

SECTION TWENTY-THREE  
\* INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

DEFINITIONS INTERMODAL CONTAINER DISCOUNT PROGRAM

“Actual IPI Rate Reduction” is the amount of the monetary reduction assessed against affirmatively claimed IPI Containers derived by discounting by ten percent (10%) the monetary rate that results from dividing (a) the total amount, in U.S. dollars, of the compensation obligation owed by a Terminal Tenant to the Port of Los Angeles on account of its loading or unloading of each and every loaded or empty cargo container onto or from ocean-going vessels at premises assigned to them for use and occupancy pursuant to contracts issued by the Port of Los Angeles during the calendar year in which the IPI Program commenced, by (b) the total number of TEUs handled at such Terminal Tenant’s premises during the calendar year in which the IPI Program commenced.

“Effective IPI Rate Reduction” means the amount of the monetary reduction assessed against affirmatively claimed IPI Containers derived by discounting by ten percent (10%) the monetary rate that results from dividing (a) the total amount, in U.S. dollars, of the compensation obligation owed by a Terminal Tenant to the Port of Los Angeles on account of its loading or unloading of each and every loaded or empty cargo container onto or from ocean-going vessels at premises assigned to them for use and occupancy pursuant to contracts issued by the Port of Los Angeles during the calendar year preceding the calendar year in which the IPI Program commenced, by (b) the total number of TEUs handled at such Terminal Tenant’s premises during the calendar year preceding the calendar year in which the IPI Program commenced.

“Gross Actual IPI Rate Reduction” is the monetary sum resulting from the aggregation of each and every Actual IPI Rate Reduction in the calendar year on IPI Containers affirmatively claimed by a Terminal Tenant in writing and approved by the Port of Los Angeles.

“Gross Effective IPI Rate Reduction” is the monetary sum resulting from the aggregation of each and every Effective IPI Rate Reduction in the calendar year on IPI Containers affirmatively claimed by a Terminal Tenant in writing and approved by the Port of Los Angeles.

“IPI Container” means an intact loaded or empty cargo container that is loaded onto or unloaded from an ocean-going vessel and that originates from, by rail carriage, or is destined to, by rail carriage, a location outside of California.

“IPI Program” means the “Intermodal Container Discount Program.”

[C]  
2300

See Item 10 for explanation of abbreviations and symbols.

Correction No. 650	Order No. 13-7148 Ordinance No. 182943	Adopted November 7, 2013 Adopted March 18, 2014	EFFECTIVE: April 25, 2014
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\* INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

DEFINITIONS INTERMODAL CONTAINER DISCOUNT PROGRAM -- Continued

“Terminal Tenant” means an entity that has entered into and is in good standing under a current permit or contract with the City of Los Angeles for use and occupancy of property and facilities at the Port of Los Angeles that load or unload loaded or empty cargo containers onto or from ocean-going vessels to and from such premises.

“TEU” means the unit of measurement that is derived by converting the actual length of a cargo container into twenty-foot equivalent units.

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2300  
(Cont.)

INTERMODAL CONTAINER DISCOUNT PROGRAM

Commencing on January 1, 2009, and ending on December 31, 2009, Tenants may participate in the Intermodal Container Discount Program, which shall allow implementation of the Actual IPI Rate Reduction to IPI Containers the Terminal Tenant affirmatively claims in writing and whose wharfage charges become due pursuant to Item 505 between January 1, 2009, and December 31, 2009.

The Terminal Tenant shall be entitled to implement the Effective IPI Rate Reduction on all IPI Containers the IPI Program Participant has affirmatively claimed in writing and whose wharfage charges become due pursuant to Item 505 between January 1, 2009, and December 31, 2009. Such Effective IPI Rate Reduction shall be applied by the Terminal Tenant against any sums due or owing to City pursuant to compensation obligations set forth in contracts or otherwise that are required to be discharged between January 1, 2009, and December 31, 2009.

On or before March 1st of the year following the year in which an Effective IPI Rate Reduction is applied, the Port of Los Angeles shall determine through reconciliation the actual monetary benefit each Terminal Tenant is entitled to receive by: (a) determining the Gross Actual IPI Rate Reduction; (b) determining the Gross Effective IPI Rate Reduction. Should the Gross Actual IPI Rate Reduction exceed the Gross Effective IPI Rate Reduction, the Port of Los Angeles shall, within thirty (30) days of its completion of the reconciliation, credit the Terminal Tenant the amount of any difference. Should the Gross Effective IPI Rate Reduction exceed the Gross Actual IPI Rate Reduction, the Port of Los Angeles shall, within thirty (30) days of its completion of the reconciliation, so advise the Terminal Tenant. Within thirty (30) days following such written notice, the Terminal Tenant shall pay the Port of Los Angeles the amount of any difference.

[C]  
2305

See Item 10 for explanation of abbreviations and symbols.

Correction No. 651	Order No. 13-7148 Ordinance No. 182943	Adopted November 7, 2013 Adopted March 18, 2014	EFFECTIVE: April 25, 2014
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\* INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

INTERMODAL CONTAINER DISCOUNT PROGRAM -- Continued

A Terminal Tenant’s request for application of the Effective IPI Rate Reduction shall constitute its irrevocable agreement to submit, upon written request of the Executive Director, and within fifteen (15) days of such written request, information, written or otherwise, that may be reasonably required by the Port of Los Angeles to administer the IPI Program, which information includes, but is not limited to, information regarding all IPI Containers (and their serial numbers) to which the Terminal Tenants assert this IPI Program applies.

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2305  
(Cont.)

The Executive Director shall resolve any disputes regarding the amount of the Effective IPI Rate Reduction, the Actual IPI Rate Reduction, the Gross Effective IPI Rate Reduction, and the Gross Actual IPI Rate Reduction.

Except for the adjustments to compensation set forth in this Item No. 2300, nothing in this Item No. 2300 shall amend, vary or otherwise alter the terms and conditions of any contracts between the Port of Los Angeles or the City, on one hand, and Terminal Tenants, on the other hand.

See Item 10 for explanation of abbreviations and symbols.

Correction No. 652

Order No. 13-7148

Adopted November 7, 2013

Ordinance No. 182943

Adopted March 18, 2014

EFFECTIVE: April 25, 2014

SECTION TWENTY-THREE  
 \* INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

DEFINITIONS INTERMODAL CONTAINER INCENTIVE PROGRAM

For purposes of Items 2310 and 2315 the following definitions shall apply:

“Alameda Corridor Transportation Authority” means the joint powers authority formed by the cities and Ports of Los Angeles and Long Beach.

“Baseline Period” means the 12 month period commencing on May 1, 2008 and ending on April 30, 2009 during which time IPI Container Volume was handled through the San Pedro Bay Ports.

“Incentive Period” means the 12 month period commencing on May 1, 2009 and ending on April 30, 2010 during which time IPI Container Volume was handled through the San Pedro Bay Ports.

“Ocean Common Carrier” means a vessel-operating common carrier as defined in the Shipping Act of 1984, whose vessels call at Port of Los Angeles Container Terminal Tenant premises. Any person or entity disagreeing with the Port of Los Angeles’ determination shall have thirty (30) days from notice of the determination to submit documentation that the vessel is in fact operated by a different person or entity. Upon review of this information, the Port of Los Angeles may amend its determination at the exclusive discretion of the Executive Director.

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 2310

“IPI Container” means an intact loaded or empty cargo container that: (a) is transported by rail from a point outside California directly to the Port of Los Angeles Container Terminal Tenant's premises (or to a rail facility in Los Angeles County for subsequent delivery directly to the Port of Los Angeles Container Terminal Tenant's premises) for loading onto an ocean-going vessel; or (b) is transported by rail to a point outside California directly from the Port of Los Angeles Container Terminal Tenant's premises (or from a rail facility in Los Angeles County after transport directly from the Port of Los Angeles Container Terminal Tenant's premises) after unloading from an ocean-going vessel.

“IPI Incentive Program” means the Intermodal Container Incentive Program.

“San Pedro Bay Ports” means property under the control and jurisdiction of the Port of Los Angeles or the Port of Long Beach.

See Item 10 for explanation of abbreviations and symbols.

Correction No. 653	Order No. 13-7148 Ordinance No. 182943	Adopted November 7, 2013 Adopted March 18, 2014	EFFECTIVE: April 25, 2014
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SECTION TWENTY-THREE * INCENTIVES – GENERAL RULES AND REGULATIONS	Item No.
<p>DEFINITIONS INTERMODAL CONTAINER INCENTIVE PROGRAM -- Continued</p> <p>“Container Terminal Tenant” means an entity that has entered into and is in good standing under a current permit or contract with the City of Los Angeles for use and occupancy of property and facilities at the Port of Los Angeles that loads or unloads loaded or empty cargo containers onto or from ocean-going vessels to and from such premises.</p> <p>“TEU” means the unit of measurement that is derived by converting the actual length of a cargo container into twenty-foot equivalent units.</p>	<p>[C] 2310 (Cont.)</p>
<p>INTERMODAL CONTAINER INCENTIVE PROGRAM</p> <p>The Intermodal Container Incentive program offers Ocean Common Carriers a financial incentive in the amount of twenty dollars (\$20.00) per loaded TEU on the incremental increase of IPI Containers whose wharfage charges become due pursuant to Tariff Item 505 during the Incentive Period. The incremental increase in IPI Container volume shall represent an increase in the San Pedro Bay Ports’ total IPI Container volumes over the Baseline Period.</p> <p>By July 1, 2010 each participating Ocean Common Carrier shall separately submit electronically data for loaded containers handled by the Ocean Common Carrier for both the Baseline Period and the Incentive Period, including but not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) IPI container serial numbers;</li> <li>(b) Container size in length;</li> <li>(c) Container quantity in TEUs;</li> <li>(d) North American IPI point of cargo origin or final destination;</li> <li>(e) Berth; and</li> <li>(f) Name and date of vessel arrival/departure.</li> </ul> <p>IPI Incentive Program data shall be reported separately for IPI Containers loaded or discharged at the Port of Los Angeles, and for those at the Port of Long Beach.</p>	<p>[C] 2315</p>

See Item 10 for explanation of abbreviations and symbols.

Correction No. 654	Order No. 13-7148 Ordinance No. 182943	Adopted November 7, 2013 Adopted March 18, 2014	EFFECTIVE: April 25, 2014
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\* INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

INTERMODAL CONTAINER INCENTIVE PROGRAM -- Continued

The Port of Los Angeles shall, within thirty (30) days of receipt of the IPI Container volume data from each participating Ocean Common Carrier, determine the actual monetary payment each participating Ocean Common Carrier is entitled to receive by reconciling the following information:

- (a) The IPI container volumes whose wharfage charges become due pursuant to Tariff Item 505 during the Baseline Period;
- (b) Confirming, by serial numbers, all IPI Containers against which each participating Ocean Common Carrier is claiming an IPI Incentive Program amount shipped during such period;
- (c) Confirming all IPI container volumes with the Container Terminal Tenants; and
- (d) Reconciling the IPI container volumes with IPI container volumes provided to the Port of Long Beach, to determine if such participating Ocean Common Carrier increased IPI volumes through the San Pedro Bay Ports during the Incentive Period.

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(Cont.)

Each participating Ocean Common Carrier IPI container volume data will be further reconciled using data provided to the Harbor Department by the Alameda Corridor Transportation Authority.

In the event that IPI container volume handled by a participating Ocean Common Carrier through the San Pedro Bay Ports increased during the Incentive Period when compared with the Baseline Period, the Port of Los Angeles shall, upon completion of the reconciliation process, pay the Ocean Common Carrier twenty dollars (\$20.00) per loaded TEU on the incremental increase of IPI containers brought to the Port of Los Angeles.

In the event that the IPI container volume handled by a participating Ocean Common Carrier through the San Pedro Bay Ports decreased during the Incentive Period when compared with the Baseline Period, no monetary payment shall be made.

The Port of Los Angeles shall pay any IPI Container Incentive amounts owed to each participating Ocean Common Carrier as a one-time lump sum payment within thirty (30) days of completing the reconciliation process.

See Item 10 for explanation of abbreviations and symbols.

Correction No. 655	Order No. 13-7148 Ordinance No. 182943	Adopted November 7, 2013 Adopted March 18, 2014	EFFECTIVE: April 25, 2014
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SECTION TWENTY-THREE INCENTIVES – GENERAL RULES AND REGULATIONS	Item No.
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**DEFINITIONS OCEAN COMMON CARRIER INCENTIVE PROGRAM**

For purposes of Items 2320 and 2325 the following definitions shall apply:

“BASELINE TEU VOLUME” means TEU Volume delivered by an Ocean Common Carrier through the Port of Los Angeles during the Fiscal Year that immediately precedes the current Fiscal Year.

“CONTAINER REPORT” means a report produced by the Terminal Operator upon completion of the loading and discharge operations of a vessel showing the total number of containers loaded and or discharged of such vessel.

“FISCAL YEAR” or “FY” means a 12 month period commencing on July 1 and ending the subsequent year on June 30.

“INCENTIVE PERIOD” shall be the Fiscal Year period that immediately follows the Fiscal Year period during which the Baseline TEU Volume was established.

“INCENTIVE PERIOD TEU VOLUME PERCENTAGE GROWTH” means the percentage growth in TEU Volume delivered by the individual Ocean Common Carrier through the Port of Los Angeles during the relevant Incentive Period over the Baseline TEU Volume, after reducing this percentage growth by the Transpacific Market Percentage Growth. The TEU Volume increase, if any, reflected by this comparison to the Baseline TEU Volume shall be the “ADJUSTED INCENTIVE PERIOD TEU VOLUME”

“OCEAN COMMON CARRIER” means an individual vessel-operating common carrier as defined in the Shipping Act of 1984, whose vessels call at Port of Los Angeles.

“QUALIFYING YEAR” means the Fiscal Year immediately prior to the Baseline TEU Volume period.

“TERMINAL OPERATOR” means the entity with contractual authority from the Port of Los Angeles to operate a Terminal, to include an operating entity authorized by the premises permit holder to operate a Terminal on its behalf.

“TEU” means the unit of measurement that is derived by converting the actual length of a cargo container into twenty-foot equivalent units.

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See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE INCENTIVES – GENERAL RULES AND REGULATIONS	Item No.
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<p>DEFINITIONS OCEAN COMMON CARRIER INCENTIVE PROGRAM -- Continued</p> <p>“TEU VOLUME” means loaded and empty container volume combined, delivered to the Port of Los Angeles by an Ocean Common Carrier.</p> <p>“TRANSPACIFIC MARKET PERCENTAGE GROWTH” means the reported import percentage growth figure recorded during the Incentive Period using Trans Pacific market United States West, Gulf and East Coast data obtained through the Port Import Export Reporting System (PIERS) or similar publicly verifiable source to be determined by the Executive Director.</p>	+ 2320 (Cont.)
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<p style="text-align: center;">OCEAN COMMON CARRIER INCENTIVE PROGRAM AND ELIGIBILITY REQUIREMENTS</p> <p>(a) An individual Ocean Common Carrier is eligible to receive \$10 per TEU payment on the Adjusted Incentive Period TEU Volume, effective September 1, 2018.</p> <p>In the event the Transpacific Market Percentage Growth during the Incentive Period declines below zero percent (0%), an Individual Ocean Common Carrier will still qualify to receive payment under this Ocean Common Carrier Incentive Program, but only for the TEU Volume above the Baseline TEU Volume.</p> <p>(b) The maximum payment an individual Ocean Common Carrier can earn from this incentive program is Two Million Dollars (\$2,000,000.00) per Incentive Period. Any shortfall amount below the Two Million Dollars (\$2,000,000.00) maximum payment per Incentive Period will not be carried over.</p> <p>TEU Volumes of individual Ocean Common Carriers that merged their container shipping operations into a newly formed or existing Ocean Common Carrier shall be combined for the purposes of determining eligibility under this program. Each TEU shall only be counted and claimed once by one individual Ocean Common Carrier and exclude TEU Volume carried aboard its vessels for other individual Ocean Common Carriers. The determination as to which individual Ocean Common Carrier is responsible for delivering each TEU under this program shall be resolved by the Executive Director at his or her sole discretion.</p>	+ 2325
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See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

OCEAN COMMON CARRIER INCENTIVE PROGRAM AND ELIGIBILITY  
 REQUIREMENTS -- Continued

During the Qualifying Year, an individual Ocean Common Carrier shall have delivered TEU Volumes equal to or lower than the Baseline TEU Volumes before qualifying for a financial incentive under this Ocean Common Carrier Incentive Program. This Qualifying Year TEU Volume requirement shall not apply to the first Incentive Period (ending June 30, 2019) of this program. Effective April 1, 2021 the Qualifying Year TEU Volume requirement shall no longer apply to TEU Volume on or after April 1, 2021 but will be applied to TEU volume delivered prior to that date.

(c) In order for an individual Ocean Common Carrier to be entitled to receive payments under this program, the Ocean Common Carrier or their agent shall be required to transmit electronically to the Harbor Department the manifest and container information in accordance with the schedule provided in this Item by September 30, 2018. Reasonable technical delays in providing this electronic information by this date shall be excused upon written request and a showing of good cause, in a manner and for a period of time determined in the sole and absolute discretion of the Executive Director. This electronic transmission shall be through preapproved contractual EDI procedures or through other procedures and formats approved by the Executive Director.

(d) The Port of Los Angeles shall, within (30) days of receipt of the Incentive Period TEU Volumes delivered by an individual Ocean Common Carrier to the Port of Los Angeles, determine, in the sole and absolute discretion of the Executive Director, the actual monetary payment each participating Ocean Common Carrier is entitled to receive by reconciling the following:

1. Ocean Common Carrier data according to Item No. 255
2. The Terminal Operator supplied Container Report

Individual Ocean Common Carriers potentially entitled to payment under this incentive program shall submit a written request for payment, directed to the Executive Director no later than August 31st immediately following the Incentive Period. Payments made under this program, if any, shall be paid in one-time, lump-sum payments.

To be paid an incentive, all Ocean Common Carriers must have filed with the Port of Los Angeles a Los Angeles Business Tax Registration Certificate and federal tax form W-9 or form W-8BEN.

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 2325  
 (Cont.)

See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

OCEAN COMMON CARRIER INCENTIVE PROGRAM AND ELIGIBILITY  
REQUIREMENTS -- Continued

(e) The Ocean Common Carrier Incentive Program under Item No. 2325 shall remain valid for a minimum 303-day period commencing on September 1, 2018, and continue until terminated at the discretion of the City of Los Angeles Board of Harbor Commissioners by order of the Board.

If this Ocean Common Carrier Incentive Program becomes effective or is terminated during a Fiscal Year, each eligible Ocean Common Carrier shall be entitled to an incentive payment on a pro-rata basis on that Adjusted Incentive Period TEU Volume. In determining pro-rata incentive payment eligibility, the Incentive Period TEU Volume Percentage Growth and the Baseline TEU Volume will be adjusted in proportion to the same number of calendar days during the Incentive Period in which the Ocean Common Carrier Incentive Program was effective.

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(Cont.)

Digital Data Portal Electronic Transmission Schedule

Information                      Frequency                      Potential Sources

<b>(Imports)</b>		Sources include but are not limited to the following:
Import Manifest Documentation (not including commodity or financial information)	Within 24 hours of origin departure; with all amendments or updates as generated	EDI 309 – Customs Manifest EDI 310 – Freight Receipt and Invoice
Container stowage on incoming vessel	Within 24 hours of origin departure; with all amendments or updates as generated	BAPLIE (Origin and Final) EDI 324 – Vessel Stow Plan
Marine terminal destination information	Within 24 hours of origin departure; with all amendments or updates as generated	IFTSAI

See Item 10 for explanation of abbreviations and symbols.

Correction No. 723	Order No. 18-7245    Adopted August 23, 2018 Ordinance No. 185815    Adopted October 31, 2018	EFFECTIVE: December 2, 2018
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SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

OCEAN COMMON CARRIER INCENTIVE PROGRAM AND ELIGIBILITY  
REQUIREMENTS -- Continued

Digital Data Portal Electronic Transmission Schedule – (Continued)

<u>Information</u>	<u>Frequency</u>	<u>Potential Sources</u>
Container modality information (Truck or specific Railroad SCAC)	Within 24 hours of origin departure; with all amendments or updates as generated	EDI 404 – Rail Carrier Shipment Information
Container final destination information	Within 24 hours of origin departure; with all amendments or updates as generated	Bill of Lading
Container movement status updates	Within 30 minutes of movement event	EDI 315 – Status Details
<b>(Exports)</b>		
Export booking information (not including commodity or financial information)	Within 24 hours after booking accepted; with all amendments or updates as generated	EDI 301 – Confirmation EDI 303 – Booking Cancellation
Export marine terminal information	Within 24 hours of origin departure; with all amendments or updates as generated	IFTSAI
<b>(Other)</b>		
Empty containers returned by marine terminal or container yard	Daily; with all amendments or updates as generated	Shipping Line Equipment Management System

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2325  
(Cont.)

See Item 10 for explanation of abbreviations and symbols.

Correction No. 724	Order No. 18-7245 Adopted August 23, 2018 Ordinance No. 185815 Adopted October 31, 2018	EFFECTIVE: December 2, 2018
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SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

DEFINITIONS OCEAN COMMON CARRIER – ULTRA LARGE  
 CONTAINER VESSEL INCENTIVE PROGRAM

“ALTERNATIVE MARITIME POWER (AMP)” means an air emission reduction technology that allows ships to be powered by shore supplied electrical power while at berth rather than running their auxiliary diesel engines.

“BOARD” means the Board of Harbor Commissioners of the City of Los Angeles.

“CONTAINER REPORT” means a report produced by the Terminal Operator upon completion of the loading and discharge operations of a vessel showing the total number of containers loaded and or discharged of such vessel.

“MINIMUM TEU VOLUME” means a minimum of 24,500 TEU of the loaded and empty container volume combined, delivered to the Port of Los Angeles by all Ocean Common Carriers having loaded and empty containers on one Ultra Large Container Vessel for which one of the Ocean Common Carriers is the Vessel Operator.

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 2326

“OCEAN COMMON CARRIER” means a vessel-operating common carrier as defined in the Shipping Act of 1984, whose vessels call at Port of Los Angeles.

“PORT OF LOS ANGELES” All the navigable waters within the City of Los Angeles included within, or northerly of, the Los Angeles Harbor Breakwater and the easterly prolongation thereof in a straight line to its intersection with the easterly boundary line of the City of Los Angeles are herein designated and referred to as the “Port of Los Angeles” or “Los Angeles Harbor.”

“TEU” means the unit of measurement that is derived by converting the actual length of a cargo container into twenty-foot equivalent units.

“TEU VOLUME” means loaded and empty container volume combined, delivered to the Port of Los Angeles by an Ocean Common Carrier.

“ULTRA LARGE CONTAINER VESSEL” means an ocean going container vessel with a registered Length Overall of minimum 398 meters, and a width of minimum 54 meters according to Lloyd’s Register.

See Item 10 for explanation of abbreviations and symbols.

Correction No. 745	Order No. 19-7265 Ordinance No. 186136	Adopted March 7, 2019 Adopted May 17, 2019	EFFECTIVE: June 22, 2019
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<p>“VESSEL OPERATOR” shall be determined by the Port by reference to Lloyd’s Register. Any operator disagreeing with this determination shall have 30 days from notice of this determination to submit documentation that a vessel is in fact operated by an operator other than the one listed in Lloyd’s Register. Upon review of this information, the Port may amend its initial determination at the sole discretion of the Executive Director.</p>		+ 2326 (Cont.)
<p>OCEAN COMMON CARRIER – ULTRA LARGE CONTAINER VESSEL INCENTIVE PROGRAM AND ELIGIBILITY REQUIREMENTS</p> <p>(a) An Ocean Common Carrier is eligible to receive a \$10 per loaded TEU that the Ocean Common Carrier delivered on its behalf to the Port of Los Angeles. Payment to the eligible Ocean Common Carrier shall be limited to the TEU Volume of one Ultra Large Container Vessel for which the Ocean Common Carrier is the Vessel Operator, and where the Minimum TEU Volume requirement was met. The maximum payment an Ocean Common Carrier can receive under this item shall not exceed \$150,000, and is limited to one of the Ocean Common Carrier’s Ultra Large Container Vessels this Ocean Common Carrier operates on behalf of itself, and limited to one vessel visit of that Ultra Large Container Vessel at the Port of Los Angeles.</p> <p>(b) An Ocean Common Carrier that previously received a financial incentive from the Harbor Department, directly, or indirectly through a previously Board approved permit amendment providing a cost reduction to that Ocean Common Carrier to handle an Ultra Large Container Vessel shall not be eligible to receive an Ultra Large Container Vessel Incentive under this Tariff item.</p> <p>Ocean Common Carriers that merged their container shipping operations into a newly formed or existing Ocean Common Carrier shall be eligible for this incentive program, unless one or more of the now merged Ocean Common Carriers previously received a financial incentive from the Harbor Department directly, or indirectly through a previous Board approved permit amendment providing a cost reduction to that Ocean Common Carrier to handle one of its Ultra Large Container Vessel operated at the Port of Los Angeles.</p>		+ 2327
See Item 10 for explanation of abbreviations and symbols.		
Correction No. 746	Order No. 19-7265 Ordinance No. 186136	Adopted March 7, 2019 Adopted May 17, 2019
EFFECTIVE: June 22, 2019		

SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

OCEAN COMMON CARRIER – ULTRA LARGE CONTAINER VESSEL  
 INCENTIVE PROGRAM AND ELIGIBILITY REQUIREMENTS -- Continued

(c) In order for the Ocean Common Carrier to be entitled to receive payments under this program, the Ocean Common Carrier or their agent shall be required to:

1. Transmit electronically to the Harbor Department the manifest and container information in accordance with the schedule provided in Item No 2325. This electronic transmission shall be through preapproved contractual EDI procedures or through other procedures and formats approved by the Executive Director.

2. Meet the requirements of the Vessel Speed Reduction Program provided in Section Twenty, Item No. 2045 during this Ultra Large Container Vessel’s call at the Port of Los Angeles.

3. Use AMP or equivalent emissions reduction technology during this Ultra Large Container Vessel’s call at the Port of Los Angeles.

(d) The Port of Los Angeles shall, within (30) days of receipt of the TEU Volumes delivered by an individual Ocean Common Carrier of one of its Ultra Large Container Vessels it operated at the Port of Los Angeles, determine the actual monetary payment the eligible Ocean Common Carrier is entitled to receive by reconciling the following:

1. Ocean Common Carrier data according to Item No. 255
2. The Terminal Operator supplied Container Report

An Ocean Common Carrier potentially entitled to payment under this incentive program shall submit a written request for payment, directed to the Executive Director within (60) days of the Ultra Large Container Vessel arrival at the Port of Los Angeles. Payments made under this program, if any, shall be paid in one-time, lump-sum payments. The determination as to whether an Ocean Common Carrier is entitled to receive an incentive payment under this program and the amount of such payment shall be resolved by the Executive Director at his or her sole discretion. To be paid an incentive, the Ocean Common Carrier must have filed a Los Angeles Business Tax Registration Certificate and federal tax form W-9 or form W-8BEN with the Port of Los Angeles.

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 2327  
 (Cont.)

See Item 10 for explanation of abbreviations and symbols.

Correction No. 747	Order No. 19-7265 Ordinance No. 186136	Adopted March 7, 2019 Adopted May 17, 2019	EFFECTIVE: June 22, 2019
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SECTION TWENTY-THREE INCENTIVES – GENERAL RULES AND REGULATIONS		Item No.
<p style="text-align: center;">OCEAN COMMON CARRIER – ULTRA LARGE CONTAINER VESSEL INCENTIVE PROGRAM AND ELIGIBILITY REQUIREMENTS -- Continued</p> <p>(e) The Ocean Common Carrier – Ultra Large Container Vessel Incentive Program under Item No. 2327 shall remain valid for minimum period of one 12 month period commencing on March 1, 2019, and continue until terminated at the discretion of the City of Los Angeles Board of Harbor Commissioners.</p>		+ 2327 (Cont.)
<p style="text-align: center;">DEFINITIONS CRUISE VESSEL INCENTIVE PROGRAM</p> <p>For purposes of Item 2330, Item 2335, and Item 2340 the following definitions shall apply:</p> <p>“Cruise Year” is defined as the twelve month period beginning September 1st through August 31<sup>st</sup> of the following calendar year.</p> <p>“Cruise Vessel Operator” shall be determined by the Port in reference to the operator listed in the Lloyds Register of Ships or the parent of a wholly owned subsidiary which is listed as the operator in the Lloyds Register of Ships. Any Cruise Vessel Operator disagreeing with this determination shall have 30 days from notice of this determination to submit documents that a vessel is in fact operated by an operator other than the one listed in Lloyd’s Register of Ships. Upon review of this information, the Port may amend its initial determination at the exclusive discretion of the Executive Director.</p> <p>“Summer Season” is defined as the four month period beginning May 15th through September 15th during the same calendar year.</p>		2330
See Item 10 for explanation of abbreviations and symbols.		
Correction No. 748	Order No. 19-7265      Adopted March 7, 2019 Ordinance No. 186136      Adopted May 17, 2019	EFFECTIVE: June 22, 2019

SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CRUISE VESSEL INCENTIVE PROGRAM

Commencing on September 20, 2016, the Cruise Vessel Incentive Program will be based upon the number of revenue generating cruise passengers handled by a Cruise Vessel Operator per Cruise Year at the Port of Los Angeles.

<u>Number of cruise passengers per cruise year</u>	<u>Incentive per call</u>
25,000 - 49,999	\$ 5,000.00
50,000 - 99,999	\$ 6,000.00
100,000 - 149,999	\$ 7,000.00
150,000 - 199,999	\$ 8,000.00
200,000 - 249,999	\$ 9,000.00
250,000 - 299,999	\$10,000.00
300,000 - 349,000	\$11,000.00
350,000 +	\$12,000.00

To participate, a Cruise Vessel Operator will provide a list of all cruise brands and cruise lines that are eligible to qualify for the Cruise Vessel Incentive. Volumes will be calculated to include all cruise brands or cruise lines identified by the Cruise Vessel Operator as being eligible.

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Cruise Vessel Operators shall submit invoices to the Port for the prior Cruise Year for the Cruise Vessel Incentive Program on or before December 31st of the following Cruise Year. The incentive amount will be paid out upon receipt of an invoice from the Cruise Vessel Operator and verification of the incentive amount claimed by the Port of Los Angeles. The Port of Los Angeles will provide each Cruise Vessel Operator receiving payments under this program, if any, with reconciliation sixty days after receipt of invoice. Payments made under this program, if any, shall be paid in a one-time lump sum payment.

If a Cruise Vessel Operator sells a cruise brand or cruise line, buys a cruise brand or cruise line, or starts a new cruise brand or cruise line, the eligibility of the cruise brand or cruise line under the Cruise Vessel Incentive Program will be determined based on the closing date of the transaction as to whether such cruise brands or cruise lines were owned by the Cruise Vessel Operator at the time the incentive is claimed.

SUMMER SEASON INCENTIVE

Any Cruise Vessel Operator that has more than 10 vessel calls during the summer season will receive \$5000 per vessel call. If the Cruise Vessel Operator qualifies for the Cruise Vessel Incentive Program, the Summer Season Incentive would be in addition to the Cruise Vessel Incentive.

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See Item 10 for explanation of abbreviations and symbols.

Correction No. 701	Order No. 16-7208 Ordinance No. 184562	Adopted September 15, 2016 Adopted November 9, 2016	EFFECTIVE: December 24, 2016
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SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT TRUCK TURN TIME INCENTIVE PROGRAM  
DEFINITIONS

“CONTAINER TERMINAL TENANT” An entity that has entered into and is a Tenant in Good Standing under a current permit or lease with the City of Los Angeles for use and occupancy of property and facilities at the Port of Los Angeles that load and unload cargo containers onto or from ocean-going vessels. They are the legal entity approved as tenants under the following Harbor Department Permits: Permit No. 999, Permit No. 787, Permit No 881, Permit No. 692, Permit No. 888, Permit No. 733, and Permit No. 827.

“FINANCIAL INCENTIVE” The amount of money due a Container Terminal Tenant under the terms of this Program.

“INCENTIVE PERIOD” The period of time a Container Terminal Tenant is eligible to receive a Financial Incentive under this Program shall begin February 1, 2021 and shall continue through January 31, 2022, and continue thereafter until terminated at the discretion of the City of Los Angeles Board of Harbor Commissioners by Order of the Board.

“IN GATE AND OUT GATE” The beginning and end mark of a truck’s transit through each Container Terminal Tenant’s facility.

“PORT OF LOS ANGELES” has the meaning in Item 100(g) of this Tariff.

“PORT OPTIMIZER™” A privately developed digital supply chain data platform that provides channeled access visibility to supply chain stakeholders for the purpose of enhancing cargo movement (see <https://www.portoflosangeles.org/business/supply-chain/port-optimizer%E2%84%A2>).

“TENANT IN GOOD STANDING as defined in Section III of the Port of Los Angeles Leasing Policy, adopted by the Board of Harbor Commissioners on August 8, 2013 and available at <https://www.portoflosangeles.org/business/leasing-property> or upon request.

“TRUCK TURN TIME” The period of time it takes a truck driver to enter, pickup and/or drop off a shipping container and exit a Container Terminal Tenant’s facility as reported through Port Optimizer™. The In Gate located at the entrance and the Out Gate located at the exit of each Terminal Tenant’s facility will mark the beginning and ending of a truck’s turn time for purposes of this Program.

“TRUCK TURN TIME AVERAGE” A report produced by Port Optimizer™ showing the average Truck Turn Time for a calendar month of a Container Terminal Tenant.

“TRUCK TURN TIME BASELINE” A Container Terminal Tenant’s average Truck Turn Time for each quarter respectively (the first quarter beginning January 1, 2020) as provided by the Container Terminal Tenant for calendar year 2020, subject to verification by the Harbor Department. The Truck Turn Baseline for each Container Terminal Tenant in subsequent calendar years shall be each Container Terminal Tenant’s previous year’s quarterly Truck Turn Time averages as reported through Port Optimizer™. The quarter in all years shall begin on January 1st of each year.

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See Item 10 for explanation of abbreviations and symbols.

Correction No. 757	Order No. 21-7288 Ordinance No. 186953	Adopted January 14, 2021 Adopted April 7, 2021	EFFECTIVE: May 26, 2021
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SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT TRUCK TURN TIME INCENTIVE PROGRAM AND  
 ELIGIBILITY REQUIREMENTS

The Container Terminal Tenant Truck Turn Time Incentive Program (Program) shall commence on February 1, 2021 and shall remain in effect at least through January 31, 2022, and continue thereafter until terminated at the discretion of the City of Los Angeles Board of Harbor Commissioners (Board) by Order of the Board. During the Incentive Period, the Harbor Department shall provide Port of Los Angeles’ Container Terminal Tenants a Financial Incentive for maintaining or decreasing Truck Turn Time at their respective facilities as set forth herein.

- a) A Container Terminal Tenant is eligible to receive a Financial Incentive for maintaining a Truck Turn Time Average of thirty-five (35) minutes or less during any calendar month within the Incentive Period as set forth hereunder.
- b) A Container Terminal Tenant is eligible to receive a Financial Incentive for improving its Truck Turn Time Average over its corresponding quarterly Truck Turn Time Baseline related to the number of Twenty-foot Equivalent Units (TEU) moved by drayage truck (truck) through its In Gate and/or Out Gate during any calendar month within the Incentive Period as set forth hereunder.
- c) The Financial incentive shall be calculated in connection to the number of TEUs moved by truck through a participating Container Terminal Tenant’s In Gate and/or Out Gate on a calendar month basis.
- d) Financial Incentive under the Program:
  - I. Financial Incentive Amount.
    - a. A Container Terminal Tenant that achieves a Truck Turn Time Average of thirty-five (35) minutes or less shall be eligible to receive a Financial Incentive of \$3.00 per TEU moved by truck through its In Gate and/or Out Gate.
    - b. A Container Terminal Tenant that improves its Truck Turn Time Average in terms of its percentage improvement from its Container Terminal Tenant’s Truck Turn Time Baseline shall be eligible to receive a Financial Incentive in accordance with the below schedule:

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See Item 10 for explanation of abbreviations and symbols.

Correction No. 758	Order No. 21-7288 Ordinance No. 186953	Adopted January 14, 2021 Adopted April 7, 2021	EFFECTIVE: May 26, 2021
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SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT TRUCK TURN TIME INCENTIVE PROGRAM AND  
ELIGIBILITY REQUIREMENTS – Continued

Truck Turn Time Improvement Payout Schedule

<b>Truck Turn Time Percentage Improvement</b>	<b>Incentive Amount per TEU</b>
5%	\$0.50
6%	\$0.65
7%	\$0.80
8%	\$0.95
9%	\$1.10
10%	\$1.25
11%	\$1.40
12%	\$1.55
13%	\$1.70
14%	\$1.85
15%	\$2.00
16%	\$2.15
17%	\$2.30
18%	\$2.45
19%	\$2.60
20%	\$2.75

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(Cont.)

II. Calculating Truck Turn Time Improvement. The Harbor Department at the end of each calendar month of the Incentive Period shall compare each Container Terminal Tenant’s monthly Truck Turn Time Average against its relevant quarterly Truck Turn Time Baseline to determine the percentage improvement (i.e., reduction of Truck Turn Time Average) each Terminal Tenant has achieved, if any. Should a Container Terminal Tenant make an improvement making it eligible for a Financial Incentive, that Container Terminal Tenant shall receive payment which shall be made no sooner than thirty (30) days after end of the month for which a Container Terminal Tenant has achieved the qualifying improvement subject to the conditions below:

- a. The Financial Incentive under this Program is contingent upon and subject to the following:
  - 1) A Container Terminal Tenant must be a Tenant in Good Standing for any calendar month the Container Terminal Tenant achieves qualifying Truck Turn Times under the Program, to receive a Financial Incentive.

See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT TRUCK TURN TIME INCENTIVE PROGRAM AND  
ELIGIBILITY REQUIREMENTS – Continued

- 2) A Container Terminal Tenant shall be required to transmit electronically to the Harbor Department the following information within thirty (30) minutes of its occurrence:
  - a. Truck appointment information:
    - i. Time and date of appointment;
    - ii. Confirmation or cancellation verification, and
    - iii. All known container identification numbers connected to the appointment.
  - b. In Gate and Out Gate information:
    - i. Date and time every truck enters In Gate and exits Out Gate;
    - ii. Truck radio frequency identification number, and
    - iii. Container information:
      - 1. Container present at In Gate;
      - 2. Container present at Out Gate;
      - 3. Container identification number of container, when present, at In Gate and Out Gate, and
      - 4. Load status (empty or loaded) of container, when present, at In Gate and Out Gate.
  
- 3) Reasonable delays in providing this electronic information may be excused upon written request and a showing of good cause, in a manner and for a period of time determined in the sole and absolute discretion of the Executive Director. No payment shall be made until the data in conformance with Tariff Item 2346 for any month a Financial Incentive is claimed has been received by the Harbor Department. This electronic transmission shall be through preapproved contractual electronic data interchange procedures or through other procedures and formats approved by the Executive Director.

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III. Executive Director, in his or her sole and absolute discretion, shall resolve any and all disputes and/or issues regarding the Program including but not limited to: eligibility, Financial Incentive qualification, and amount of Financial Incentive due.

IV. Other than implementing an incentive program via inclusion in the Tariff, which Tariff is incorporated by reference in such contracts, nothing in this Item No. 2346 shall amend, vary or otherwise alter the terms and conditions of any contract, lease, permit, or any other legal agreement between the Port of Los Angeles or the City of Los Angeles, on one hand, and Container Terminal Tenants, on the other hand. For the avoidance of doubt, any payments provided under this Item No. 2346 shall be independent of payment duties and obligations under the Container Terminal Tenants' permits and shall not operate as either offsets or credits thereunder.

See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT DUAL TRANSACTION INCENTIVE PROGRAM  
DEFINITIONS

“CONTAINER TERMINAL TENANT” An entity that has entered into and is a Tenant in Good Standing under a current permit or lease with the City of Los Angeles for use and occupancy of property and facilities at the Port of Los Angeles that load and unload cargo containers onto or from ocean-going vessels. They are the legal entity holding the following Harbor Department Permits: Permit No. 999, Permit No. 787, Permit No 881, Permit No. 692, Permit No. 888, Eagle Permit No. 733, and Permit No. 827.

“DUAL TRANSACTION REPORT” A report showing the percentage of Dual Transactions a Container Terminal Tenant processed at its facility during any given calendar month as reported through Port Optimizer™ for the purposes of this Program.

“DUAL TRANSACTIONS” When a trucker arrives and delivers a shipping container at a Container Terminal Tenant’s facility and without leaving the facility obtains a different shipping container before departure for delivery to a destination.

“FINANCIAL INCENTIVE” The amount of money due a Container Terminal Tenant under the terms of this Program.

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“INCENTIVE PERIOD” The period of time a Container Terminal Tenant is eligible to receive a Financial Incentive under this Program shall begin February 1, 2021 and shall continue through January 31, 2022, and continue thereafter until terminated at the discretion of the City of Los Angeles Board of Harbor Commissioners by Order of the Board.

“IN GATE AND OUT GATE” The beginning and end mark of a truck’s transit through each Container Terminal Tenant’s facility.

“PORT OF LOS ANGELES” has the meaning in Item 100(g) of this Tariff.

“PORT OPTIMIZER™” A privately developed digital supply chain data platform that provides channeled access visibility to supply chain stakeholders for the purpose of enhancing cargo movement (see <https://www.portoflosangeles.org/business/supply-chain/port-optimizer%E2%84%A2>).

“TENANT IN GOOD STANDING as defined in Section III of the Port of Los Angeles Leasing Policy, adopted by the Board of Harbor Commissioners on August 8, 2013 and available at <https://www.portoflosangeles.org/business/leasing-property> or upon request.

See Item 10 for explanation of abbreviations and symbols.

Correction No. 761	Order No. 21-7288 Ordinance No. 186953	Adopted January 14, 2021 Adopted April 7, 2021	EFFECTIVE: May 26, 2021
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**SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS**

Item No.

**CONTAINER TERMINAL TENANT DUAL TRANSACTION INCENTIVE PROGRAM AND  
ELIGIBILITY REQUIREMENTS**

The Container Terminal Tenant Dual Transaction Incentive Program (Program) shall commence on February 1, 2021 and shall remain in effect at least through January 31, 2022, and continue thereafter until terminated at the discretion of the Board by Order of the Board. During the Incentive Period, the Harbor Department shall provide Port of Los Angeles’ Container Terminal Tenants a Financial Incentive, when they achieve a set percentage of Dual Transactions as set forth herein.

- a) A Container Terminal Tenant is eligible to receive a Financial Incentive when a minimum of fifty percent (50%) of its gate transactions are Dual Transactions within a calendar month.
- b) The Twenty-foot Equivalent Unit (TEU) incentive shall be applied to all loaded TEUs moved by truck through a Container Terminal Tenant’s In Gate and Out Gate at the Port of Los Angeles in accordance with the respective Container Terminal Tenants’ Permit with the Harbor Department.
- c) Financial Incentive under the Program:

The Financial Incentive shall be based on the percentage of Dual Transactions a Container Terminal Tenant achieved at its facility during any given calendar month, per the schedule below:

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<u>Dual Transaction Percentage</u>	<u>TEU Incentive per dual transaction</u>	<u>Dual Transaction Percentage</u>	<u>TEU Incentive per dual transaction</u>	<u>Dual Transaction Percentage</u>	<u>TEU Incentive per dual transaction</u>
50	\$ 0.40	67	\$ 0.74	84	\$ 1.08
51	\$ 0.42	68	\$ 0.76	85	\$ 1.10
52	\$ 0.44	69	\$ 0.78	86	\$ 1.12
53	\$ 0.46	70	\$ 0.80	87	\$ 1.14
54	\$ 0.48	71	\$ 0.82	88	\$ 1.16
55	\$ 0.50	72	\$ 0.84	89	\$ 1.18
56	\$ 0.52	73	\$ 0.86	90	\$ 1.20
57	\$ 0.54	74	\$ 0.88	91	\$ 1.22
58	\$ 0.56	75	\$ 0.90	92	\$ 1.24
59	\$ 0.58	76	\$ 0.92	93	\$ 1.26
60	\$ 0.60	77	\$ 0.94	94	\$ 1.28
61	\$ 0.62	78	\$ 0.96	95	\$ 1.30
62	\$ 0.64	79	\$ 0.98	96	\$ 1.32
63	\$ 0.66	80	\$ 1.00	97	\$ 1.34
64	\$ 0.68	81	\$ 1.02	98	\$ 1.36
65	\$ 0.70	82	\$ 1.04	99	\$ 1.38
66	\$ 0.72	83	\$ 1.06	100	\$ 1.40

See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
 INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT DUAL TRANSACTION INCENTIVE PROGRAM AND  
 ELIGIBILITY REQUIREMENTS -- Continued

I. Calculating Dual Transaction Percentage. The Harbor Department at the end of each calendar month of the Incentive Period shall determine each Container Terminal Tenant’s monthly Dual Transaction percentage using the Dual Transaction Report produced by Port Optimizer™. Should a minimum of fifty percent (50%) of a Container Terminal Tenant’s gate transactions be Dual Transactions, that Container Terminal Tenant would be eligible for a Financial Incentive according to the actual Dual Transaction Percentage achieved according to the above table. The Container Terminal Tenant shall receive a Financial Incentive which shall be made no sooner than thirty (30) days after end of the month for which a Container Terminal Tenant has achieved the qualifying improvement subject to the conditions below:

a. Payment under this Program is contingent upon and subject to the following:

- 1) A Container Terminal Tenant must be a Tenant in Good Standing for any calendar month the Container Terminal Tenant achieves qualifying percentages of Dual Transactions under the Program to receive a Financial Incentive;
- 2) A Container Terminal Tenant shall be required to transmit electronically to the Harbor Department the following information within thirty (30) minutes of its occurrence:

a. Truck appointment information:

- i. Time and date of appointment;
- ii. Confirmation or cancellation verification of the appointment, and
- iii. All known container identification numbers connected to appointment.

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 (Cont.)

See Item 10 for explanation of abbreviations and symbols.

SECTION TWENTY-THREE  
INCENTIVES – GENERAL RULES AND REGULATIONS

Item No.

CONTAINER TERMINAL TENANT DUAL TRANSACTION INCENTIVE PROGRAM AND  
ELIGIBILITY REQUIREMENTS -- Continued

b. In Gate and Out Gate information:

- i. Date and time every truck enters In Gate and exits Out Gate;
- ii. Truck radio frequency identification number, and
- iii. Container information:
  - 1. Container present at In Gate;
  - 2. Container present at Out Gate;
  - 3. Container identification number of container, when present, at In Gate and Out Gate, and
  - 4. Load status (empty or loaded) of container, when present, at In Gate and Out Gate.

3) Reasonable delays in providing this electronic information may be excused upon written request and a showing of good cause, in a manner and for a period of time determined in the sole and absolute discretion of the Executive Director. No payment shall be made until the data in conformance with Tariff Item 2351 for any month a Financial Incentive is claimed has been received by the Harbor Department. This electronic transmission shall be through preapproved contractual electronic data interchange procedures or through other procedures and formats approved by the Executive Director.

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II. Executive Director, in his or her absolute discretion, shall resolve any and all disputes and/or issues regarding the Program including but not limited to: eligibility, Financial Incentive qualification, and amount of Financial Incentive due.

III. Other than implementing an incentive program via inclusion in the Tariff, which Tariff is incorporated by reference in such contracts, nothing in this Item No. 2351 shall amend, vary or otherwise alter the terms and conditions of any contract, lease, permit, or any other legal agreement between the Port of Los Angeles or the City of Los Angeles, on one hand, and Container Terminal Tenants, on the other hand. For the avoidance of doubt, any payments provided under this Item No. 2351 shall be independent of payment duties and obligations under the Container Terminal Tenants' permits and shall not operate as either offsets or credits thereunder.

See Item 10 for explanation of abbreviations and symbols.