

ZIM/CSCL SLOT CHARTER AGREEMENT
FMC AGREEMENT NO. 217-011689-002
SECOND REVISED PAGE NO. 2

- "The Loading Party" means the Party on whose vessels (owned and/or operated) the containers are loaded.
- "The Shipping Party" means the Party who is shipping containers on the other Party's vessels.
- "String" or "Strings" means the CSCL AAS string serving Japan-the PRC-Hong Kong-Korea-U.S. West Coast; the CSCL AAC string serving the PRC-Japan-Korea-U.S. West Coast; the Zim ZPS string serving the PRC, Hong Kong, Korea, Canada and the U.S. West Coast; and the Zim ZCS string serving Hong Kong, Taiwan, Japan and the U.S. West Coast.

3. Undertaking and Purpose

Subject to the terms and conditions hereinafter set forth, Zim and CSCL undertake to allow each other to charter Slots on their Vessels for the carriage of Containers of the volume and on the terms hereinafter further denied.

Each Party undertakes to meet its commitment and pay any excess slot capacity to be chartered by it as hereunder described.

4. Scope of the Agreement

This Agreement covers the trade between the Pacific Coast of the United States and the Peoples' Republic of China (including Hong Kong), South Korea, ~~and~~ Japan and Taiwan, as well as transshipment cargo moving via ports in the aforementioned countries from other origins and/or to other destinations.

5. Containers and Cargo

The Shipping Party will be allowed to ship only dry-cargo Containers, reefers and empty Containers meeting the definition mentioned in Clause 2 hereof. Loaded Containers shall be in a seaworthy condition, containing lawful merchandise of any kind; including IMO cargo, properly packed and secured. Containers not meeting the above criteria may be refused for carriage. Notwithstanding the above, explosives and radioactive material shall not be accepted by the Loading Party.

shall apply) by giving the other Party sixty (60) days' written notice of such change. The other Party has in such case the right to revise the Slot commitment in accordance with allocation/performance within the affected ports.

7. Terms of the Agreement

This Agreement shall commence not later than April 5, 2000, subject to FMC approval and shall remain in force for a period of 3 years. Each Party may terminate the Agreement by giving 6 months prior written notice to this effect, provided that no such notice shall be given before the elapse of 18 months from the effective date of this Agreement, unless otherwise mutually agreed by the Parties.

8. Slot Commitment

- (a) The round voyage allocation for CSCL on ZIM vessels will be 500 TEUs per week, with 430 ~~450~~ TEUs of said 500 TEUs to be provided on Zim's ZPS string and 70 ~~50~~ TEUs to be provided on Zim's ZCS string, **provided that:**

From Shanghai: a maximum of 250 ~~200~~ TEUs may be loaded.

From Pusan: a maximum of 250 TEUs may be loaded.

It is understood by the Parties that of the 430 ~~450~~ TEUs allocated to CSCL on Zim's ZPS string, approximately 100 TEUs will be used for cargo moving to/from Seattle and the remainder for cargo moving to/from Canada.

- (b) The round voyage allocation for ZIM on CSCL vessels will be 500 TEUs per week, with 310 ~~350~~ TEUs of said 500 TEUs to be provided on CSCL's AAS string and 190 ~~150~~ TEUs to be provided on CSCL's AAC string, **provided that:**

From Xiamen: a maximum of 150 TEUs may be loaded.

From Yantian: a maximum of 300 TEUs may be loaded.

From Ningbo: a maximum of 20 ~~10~~ TEUs may be loaded.

From Kwangyang: a maximum of 50 TEUs may be loaded.

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- (c) Upon mutual agreement of the Parties, any or all of the allocations and maxima set forth in Clauses 8(a) and 8(b) above may be adjusted on an on-going basis by up to 50 TEUs or 20%, whichever is greater.
- (e d) Either Party may seek to purchase slots in addition to those set forth above from time to time, subject to space availability, market conditions, etc.
- (~~d~~ e) The maximum average GWT per TEU slot shall not exceed 12 tons in each direction.
- (e f) Acceptance of IMO and out of gauge cargo and/or special equipment can only be given by each Party separately and prior to booking. Each Party shall have the right to load up to 100 High Cube Containers on round voyage with no additional charge per slot.
- (f g) Reefer Containers shall be carried up to 30 reefer units per leg. The Parties may agree on the amount of any additional charge to be applied to the carriage of reefer Containers.