

IMPORTANT INFORMATION ABOUT ZONE SCHEDULES

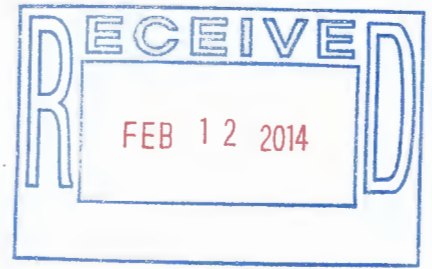
This zone schedule is being made available pursuant to 15 CFR 400.44(e), which states: “The Board shall make copies of zone schedules available on its Web site.”

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 South Louisiana
Foreign Trade Zone 124
Zone Schedule*

February 28, 2014

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POLICY, RULES & REGULATIONS

Zone Grantee grants *Zone Operator* the exclusive authority to operate the facility identified in the Board Order as a Foreign-Trade Zone subject to the terms, conditions, agreements and restrictions set forth and the Board Order.

Zone Operator assumes full responsibility for the operations and management of the Zone and agrees to operate and manage the Zone in accordance with the term and conditions stated in the Operations Agreement during the term of the Agreement, including any extensions.

Zone Operator shall follow the standards of operation set forth in the *Foreign-Trade Zones Operation Manual* provided to U.S. Customs in August 1995, as it may be amended from time to time, and shall comply with all U.S. Customs rules and regulations governing Foreign-Trade Zones.

Zone Operator shall maintain inventory records in accordance with U.S. Customs rules and regulations. The *Zone Operator's* inventory records will be available for inspection by the *Zone Grantee* during normal business hours upon reasonable notice to the *Zone Operator*.

Zone Operator agrees to submit to the *Zone Grantee* at the close of each zone accounting year reports containing data required by the Foreign- Trade Zones Board and Customs. All such reports shall be signed by appropriate *Zone Operator* officials, certifying the accuracy of the reports.

All records concerning *Zone* operations shall be retained for at least (5) years after the date of the recorded act or occurrence or after the date the merchandise covered by such records has been forwarded from the *Zone*, whichever is later, and all such records shall be available at the *Zone* for inspection and audit by *Zone Grantee*, during normal business hours upon reasonable notice to *Zone Operator*.

Zone Grantee shall treat all information concerning *Zone* operations as strictly confidential and proprietary and shall not disclose such information except upon written consent of *Zone Operator*. Any and all Operations Manuals, computer programs, computer reports and systems design developed by *Zone Operator* for the *Zone* operations shall be the sole property of *Zone Operator* and shall not be disclosed to any other entity without the prior written approval of the *Zone Operator*.

Zone Operator will post and pay the full cost of a U.S. Customs bond covering all merchandise to be stored in the activated *Zone* area in accordance with Customs regulations and directives.

The *Zone Operator* agrees to pay or cause to be paid all costs, expenses and taxes (if any) of *Zone* operation, including, but not limited to, construction, installation, improvements, security, maintenance, inventory control systems and personnel.

Zone Operator agrees to indemnify and hold harmless the *Zone Grantee* from any and all Customs duties, charges, penalties, interest, attorney fees, or costs levied against the *Zone Grantee* and arising out of the *Zone* Operations for which the *Zone Operator* is responsible. The

Zone Operator will immediately inform the *Zone Grantee* of any notices of liquidated damages, penalties, or investigations by U.S. Customs regarding the operation of the *Zone*.

Zone Operator further agrees to place with an insurance company, and keep in effect during the life of the *Agreement*, insurance for the benefit of the *Zone Grantee* and with the *Zone Grantee* shown as an additional insured, covering public liability for the *Zone* in a combined amount not less than \$5 million for injuries to all persons, and to property, per occurrence. *Zone Operator* will furnish the *Zone Grantee* certificates of such insurance which shall provide that coverage shall not be canceled without thirty (30) days prior written notice to *Zone Grantee*. *Zone Operator* will promptly pay all such insurance premiums as and when the same become due. The insurance required hereby may be provided by a policy or policies arranged specifically to cover the obligations assumed herein by *Zone Operator* or by blanket insurance which covers these obligations and other obligations and liabilities as *Zone Operator*. *Zone Operator* may provide such insurance required hereunder through self-insurance, which, if requested by *Zone Grantee*, shall be confirmed through a written statement by *Operator* in lieu of a certificate of insurance.

The *Operations Agreement* may be terminated at the option of *Zone Grantee* in the event the *Zone Operator* breaches the *Agreement* in any material respect and the breach is not cured or waived within thirty (30) days after notice of such breach by the *Zone Grantee* to *Zone Operator* except for an period in which the *Zone Operator* shall present to *Zone Grantee* within the thirty (30) day period, a written plan to cure the breach, thereby extending the time to cure such default provided *Zone Operator* commences prompt action and proceeds diligently to cure such default.

Zone Grantee and *Zone Operator* are not, shall not be considered as and shall not represent themselves as joint ventures, partners, or agents of each other, and neither shall have the power to bind or obligate the other except as otherwise set forth in the *Agreement*.

Zone Grantee agrees to recognize any successor to *Zone Operator* provided such successor is acceptable to *Zone Grantee*; however, *Zone Grantee*'s acceptance of the successor shall not be unreasonably withheld. Notice of the closing of a sale, sublease or other change of interest in business to be conducted in the *Zone* must be given in writing by *Zone Operator* at least sixty (60) days prior to such Closing or change and shall contain the names and addresses of every person acquiring an interest in the business or operations of the *Zone*.

Either party shall be excused from its obligations if performance is delayed or prevented by Acts of God, fire, explosion, war, riots, strikes, labor disputes, government laws, orders or regulations, including fuel or material shortage, allocations and rationing, or other causes beyond such party's control but only to the extent of and during the continuance of such disability.

SITE DESCRIPTION

General Purpose Zone: 748 acres on three sites within the Port of South Louisiana Commission's jurisdictional area of the Port of South Louisiana, which covers 52 miles of the Mississippi River between New Orleans and Baton Rouge in the parishes of St. Charles, St. John the Baptist, and St. James with an additional service area covering St. Mary and Lafourche Parishes. (Application, 50 F.R.3944, 01/29/85; established zone (Board Order No. 319, 12/20/85) 50 F.R. 53351, 12/31/85; Application for expansion, 52 F.R.45475, 11/30/87; approved (Board Order No. 387, 07/05/88) 53 F.R. 27184, 07/19/88). Administrative Action A-1-89.

Site 1: No longer in zone.

Site 2: 335 acres within the Globalplex Terminal at Rivermile Point 138 on the east bank in St. John the Baptist Parish, being developed as an industrial park and intermodal transfer facility by the Port.

Site 3: 200 acres within Place Riviere, a planned industrial park at Rivermile Point 150, west bank of the Mississippi River, in St. James Parish.

Site 4: 213 acres within a mixed-use business park site in Destrehan, Louisiana, known as the Plantation Business Campus. The site is located on the east bank of the Mississippi River, bounded by State Highway 48 at Rivermile Point 121 and owned by Amoco Corp.

Subzone 124A: Valero's St. Charles refinery, owned by Valero Refining - New Orleans, L.L.C. (formerly Orion Refining Corporation) (formerly TransAmerican Natural Gas Corporation). The facility totals 659 acres on two sites. The facility has the capacity to refine 300,000 barrels per day of crude oil, gas oil and residual fuel oil. (Application, 51 F.R. 7971, 03/07/86; subzone approved (Board Order No. 379, 03/31/88) 53 F.R. 11539, 04/07/88; Board Order condition #3 removed (Board Order No. 517, 03/27/91) 56 F.R. 13797, 04/04/91; request for modification of restrictions, 61 F.R. 15217, 04/15/96; restrictions modified (Board Order No. 825, 05/29/96) 61 F.R. 28839, 06/06/96) GRANT RESTRICTION - Oil refining with certain options available to September 30, 2000. Administrative Actions A(27f)-32-96, A(27f)-34-96, A(27f)-38-96 and A(27f)-22-98. (Request for Extension of Authority for the NPF option of the Oil Refining Board Restriction, 64 F.R. 48140, 09/02/99; extension approved (Board Order No. 1116, 08/24/00) F.R. 52696, 08/30/00). GRANT RESTRICTION - Oil refining.

Administrative Action A(27f)-32-96 approved a minor boundary modification including within the subzone boundary TNG's newly acquired Prospect Avenue Tank Farm consisting of 30 acres.

Administrative Action A(27f)-38-96 approved a minor boundary modification including within the subzone boundary eight storage tanks located within the GATX liquid bulk product storage facility adjacent to the TNG refinery. Administrative Action A(27f)-22-98 approved a minor boundary modification including 16 storage tanks immediately adjacent to the current refinery subzone site.

Site 1: 629-acre petroleum refinery located on the east bank of the Mississippi River at River Mile Point 126 in Destrehan. Site 1A: 30-acre Prospect Avenue Tank Farm located immediately adjacent to the East plant of the refinery.

Subzone 124B: North American Shipbuilding, LLC.'s (NASB), facility consisting of 3 sites totaling 67 acres. The facility employs 700 people and is used for the construction and repair of commercial, military and research vessels. (Application 08/21/90, 55 F.R. 35915, 09/04/90; subzone approved (Board Order No. 539, 10/29/91) 56 F.R. 56627, 11/06/91). GRANT RESTRICTION -Steel/Shipbuilding. (Expansion Application, 63 F.R. 29178, 05/28/98; expansion approved (Board Order No. 1021, 02/03/99) 64 F.R. 7854, 02/17/99). GRANT RESTRICTION - Steel/Shipbuilding. Administrative Actions A(32c)-5-2001, A(32c)-10-2002. Administrative Action A(32c)-5-2001 determined that the use of foreign-sourced materials in NAS's shipbuilding activity is within the scope of authority approved by Board Orders 539 and 1021. Administrative Action A(32c)-10-2002 determined that the construction activity and the foreign components used by North American Shipbuilding under FTZ procedures are consistent between contracts and within the scope of authority approved under Board Orders 539 and 1021.

Site 1: 14-acre shipyard located at Industrial Road and Highway 308 in Lafourche Parish, Louisiana.

Site 2: 27 acres consisting of North American Fabricators, LLC, 208 North American Court, Houma, Terrebonne Parish.

Site 3: 26 acres, C Port, LLC, located at 106 9th Street, Port Fourchon, Lafourche Parish.

Subzone 124C: Motiva Enterprises LLC's (formerly Star Enterprise) refinery and terminals totaling 3,968 acres in St. James and Ascension Parishes, Louisiana. The facilities employ 500 people and are used to produce gasoline, fuel oil and jet fuels.

(Application, 56 F.R. 13797, 04/04/91; subzone approved (Board Order No. 667, 12/21/93) 59 F.R. 60, 01/03/94; request to modify restrictions, 60 F.R. 15748, 03/27/95; restrictions modified (Board Order No. 739, 05/09/95) 60 F.R. 26715, 05/18/95). GRANT RESTRICTION - Oil Refining with certain options available to September 30, 2000. (Request for Extension of Authority for the NPF option of the Oil Refining Board Restriction, 64 F.R. 48140, 09/02/99; extension approved (Board Order No. 1116, 08/24/00) F.R. 52696, 08/30/00). GRANT RESTRICTION - Oil refining.

Site 1: 3,940-acre Convent, Louisiana refinery complex.

Site 2: 28-acre underground storage facility 2 miles southeast of Sorrento, Louisiana.

Subzone 124D: LOOP LLC/LOCAP LLC's crude oil terminal system totaling 1,084.5 acres located in Lafourche and St. James Parishes, Louisiana. The LOOP terminal/storage system involves offshore crude oil offloading facilities, on-shore storage facilities, and a network of undersea and on-shore pipelines connecting the facilities. (Application, 59 F.R. 60951, 11/29/94; subzone approved (Board Order No. 748, 06/01/95) 60 F.R. 30267, 06/08/95; expansion Application, 66 F.R. 33947, 06/26/01; expansion approved (Board Order No. 1217, 03/29/02) 67 F.R. 17048, 04/09/02). Administrative Action A(32c)-18-2003, A(27f)-15-2007. Administrative Action A(32c)-18-2003 determined that the support operations including the storage, assembly, and repair of equipment and parts in a bonded warehouse are within the scope of authority approved by Board Order No. 1217. Administrative Action A(27f)-15-2007 approved a minor boundary modification deleting Parcel C of Site 1 at the Brine Storage Reservoir totaling 225 acres and adding a 13.22-acre site known as the Small Boar Harbor and an 80-acre site, on which LOOP may add up to ten very large crude storage tanks at some time in the future.

Site 1: Four parcels owned by LOOP LLC. and 37 miles of pipeline.

Parcel A: 10 acres at Fourchon Booster Station, Highway 1, Fourchon, Louisiana.

Parcel B: 287 acres at Clovelly Dome Storage Terminal, Clovelly, Louisiana.

Parcel D: 27 acres at Operations Center, 224 East 101 Place, Cutt Off, Louisiana.

Parcel E: 103.5 acres located at Clovelly Tank Farm.

Parcel F: 80 acres, adjacent to Parcel E, Clovelly.

Parcel G: 13.22 acres at Small Boar Harbor, located on Bayou LaFourche, Port Fourchon.

Site 2: 124 acres and 55 miles of pipeline, including the St. James Terminal, 6695 LOCAP Road, St. James, Louisiana.

Subzone 124E: Marathon Petroleum Company LLC's (formerly Marathon Ashland Petroleum LLC) (formerly Marathon Oil Company) 1,370-acre refinery complex located at Marathon Avenue between U.S. 61 and the Mississippi River in Garyville, Louisiana and a connected pipeline. The refinery produces fuels and petrochemical feedstocks. (Application, 60 F.R. 4589, 01/24/95; subzone approved (Board Order No. 773, 09/18/95) 60 F.R. 49565, 09/26/95). GRANT RESTRICTION - Oil refining with certain option available to September 30, 2000. Administrative Action A(27f)-9-97. (Request for Extension of Authority for the NPF option of the Oil Refining Board Restriction, 64 F.R. 48140, 09/02/99; extension approved (Board Order No. 1116, 08/24/00) F.R. 52696, 08/30/00). GRANT RESTRICTION - Oil refining. Administrative Action A(32c)-6-01. Application for expanded manufacturing authority (Docket 3-2009, 74 F.R. 6569-70, 02/10/09); expansion of manufacturing authority approved (Board Order No. 1636, 08/05/09) 74 F.R. 41372, 08/17/09. Administrative Action A(27f)-9-97 approved a minor modification of the Grant of Authority for subzone status and the related lists of products that may be produced from non-privileged foreign status inputs. Administrative Action A(32c)-6-01 determined that the addition of a coker unit is within the scope of authority approved under Board Order 1116. Expansion Application filed 02/03/09 by Marathon Petroleum Company LLC to expand the subzone and the scope of manufacturing activity conducted under zone procedures within Subzone 124E. The expansion would include an additional 319-acre parcel located between U.S. 61 and the Mississippi River in Garyville, St. John the Baptist Parish. The expansion would add an additional 285 jobs at the facility. The expansion also includes seven new hydrocarbon storage tanks within the existing subzone boundary and a new "receipts dock" for the admission of crude oil and other feedstocks into the refinery. (Docket 73-2008, 73 F.R. 2046, 01/14/09).

Subzone 124F: Motiva Enterprises, LLC's (formerly Shell Oil Company) oil refinery/petrochemical complex consists of 4 sites totaling 983 acres. The refinery complex produces fuels and petrochemical feedstocks and employs 1600 people. (Subzone Application, 61 F.R. 2486, 01/26/96; subzone approved (Board Order No. 839, 07/16/96) 61 F.R. 38710, 07/25/96). GRANT RESTRICTION - Oil refining with certain options available to September 30, 2000. Administrative Action A(27f)-34-96. (Request for Extension of Authority for the NPF option of the Oil Refining Board Restriction, 64 F.R. 48140, 09/02/99; extension approved (Board Order No. 1116, 08/24/00) F.R. 52696, 08/30/00). GRANT RESTRICTION - Oil refining. Administrative Action A(27f)-34-96 approved the modification of Restriction #2 in Board Order No. 839, to include natural gas condensate among the refinery inputs for which non-privileged foreign status may be elected.

Site 1: 826-acre main refinery complex located at 15536 River Road and Louisiana Highway 48 including some 40 miles of connecting pipeline ending at Clovelly Dome Storage Terminal and a dedicated pipeline from the adjacent GATX Tank Terminal.

Site 2: 142-acre chemical plant located at 16122 River Road.

Site 3: 15-acre refinery located at 11842 River Road.

Site 4: storage facility containing 13 leased tanks within International MATEX Tank Terminals located adjacent to Site 3.

Subzone 124G: (DEACTIVATED) Friede Goldman Halter, Inc.'s (formerly Halter Marine, Inc.) 133-acre shipyard located on State Highway 308, north of the City of Lockport (LaFourche Parish). The facility employs 270 and is used in the construction, repair and conversion of commercial and military vessels for domestic and international customers. (Application, 62 F.R. 39808, 07/24/97; subzone approved (Board Order No. 966, 03/30/98) 63 F.R. 16961, 04/07/98). GRANT RESTRICTION - Steel/shipbuilding.

Subzone 124H: Bollinger Shipyards, Inc. facilities consisting of 11 sites totaling 792 acres. The facilities are used in the construction, repair, and conversion of commercial and military vessels for domestic and international customers and employ 560 people. (Application, 62 F.R. 44642, 08/22/97; subzone approved (Board Order No. 993, 07/10/98) 63 F.R. 39069, 07/21/98).

GRANT RESTRICTIONS - Steel/Shipbuilding. (Expansion Application, 64 F.R. 25476, 05/12/99; expansion approved (Board Order No. 1064, 11/04/99) 64 F.R. 61820, 11/15/99). GRANT RESTRICTION Steel/Shipbuilding. (Expansion Application, 67 F.R. 1960, 01/15/02) expansion approved (Board Order No. 1241, 07/39/03) 67 F.R. 51534, 08/08/02). GRANT RESTRICTION -Steel/Shipbuilding. Administrative Action A(32c)-3-2000. Administrative Action A(32c)-3-2000 determined that offshore supply vessels, river tug boats, cranes, gears, and engine components are included in the scope of authority provided under Board Order 993.

Site 1: 334,000 square foot shipbuilding facility on 250 acres, located at 8365 State Highway 308, Lockport (LaFourche Parish), Louisiana.

Site 2: 168 acres, Bollinger Larose, LLC, 1515 Highway 24, Larose.

Site 3: 67 acres, Bollinger Marine Fabricators, LLC, 816 Bollinger Lane, Amelia.

Site 4: 101 acres, Bollinger Morgan City, LLC, 806 Bollinger Lane, Amelia.

Site 5: 50 acres, Bollinger Amelia Repair, LLC, 606 Ford Industrial Road, Amelia.

Site 6: 3 acres located at 434 Powder St., New Orleans.

Site 7: 40 acres located at 4640 Peters Road, Harvey.

Site 9: 30 acres located at 615 Destrehan Ave., Harvey.

Site 10: 4 acres located at 106 Norman Doucet Drive, Golden Meadow.

Site 11: 21 acres located at 157 Highway 654, Matthews.

Subzone 124I: J. Ray McDermott, Inc.'s manufacturing facilities located in Amelia, Louisiana. The subzone consists of two sites totaling 606 acres. The facilities are used for the construction, fabrication, and repair of offshore floating and fixed oil drilling platforms and components and employ 950 employees. (67 F.R. 70046, 11/20/02; subzone approved (Board Order No. 1270, 02/21/03) 68 F.R. 10203, 03/04/03). Administrative Action A(27f)-25-2008. Administrative Action A(27f)-25-2008 approved a minor boundary modification deleting 33 acres from the northeastern portion of Site 1.

Site 1: 556 acres East/Southeast Yard at 2317 Highway 662 South.

Site 2: 50 acres West Yard located at 539 Degravelle Road.

Subzone 124J (INACTIVE) Ergon St. James, Inc.'s oil terminal facilities. The terminal consists of 7 tanks on 718 acres and is located at 7405 Highway 18, St. James, Louisiana. The terminal is used for the receipt storage, and distribution of crude oil to Ergon Refining, Inc. in Vicksburg, Mississippi and employs 12 employees. (Application, 67 F.R. 79047, 12/27/02; subzone approved (Board Order No. 1298, 08/25/03) 68 F.R. 53345, 09/10/03).

Subzone 124K: M-I L.L.C. barite grinding and milling facilities located in Amelia, Louisiana. The facilities total 40 acres at 2150 Highway 662 N., Amelia, Louisiana, adjacent to the Gramercy Customs and Border Protection port of entry, employs 58 employees, and are used for manufacturing, warehousing and distribution activities related to the grinding and milling of raw barite into ground barite, used in the production of drilling fluids and various specialty chemicals for use by the oil and gas exploration industry. (Application, 72 F.R. 20323, 04/24/07; subzone approved (Board Order No. 1518, 08/06/07) 72 F.R. 45219, 08/13/07).

Subzone 124L: Candies Shipbuilders, L.L.C. shipbuilding and repair facilities located at 1100 Oak Street in Houma, Louisiana. The shipyard consists of 45 acres, employs 139 employees and is used for the construction, fabrication, and repair of oceangoing vessels for domestic and international customers. (Application, 72 F.R. 21218, 04/30/07; subzone approved (Board Order No.1546, 03/07/08) 73 F.R. 14434, 03/18/08).

Subzone 124M: Baker Hughes, Inc. consists of 12 acres located at 100 First Street, employs 13 employees, and is used for manufacturing, warehousing and distribution activities related to the processing of raw barites into ground barites. (Application, 73 F.R. 5175, 01/29/08; subzone approved (Board Order No. 1568, 07/24/08) 73 F.R. 45695, 08/06/08).

Subzone 124N: Excalibar Minerals LLC, consists of 16 acres and is located at 4602 South Lewis Street in New Iberia and is used for the milling (heating, grinding, crushing), storage, and distribution of ground barite. The proposed facility employs 20 employees (Application, 74 F.R. 23394, 05/19/09; subzone approved (Board Order No.1658, 01/15/10) 75 F.R. 5041-2, 02/01/10)

Subzone 124O: Halliburton Energy Services, Inc. a barite milling facility is located on 12.2 acres of land in LaRose, Louisiana. (Application, 76 FR 4284, 1/25/2011; subzone approved (Board Order No. 1769, 7/26/2011).

GENERAL PURPOSE ZONE/ SUBZONE FEES

The *Subzone Operator* agrees to pay the *Zone Grantee* an annual fee of \$13,000 (up to five sites) due in advance each year beginning on the effective date of the *Operations Agreement*. A fee of \$10,000 will be charged for all sites over the first five.

The *Zone Operator(s)* of the port-owned General Purpose Zone (Site 2), Globalplex Intermodal Terminal, agrees to pay the *Zone Grantee* an annual fee of \$10,000 due in advance each year beginning on the effective date of the *Operations Agreement*.

The *Zone Operator(s)* agrees to pay the *Zone Grantee* an annual fee of \$13,000 due in advance each year beginning on the effective date of the *Operations Agreement*. In the case of the *Alternative Site Framework Operator*, the annual fee remains \$13,000 a year unless the zone is needed for less than a year, then it would be \$1200 a month.

The *Zone Operator(s)* agrees to pay the *Zone Grantee* an annual fee of \$2,500 a year for zones that are inactive but wish to remain activated.

Information on Public Operator

There is not an authorized Public Operator at this time. This section is not applicable.

Rates/Charges Assessed by Public Operator

There is not an authorized Public Operator at this time. This section is not applicable.

DEFINITIONS OF FTZ 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 - Once a zone or subzone site is approved by the FTZ Board, an application must be made to the local CBP office, with the concurrence of the FTZ grantee, to operate the zone/subzone site (or portion thereof) under FTZ procedures. This CBP process is known as activation generally includes steps such as background checks, a written procedures manual, posting a bond with CBP, as well as a review of the security of the site(s) and the inventory control methods.

ADJACENCY - According to [Section 400.21\(b\)](#), general-purpose zone sites must be within 60 miles or 90 minutes driving time of a U.S. Customs and Border Protection Port of Entry.

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 there from, 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 Port of South Louisiana to which the privilege of establishing, operating, and maintaining Foreign-Trade Zone No. 124 and its Sub-Zones has been granted.

HANDLING IN AND OUT: 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 or 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 therefore.

MANAGER: Manager of Foreign-Trade Zone No. 124 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 of finished or semi-finished products by hand or machinery from foreign or domestic materials or components.

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.

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.