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ZIM/CSCL SLOT CHARTER AGREEMENT

A SPACE CHARTER AGREEMENT

FMC Agreement No. 217-011689-003
(2nd Edition)

EXPIRATION DATE: MARCH 16, 2005

EFFECTIVE
MAR 16 2002
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

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WHEREAS: Zim operates general container services as more fully described in Appendix 1 hereto; and

WHEREAS: CSCL operates general container services as more fully described in Appendix 1 hereto; and

WHEREAS: Both Parties wish to utilize part of the other Party's carrying capacity in order to carry their cargoes in containers;

NOW THEREFORE THE PARTIES HERETO HAVE HEREUNTO AGREED as follows:

1. Parties

The parties to this Agreement are

ZIM ISRAEL NAVIGATION COMPANY LTD. ("Zim")
7-9 Palyam Avenue
Haifa, Israel

CHINA SHIPPING CONTAINER LINES CO. LTD. ("CSCL")
No. 700 Dong Daming Road
Shanghai, Peoples' Republic of China 200080

2. Definitions:

"Agreement"	means this ZIM/CSCL SLOT CHARTER AGREEMENT.
"Party"	means either ZIM or CSCL.
"Container(s)"	means any ISO standard container(s) with a maximum height of 8'6" including any reefer and/or other special containers, provided they meet ISO standards. For the purpose of this Agreement, one FEU shall be equal to 2 TEUs.
"Vessel(s)"	means a purpose built containership maintained in service by Zim or by CSCL.

"Slot"	means the space occupied by 1 x 20" x 8" x 8'6" ISO container for the predetermined maximum average gross weight.
"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 and Zim strings described in Appendix 1 hereto.

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 defined.

Each Party undertakes to meets 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 Atlantic and Pacific Coasts of the United States and Canada, on the one hand, and the Chinese Mainland, Hongkong, Taiwan, South Korea, Japan, India, Sri Lanka, Malaysia, Singapore, Thailand, Jamaica, Slovenia, Italy, Greece, Egypt, Israel, Spain, and France, on the other hand, as well as transshipment cargo moving via ports in the aforementioned countries from other origins and/or to other destinations. This Agreement also covers the trade between ports in the Far East and ports in Europe, the Eastern Mediterranean, the Adriatic and Israel; provided, however, that the inclusion of non-U.S. trades in this Agreement shall not bring such non-U.S. trades under the jurisdiction of the U.S. Federal Maritime Commission or entitle the Parties hereto to immunity from the U.S. antitrust laws with respect to such non-U.S. trades.

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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.

6. Schedules

Each Party shall be allowed to utilize Slots available on each other's service and Vessels according to their respective schedules and schedule arrangements.

Either Party may permanently changes its schedule, ports of call, rotation and Vessels at any time, at its sole discretion, (provided this change does not materially change its service, in which case Clause 13 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 March 19, 2002, subject to FMC approval and shall remain in force for a period of 3 years from the effective date of Amendment No. 3. Either 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 12 months from the effective date of Amendment No. 3 to this Agreement, unless otherwise mutually agreed by the Parties.

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8. Slot Commitment

(a) The round voyage allocation for CSCL on ZIM vessels will be:

String	Trade	Allocation
AMP	Far East/Med	240 TEUs*
ZCS	Far East/Los Angeles-Kingston-Savannah-New York-Halifax	100 TEUs
ZCS	Med/Halifax-New York-Savannah	300 TEUs***

*Out of this 240 TEUs a maximum of 160 may be loaded/discharged as local Israel cargo, and 40 TEUs free space provided by Zim from Haifa to Turkey and Black Sea.

***Out of this 300 TEUs, a maximum of 150 TEUs may be loaded/discharged as local Israel cargo.

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(b) The round voyage allocation for ZIM on CSCL vessels will be:

String	Trade	Allocation
AAS	Far East/Los Angeles-Vancouver-Seattle	300 TEUs
AEX	Far East/Med-N. Europe	300 TEUs

(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 75 TEUs or 30%, whichever is greater.

(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.

(e) The maximum average GWT per TEU slot shall not exceed 12 tons in each direction.

(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 and including 40% of its allocation on each String with High Cube Containers with no additional charge per slot. For all Strings except the ZCS Pacific String, each 40' High Cube within said 40% allocation shall be counted as two (2) TEUs and each 40' High Cube beyond said 40% allocation shall be counted as 2.25 TEUs. For the ZCS Pacific String each 40' High Cube shall be counted as 2.10 TEUs.

(g) Each Party shall have the right to load up to and including 10% of its allocation on each string with Reefer Containers. The Parties may agree on the amount of any additional charge to be applied to the carriage of Reefer Containers.

(h) Each Party shall have the right to load up to and including 10% of its allocation in the Pacific trade with 45' containers. For the AAS, AAT and AMP Pacific Strings, each 45' container shall be counted as 2.53 TEUs. For the AAE and ZCS Pacific Strings, each 45' container shall be counted as 2.60 TEUs.

(i) The above commitments by both Parties are subject only to force majeure situations mentioned in Clause 14 hereunder.

(j) If, for any reason, either of the Parties is unable to provide the space specified above for Containers actually booked by the other Party, then such defaulting Party will provide required space on the subsequent sailing and reimburse to the other Party any storage incurred. On the other hand, if either Party does not utilize all the Slots in accordance with its commitment, it shall nevertheless pay for such unused Slots. The payment for such unused Slots shall be the full amount of slot hire.

9. Booking Procedure

The Parties will book their requirements with each other's booking centers as may be designated from time to time. In all instances delivery closing dates, booking and documentation procedures of either Party shall be adhered to.

10. Delivery of Containers and Terminal Operations

The shipments of Containers under this Agreement shall be done under FIO terms. Delivery of the Containers and acceptance thereof shall be when the Containers are loaded on board and redelivery shall be effected and accepted once discharge operation of each Container commences. The Shipping Party shall be directly responsible for all payments relating to its Containers to the stevedores, terminals and the port, if any, including royalties and assessments in USA ports, and they shall be independently debited for all such operations, and shall settle all payments independently and separately from the Loading Party.

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Therefore, the Parties must, prior to commencement of this Agreement, reach separate agreements independent of each other with all of the other Party's stevedores and terminals within the scope of the Agreement. However, in ports where, because of local regulations and/or customs of the port direct settlements as described above are not possible, the Loading Party shall debit the Shipping Party for all such payments and the Shipping Party shall settle such payments either through its local agent or if such payments are not immediately settled, then these payments shall be made together with the payments mentioned in Clause 11 hereunder.

11. Slot Costs

The Parties shall agree on the amounts they shall charge one another for the carriage of loaded and empty Containers hereunder, and may adjust said amounts as they may agree from time to time. The Parties shall also agree on the terms on which such amounts shall be paid to one another.

12. Documentation and Liability

(a) The Parties shall agree on the terms of issuance of documentation for cargo moving hereunder, the terms and conditions contained in that documentation and the procedures to be followed with respect to the issuance and processing of such documentation. The Parties are also authorized to agree on their respective liabilities with respect to damage to cargo (including general average) and/or equipment and the procedure to be followed in handling claims for such damages.

(b) Each Party shall be responsible for insurance for its Vessels.

13. Force Majeure and Termination of Agreement

If circumstances arise, such as war or warlike activities, civil commotion, riots, invasion, rebellion, hostilities, governmental and/or national regulations, boycott against one flag or a political ban against any party, strikes, restraints of Princes and Rulers or any other cause of a like nature the consequences of which have not been or could not have been considered and which are of a nature considerably influencing the terms of the Agreement, the Parties will, as far as possible, advise each other within 48 hours of such new circumstances and adopt the terms of this Agreement to the changed circumstances as far as possible.

(b) Zim and/or CSCL may, at their absolute discretion, discontinue their services or materially alter their route, scheduling and ports of call. In such case, the Parties shall give a 120 days prior notice to this effect and this Agreement shall terminate with regard to the service effected on the date of the expiry of such notice. Neither Party shall have any claim against each other with regard or in connection with such termination.

14. Applicable Law and Arbitration

(a) This Agreement shall be governed by and interpreted in accordance with the Laws of England for the time being in force.

(b) Any dispute, claim or violation which may arise under this Agreement shall be settled by arbitration in London in accordance with the Laws of England and the Arbitration Act of 1979 or any statutory modification or reenactment thereof for the time being in force.

Unless the Parties in the dispute agree on the appointment of a single arbitrator, the matter in dispute shall be referred to the decision of two arbitrators, one to be appointed by the Party complaining and the other by the Party complained against, with the power to such arbitrators to choose an umpire. If the arbitrators cannot agree upon the umpire within four (4) weeks after their appointment, the umpire shall be nominated by the Chairman of the London Maritime Arbitrators Association unless otherwise agreed between the Party complaining and the Party complained against.

If either of the Parties fails to appoint an arbitrator within twenty-one (21) days after the other has given written notice of the appointment of its arbitrator, then the arbitrator appointed by such other party shall act as sole arbitrator.

The arbitrator(s) or umpire shall give his (their) decision in writing with utmost dispatch. The award given by the arbitrator(s) or umpire shall be final and binding upon all parties concerned.

(c) For disputes the sum of which does not exceed the amount of USD100,000, any Party shall be entitled to proceed by arbitration to be held in London according to the London Maritime Association Small Claims Procedures.

15. Notices

(a) All legal process, notices or other formal communications required by or in connection with this Agreement shall be in writing and sent by letter or telex as appropriate or written means as may be agreed, and addressed to the other Party at their official company address as follows:

China Shipping Container Lines Co., Ltd.
No. 700 Dong Daming Road
Shanghai, China
Zip Code: 200080
Attn: J.O. Jiang

Zim Israel Navigation Co., Ltd.
P.O. Box 1723
Haifa 31000
Israel
Attn: Mr. E. Alter

(b) Any such notices, legal processes or other formal communications shall be deemed to have reach the person to whom it is addressed 48 hours after posting or when dispatched.

16. Non-Assignment

Neither Party shall assign its rights, including its rights to utilize the Container Slots, or delegate its duties this Agreement to any other person or entity without the prior written consent of the other Party. Notwithstanding the above, each of the Parties may on written notice to the other Party assign its rights or delegate its duties under this Agreement to a fully-owned subsidiary; provided that in the event of such an assignment the Party to this Agreement shall remain responsible for the due and punctual performance to this Agreement by such a subsidiary.

17. Amendment and Embodiment

This Agreement may not be amended, modified or rescinded except in writing and duly signed by authorized signatories of the Parties, and any amendment, addendum or appendix so signed shall constitute a part of this Agreement.

18. Further Agreements

The Parties are authorized to enter into further agreements with respect to routine operational and administrative matters to the extent necessary or desirable to implement the general provisions contained in this Agreement (including, but not limited to, that set forth in Clauses 11 and 12 hereof) without further amendment to this Agreement. Any further agreement contemplated by this Agreement, except to the extent such further agreement relates to routine operational and administrative matters, shall be filed with the FMC and become effective under the Shipping Act of 1984 prior to being implemented.

19. Dry Dock

(a) Notice to Shipping Party

The Loading Party shall give two months' prior written notice to the Shipping Party of its intention to dry dock a vessel. Said notice shall state how the overall schedules are to be adjusted, the place where the vessel is to be dry docked, the duration of the dry dock and the earliest and latest dates between which dry dock must take place. The Loading Party shall keep the Shipping Party fully and promptly advised of any change in the foregoing information.

In any event, final confirmation of the firm date/place of dry dock shall be given to the Shipping Party no later than one month prior to the date of the vessel's arrival at the first loading port on the side of the Pacific Ocean opposite that on which the dry docking is to occur.

In case dry dock is required due to an unforeseen emergency, the Loading Party shall notify the Shipping Party immediately.

(b) Extra Costs

Any transshipment and/or transfer incurred for cargo already loaded onboard a vessel due to the dry docking of that vessel shall be arranged by the Loading Party for its own account. However, if the Loading Party fails to make appropriate arrangements, the Shipping Party can arrange transshipment and/or transfer and the Loading Party shall pay extra transshipment and/or transfer costs for laden cargo transported across the Pacific Ocean at a fixed amount to be agreed by the Parties

20. Omission of Port(s)

(a) In case that omission of port(s) is necessary to maintain or recover a vessel's schedule, the Loading Party shall propose the omission of such port(s) to the Shipping Party, together with an analysis of the effects, problems and extra expenses expected to result from such omission.

(b) In the event the omission of port(s) is due to an Act of God, Force Majeure, Act of War, Civil Commotion, Strike, Lockouts, Restraint of Princes and Rulers, Port Closure, any transshipment and/or transfer costs incurred by the Parties as a result of the omission shall be for each Party's individual account. In the event the omission of port(s) is due to a cause other than those described above, any transshipment and/or transfer incurred for cargo already loaded onboard the vessel omitting such port(s) shall be arranged by the Loading Party for its own account. However, if the Loading Party fails to make appropriate arrangement, the Shipping Party can arrange transshipment and/or transfer and the Loading Party shall pay extra transshipment/and or transfer costs for laden cargo transported across the Pacific Ocean at a fixed amount to be agreed by the Parties.

APPENDIX 1 – VESSEL STRINGS

A. CSCL Strings

AAS1 String: Shanghai-Yantian-Hong Kong-Keelung-Los Angeles-Shanghai

AEX String: Shanghai-Ningbo-Xiamen-Chiwan-Hong Kong-Port Kelang-Felixstowe-Hamburg-Rotterdam-Antwerp-Port Kelang-Hong Kong-Shanghai

B. Zim Strings

AMP String: Koper-Venice-Trieste-Piraeus-Haifa-Colombo-Singapore-Shekou-Hong Kong-Shanghai-Pusan-Vancouver-Seattle-Pusan-Shanghai-Shekou-Hong Kong-Singapore-Colombo-Haifa-Koper

ZCS String: Haifa-Pireaus-Livorno-Barcelona-Halifax-New York-Savannah-Kingston-Los Angeles-Shekou-Hong Kong-Keelung-Pusan-Osaka-Yokohama-Los Angeles-Kingston-Savannah-New York-Halifax-Barcelona-Haifa

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SIGNATURE PAGE

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE AGREED THIS 30TH OF JANUARY, 2002, TO AMEND AND RESTATE THE AGREEMENT AND TO FILE SAME WITH THE U.S. FEDERAL MARITIME COMMISSION.

ZIM ISRAEL NAVIGATION COMPANY LTD.

By: [signature]

Name: RON PODLASKOWICH

Title: VP, REGULATORY AND TRADE DEVELOPMENT MATTERS

CHINA SHIPPING CONTAINER LINES CO., LTD.

By: _____

Name:

Title:

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ZIM ISRAEL NAVIGATION COMPANY LTD.

By: _____

Name:

Title:

CHINA SHIPPING CONTAINER LINES CO., LTD.

By: _____ 2002.01.30

Name: Jiangjian Qiang

Title: Manager of Slot Exchange Div.