

IMPORTANT INFORMATION ABOUT ZONE SCHEDULES

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

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

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

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

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

**PORT OF NEW ORLEANS
FOREIGN-TRADE ZONE No. 2**

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

**FOREIGN-TRADE ZONE NO. 2
ZONE SCHEDULE
(Cancels Tariff No. 6)**

**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 Date: February 28, 2014

**PORT OF NEW ORLEANS
FOREIGN-TRADE ZONE No. 2**

BOARD OF COMMISSIONERS

PORT OF NEW ORLEANS

(A POLITICAL SUBDIVISION OF THE STATE OF LOUISIANA)

(GRANTEE)

ZONE OFFICE

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS

**1350 Port of New Orleans Place
New Orleans, Louisiana 70130**

**Post Office Box 60046
New Orleans, Louisiana 70160**

HOURS: 8:00 a.m.-5:00 p.m.

INQUIRIES:

Please direct any inquiries pertaining to Foreign-Trade Zone No. 2 to:

**Chris Bonura
Director of Industrial Development
Telephone: (504) 528-3222
bonurac@portno.com**

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FOREIGN-TRADE ZONE No. 2**

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**PORT OF NEW ORLEANS
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INTRODUCTION:

- A. **Grantee Authority:** This Zone Schedule has been adopted by the Board of Commissioners of the Port of New Orleans (Grantee), a political subdivision of the State of Louisiana, created and existing under Louisiana Revised Statutes, Title 34:1 *et seq.*, acting in its capacity as Grantee of Foreign-Trade Zone No. 2 (FTZ No. 2) pursuant to a grant issued by the Foreign-Trade Zones Board (Board), Washington, D.C., on July 16, 1946. The Zone Project consists of a Zone of Magnet Sites, Usage Driven Sites and an additional number of Subzones as listed in the latest Foreign-Trade Zone Board Order which can be found online at the Board's website at <http://ita-web.ita.doc.gov/FTZpage/index.html>.
- B. **Schedule Content:** This Zone Schedule contains the rules and regulations governing use of FTZ No. 2 by Operators, Subzone Operators, Users and all other persons or entities. Also included are the rates and charges applicable to using the Zone. This schedule is intended to conform with and supplement the Foreign Trade Zones Act of 1934 (Act) and all amendments thereto and be used in conjunction with the rules and regulations set forth by the Board and U.S. Customs and Border Protection (CBP). The effective date of this Zone Schedule is listed on the cover page.
- C. **Amendment and Interpretation:** Subject only to the requirements of the Act and the Foreign-Trade Zone (FTZ) regulations, this Zone Schedule may be modified, amended or replaced by the Grantee at any time if Grantee determines it to be necessary or appropriate to do so. Grantee shall, in its sole discretion, interpret the provisions of this Zone Schedule and determine the applicability of any of its provisions. Grantee shall also have complete authority governing the imposition of the rates and charges provided for herein, including a decision to waive any such rate or charge in whole or in part, provided that this is done in accordance with Public Utility and Uniform Treatment principles.
- D. **Copies of Zone Schedule:** The latest version of this Zone Schedule will be available to each Operator/User via Grantee's website at: <http://portno.com/Zone Schedule>. Updates will be provided on the website as revisions occur. The Zone Schedule is maintained and freely available for public inspection at the offices of Grantee. A copy is also filed with the Board and available on its website.

FOREIGN-TRADE ZONES IN GENERAL

The U.S. Foreign-Trade Zones program was created by the Foreign-Trade Zones Act of 1934 with the intent to expedite and encourage foreign commerce within the United States of America. In a Foreign-Trade Zone, designated geographical areas that are in or are adjacent to ports of entry receive the same CBP consideration that they would if they were outside the commerce of

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the United States. It is an important structure that can be utilized by U.S. based companies to enhance their cost competitiveness. The Zone is supervised by the CBP and managed by the Grantee, the Board of Commissioners of the Port of New Orleans.

FOREIGN TRADE ZONE NO. 2

On July 16, 1946, the Port of New Orleans received a Grant of Authority to establish and oversee all activities within Foreign-Trade Zone No. 2. The Zone was established to promote trade and economic development throughout the region.

Because of the Port of New Orleans' strategic positioning, it is the perfect location for both national and international trade. The city was built around the port, and New Orleans' infrastructure was specifically designed to accommodate the business within the port. The Mississippi River, a direct route into the United States, is the ideal navigational waterway to move product throughout the country. Additionally, throughout the Zone, all six class one railroads have yards which allow for the central movement of cargo into national commerce.

FOREIGN TRADE ZONE No. 2 – PROJECT DESCRIPTION

Foreign-Trade Zone No. 2 operates under the FTZ Board's Alternative Site Framework (ASF). As of February 28, 2014, the Zone has:

Magnet Sites	4
Usage-Driven Site	50
Subzones	6

The ASF Service Area for FTZ No. 2 includes the three-parish jurisdiction of Orleans, Jefferson and St. Bernard.

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SECTION I – DEFINITION 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).

ACTIVATION: Approval by Grantee and CBP permitting operation to begin which allows the admission and handling of Merchandise in Zone status.

ACTIVATION LIMIT: The size of the physical area of a particular Zone or Subzone authorized by the Board to be simultaneously in activated status with CBP pursuant to 19 CFR 146.6. The activation limit for a particular Zone/Subzone is a figure explicitly specified by the Board in authorizing the Zone (commonly 2,000 acres) or Subzone or, in the absence of a specified figure, the total of the sizes of the approved Sites of the Zone/Subzone.

ALTERNATIVE SITE FRAMEWORK: “ASF” is an optional “framework” to manage FTZ Sites that gives much greater flexibility to use simple “minor boundary modifications” (instead of more complicated and time-consuming procedures) to bring FTZ designation to locations where a company is ready to use FTZ procedures. The ASF was adopted by the Board as a matter of practice in December 2008 (74 FR 1170, January 12, 2009; correction 74 FR 3987, January 22, 2009) and modified by the Board in November 2010 (75 FR 71069, November 22, 2010).

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, and the Secretary of the Treasury, or their designated alternates.

BOARD ORDER: A type of document that indicates a final decision of the Board. Board Orders are generally published in the Federal Register after issuance.

CBP: U.S. Customs and Border Protection.

DIRECTOR: Director of Foreign-Trade Zone No. 2, a staff member of Grantee, The Board of Commissioners of the Port of New Orleans, or his designated representative or agent.

DOMESTIC ORIGIN/DUTY PAID - Describes Merchandise that is mainly of domestic origin but also includes foreign-origin Merchandise on which customs entry and duty payments have been made prior to admission to the zone site.

DOMESTIC ZONE STATUS: Used synonymously with Domestic origin/duty paid (see above). Domestic status is the customs status (19 CFR 146.43) for domestic origin and duty paid foreign origin Zone Merchandise.

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EXECUTIVE SECRETARY: The Executive Secretary of the Foreign-Trade Zones Board.

FOREIGN-TRADE ZONE (FTZ or Zone): Includes one or more restricted-access Sites, including Subzones, in or adjacent (as defined by Sec. 400.11(b)(2)) to a CBP port of entry, operated as a public utility (within the meaning of Sec. 400.42) under the sponsorship of a Zone Grantee authorized by the Board, with Zone operations under the supervision of CBP.

HAZARDOUS MERCHANDISE: Any merchandise which poses a danger to the health or safety of people or animals or could cause damage to or pollution of the environment.

GRANT OF AUTHORITY: The document issued by the Board that authorizes a Zone Grantee to establish, operate and maintain a Zone, subject to limitations and conditions specified in this part and in 19 CFR part 146. The authority to establish a Zone includes the responsibility to manage it.

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.

MAGNET SITE: A Site intended to serve or attract multiple Operators or Users under the ASF.

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 of finished or semi-finished products by hand or machinery from foreign or domestic materials or components.

MBM: Minor Boundary Modification.

MERCHANDISE: Includes goods, wares and chattels of every description, except prohibited merchandise, which has been produced in the United States and not exported there from; or merchandise imported into the United States and duty paid at the time of entry. Building materials, production equipment, and supplies for use in operation of a Zone are not "merchandise" for the purpose of this Zone Schedule.

MODIFICATION: A proposed change to a Zone. A major modification is a proposed change to a Zone that requires action by the FTZ Board; a minor modification is a proposed change to a Zone that may be authorized by the Executive Secretary.

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 CBP territory of the United States from the Zone for consumption.

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OPERATING AGREEMENT: A written agreement between Grantee and any Operator utilizing the Zone that establishes the rules, procedures, and requirements for the Operator's use of the Zone.

OPERATOR: A corporation, partnership, person, L.L.C., L.L.P., or other legal entity that operates a Zone Site or Subzone under the terms of an agreement with Grantee.

PERSON: Any individual, corporation, or entity.

PORT OF ENTRY: A port of entry in the United States, as defined by part 101 of the customs regulations (19 CFR part 101), or a User fee airport authorized under 19 U.S.C. 58b and listed in part 122 of the customs regulations (19 CFR part 122).

PRIVATE CORPORATION: Any corporation, other than a public corporation, which is organized for the purpose of establishing, operating and maintaining a Zone and which is chartered for this purpose under a law of the state in which the Zone is located.

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.

PRODUCTION: Activity involving the substantial transformation of a foreign article resulting in a new and different article having a different name, character, and use, or activity involving a change in the condition of the article which results in a change in the CBP classification of the article or in its eligibility for entry for consumption.

PROJECT: Refers to Foreign-Trade Zone No. 2 which operates under the FTZ Board's Alternative Site Framework (ASF).

PUBLIC CORPORATION: A state, a political subdivision (including a municipality) or public agency thereof, or a corporate municipal instrumentality of one or more states.

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

SERVICE AREA: The jurisdiction(s) within which Grantee proposes to be able to designate Sites via Minor Boundary Modifications under the ASF.

STATE: Includes any state of the United States, the District of Columbia, and Puerto Rico.

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

SUBZONE: A Site (or group of Sites) established for a specific use.

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SUNSET: Under the Alternative Site Framework structure of managing FTZ Zone Sites, FTZ designation will be automatically terminated if a Magnet Site has not been activated within five (5) years of approval of that Site or if a Usage-driven Site has not had an admission of foreign-status merchandise for a bona fide customs purpose within three (3) years of approval of that Site. If the Magnet/Usage-driven Site has met the activation/admission test, then the Zone Site's Sunset date will be extended for another five- or three-year period. This is known as resetting.

USAGE-DRIVEN SITE: A Site tied to a single Operator or User under the ASF.

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

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

ZONE: A Foreign-Trade Zone established under the provisions of the Act and these regulations. Where used in this part, the term also includes Subzones unless the context indicates otherwise.

ZONE GRANTEE: The corporate recipient of a Grant of Authority for a Zone. Where used in this part, the term "Grantee" means "Zone Grantee" unless otherwise indicated.

ZONE OPERATOR: A person that operates within a Zone or Subzone under the terms of an agreement with the Zone Grantee (or third party on behalf of Grantee), with the concurrence of CBP.

ZONE PARTICIPANT: A current or prospective Zone Operator, Zone User, or property owner.

ZONE PLAN: All the Zone Sites that Grantee is authorized to establish.

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

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ZONE SCHEDULE: The Zone Schedule as enacted by Grantee unless otherwise noted, includes the internal rules and regulations of the Zone, as well as a statement of the rates and fees charged to Zone Users.

ZONE USER: A party using a Zone under agreement with a Zone Operator.

**SECTION II – PRINCIPAL ACT, REGULATIONS, SCHEDULE,
AGREEMENTS AND LAWS GOVERNING THE ZONE
PROJECT**

A. Foreign-Trade Zones Act:

Foreign-Trade Zone No. 2 is governed by the Foreign-Trade Zones Act, 19 U.S.C. §§ 81a-81u, as amended. All Operators/Users are subject to and shall be knowledgeable of the Act and abide by the provisions therein as a condition of participation in the FTZ program at FTZ No. 2.

B. Foreign-Trade Zones Board Regulations:

Foreign-Trade Zone No. 2 is regulated by the Foreign-Trade Zones Board, Washington D.C., under 15 CFR 400, as amended. All Operators/Users are subject to and shall be knowledgeable of the Regulations and abide by the provisions therein as a condition of participation in the FTZ program at FTZ No. 2.

C. U.S. Customs Service Regulations:

Foreign-Trade Zone No. 2 is subject to the CBP Regulations under 19 CFR 146, as amended. All Operators/Users are subject to and shall be knowledgeable of the Regulations and abide by the provisions therein as a condition of participation in the FTZ program at FTZ No. 2.

D. Foreign-Trade Zone No. 2 Zone Schedule:

All Operators operating within activated Zone space are subject to this Zone Schedule. 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 Zone Schedule. Grantee shall also have complete authority governing the imposition of the rates and charges provided for herein, including a decision to waive any such rate or charge in whole or in part, provided this is done in accordance with Public Utility and Uniform Treatment principles. However, any matter involving interpretation of action by CBP or other agency of the U.S. Government will be determined by the District Port Director of CBP as resident representative of the Foreign-Trade Zones Board. Grantee's Zone Schedule is available to the public and all Operators on the Board's website at: <http://ita-web.ita.doc.gov/FTZpage/index.html> and on the Grantee's website at

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<http://www.portno.com/foreign-trade-zone>. Updates will be provided as amendments occur. Additional copies of this Zone Schedule also can be obtained at the office of Grantee.

E. Foreign-Trade Zone Operating Agreements:

Every corporation, partnership, person and other legal entity 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. Operators and Users assume responsibility for the operations and management of their designated Site in accordance with the conditions set forth in the Operating Agreement and any extensions thereof. If any conflict between this Zone Schedule and any Operating Agreement occurs, the Operating Agreement shall prevail.

F. State And Local Laws:

All Operators/Users are also subject to and shall comply with all requirements of applicable state and local laws, including the provisions of local zoning ordinances.

SECTION III - GENERAL POLICY

It is the policy of the Board of Commissioners of the Port of New Orleans to promote and encourage all companies that can benefit from Foreign-Trade Zone activities to utilize the advantages that are provided by the Act in an effort to contribute resources and create jobs throughout the region and also to advance international commerce.

SECTION IV - ZONE TO BE OPERATED IN THE PUBLIC INTEREST AS A PUBLIC UTILITY AFFORDING UNIFORM TREATMENT

A. Public Utility/Uniform Treatment:

Grantee shall have the responsibility of ensuring that the needs of the business community utilizing the port of entry for the Zone are reasonably served and that the Zone is being operated in the public interest as a public utility affording uniform treatment to all Operators, Subzone Operators and Users operating under like circumstances. Grantee shall ensure that rates and charges imposed according to this Zone Schedule will be fair and reasonable taking into account the costs and expenses of Grantee. In addition, the availability of all services and facilities is subject to the physical limitations of Grantee, with said services and facilities available on a "first-come, first-served" basis.

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B. *Public Interest, Health and Safety:*

No merchandise, operation, process or treatment will be permitted in the Zone that, in the judgment of the Board, CBP or Grantee is detrimental to the public interest, health or safety.

SECTION V – ZONE RULES AND GENERAL REGULATIONS

A. *Activation:*

Operator agrees to seek and obtain approval of Activation of the Site pursuant to CBP Regulations at 19 CFR part 14 no later than one (1) year after the execution or effective date of the Operator Agreement and prior to initiating any FTZ-related operations. Operator shall give Grantee written notice prior to submitting the application for Activation. Operator shall also furnish Grantee with a copy of CBP's letter or notice of Activation of the Site.

B. *Residence within Zone:*

No person shall be allowed to reside within a Zone except federal, state or municipal officers or agents whose resident presence is deemed necessary by the Board.

C. *Right of Entry:*

The Board, CBP and other governmental entities, as necessary, and Grantee and its representatives have the right to enter the Zone Site for the purpose of examining and inspecting same to ensure that business is being conducted in accordance with the applicable laws and procedures mandated for the operation of the Zone Site.

D. *Indemnification:*

A. *On Facilities Not Owned By Grantee:* As specified in the Operating Agreement between Grantee and Operator.

B. *On Grantee-Owned Property and/or Facilities:* As specified in Operator's separate lease agreement with Grantee for the leased property and/or facilities.

E. *Insurance:*

A. *On Facilities Not Owned By Grantee:* As specified in the Operating Agreement between Grantee and Operator.

B. *On Grantee-Owned Property and/or Facilities:* As specified in Operator's separate lease agreement with Grantee for the leased property and/or facilities.

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F. *Annual Reports:*

Grantee is responsible for preparing and filing, with the Board, an annual report. An annual report is a compilation of data required by the Board from each FTZ in the United States. The annual report monitors the effectiveness of the FTZ program in terms of economic growth and development in the U.S. economy. The individual reports are consolidated by the Board into one master report that is submitted annually to the U.S. Congress.

In order for Grantee to meet its responsibility in this regard, all annual reports from Operators/Users for the calendar year ending December 31st shall be submitted to Grantee prior to March 1st of every subsequent year via the Board's Online FTZ Information System (OFIS).

Grantee, in turn, will use OFIS to submit its Zone's annual report (due every March 31st) to the Board.

G. *Other Reports:*

Grantee or Operator/User may be required from time to time to furnish information to other governmental entities. Operator/User of the Zone Site shall cooperate and provide any information necessary to comply with mandates of other governmental entities possessing jurisdiction over cargo handled through the Zone Site.

H. *Government Licenses:*

Operators/Users are responsible to obtain, maintain, and keep current any and all licenses, permits, certificates or other authorization required by any federal, state or local government that are or may be necessary in the conduct of business in or from the Zone Site.

I. *Further Instruments and Actions:*

Grantee and Operator/User shall deliver such further instruments and take such further action as each may reasonably request of the other in order to carry out the provisions and purposes of Operator/User's operations within the Zone. Without limiting Grantee's rights as provided herein, Grantee is not obligated to and does not intend to monitor the day-to-day activities within the Zone Site. The appearance of Grantee's name, if used on any forms associated with Zone Site operations, is not intended to represent that Grantee has any knowledge, actual or constructive, of the quantity, character, status designation, identification, or time of admission, transfer or release of goods into or from the Zone Site, and that any information contained on any forms associated with Zone Site operations are the representations solely of Operator/User and not of Grantee.

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J. *Handling Merchandise:*

Operator/User shall be responsible for the receipt and verification of all Merchandise admitted into the Zone Site on the proper forms prescribed by CBP and for handling of all Merchandise within the Zone Site. Operator/User shall perform all these functions according to all CBP regulations. Operator/User further agrees not to allow removal of any Merchandise located within the Zone Site without prior approval from CBP under the applicable laws, rules and regulations of CBP.

K. *Record Deficiencies:*

In the event that any inspection or examination by CBP or the Board discloses that books, records, or operational procedures of Operator/User are not in conformance with the requirements of CBP regulations or other federal, state, or local laws or regulations, Operator/User shall undertake immediate correction of the documents or procedures once it becomes aware of the deficiency.

L. *Record Retention:*

All financial and accounting records of Operator/User concerning Zone operations shall be retained for five (5) years after the Merchandise covered by such records is removed from the Zone Site. All such records shall be available for inspection by any appropriate government agency during normal business hours.

M. *Retail Trade:*

No retail trade shall be conducted within the activated areas of the Zone, except as may be approved by the Board and CBP, with the concurrence from Grantee.

N. *Operator Fee Schedule:*

Each Operator who has an Operating Agreement with Grantee to offer Zone-specific services to the public is responsible for preparation of its own fee schedule listing its charges. All such Operator fee schedules are to be provided to Grantee and will become part of this Zone Schedule. All rates and charges for all FTZ services within the Zone shall be fair and reasonable. Operator shall afford to all uniform treatment under like conditions.

O. *Construction:*

Each Operator/User may make or cause to be made on the Zone Site 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

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construction or improvement on said Zone Site not specifically authorized by Grantee shall be undertaken without User having first submitted the plans and specifications to Grantee.

P. *Advertising:*

Grantee may advertise that Operator/User's operations are within FTZ No. 2. However, Grantee agrees to consult with Operator/User to assure the accuracy of published data concerning the Zone Site.

Operator/User may advertise that its operations are within FTZ No. 2. However, no designs, advertising, signs or forms of publicity referring to FTZ No. 2 shall be used unless the same has been approved in advance in writing by Grantee.

Q. *Notices and Complaints:*

All official notices to Grantee shall be sent by certified mail, return receipt requested, addressed to Grantee at the address provided at page 2 herein or at such other address Grantee designates in writing. The date of delivery as evidenced by the postal return receipt shall be deemed as the date of service of the notice.

Further, an Operator/User may submit to the Board a complaint regarding conditions or treatment that Operator/User believes are inconsistent with the public utility and uniform treatment requirements of the Act or FTZ regulations. Complaints may be made on a confidential basis.

R. *Confidential Relationship:*

To the extent permitted by the laws of the State of Louisiana, Grantee and its employees will avoid disclosing confidential information regarding an Operator/User's activities and handling of Merchandise within the Zone.

S. *Withdrawal of Grant:*

If the Grant issued to Grantee is revoked or cancelled, with or without the fault of Grantee, the Operator's Agreement with Grantee shall terminate on the same day as the revocation or cancellation and Operator shall have no claim against Grantee by reason of such revocation or cancellation.

SECTION VI – STORAGE RULES AND REGULATIONS

Requirements specific to the storage of FTZ merchandise shall be addressed under the provisions of the Grantee Operating Agreements, Grantee leases, FTZ Board Regulations and the Code of Federal Regulations. Notwithstanding anything to the contrary, Hazardous Merchandise will not

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be permitted in the Zone Project unless Operator/User complies with all federal, state, municipal and Grantee regulations.

SECTION VII – NEW SUBZONES, USAGE DRIVE SITES, MAGNET SITES, MBM MODIFICATION:

In accordance with the Foreign Trade Zones Board Regulations at 15 CFR Part 400, any and all requests to modify, in any form, the existing structure of a Zone Site must be made by Operator to Grantee, who in its discretion, may decide whether or not to sponsor such request(s) and make application to the FTZ Board. This also applies to applications for production notifications.

A. New Subzones and Usage Driven Sites:

Within and without Grantee's ASF Service Area, on request and subject to need and availability, new Subzones and Usage Driven Sites may be requested of the Foreign-Trade Zones Board by Grantee with CBP concurrence. Such assigned areas shall be, in effect, commencing with the date granted by the FTZ Board.

B. Magnet Sites:

On request and subject to need and availability, new Magnet Sites may be requested of the Foreign-Trade Zones Board by the Grantee with CBP concurrence. Such assigned areas shall be, in effect, commencing with the date granted by the FTZ Board.

C. Minor Boundary Modification:

Requests for new Usage-Driven Sites and Modifications to existing Sites will be examined as a MBM, and will be administratively processed and approved under the ASF model of Site management. Sunset dates for non-FTZ use for all Sites have or will be established.

SECTION VIII – RULES AND REGULATIONS FOR NEW SUBZONES, ZONE OPERATORS AND ZONE ALTERATIONS

A. Agreements:

All persons and entities who request Grantee to establish a Subzone or Zone Site must first enter into an Operating Agreement with Grantee governing proposed Zone operations. Applicants for the establishment of a Subzone or Zone Site will bear in advance all application costs and charges of preparing and filing of application by

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Grantee, whether or not the application is favorably acted on by the Foreign-Trade Zones Board.

B. *Rates:*

Grantee shall apply the rates and charges set forth in this Zone Schedule uniformly to all Zone Users. An Operating Agreement must be filed by Grantee as an exhibit to its application for activation of the site. Contingencies not covered by this Zone Schedule or by application agreements will be subject to agreements amending or supplementing the primary agreement. Amending or supplementary agreements as well as all practices that may develop and be permitted in Zone operations will be also made uniformly extensive to subsequent applicants under identical circumstances for identical services.

SECTION IX - SCHEDULE OF FEES AND CHARGES

A. *Fee Schedule:*

Pursuant to Title 15 of the Code of Federal Regulations part 400.42(a), Grantee is authorized to charge fees to Operators for the privilege of operating under the auspices of Foreign-Trade Zone No. 2. These monetary entitlements, in the form of fees, are charged to Operators and Users to recover both the direct and indirect costs of Zone operating expenses such as applications, modifications, Foreign-Trade Zones Board reports, CBP communications and documentation, marketing and advertising programs.

All fees in this schedule are payable to:

ATTN: Foreign Trade Zone No. 2/Real Estate Department
Port of New Orleans
PO Box 60046
New Orleans, LA 70160

Physical Address:
1350 Port of New Orleans Place
New Orleans, LA 70130

Zone fees are due and payable on application and/or modification request or when invoiced. All fees are non-refundable.

B. *Application Fees:*

Application fees for Zone Site and Subzone establishment or modifications will be borne by any company/Operator requesting Grantee to begin the application process. These applicant fees cover Grantee's direct and indirect expenses for obtaining necessary approvals, resolutions, documentation, administration and staff support. Additionally, this fee covers preparation and processing of the Operating Agreement and providing Grantee's concurrence letter to CBP. The

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fee does not include the preparation of a procedures manual or other documents that may be required of Operator by CBP Regulations

Magnet ,Usage–Driven Sites & Subzones	Application Fee to Grantee
Establish Operator Agreement (includes first year’s annual fee)	\$15,000.00
Expansion / Boundary Modifications of existing site or subzone	\$1,000.00

C. Annual Fees:

On the effective date of the Operating Agreement, Zone Operator shall be charged an annual User fee. Zone Operators responsible for more than one operating Site will be charged only one annual fee per Zone Site/use. This fee covers Grantee’s administrative costs, preparation of the Annual Report to the Foreign-Trade Zones Board and other staff services. In the Operator’s first year, the application fee is applied to the first year’s annual fee. Each subsequent year under the Operating Agreement, Operator/User is responsible for the annual fee and any modification request fees to Grantee.

Magnet or Usage–Driven Sites- Subzones (ASF)	Annual Fee to Grantee
User Fee	\$10,000.00
Non-Active Site	\$4,000.00
Subzones (non-ASF)	Annual Fee to Grantee
User Fee	\$15,000.00
Non-Active Subzone	\$4,000.00

D. Customs Fees:

The Operator of the Zone Site shall pay merchandise-processing fees. Additionally, all other fees and charges assessed by CBP for services provided to the affected Zone Site shall be invoiced to the Operator of that Site. Grantee is not liable or responsible for CBP fees or charges.

E. Other Fees:

Zone Operators are also responsible for the following fees:

- Foreign-Trade Zones Board fees
- Other government agency fees
- CBP fines, penalties, or liquidated damages affecting Zone Merchandise or Zone activities
- Late submittal fee to Grantee for submitting their annual report after the March 1st annual deadline

F. Annual Report Late Submittal Fee:

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Operators/Users shall submit their annual report to Grantee by **March 1st of each year**. If the report is not received by Grantee by March 1st, a penalty fee of \$500.00 for the first day late plus \$100.00 per day thereafter until the report is received by Grantee. The annual report shall not be officially received if it is not accompanied by a check or other payment in the proper amount of the late submittal fee.

SECTION X - REVISIONS TO ZONE SCHEDULE

Zone Schedule Section Revised	Date of Revision

CERTIFICATION

I **SCOTT H. COOPER**, Secretary of the Board of Commissioners of the Port of New Orleans, do hereby certify that the following is a true and correct copy of a resolution adopted by the Board at a duly scheduled and convened meeting of the Board held at its offices in the City of New Orleans on the 27th day of February, 2014, at which a quorum was present and voted in favor of said resolution:

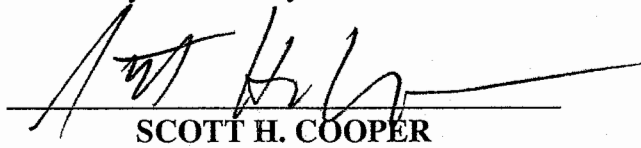
IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS that, effective midnight February 27, 2014, the Board's Foreign Trade Zone Tariff No. 6 establishing the rates, charges, rules, and regulations for operation of the Board's Foreign Trade Zone No. 2 be, and it is, hereby cancelled and revoked; and

IT IS HEREBY FURTHER RESOLVED BY THIS BOARD, that the Board's President and Chief Executive Officer Gary P. LaGrange be, and he is, hereby authorized and empowered on behalf of this Board to authorize and issue future amendments to the Zone Schedule in all matters except the setting of rates; and

IT IS HEREBY FURTHER RESOLVED BY THIS BOARD, that the Board's President and Chief Executive Officer Gary P. LaGrange be, and he is, hereby authorized and empowered on behalf of this Board to enter into operating agreements and amendments to operating agreements in accordance with the Zone Schedule; and

IT IS FURTHER RESOLVED BY THIS BOARD that the said Gary P. LaGrange be, and he is, hereby authorized and empowered on behalf of this Board to execute such documents, expend such funds and take all such actions, including, but not limited to, those necessary to promulgate the Zone Schedule as he may deem necessary in his discretion to give full effect to the intentions expressed in this resolution.

THUS DONE AND SIGNED by me under the seal of the Board of Commissioners of the Port of New Orleans this 27th day of February, 2014.



SCOTT H. COOPER
SECRETARY
BOARD OF COMMISSIONERS
PORT OF NEW ORLEANS