Israel Trade Conference
Agreement No. 202-011346-014
(2nd Edition)
Original Title Page

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RESTATEMENT OF AGREEMENT

EFFECTIVE
SEP 19 2005
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

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ISRAEL TRADE CONFERENCE

ARTICLE 1 - NAME

The full name of this Conference shall be the "Israel Trade Conference" ("Conference").

ARTICLE 2 - PURPOSE

The purpose of this Agreement is to promote stability in the Trade and authorize and set forth the governing terms and conditions for the establishment and maintenance by the Parties of agreed rates, charges and practices for or in connection with the transportation of cargo in the Trade as provided for herein.

ARTICLE 3 - PARTIES

The parties to this Agreement ("Parties") are listed in Appendix A.

ARTICLE 4 - GEOGRAPHIC SCOPE

This Agreement covers the all-water and intermodal transportation of cargo, direct or via transshipment, between United States Atlantic, Gulf, Great Lakes and Pacific ports (including, without limitation, ports in the states of Hawaii and Alaska), and United States inland points (microbridge service) and coastal points (minilandbridge service) via such U.S. ports,

on the one hand, and Mediterranean ports of Israel, and Israeli inland points (microbridge service) and Mediterranean coastal points via such ports, on the other hand, whether moving on a through bill of lading or otherwise (the "Trade").

ARTICLE 5 - OVERVIEW OF AGREEMENT AUTHORITY

5.1 The Parties may discuss, agree upon, and establish rates, terms, charges, conditions and practices for or in connection with the transportation of cargo in the Trade, whether or not such rates, terms, charges, conditions and practices are subject to mandatory tariff filing under the Shipping Act of 1984 and/or Federal Maritime Commission (FMC) regulations promulgated pursuant thereto; provided, however, this Agreement shall not cover rates, terms, charges, conditions and practices for or in connection with the transportation of (a) bulk cargoes shipped without mark or count (see 46 C.F.R. § 520.2(b)) and (b) full shipload cargoes carried under charter terms. For purposes hereof, the term "full shipload cargoes" means such cargoes which are shipped by or on behalf of one legal entity where such cargo comprises at least 75% of the rated cargo carrying capacity of the vessel.

5.2 The Parties may discuss, agree upon, and establish the amounts, conditions and terms for the payment of broker and forwarder compensation.

5.3 The Parties may discuss and agree upon the establishment and operation of shipper credit agreements, as well as uniform credit rules, including bonding and/or security requirements, and/or provisions denying credit to any shipper(s), forwarder, or consignee which is in default of or has failed to comply with the credit rules set forth in a Conference tariff or contract, or shipper credit agreement for any shipment moving under a Conference tariff or contract.

5.4 The Parties may declare any tariff rate(s), rule(s) or regulations to be "open," with or without agreed minima or special conditions, and thereafter may declare said rates, rules or regulations to be "closed." In the event that rates, rules or regulations shall be declared "open," the Conference tariffs shall so state and shall designate the extent to which the Conference shall have relinquished control over same. The Parties also may discuss any open tariff rate, rule, or regulation, including their respective tariff entries therefor, and may reach agreement with regard to any such open matter; provided, however, that no Party shall have any obligation to adhere, other than voluntarily, to any agreement on such open tariff matter and shall not be required to provide notice to the other Parties of its intention to depart therefrom or otherwise alter any open tariff matter filed for its account.

5.5 The Parties may agree upon and establish tariffs, tariff amendments and supplements.

5.6 The Parties may keep records and statistics, as may be required or deemed helpful to the interest of the Parties.

5.7 The Parties may agree upon such other matters within the jurisdiction of the Conference as may be necessary or advisable to take care of trade conditions as they may arise from time to time.

5.8 The Parties may make arrangements or agreements among themselves:

(a) with other modes of transportation for the movement of cargo to or from foreign inland points;

(b) concerning intermodal shipments, inland rates, rules, charges, classifications, practices, liability, bill of lading conditions, per diems, free time and detention on carrier-provided containers, chassis and related equipment, positioning of equipment, interchange with connecting carriers, terminal and shoreside loading operations, including wharfage, free time and demurrage, receipt, handling, storage, pickup and delivery of cargo, consolidation, container yards, depots and freight stations; and

(c) such other matters as may be ancillary to the transportation of intermodal shipments, it being the intention of the Parties to include within the scope of this Agreement to the maximum extent as may from time to time be permitted by applicable law, rates, charges and practices relating to movements from and/or to inland points of origin and/or destination whether or not moving under a through bill of lading.

5.9 The Parties may discuss and agree upon all matters pertaining to "alternate port service" which, for purposes of this Agreement, shall mean the use by a Party at its own expense of land or water transportation services or facilities (whether or not owned, controlled, chartered, or operated by a Party) for transportation (eastbound) from a U.S. loading port covered by this Agreement named in the bill of lading to another loading port on the same coast and covered by this Agreement, and for transportation (westbound) from a discharge port covered by this Agreement named in the bill of lading to another discharge port on the same coast and covered by this Agreement. For purposes of this provision the term "coast" shall mean the U.S. Atlantic, Gulf, or Pacific coasts, or Great Lakes. Nothing contained in this Agreement shall authorize the Parties to take any action to prevent a Party from providing a direct vessel service to any port covered by this Agreement.

5.10 The Parties may agree upon and establish service contracts, as per Article 14 hereof (whether or not such contracts are subject to mandatory filing with the FMC under the Shipping Act of 1984 or FMC regulations promulgated pursuant thereto), as well as, without limitation, time-volume rates, time revenue rates, and other volume incentive rates based on a shipper's freight-volume or revenue (whether or not such rates are subject to mandatory tariff filing), with shippers, shippers, associations, and other shippers' groups, consistent with the Shipping Act of 1984.

5.11 The Parties may agree upon, negotiate and discuss with shippers, shippers' associations, or other shippers' groups all matters covered by this Agreement or other matters of common interest.

5.12 The Parties may engage in activities and enter into lawful agreements with rail, air or motor carriers, or carriers by water other than common carriers by water subject to the Shipping Act of 1984, concerning the foreign inland segment of through transportation that is part of transportation provided within the Trade.

5.13 Subject to Article 10 hereof, the Parties may agree upon the terms, organization, and procedures for policing and enforcement of Conference obligations. The Parties may also agree upon

the terms, organization, and procedures for cargo inspection systems in the Trade.

5.14 The Parties may establish committees under such terms and conditions as they see fit and delegate any authority (including but not limited to ratemaking authority) granted to the Conference under this Agreement to a committee or jointly to committees.

5.15 Agree upon the terms and conditions pursuant to which a Party may charter space on any other Party's vessel for the transportation of cargo in the trade covered by this Agreement on an *ad hoc*, emergency or interim basis. Any such chartering agreement entered into on an on-going basis (i.e., for more than 90 days) will be filed with the FMC. In addition, the Conference shall submit a semi-annual report stating the names of the parties to chartering arrangements hereunder, the amount of space chartered (expressed in TEU's), the commencement and termination date of such activity, and port or ports to or from which it applies. In the event that no activity has taken place, the report shall so state.

5.16 Notwithstanding anything in this Agreement to the contrary, effective October 1, 2005, the Parties may exercise the authority contained in Articles 5.1 through 5.14 hereof only with respect to (i) cargo moving for the account of the Israeli Ministry of Defense, Israel Military Industries (TASS) and/or Israel Aircraft Industries ("MOD cargo"); (ii) conference service contracts in effect

prior to October 1, 2005 and conference tariff(s) referenced by such service contracts.

ARTICLE 6 - AGREEMENT OFFICIALS

6.1 The Parties may appoint a Chairman each year in rotation in alphabetical order from among the Lines to preside at Conference meetings. Alternatively, the Parties may designate the Secretary of the Conference or employ another individual as Chairman. In the absence of the Chairman at any meeting, an acting Chairman shall be selected for the conduct of the meeting by the Parties present.

6.2 Conference decisions and administrative matters are to be carried out by the Chairman (or a Secretary should one be employed by the Conference).

6.3 Upon action taken by the Parties in accordance with this Agreement, the Conference Chairman (or, if employed, Secretary) or Conference Counsel (including all members of the law firm of Conference Counsel) are each authorized to execute and file amendments to this Agreement, and any information in support thereof, with the FMC on behalf of the Parties.

ARTICLE 7 - MEMBERSHIP, WITHDRAWAL AND EXPULSION

7.1 Any ocean common carrier as defined in the Shipping Act of 1984, who has been regularly engaged as an ocean common carrier in the Trade or who furnishes evidence of ability and intention in good faith to institute and maintain a regular service in compliance with the lawful terms and conditions in

force at the time of application in the Trade and who evidences an ability and intention in good faith to abide by all terms and conditions of this Agreement, may hereafter become a party to this Agreement, upon the approval of the Parties and upon the carrier's signing the Agreement (or a counterpart thereof) and upon the carrier's deposit with the Conference office of the Conference admission fee and no such carrier who has complied with such conditions shall be denied admission or readmission to membership. All applicants for membership shall be required to answer questionnaires to be supplied by the Conference office and all applications shall be voted upon promptly. No admission shall be effective prior to the effective date of an amendment to this Agreement reflecting the membership change. Prompt notice of denial of admission shall be furnished to the FMC with the full reasons for any denial of admission.

7.2 Any new Party shall, at the time of admission, deposit with the Conference office the sum of $2,500 (Two Thousand Five Hundred Dollars) (American currency) as admission fee, no part of which shall be returnable to the said Party.

7.3 Membership shall cease when the service of a Party in the trade is permanently abandoned or terminated and upon the effectiveness of an amendment to this Agreement reflecting the change in membership. If a party fails to maintain a service in the trade because of war, strikes, force majeure, or other circumstances beyond the Party's reasonable control, it shall be

retained as an inactive Party without any vote whatever for the period of the emergency; provided, however, such Party's membership shall be terminated without any vote in the event that said Party has not furnished to the Conference satisfactory evidence that it has resumed service within sixty (60) days after the cause of the interruption of said Party's service. The loss of membership pursuant to this article shall become effective upon the effectiveness of an appropriate amendment to this Agreement.

7.4 Any Party may withdraw from the Conference effective sixty (60) days after the receipt of written notice by the Conference office, which shall promptly advise the other Parties of the notice, and upon the effectiveness of an appropriate amendment to this Agreement. If within ten (10) days of the receipt of such notice by the Conference office, any other Party may submit notice of intent to withdraw by the filing of written notice with the Conference office, such latter withdrawal shall become effective upon the same date as the original notice filed with the Conference office. Any notice of withdrawal filed pursuant to the provisions of this article, may be cancelled by the Party giving same at any time prior to its effective date by written notice to the Conference office, which shall promptly advise the other Parties of such cancellation. The filing of withdrawal notice does not, until same becomes effective, relieve

such Party or Parties of their obligations regarding observance of rates, rules and regulations for current and future trading until the effectiveness of the termination of membership.

7.5 No Party who has served a notice of withdrawal shall be entitled to vote on any Conference or committee matter, the decision with respect to which is to become effective after the effective date of such Party's withdrawal or is to continue in force beyond such date.

7.6 No Party may be expelled against its will from this Conference except for failure to maintain an ocean common carrier service between the ports within the scope of this Agreement or for failure to abide by the terms and conditions of this Agreement and then only by unanimous decision of the other Parties, provided, however, that the Party complained against, and any other Party, whose policy is determined by the same interests owning or controlling the Party complained against, shall have no vote thereon.

ARTICLE 8 - VOTING AND MEETINGS

8.1 Conference meetings (including Rate Committee meetings) shall be held in New York City (or elsewhere as may be agreed) upon notice from the Conference office. Due notice incorporating the subject matter of the meeting shall be given all Parties. A meeting may be called at any time on one business day's written request of a Party, through the Conference office, stating the purposes of the meeting. Interim decisions between

meetings can also be reached through correspondence, telephone and telex. In the case of any application for membership, the Conference office will call a meeting within a reasonable period after the receipt of the application for membership for the purpose of taking action upon such application.

8.2 Except as otherwise specifically provided in this Agreement, all decisions with respect to matters within the scope of this Agreement shall be determined as follows:

- If there are two Parties: by unanimous vote.
- If there are three Parties: by a two-thirds majority vote.
- If there are four or more Parties: by a three-fourths majority vote.

8.3 The number of Parties constituting a quorum at Conference and committee meetings will be the same as the number of votes required for determination of decisions, and in no event shall a meeting be held unless a quorum is present; provided, however, that with respect to matters requiring unanimous approval under this Agreement all Parties entitled to vote must be present when such matters are considered, With respect to all matter voted upon, each Party shall have one vote.

8.4 Reference in this Agreement to voting by and presence at meetings of all or a specified proportion of Parties and to

the proportion of Parties for determining a quorum means only those Parties entitled to vote.

8.5 Amendments to this Agreement, termination of this Agreement, decisions reached by telephone, telex and correspondence polls, and agreements regarding the apportionment of expenses require the unanimous approval of all Parties.

ARTICLE 9 - DURATION AND TERMINATION

9.1 This Agreement has no expiration date.

9.2 This Agreement may be terminated by agreement of the Parties and upon the effectiveness of an appropriate amendment or other notice to the FMC.

ARTICLE 10 - NEUTRAL BODY POLICING

At the written request of any Party, the Conference shall engage the services of an independent neutral body to fully police the obligations of the Conference and its Parties. Any neutral body or other policing system agreed to by the Parties shall be described in an appendix to this Agreement and filed with the FMC pursuant to FMC regulations.

ARTICLE 11 - PROHIBITED ACTS

The Conference shall not engage in conduct prohibited by sections 10(c)(1) or 10(c)(3) of the Shipping Act of 1984.

ARTICLE 12 - CONSULTATION;
SHIPPERS' REQUESTS AND COMPLAINTS

12.1 In the event of a dispute of a commercial nature arising out of actions taken by the Parties, and for purposes of facilitating cooperation with shippers in preventing and eliminating malpractices, written statements may be submitted to the Conference office stating the purpose, nature and basis of the submission. Within a reasonable time thereafter, the Conference Chairman or other designated Conference representative shall initiate a consultation, orally or in writing, with the submitting entity in order to attempt to amicably resolve any dispute or prevent or eliminate any malpractice.

12.2 Shippers' requests and complaints may be filed in writing with the Conference office. The Conference may prescribe an information sheet for the filing of shipper requests or complaints. Within a reasonable time after receipt of a request or complaint, the Chairman or his designee shall, verbally or in writing, initiate a consultation with the shipper in order to amicably resolve any dispute or prevent or eliminate any malpractice. Notice of the receipt of a complaint or request and any response thereto shall be transmitted promptly to the Parties.

ARTICLE 13 - INDEPENDENT ACTION

13.1 Any Party may take independent action on any rate or service item, whether or not it is required to be filed in a

tariff pursuant to section 8(a) of the Shipping Act of 1984, upon seventy-two (72) hours' notice to the Conference office. The time period shall commence upon receipt by the Conference office, during normal business hours, of a written notice of a Party's intention to exercise independent action. The Conference shall file the rate or service item in the tariff for use by the Party effective no later than seventy-two (72) hours after receipt of said notice.

13.2 At any time following the announcement of an independent action by a Party, any other Party may elect to adopt the independent rate or service item, effective on or after the effective date announced by the Party taking independent action, by providing written notice of such intention. If another Party decides to adopt the independent rate or service item, the Conference shall file the rate or service item on behalf of that Party.

13.3 Except as permitted by Article 13.2 and 13.4, no Party may alter or amend the terms of any service or rate item on which independent action may be taken, whether or not such item has been or is the subject of independent action, and whether or not that action has become effective, without first providing notice.

13.4 Upon receipt of a Party's notice of independent action, the Conference shall promptly advise all Parties in writing of the notice and its contents. Upon the request of two

or more Parties, a Conference meeting shall be convened prior to the date such independent action is to be effective. Prior to giving notice of any independent action hereunder, each Party is encouraged, but is not required, first to propose to the Conference that the Conference itself take the action and to permit the Conference to act thereon at a meeting. At any time before or after a Party has given notice of independent action, and at any time before or after an independent action becomes effective, the Parties may discuss and adopt as a Conference action the proposed or effective independent action or may take any other action in response to the announced independent action, including action for the purpose of reaching a compromise. For purposes of implementing the foregoing authority, two or more of the Parties may, at any meeting (or by poll) consider and agree to, and thereafter implement, proposals providing for the individual, joint, or reciprocal modification, adoption, cancellation, or expiration of one or more proposed, pending, or effective independent actions of one or more of the Parties. The agreement by a Party to a proposal to modify, adopt, cancel or expire an independent action shall not restrict the subsequent exercise of such Party's right of independent action pursuant to the terms of Article 13 hereof. Further, unless adopted without modification by the Parties, no proposed or effective independent action of any Party shall be cancelled or altered without such Party's consent. Nothing in this sub-Article shall require a

Party proposing independent action to attend any meeting called by the Conference to discuss the independent action.

13.5 Notwithstanding any other provision of this Agreement, including, but not limited to, sub-Article 13.3, any Party may disassociate itself from any Conference or Rate Committee action on a rate or service item by giving verbal notice at the meeting at which the action is taken or by giving written notice to the other Parties or Rate Committee members within 24 hours of such meeting; provided, however, any Party wishing to tender written notice after a meeting may not disassociate itself from any action on a rate or service item at any time after the rate or service item has been filed in the conference and becomes effective. In any event a Party is disassociated from an action on a rate or service item, such action shall not apply to the Party. Instead, the rate or service or item applicable to the disassociating Party shall be that which was applicable to the Party at the time of convening of the meeting at which the action was taken. Upon the filing of a Conference or Rate Committee action in the conference tariff the Conference shall also make an appropriate filing providing for the application of the appropriate rate or service item to the disassociating Party. Any subsequent modification of this rate or service item by the disassociating party shall be

accomplished pursuant to sub-Article 13.1, unless taken as part of a Conference or Rate Committee action.

13.6 The right of independent action provided for under this Article shall also apply to freight forwarder compensation paid to an ocean transportation intermediary as defined in the Ocean Shipping Reform Act of 1998.

ARTICLE 14 - SERVICE CONTRACTS

14.1(a) The Parties shall be authorized to jointly negotiate, agree upon, offer, enter into, and amend service contracts (including time/volume contracts and time/revenue contracts) (referred to hereafter as "conference contracts") for the transportation of cargo in the Trade (whether or not such cargo is exempt from the contract filing requirements pursuant to Section 8 of the Shipping Act of 1984) with shippers, shippers' association, and other shippers' groups. Prior to the execution of any conference contract by the Agreement, any Party may elect not to participate, or to limit its participation therein, in which event the conference contract shall so specify. Notwithstanding any other provision of the Agreement, no Party shall unilaterally modify or deviate from conference contracts or any terms or conditions thereof, except as may be provided for in the conference contract, or as the Parties may agree under the terms of this Agreement.

14.1(b) The Parties may adopt, repeal or amend standards or guidelines for the negotiation or amendment of all or a portion of the Agreement's service contracts, or of all or a portion of any single Agreement service contract, subject to such deviations or alterations as the parties may authorize from time to time.

14.2 (a) Any Party, either individually or jointly with any other Party or Parties, may negotiate, offer and/or enter into a service contract for the transportation of cargo in the trade (any such contract entered into by a single Party of jointly by multiple Parties is hereinafter referred to as an "individual service contract").

(b) The Parties are authorized, but not required, to discuss and agree upon any and all terms of their respective individual service contracts and to exchange and discuss any and all information and data concerning their respective individual service contracts. The Parties are authorized to discuss, agree upon, adopt, revise and implement voluntary guidelines relating to the terms and procedures of individual service contracts. Any such voluntary guidelines adopted by the Parties shall explicitly state that the parties have the right not to follow the guidelines and shall be submitted confidentially to the Federal Maritime Commission.

14.3 Notwithstanding anything in this Agreement to the contrary, effective October 1, 2005, the Parties shall exercise the authority contained in Article 14.1 and Article 14.2(b) only

with respect to: (i) conference contracts in effect prior to that date; and (ii) contracts covering MOD cargo.

ARTICLE 15 - ORGANIZATION AND ADMINISTRATION

15.1 The Conference may hire a full or part-time Secretary and/or Chairman and provide such staff and office facilities as may be deemed necessary for the conduct of the Conference's business. In addition, the Conference may share office space, equipment, personnel, administrative and related facilities with any other conferences or rate agreements. The Conference headquarters shall be maintained in such location as the Parties may agree from time to time.

15.2 The Conference office shall issue dockets for meetings, keep a record of proceedings, issue minutes and tariffs, rules and regulations, and perform such other duties relevant to this Agreement as may be delegated by the Parties. The Conference by unanimous consent may likewise delegate powers to committees and shall record such action in the minutes.

15.3 The Conference may compile, maintain and/or perform analyses of tonnage, revenue, or other statistics related to the trade and the Parties may distribute and utilize such statistics, or compilations or analyses thereof, as they deem necessary.

15.4 The expenses of Conference maintenance shall be apportioned among the Parties as may be from time to time

unanimously agreed and said expenses shall be promptly paid by the respective Parties.

ARTICLE 16 - MEMBERS' RESPONSIBILITIES

16.1 No Party or its agents shall represent any vessel in the Trade other than those operated for the account of a signatory to this Agreement without the mutual agreement of all the Parties.

16.2 Except as otherwise provided in this Agreement, the Parties agree to apply strictly the agreed rates and regulations to all cargo carried by them within the scope of this Agreement. The Parties shall bind their agents to strictly adhere to this Agreement.

16.3 Conference tariffs, contracts, rules, and regulations to be applied for or in connection with the transportation of property, amendments thereto and reissues thereof, and the minutes of meetings shall constitute a complete record of matters dealt with by the Conference and copies thereof shall be furnished to each Party. This Agreement, as it may be amended, and the Conference tariffs, contracts, rules, and regulations, amendments thereto and reissues thereof, shall constitute an up-to-date record of Conference obligations of the Parties.

16.4 All freights and other charges for or in connection with such transportation shall be quoted, charged and collected by the Parties in currency specified in the tariffs or conference contracts or individual contracts of the Parties or in its equivalent in other currency at the rate of exchange as of the date such rates and other charges become due and payable, strictly in accordance with the rates, charges, classifications, rules, and regulations adopted by the Parties pursuant to this Agreement or as otherwise provided for herein and no part thereof shall be, directly or indirectly, refunded or remitted in any manner by any device, except as may be provided in a Conference tariff or conference or individual contract.

ARTICLE 17- RATE COMMITTEES (INTENTIONALLY LEFT BLANK)

ARTICLE 18 - FINANCIAL GUARANTEE

As a guarantee of the prompt payment by the respective Parties of any liabilities, obligations, fines, or any arbitration award rendered against them hereunder, each of the Parties agrees to deposit and maintain with the Conference security in the sum of Fifty Thousand Dollars ($50,000.00) in United States Currency or in United States Government bonds, or an irrevocable letter of credit, or a surety bond. The guarantor and the wording and terms governing such security shall be satisfactory to the Conference. Any interest accruing on funds or bonds deposited shall be for the account of the Party when received by the Conference. Upon notice, each Party shall promptly make such additional deposit consisting of cash, letter of credit or surety bond, so as to maintain the full value of its guarantee as specified above. Any Party not restoring the full value of its guarantee within thirty (30) days following notice will be denied the right to vote on any Conference matter or otherwise participate in Conference affairs until such deficiency in the full value of the guarantee is restored. In the event of the termination of this Agreement or the termination of membership or withdrawal of a Party, the deposit made by the Party concerned shall be returned to it together with any accrued interest in the possession of the Conference, but only after any outstanding liabilities, obligations, fines, or arbitration award

have been paid; provided, however, that if there are outstanding matters in arbitration, such deposit will not be returned to the extent of the amount involved until the completion of the arbitration proceeding and satisfaction of any award rendered therein.

ARTICLE 19 - GENERAL ARBITRATION

19.1 All disputes between the Parties, or between a Party and the Conference, arising under or related to this Agreement shall be submitted to arbitration in accordance with this Article. Any arbitration within the scope of this Article shall be submitted for determination by a Committee of Arbitrators consisting of one arbitrator appointed by each disputant and a third arbitrator appointed by agreement between the two previously designated arbitrators.

19.2 The arbitration procedure shall be commenced by sending a letter by registered mail addressed to the Chairman (or, if employed, the Secretary) setting forth in detail the dispute.

19.3 Within five (5) days from the receipt of the notification, the Chairman (or Secretary) by registered mail shall advise all other Parties of the dispute. Within fifteen (15) days from the receipt of the Chairman's (or Secretary's) communication, the disputants must advise the Chairman

(Secretary) who they have designated as arbitrators and that said arbitrators have accepted the designation.

19.4 Within thirty (30) days, the arbitrators designated by the disputants shall advise the Chairman (Secretary) of their selection of a third arbitrator and that said individual has accepted the designation. In the event that the arbitrators designated by the disputants cannot reach an agreement on the appointment of a third arbitrator, same shall be appointed by the Society of Maritime Arbitrators (SMA), in New York. Should a disputant fail to designate an arbitrator within fifteen (15) days, then upon application by the other disputant with notice to the Conference Chairman (Secretary), this arbitrator shall be appointed by the SMA in New York City.

19.5 The Committee of Arbitrators, as soon as established, shall meet at a place and time to be fixed by the third arbitrator for an adjudication of the dispute. The procedure governing the conduct of the hearing will be in accordance with the Rules of the SMA to the extent such rules do not conflict with the provisions of this Article. The arbitrators shall, upon conclusion of the hearing and after due deliberation, render a written opinion concurred in by at least a majority of the arbitrators. The arbitration decision shall determine which of the disputants shall bear the expenses of the arbitration.

19.6 The arbitration decision shall be final and binding.

Israel Trade Conference
FMC Agreement No. 202-011346-014
(2nd Edition)

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereby agree this 19th day of September, 2005, to amend and restate Agreement No. 202-011346 as per the attached pages and to file same with the U.S. Federal Maritime Commission.

FARRELL LINES, INC.

By: _____

Name: Wayne R. Rohde

Title: Attorney-in-Fact

ZIM INTEGRATED SHIPPING SERVICES, LTD.

By: _____

Name: Wayne R. Rohde

Title: Attorney-in-Fact

P&O NEDLLOYD LIMITED

By: _____

Name: Wayne R. Rohde

Title: Attorney-in-Fact

APPENDIX A

PARTIES TO THE AGREEMENT

1. (a) Farrell Lines, Inc.
One Meadownlands Plaza
12th Floor
East Rutherford, NJ 07073

(b) P&O Nedlloyd Limited
One Meadowlands Plaza
12th Floor
East Rutherford, NJ 07073

(Farrell Lines, Inc. and P&O Nedlloyd Limited shall be treated as a single party for all purposes under this Agreement).

2. Zim Integrated Shipping Services, Ltd.
9 Andrei Sakharov Street
"Matam" - Scientific Industries Center
P.O.B. 1723
Haifa, 31016
Israel