

Table of Contents

	<u>Page</u>
1. NAME OF THE AGREEMENT	2
2. PURPOSE OF THE AGREEMENT	2
3. PARTIES TO THE AGREEMENT.....	3
4. GEOGRAPHIC SCOPE OF THE AGREEMENT.....	3
5. AGREEMENT AUTHORITY.....	4
6. AUTHORIZED REPRESENTATIVE	9
7. MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION	9
8. VOTING	9
9. DURATION AND TERMINATION	9
10. DEFINITIONS.....	11
11. VESSEL ALIGNMENT AND PROVISION	12
12. MARKETING AND DOCUMENTATION.....	13
13. HARDSHIP.....	13
14. FORCE MAJEURE	14
15. SUPERSESSION.....	14
16. NON-ASSIGNMENT.....	14
17. LANGUAGE	15
18. ARBITRATION AND GOVERNING LAW.....	15
19. IMPLEMENTATION DATE.....	16
<u>20. SENATOR’S RIGHTS.....</u>	<u>16</u>
Signature Page	17

enactment or modification thereof for the time being in force.

10.8 Regulation 1017/68: Council Regulation (EEC) No 1017/68 of 19th July 1968 applying rules of competition to transport by rail, road and inland waterway or any re-enactment or modification thereof for the time being in force.

10.9 Regulation 4056/86: Council Regulation (EEC) No 4056/86 of 22nd December 1986 laying down detailed rules for the application of Articles 85 and 86 of the Treaty to maritime transport or any re-enactment or modification thereof for the time being in force.

11. VESSEL ALIGNMENT AND PROVISION

11.1 The initial provision of vessels and their TEU capacities for each Party are set forth as below

COSCON will provide ~~4341~~ vessels of approximately ~~177,700~~161,143 TEU capacity.

KL will provide 31 vessels of approximately ~~131,100~~129,260 TEU capacity.

YMUK will provide ~~2324~~ vessels of approximately ~~101,108~~103,908 TEU capacity.

HJS will provide 61 vessels of approximately 266,562 TEU capacity

SEN will provide ~~52~~ vessels of approximately ~~14,000~~5,322 TEU capacity.

A Party may not permanently (meaning for more than 90 calendar days) increase or decrease its number of vessels and/or TEU capacity by more than fifteen percent unless this Article 11.1 is amended and effective under the Shipping Act to reflect such increase or decrease; provided that SEN may change the number of its vessels by up to two and the number of its TEU by up to 6,000 without such amendment. The Parties will submit to the FMC Quarterly Reports stating the current services, vessels and TEU capacities under this Agreement and any anticipated changes over the subsequent six-month period. The Parties shall consult and agree on the number, size and type of Vessels to be provided by each party hereunder and operated in the Trade. The Parties shall consult prior to employment in the Trade of any tonnage in excess of that previously scheduled. The Vessels may be owned, demised, or time-chartered by the Slot Provider.

11.2 The Vessel alignment and provision for all services shall be as agreed from time to time. The Slot Provider may replace any of the Vessels in the services with a comparable one which shall be in the same or better condition in terms of its service performance, which includes speed and transit time in the Trade. All extra expenses resulting from such replacement shall be for the account of the Slot Provider.

Nevertheless, the Slot Provider is authorized to release Slots on its owned service to the third Party without consent of the Slot Charterer. The Slot Charterer is authorized to release Slots to the third Party subject to prior written consent of the Slot Provider.

16.2 Notwithstanding the provisions of 16.1 supra., re-allocation of Slots to Yang Ming Marine Transport Corporation (“YML”) by YMUK of slots on COSCON, KL and HJS/SEN services is authorized.

16.3 The Slot Charterer shall not be authorized to enter into any other agreement on behalf of the Slot Provider whether relating to navigation, operation or management of the Vessel or otherwise.

17. LANGUAGE

This Agreement and all notices, communications or other written documents related to this Agreement shall be in the English language. If any document related to the Agreement cannot be in the English language, it shall be accompanied by an English translation.

18. ARBITRATION AND GOVERNING LAW

~~18.1 Any dispute among the Parties arising out of or in connection with this Agreement shall, if amicable settlement is not possible, be referred to arbitration in New York under the rules of the Society of Maritime Arbitrators. Arbitration shall be before a panel of three arbitrators selected from a roster of ten (10) potential arbitrators provided by the President of the Society of Maritime Arbitrators. The arbitrators shall be selected by having each Party to the dispute rank the potential arbitrators from 1 (most preferred) to 10 (least preferred) and providing those rankings to the President of the Society of Maritime Arbitrators. The three arbitrators on the roster of ten that are assigned the lowest cumulative point totals shall be appointed as the arbitrators and the arbitrator with the lowest cumulative point total shall be appointed chair of the arbitration panel.~~

~~18.2 In any such dispute, this Agreement shall be governed by and construed in accordance with the laws of New York and, to the extent applicable, U.S. federal or maritime law.~~

~~18.3 Arbitration awards which have been accepted by the parties to the arbitration and which settle disputes concerning practices of consortia covered by Regulation 823/2000 shall be notified forthwith to the Commission of the European Communities by the Parties.~~

18.1 The interpretation of the Agreement and all rights and obligations shall be governed by the Laws of England

18.2 Any dispute or claim arising under this Agreement which cannot be amicably resolved by the Parties shall be referred to arbitration, in London. Unless the Parties agree upon a sole arbitrator, one arbitrator shall be appointed by each Party. In case of an arbitration on documents, if the two arbitrators so appointed are in agreement their decision shall be final. In all other cases the arbitrator so appointed shall appoint a third arbitrator and the references shall be to the three-man tribunal thus constituted. If either of the appointed arbitrators refuses to act or is incapable of acting, the Party who appointed him shall appoint a new arbitrator in his place. If

1st Rev. Page 16
one Party fails to appoint an arbitrator, whether originally or by way of substitution for two weeks after the other Party, having appointed his arbitrator, has (by telex, fax or letter) called upon the defaulting Party to make the appointment, the President for the time being of the London Maritime Arbitrators Association shall, upon application of the other Party, appoint an arbitrator on behalf of the defaulting Party and that arbitrator shall have the like power to act in the reference and make an award and, if the case so requires, the like duty in relation to the appointment of the third arbitrator as if he had been appointed in accordance with the terms of the Agreement. This Agreement is governed by English Law and there shall apply to all proceedings under this clause the terms of the London Maritime Arbitrators Association current at the time when arbitration proceedings were commenced. All appointees shall be members of the Association.

18.3 Provided that where the amount in dispute does not exceed the sum of US\$50,000

(or such sum as the Parties may agree) any dispute shall be resolved in accordance with the Small Claims Procedure of the London Maritime Arbitrators Association.

19. IMPLEMENTATION DATE

The implementation date of this Amendment 001 is January 1, 2003. During the phase in period, each Party will deploy its vessels and TEU capacity in Article 11.1 and plans to be at full deployment by April 1, 2003.

20. SENATOR'S RIGHTS

Senator has the contractual rights and obligations provided by this Agreement but is not an ocean common carrier as defined in the Shipping Act of 1984, as amended, and has no antitrust immunity based on said Act.

IN WITNESS WHEREOF, the Parties have ~~executed this Agreement on the date above~~
~~set forth~~ caused this amendment to the Agreement to be executed by their respective duly
authorized representatives or attorneys in fact as witnessed below:

COSCO CONTAINER LINES COMPANY, LIMITED

By: _____

KAWASAKI KISEN KAISHA, LTD

By: _____

YANGMING (UK) LTD.

By: _____

HANJIN SHIPPING CO., LTD.

By: _____

SENATOR LINES GMBH

By: _____

Date: November __, 2002 ~~May~~ __, 2003