assignment or lease, whether by lapse of time, expiration, cancellation, or in any other manner whatsoever, lessee shall yield up immediate possession of the premises to Grantee, and in case of failure or refusal to do so, shall pay as liquidated damages for the whole time such possession is withheld double the proportionate amount of rent herein specified which User & Grantee agree shall constitute liquidated damage. This provision shall not constitute a waiver by Grantee of any remedies now or hereafter given to Grantee by the laws of Louisiana.

At such termination, lessee shall restore the premises to their original condition, and/or shall remove all facilities, buildings and structures constructed by lessee or lessee's agent, as well as all trash, stocks of materials, supplies, tools, etc., belonging to lessee or lessee's agents, and shall leave the site in as good condition as when leased, normal wear and tear excepted.

If the premises shall not have been restored and/or in the event all facilities, buildings and structures, trash, stocks of materials, supplies, tools, etc., placed thereon by lessee or lessee's agents shall not have been removed by lessee prior to the date of termination of a lease, it will be optional with Grantee either to collect this double rent as liquidated damages until said premises shall be restored and/or the said facilities, buildings, structures, trash, stocks of materials, supplies, tools, etc., have been removed by lessee; or to restore said premises and/or to remove said facilities, buildings, structures, trash, stocks of materials, supplies, tools, etc., at lessee's cost, risk and expense, the double rental to continue until same shall have been accomplished; or to retain the premises, facilities, buildings of other structures, or any part thereof, in their existing condition without payment or reimbursement to lessee, unless other arrangements have been made in writing between Grantee and lessee with regard to the condition of the premises and/or the removal of any encumbrances.

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INSURANCE: Property insurance is carried by Grantee on its own property only and does not include insurance on the contents stored herein. Users and Operators are obligated to put nothing within the Zone which will cause the cancellation or forfeiture of Grantee's property insurance or affect the premium rate thereof on the assigned or leased premises or building or buildings of which the space assignment or lease forms a part. Insurance on commodities or other property stored on the assigned or leased premises must be carried by and at the expense of User or owner of the commodities or other property. Users must show evidence of insurance as required in Item 326.

**SECTION VII - RULES AND REGULATIONS FOR NEW SUBZONES, ZONE OPERATORS AND ZONE
ALTERATIONS**

All persons and entities who request the Grantee to establish a Sub-Zone or Zone Site must first enter into an agreement with the Grantee governing proposed operations. This agreement shall contain provisions including, but not limited to, those relating to costs incident to the preparation of the application and any subsequent amendment or modification thereof; costs incident to public hearings and legal proceedings; charges for providing required Customs services; and charges for Grantee's special services not provided in this Tariff. Applicants for the establishment of a Sub-Zone or Zone Site shall bear application costs and charges of preparing and filing of application by Grantee, whether or not the application is favorably acted on by the Foreign-Trade Zones Board.

Grantee will apply the rates and charges set forth in this Tariff uniformly to all Zone Users. Where such rates and charges are not applicable to the Zone operation, it is intended that the provisions of the agreement between the applicant and Grantee shall govern. Said agreement shall be filed by Grantee as an exhibit to its application for the Sub-Zone site and the provisions for rates, charges and costs shall thereafter be applied uniformly to all subsequent applicants under identical circumstances for identical services. Contingencies not covered by this Tariff or by application agreements will be subject to agreements amending or supplementing the primary application agreement. Amending or supplementary agreements as well as all practices that may develop and be permitted in Sub-Zone operations will be also made uniformly extensive to subsequent applicants under identical circumstances for identical services.

ADMINISTRATIVE FEE: The fee covers Grantee expenses incurred during the application and activation process with the Foreign-Trade Zone Board and U.S. Customs. It also covers the administration, oversight, and day-to-day management of the Zone by Grantee, preparations of the annual report to the Foreign-Trade Zone Board, and support services from Grantee's staff.

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The amount of the fee is market-based, variable and subject to annual CPI increases as determined by the Board. Fees for General Purpose Zone Sites are set in relationship to the existing local warehousing-rental market and range from \$18,000 to \$21,000 annually. Annual administrative fees for Sub-Zones currently range from \$5,700 to \$20,000 annually depending on size and type of activity performed.

All fees are reviewed and adjusted six months prior to the expiration of the respective operating agreement with the Board.

SECTION VIII - OPERATORS' TARIFFS

See attached.