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 FEDERAL MARITIME COMMISSION
 Westbound Transpacific Stabilization Agreement
 FMC Agreement No. 011325-031
 (2nd Edition)
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positions reached to any other Party or Parties of the full Agreement membership for consideration, discussion or negotiation. 5.4 The Parties are authorized to discuss, agree on, negotiate and enter into joint service contracts pursuant to the terms and conditions of Article 9 hereof.

5.5 The Parties are authorized to exchange information with, make proposals and/or recommendations to, and/or consider and act upon proposals/recommendations of, the Ocean Carrier Equipment Management Association, FMC Agreement No. 011284 ("OCEMA"), with respect to activities authorized by or pending before OCEMA and this Agreement and to advise OCEMA of the disposition of such matters.

5.6 Expenses of the Agreement shall be minimized. The Agreement shall operate pursuant to an annual budget. The expenses of the agreement shall be allocated to the Parties per capita except to the extent other methods may be unanimously adopted.

5.7 This Agreement does not authorize the Parties to engage in conduct prohibited by the Shipping Act of 1984.

5.8 In the event civil penalties are imposed on the Agreement or its Parties as a result of:

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(a) the failure of one or more Parties to prepare and arrange for the filing of minutes of any discussion conducted or agreement reached, as required by applicable regulation, where a representative of the WTSA secretariat is not present or participating with responsibility for minuting; and/or

(b) the failure of one or more Parties to submit in a timely manner the data necessary to complete the quarterly monitoring reports of the Agreement; such penalties and all costs associated therewith (including but not limited to reasonable attorneys' fees and expenses) shall be the responsibility of the party or Parties that participated in such meeting(s), or failed to provide the monitoring report data, and said Parties shall be liable to reimburse non-participating Parties (with respect to minutes) or compliant Parties (with respect to monitoring reports) for any civil penalties and all costs associated therewith (including but not limited to reasonable attorneys' fees and expenses) such non-participating or compliant Parties may be required to pay as a result of the conduct described in this paragraph. Provided, however, that a Party who had reason to believe that its communication with another Party (the "original communication") did not constitute a meeting will not be liable for penalties

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pursuant to this paragraph if it did not have knowledge of other
communications between or among Parties that made the original
communication a meeting under applicable regulations. Provided further, that
the foregoing allocation of responsibility is without prejudice to any other
equitable or contractual indemnity rights the Parties may have against each
other arising out of a breach of this Agreement or alleged violation of applicable
law or regulation concerning matters other than those covered by (a) or (b)
above.

ARTICLE 6 – AGREEMENT OFFICIALS AND DELEGATIONS OF AUTHORITY

The Secretariat of this Agreement may be headed by an Executive
Director selected by the Parties. The Secretariat will handle written