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2008 OCT 22 PM 4:25

FEDERAL MARITIME COMMISSION

Hispaniola Discussion Agreement  
FMC Agreement No. 010977-060  
(2<sup>nd</sup> Edition)  
Second Revised Page No. 3

other than voluntarily, thereto. The authority of the parties includes, but is not limited to, consideration, discussion, exchange of information and, to the extent the parties choose to do so, agreement, on all aspects of transportation and service in the trade, including rates, charges, classification, practices, terms, conditions and rules and regulations applicable to transportation of cargo in the trade and to services provided in connection therewith, notice periods for changing rates and service items, port-to-port rates, overland rates, minilandbridge rates, interior point intermodal rates, port area intermodal rates, proportional rates, through rates, inland portions of through rates, joint rates, minimum rates, surcharges, arbitraries, volume rates, time/volume rates, project rates, freight-all-kinds rates, volume incentive programs, loyalty arrangements or fidelity commission systems, conforming to the anti-trust laws of the United States, consolidation, consolidation allowances, rates on commodities exempt from tariff filing, absorptions, equalization, substituted (alternate port) services, allowances, freight forwarder compensation, brokerage, the conditions determining such compensation or brokerage and the payment thereof, receiving, handling, storing, and delivery of cargo, designation of base ports and points, pick up and delivery charges, free time practices, detention, demurrage, container freight stations, port and inland container yards and container depots, terminals and other points of cargo receipt, vanning, devanning, furnishing equipment to or leasing equipment from shippers/consignees/inland carriers/others, collection agents at destination, maintaining and distributing information and data and statistics and all other practices, rules, regulations, and matters ancillary to transportation of cargo moving within the scope of this Agreement, rules regarding the time and currency in which the parties collect their rates and charges, credit conditions, suspension and restoration of credit privileges, handling of delinquent accounts and interest thereon. The parties will, to the extent required by law or as determined by them, publish and file their own separate tariff or tariffs.

(b) The parties or any two or more of them are authorized to collect, exchange and discuss information relevant to the Trade or any portion thereof including, but not limited to, economic forecasts; past, present or expected future conditions in all or any portion of the Trade; their revenues, costs, profits and losses (including any specific revenue and/or cost items or elements); and information about rates or other terms by being offered by carriers in the Trade.

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(c) This Agreement does not authorize any common tariffs. All parties collectively, or any two or more parties separately, may jointly enter into service contracts for cargo moving in the Trade. Except with respect to such joint service contracts, the parties are not required hereunder to agree upon, or if they do agree, to adhere to any uniform rates, charges, practices, conditions of service, or other decisions. Each party shall designate a point or points of entry for receipt of all inter-party communications in connection with the operation of this Agreement.

(d e) The parties may adopt voluntary, non-binding guidelines relating to the terms and procedures of a party's or parties' service contracts which shall be submitted to the Federal Maritime Commission confidentially.

(e d) The parties may charter space to, from and among each other in the Trade on such terms and conditions as they shall agree. The parties may also jointly establish sailing schedules, port rotation, limit sailings and jointly advertise each others vessels; provided, however, that any such activities in which the Members may engage pursuant to this Article 5(e d) shall be on an ad hoc, interim (defined to mean for a period not to exceed ninety (90) days, sporadic or emergency basis, it being understood that all on-going space charter arrangements (and other activities) shall be pursuant to separate and discreet agreements filed with the Federal Maritime Commission.

(i) The Agreement shall submit to the FMC separate and sequentially number confidential minute records on a quarterly calendar year basis reporting on all charter arrangements carried out pursuant to Article 5(e d) hereof, and specifying for each such arrangement (i) the names of the chartering and underlying carrier parties; (ii) the amount of space chartered expressed in twenty foot equivalent units (TEU's); (iii) the commencement and termination dates; and (iv) the port or ports from or to which it applies.

(f e) The parties may meet in person, by telephone or conduct business by written, telex or telefax exchanges. At any meeting and in order to foster a consensus, all carriers may communicate directly with the independent carrier parties and express their views with respect to any matter authorized in Article 5 herein. To further assist in reaching a consensus all carriers may communicate directly with some or all of the other carrier parties and exchange information with them, with respect to any matter authorized by Article 5 herein, prior to a meeting of the Agreement.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATION OF AUTHORITY

The parties may appoint a Secretariat to provide administrative and housekeeping functions in connection with the operation of this Agreement, delegate such authority to persons

(l) In the event that a party has failed to pay an expense invoice issued by the Agreement within sixty (60) days from the date it is issued, it shall lose all privileges under this Agreement. If said invoice remains unpaid after ninety (90) days then the Chairman shall immediately drawdown the party's security deposit. The party shall not have its privileges reinstated until its security deposit has been fully restored.

(m) Such security deposit shall be retained by the Agreement until the Member is released from all liabilities by the Agreement or ninety (90) days from the effective date of the party's withdrawal from the Agreement, whichever shall first occur. Provided however, that if on such date the Chairman certifies that there is any undischarged financial liability of the Agreement, contingent or payable, accruing during the period of the party's membership, such security deposit shall be retained during the pendency of any investigation, arbitration or litigation which might result in a liability to such party, or until the violations or claim has been settled in accordance with the provisions of this Agreement.

(n) All interest accruing on funds or securities so deposited shall be for the account of the depositing party and shall be remitted promptly to it.

(o) In the event a party that was required to provide a security deposit has failed to maintain or replenish its security deposit as required by this Article, the Chairman shall upon the expiration of 30 calendar days after its security deposit has been drawn upon or after 90 calendar days from the date of admission then the party shall automatically be expelled from Membership and the Chairman shall immediately notify in writing the party and the Federal Maritime Commission accordingly.

ARTICLE 8: VOTING

Any decision with respect to matters set forth in Article 5(e d) hereof shall require a vote of unanimity less one. Except as otherwise provided in Article 10, there is no voting under this Agreement. Any consensus or agreement reached by some or all parties hereunder shall be a matter of voluntary adherence by those parties choosing to so agree. Provided however, that any matter submitted to Agreement shall be acted upon within two business days following the day of its receipt by the parties.