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FEDERAL MARITIME COMMISSION

Original Title Page

NEW ZEALAND/UNITED STATES  
DISCUSSION AGREEMENT  
FMC Agreement No. 011268-016  
(2<sup>nd</sup> Edition)

Restatement of Agreement

A Cooperative Working Arrangement

Expiration Date: None

This Agreement was originally effective on February 1, 1990.



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**ARTICLE 1 - FULL NAME OF THE AGREEMENT**

The full name of this Agreement is the "New Zealand/United States Discussion Agreement" ("this Agreement").

**ARTICLE 2 - PURPOSE OF THE AGREEMENT**

The purpose of this Agreement is to promote service, stability and efficiency in the trades to the United States from New Zealand and certain Pacific Islands (as defined in Article 4, the "Trades").

**ARTICLE 3 - PARTIES TO THE AGREEMENT**

The names and addresses of parties to this Agreement are set forth in Appendix A hereof (collectively the "Parties" and individually "Party").

**ARTICLE 4 - GEOGRAPHIC SCOPE OF THE AGREEMENT**

This Agreement covers the Trades, direct or via transshipment, to (a) all ports in the United States (including Hawaii and Alaska and all its possessions and territories), and all interior and coastal points which can be served via those ports from (b) all ports in New Zealand, and all interior

and coastal points which can be served via those ports and all intermediate ports in the South Pacific islands, including Cook Islands, Fiji, New Caledonia, Vanuatu, Samoa Islands (excluding American Samoa), Solomon Islands, Society Islands, Tonga, Kiribati, Tuvalu, and Papua, New Guinea.

**ARTICLE 5 - OVERVIEW OF AGREEMENT AUTHORITY**

5.1 The Parties, or any of them, are authorized, but not required or obligated, to meet, consider, exchange information and discuss and, where possible, reach consensus or agreement upon the establishment, cancellation, maintenance and revision of:

(a) Rates, charges, classifications, rules, regulations, service items, freight forwarder compensation, and terms, conditions and practices relating without limitation to any aspect of ocean transportation and common carrier service provided by any Party in the Trades. Matters subject to this authority include, but are not limited to, ~~the~~ uniform or differential rates, port-to-port rates, overland rates, port area intermodal rates, through rates, time-volume rates, interior point intermodal rates and mini-landbridge rates. Rates may provide for absorptions, equalization and substituted or alternate port service.

(b) Liability, bill of lading conditions, positioning of equipment, interchange with connecting carriers, terminal and shoreside loading operations, wharfage, free time and demurrage, receipt, handling, storage and delivery of cargo, consolidation, container yards, depots and freight stations, and the transportation, use and storage of containers, chassis and all other intermodal equipment.

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(c) Agreements with forwarders or brokers, or among themselves, on amounts of brokerage and freight forwarder compensation and conditions for the payment thereof.

(d) The publication, revision, and cancellation of rules governing the extension of credit by Parties to shippers, including rules prohibiting the extension of credit, bonding requirements and/or security requirements, and provisions denying credit to any shipper, forwarder or consignee which is in default of or has failed to comply with the credit rules set forth in the Parties' respective tariffs for any shipment moving under such tariffs and exchange among themselves credit information concerning shippers, consignees and forwarders.

(e) The negotiation, offering, execution and terms and procedures of service contracts, as per Article 11 hereof.

5.2 The Parties are authorized to discuss, agree upon, negotiate and discuss with shippers, shippers' associations or other shippers' groups including shippers' councils all service contract and/or tariff matters covered by this Agreement or other matters of common interest and to act on such matters. The authority set forth in this Article 5.2 shall include the authority for the Parties to discuss, consider, exchange information and data, and, where possible, agree upon and present (jointly and/or separately) a common position pertaining to the following matters with any of the New Zealand producer boards or their designee(s) ("Boards"), including without limitation the Dairy, Meat Producers, Fishing Industry

or Wool Boards, in connection with the negotiation, award and implementation of any terms or conditions relating to the carriage in the Trades of cargo over which such Board has jurisdiction:

(a) Cargo movements, seasonality and other fluctuations of traffic flows and related data bearing on the level and frequency of liner services, including, without limitation, services offered by non-Parties, required by shippers in New Zealand and importers in the United States;

(b) Practices in connection with the receipt, carriage, handling and delivery of cargo, including cargo classifications and cargo space accommodation, the operation by the Parties and non-Parties of vessels, containers, equipment and facilities in the Trades, and the centralization of cargo at New Zealand outports and transshipment of same by feeder vessel, rail or motor carrier;

(c) Political and economic policies affecting the shipment of cargo; port development; and commercial and governmental practices affecting the carriage of cargo in the Trades; and

(d) Cost of service relating to cargoes moving in the Trades, transportation rates, including intermodal rates, and surcharges, conditions of carriage, rules, regulations, and practices of Parties and non-Parties concerning such cargoes.

5.3 Separate Carrier Groups are established under this Agreement for (1) container carriers and (2) breakbulk/conventional carriers. All activities authorized under this Agreement, including, but not limited to, meetings,

discussions, exchanges of information, reaching of agreements and presentation of common positions, may be carried out by each Carrier Group separately or by the Agreement as a whole. Absent objection from any Party, discussions hereunder and exchanges of information may be made between individual Parties or groups of Parties and may be accomplished by mail, telephone, telex, facsimile and other communications systems. Nothing herein shall be construed as obligating any Party to exchange such information or data, or as limiting the right of any Party to refuse to agree upon any common position or to adhere to any common position that may be agreed upon.

5.4 The Parties, or any of them, are authorized, but not required or obligated, to meet, exchange information, and to discuss vessel capacity that is or will be deployed in the Trades, whether of Parties or non-Parties. The Parties are also authorized to negotiate and agree upon the formulation of any lawful agreement permitting the rationalization of service, equipment or capacity in all or any part of the Trades, by joint service, space charter, or otherwise; provided that no such agreement may become effective until it is first reduced to writing and all governmental conditions required to be

fulfilled prior to its effectiveness shall have been fulfilled.

5.5 The Parties, or any of them, may agree upon any routine administrative matter relating to the operation or implementation of this Agreement including, but not limited to, retention of third-parties, Agreement staffing, and other services pertaining to the operation and administration of the Agreement.

5.6 Nothing herein shall be construed as requiring or obligating any Party to reach an agreement, to exchange any information or data, to agree upon any common position or to adhere for any length of time to any common position that may from time-to-time be agreed upon.

**ARTICLE 6 - OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY**

6.1 The Parties may select an Agreement Chairman who shall be an official of one of the Parties and may employ administrative personnel, attorneys and other persons to perform services in connection with this Agreement and otherwise provide for administrative and housekeeping arrangements. The times and locations of Agreement meetings

shall be mutually agreed by the Parties.

6.2 Each of the following individuals has the authority on behalf of the Parties to file this Agreement with the Federal Maritime Commission or other governmental body and execute and file any modification to this Agreement agreed to by the Parties and to submit any associated materials in support thereof, as well as the authority to delegate same:

- (a) The Agreement Chairman; and
- (b) Legal counsel for this Agreement and each of the Parties.

**ARTICLE 7 - MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION**

(a) Any conference of ocean common carriers whose members are regularly engaged as ocean common carriers in any of the Trades and any ocean common carrier providing service in any of the Trades, may hereafter become a party to this Agreement upon the signing of this Agreement or a counterpart copy thereof. Any carrier becoming a party to this Agreement shall automatically become a party to one or the other of the Carrier Groups established under Article 5.3. Determination of Group membership shall be based on the carrier's predominant method of carriage in the Agreement trade. No carrier may belong to

more than one group.

(b) No Party may be expelled from this Agreement against its will or otherwise terminated as a Party except for abandonment of service. No expulsion shall become effective until a detailed statement setting forth the reasons therefor has been furnished to the expelled Party.

(c) Any Party may withdraw from this Agreement at any time upon forty-eight (48) hours notice by letter or telex to the other Parties.

(d) No change in membership shall become effective until the fulfillment of all governmental conditions required to be fulfilled prior to the effectiveness thereof.

#### ARTICLE 8 - VOTING

There is no voting under this Agreement except that this Agreement may not be amended or modified without the affirmative vote of three-quarters of the Parties and with respect to termination under Article 9 hereof. Any consensus or agreement reached by some or all of the Parties shall be a matter of voluntary adherence by those Parties choosing to so agree.

**ARTICLE 9 - DURATION AND TERMINATION OF THE AGREEMENT**

This Agreement shall enter into force on the first day it may be lawfully implemented following the fulfillment of all governmental conditions required to be fulfilled prior to the effectiveness thereof, and shall continue in effect indefinitely unless terminated by unanimous vote of the Parties.

**ARTICLE 10 - CONFIDENTIALITY**

Except as may be duly required by governmental regulations, compulsory process of law or otherwise agreed, no Party shall disclose to any person, except its own representatives and its own or this Agreement's attorneys, the view or position of any Party on any matter considered under this Agreement, including any matter considered under one or more of the carrier groups.

**ARTICLE 11 - SERVICE CONTRACTS**

(a) The Parties are authorized to negotiate, offer, enter into, amend, or decline to offer or enter into, or amend, Agreement service contracts (hereinafter "Agreement service contract(s)") with shippers, shippers' associations, and other shipper groups (collectively, "Shippers") for the movement of cargo moving within all or any portion of the Trades covered by this Agreement. Prior to the execution of any Agreement

service contract, any Party may elect not to participate, or to limit its participation therein, by so advising the Secretariat (including a statement of any limitations on its participation). Any such election by a Party not to participate or to limit its participation in an Agreement service contract shall be specified in said contract. In the event a Party elects not to participate in an Agreement service contract or to limit its participation, that Party may elect to participate in the Agreement service contract or to remove, entirely or partially, the limitations on its participation after the execution of said service contract by so advising the Agreement in writing.

(b) Any Party is and any group of Parties are authorized to enter into individual service contracts ("ISCs"). Nothing in this Agreement shall restrict the right of any Party or Parties to negotiate an ISC, nor is any Party(s) required to disclose negotiation of any ISC, or the terms and condition of an ISC, other than those terms and conditions required to be made publicly available under Section 8 of the Shipping Act of 1984, as amended. Provided, however, that the Parties are authorized to exchange information relating to ISCs and discuss

such information as is available by reason of a legal requirement or where a shipper party has consented to such disclosure/discussion. The Parties may adopt, repeal or amend voluntary guidelines relating to the terms and procedures of all or a portion of the Agreement's service contracts and/or the ISCs of Parties (subject to such deviations or alterations as the Parties may authorize from time to time). Any voluntary guidelines adopted with respect to the Parties' individual service contracts shall be confidentially submitted to the Federal Maritime Commission and shall explicitly state the right of the Parties not to follow any or all of the guidelines adopted.

**ARTICLE 12 - -EXPENSES**

Each Party will bear the expenses of its own representatives in connection with this Agreement. All other expenses incurred in the carrying out of this Agreement, including any fees and costs of consultants or other services, will be apportioned as the Parties from time to time decide.

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**ARTICLE 13 - COUNTERPARTS**

This Agreement may be executed in counterpart copies, all such copies in the aggregate constituting the original document.

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Signature Page

IN WITNESS WHEREOF, the parties have agreed this 4<sup>th</sup> day of August, 2006, to amend the Agreement as per the attached page and to file same with the U.S. Federal Maritime Commission.

New Zealand/United States  
Container Lines Association  
(FMC No. 202-009831)

By: Wayne Rohde  
Name: Wayne Rohde  
Title: Attorney-in-fact

HAPAG-LLOYD AG

By: Wayne Rohde  
Name: Wayne Rohde  
Title: Attorney-in-Fact

HAMBURG SUDAMERIKANISHE  
DAMPFSCHIFFFAHRTS-GESELLSCHAFT KG

By: Wayne Rohde  
Name: Wayne Rohde  
Title: Attorney-in-Fact

A.P. MOLLER-MAERSK A/S  
trading under the name of  
Maersk Line

By: Wayne Rohde  
Name: Wayne Rohde  
Title: Attorney-in-Fact

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APPENDIX A

The parties to the New Zealand/United States  
Discussion Agreement are as follows:

Conferences

New Zealand/United States  
Container Lines Association  
(FMC No. 202-009831)  
P.O. Box 1015  
Wellington, New Zealand

Carriers

HAPAG-LLOYD AG  
Ballindamm 25  
20095 Hamburg, Germany

HAMBURG SUDAMERIKANISCHE DAMPFSCHIFFFAHRTS-  
GESELLSCHAFT KG doing business under its  
own name and the name Fesco Australia/  
New Zealand Liner Services (FANZL)  
Willy Brandt-Str 59  
20457 Hamburg, Germany

A.P. MOLLER-MAERSK A/S trading under the name of Maersk Line  
50, Esplanaden  
DK-1098 Copenhagen K  
Denmark



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