

232-011415-001

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MPA SPACE CHARTER
AND SAILING AGREEMENT
FMC NO. 232-011415



NOTE

This Agreement Has Not Been Previously Published

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Article 1: Name

The full name of this Agreement is the MPA Space Charter and Sailing Agreement.

Article 2: PURPOSE

The purpose of this Agreement is to improve the productivity and operating efficiency of the Parties' vessels and equipment and to provide efficient, reliable and stable liner shipping services through space chartering, coordination of sailings and other activities under this Agreement.

Article 3: PARTIES

The name and addresses of the principal offices of the Parties are the following:

- (1) Mediterranean Shipping Company, S.A.
40 Av. Eugene Pittard
1206 Geneva, Switzerland
- (2) Atlantic Container Line AB
Sydatlanten, Skandiahammen
403 36 Gothenburg, Sweden

Article 4: GEORGRAPHIC SCOPE

The geographic scope of this Agreement shall extend to transportation, via direct, transshipment or intermodal service, whether under a through bill of lading or otherwise, (1) between (a) ports on the U.S. Atlantic and Gulf Coasts and U.S. Inland and coastal points via such ports, and (b) ports in Europe (including ports in the United Kingdom and the Republic of Ireland) situated in latitudes from Gibraltar to North Cape,



Norway (excluding non-Baltic ports in Russia and Mediterranean ports) and inland and coastal points in Europe via said non-excluded European ports.

In addition, such geographic scope shall include transportation on the aforementioned routings when part of a transshipment service between any state of the United States and any port or point worldwide.

All of the foregoing is referred to herein as the "Trade".

Article 5: OVERVIEW OF AGREEMENT AUTHORITY

5.1 Cargo

This Agreement covers containerized cargo.

5.2 Space and Vessels

(a) The Parties may charter or otherwise make available space and slots to and from each other on their respective vessels in the Trade on such terms as they may from time to time agree.

(b) The Parties may agree on the number, size and types of vessels operated by each Party in the Trade. The Parties may also agree on the number of sailings, schedules, ports called and frequency of port calls for their vessels in the Trade. The Parties may charter vessels to and from each other, or individually or jointly from another person, for use in the Trade on such terms as they may from time to time agree.

(c) The maximum number of vessels to be employed by the Parties at any one time under this Agreement is 16 vessels, each vessel being up to 2800 TEUs capacity.

(d) Each Party is authorized to exchange a portion of the space which has been made available to it under Article 5.2(a) for an equivalent amount of space another Party may have available in another service. A Party may utilize space made



available to it hereunder to provide space to a non-Party ocean common carrier (pursuant to another agreement), provided that space may be made available for carriage of cargo moving in the Trade on such terms and conditions as the Parties may agree. A Party may make available to another Party hereunder space provided by a non-Party ocean common carrier (pursuant to another agreement), provided that space provided by another carrier operating in the Trade may be made available only on such terms and conditions as the Parties may agree.

5.3 Equipment

The Parties may discuss and agree on standards for, and may interchange, purchase, pool, lease, sublease, or otherwise cooperate in connection with containers, chassis, and other equipment as between themselves, or individually or jointly to, from or with another person, on such terms as they may from time to time agree.

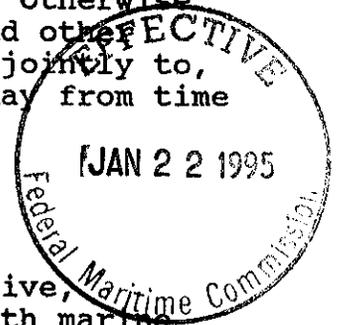
5.4 Facilities, Services and Supplies

The Parties are authorized to enter into exclusive, preferential, or cooperative working arrangements with marine terminal operators and any person relating to marine terminal, stevedoring or other shoreside services. The Parties shall endeavor to work towards utilizing a single common terminal at each port covered by this Agreement on such terms and conditions as they may agree. Nothing herein, however, shall authorize the Parties jointly to operate a marine terminal.

5.5 Conferences and Agreements

(a) The Parties may discuss and agree on their respective memberships in any conference, rate agreement, discussion agreement, stabilization agreement, or similar type of agreement in the Trade, provided that each Party shall retain the unilateral right to join or withdraw from any such agreement in accordance with the terms of such agreement.

(b) The Parties shall issue their own separate bills of lading. Without prejudice to the terms of any other agreement,



this Agreement does not authorize the Parties to establish a common tariff.

(c) The Parties shall solicit and book the cargoes subject to this Agreement for their own separate accounts.

5.6 Administration and Implementation

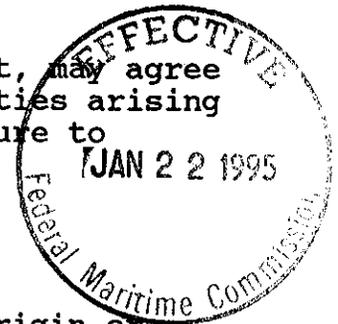
(a) The Parties may establish a staff or entity to perform administrative and operational functions (including, but not limited to, scheduling, allocating space, forecasting, terminal operations and stowage planning) relating to the implementation of the authority under this Agreement, and may agree on the sharing of administrative and operational expense incurred in the implementation of the authority under this Agreement.

(b) The Parties may implement this Agreement by meetings, writings and other communications between them, and may act through a Steering Committee, or the staff referred to in Article 5.6(a), or make other arrangements as may be necessary or appropriate to effectuate the purposes and provisions of this Agreement.

(c) The Parties, in implementing this Agreement, may agree on their respective rights, liabilities, and indemnities arising under this Agreement, including matters such as failure to perform, force majeure, and insurance.

5.7 Transshipment and Feeder Arrangements

The Parties may tranship cargo to or from an origin or destination which is within or outside the scope of this Agreement, whether under a through bill of lading or otherwise, using space chartered hereunder for part of the through movement involved. When used in conjunction with the carriage of cargo in the Trade, the Parties are authorized to coordinate their arrangements with feeder vessels, including scheduling and coordinating of sailings, chartering and sub-chartering of space, sharing of operational expenses, and the joint chartering of feeder vessels, on such terms as they may agree.



ARTICLE 6: AUTHORIZED REPRESENTATIVES

The Parties' authorized representatives and counsel are hereby authorized to subscribe and file with the Federal Maritime Commission this Agreement and any modification hereof.

ARTICLE 7: MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION

7.1 Notwithstanding anything to the contrary in Article 9 hereof, if at any time during the term of this Agreement there shall be a change in the ownership or control of any Party and another Party is of the opinion that such change is likely to prejudice materially the cohesion of the Parties under this Agreement, then such other Party may, within 12 months of becoming aware of such change, withdraw from this Agreement on not less than one month's notice to the Party first mentioned in this Article 7.1.

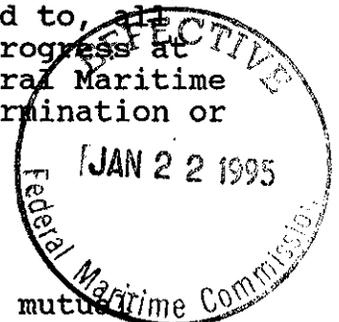
7.2 In the event of termination of this Agreement or withdrawal herefrom the Parties shall remain liable to one another in respect to all liabilities and obligations incurred prior to the termination or withdrawal, including, but not limited to, all liabilities and obligations relating to voyages in progress at the time of the termination or withdrawal. The Federal Maritime Commission shall be notified promptly of any such termination or withdrawal.

ARTICLE 8: VOTING

Decisions under this Agreement shall be by mutual agreement of the Parties.

ARTICLE 9: DURATION AND TERMINATION

This Agreement shall remain in effect indefinitely; provided that (a) the Parties may terminate this Agreement at any time by unanimous agreement and (b) any Party may terminate this Agreement on 6 months' notice to the other Parties given not earlier than December 31, 1995. Article 7.2 shall apply to any such termination.



ARTICLE 10: EFFECTIVENESS

This Agreement shall take effect as provided for in 46 CFR Part 572.

ARTICLE 11: NOTICES

Each notice required to be given to a Party hereunder shall be in writing sent by telex, fax or (as appropriate) air or first-class registered mail (accompanied by fax confirmation). Any such notice shall be effective upon its being sent or, in the case of notice by mail, five business days after the date of mailing and fax confirmation. The Parties shall advise each other of their respective points of entry for such notices and any revisions thereto.

ARTICLE 12: APPLICABLE LAW

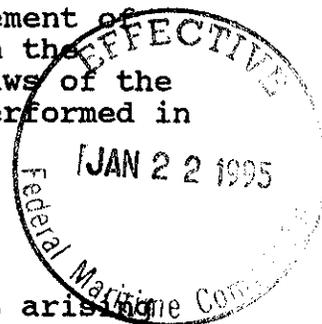
The interpretation, construction and enforcement of this Agreement, and all rights and obligations between the Parties of this Agreement, shall be governed by the laws of the State of New York applicable to agreements made and performed in such State.

ARTICLE 13: ARBITRATION

13.1 Any controversy or claim between the Parties arising out of or relating to this Agreement shall be referred to arbitration in New York City. Except as otherwise specified herein, the arbitration shall be conducted under the Maritime Arbitration Rules of the Society of Maritime Arbitrators, Inc.

13.2 The arbitration shall be before a panel comprised of three arbitrators, one to be appointed by the Party demanding arbitration and the other by the Party or Parties the demand is against and the third by the two so chosen, failing agreement to which the third shall be appointed by the President of the Society.

13.3 At any time, the Parties may appoint a single arbitrator in place of the those appointed or to be appointed under Article



13.2, in which event the arbitration shall thereafter proceed before the single arbitrator.

13.4 The decision of a majority of the arbitrators shall be final and conclusive upon the Parties, is not subject to appeal, and may be enforced by any court of competent jurisdiction.

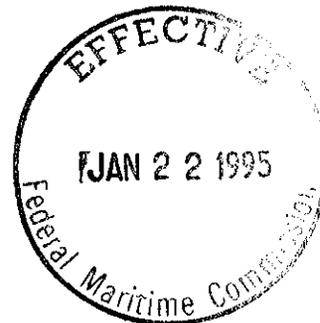
ARTICLE 14: LANGUAGE

This Agreement, and any and all notices, communication or other writing made in connection with this Agreement, shall be written in the English language. None of the Parties shall be obligated to translate such matter into any other language, and the wording and the meaning of any such matters in the English language shall govern and control.

ARTICLE 15: SEVERABILITY

Should any term or provision in this Agreement be held invalid, illegal or unenforceable, the remainder of this Agreement, and the application of such term or provision to persons or circumstances other than those as to which it is invalid, illegal or unenforceable, shall not be affected thereby; and each term or provision of this Agreement shall be valid and enforceable to the full extent permitted by the law.

* * * *



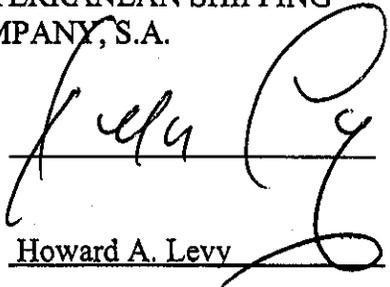
EXECUTION OF AGREEMENT

Wherefore, the Parties have caused this amendment to this Agreement to be executed by their respective duly authorized representatives or attorneys-in-fact as witnessed below:

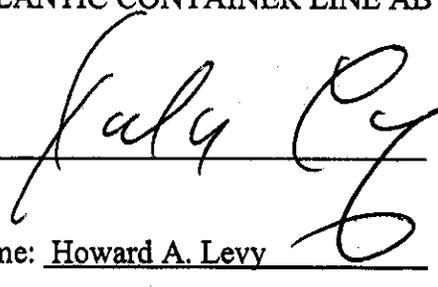
MEDITERRANEAN SHIPPING
COMPANY, S.A.

ATLANTIC CONTAINER LINE AB

By:



By:



Name: Howard A. Levy

Name: Howard A. Levy

Title: Attorney-in-Fact

Title: Attorney-in-Fact

New York, N.Y.
July 26, 2000

