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Original Title Page

FMC # 011882

FMC Agreement No.

ZIM/COSCON SLOT CHARTER AGREEMENT

A SPACE CHARTER AGREEMENT

EXPIRATION DATE: None.

This Agreement has not been published previously.

EFFECTIVE
JUN - 4 2004
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

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WHEREAS: Zim operates a general container service between the Mediterranean and the East Coast of the USA known as "ZCS";

WHEREAS: COSCON operates a general container service between the Mediterranean and the East Coast of the USA and a general container service between North Europe and the East Coast of the USA; 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

COSCO CONTAINER LINES CO. LTD. ("COSCON")
378 Dong Da Ming Road
Shanghai, People's Republic of China 200080

2. Definitions:

"Agreement"	means this ZIM/COSCON SLOT CHARTER AGREEMENT.
"Party"	means either ZIM or COSCON.
"Container(s)"	means any ISO standard container(s) with a maximum height of 9'6" 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 COSCON.
"Slot"	means the space occupied by 1 x 20" x 8" x 8'6" or 1 x 20' x 8' x 9'6" 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.

3. Undertaking and Purpose

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

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 ports on the East Coast of the United States and ports in countries bordering on the Mediterranean Sea and in North Europe (Hamburg-Gibraltar range, Scandinavia and the United Kingdom), 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.

6. Schedules

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

Either Party may permanently change 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

a) This Agreement shall commence on the date it becomes effective under the U.S. Shipping Act of 1984, as amended, and shall remain in force indefinitely unless terminated in accordance with the terms hereof. Either Party may terminate the Agreement by giving not less than three (3) months prior written notice to this effect to the other Party. This Agreement may be terminated at any time by mutual agreement of the Parties.

b) Notwithstanding the above, should COSCON enter into another vessel sharing and/or slot agreement with any third party covering carriage of containers to and from the U.S. East Coast/Israel trade during the first nine (9) months of this Agreement, Zim shall have the right to terminate this agreement by serving three (3) months prior written notice to this effect.

c) If one Party commits any one of the following situations, the other Party has the right, by giving written notice, to terminate this Agreement immediately without prejudice to any already accrued rights and obligations.

a) Commencement of dissolution procedure;
b) Filing of bankruptcy or insolvency procedure; or
c) Making a general assignment for composition with its creditors.

Notwithstanding Article 7a, this Agreement shall continue in force to the extent that each Vessel should complete its cargo discharge at the last port of her final voyage which commenced prior to the respective termination.

8. Slot Commitment

(a) The westbound voyage allocation for COSCON on ZIM vessels will be 100 TEUs per week.

(b) The eastbound voyage allocation for COSCON on ZIM vessels will be 100 TEUs per week.

(c) The westbound voyage allocation for ZIM on COSCON's Mediterranean service will be 30 TEUs per week.

(d) The eastbound voyage allocation for ZIM on COSCON's Mediterranean service will be 30 TEUs per week.

(e) The westbound allocation for ZIM on COSCON's North Europe service shall be 95 TEUs per week.

(f) The eastbound allocation for ZIM on COSCON's North Europe service shall be 95 TEUs per week.

(g) Acceptance of IMO and out of gauge cargo and/or special equipment can only be given by each Party separately and prior to booking.

(h) The above commitments by both Parties are subject only to force majeure situations mentioned in Clause 13 hereunder.

(i) 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. 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.

(j) Subject to the agreement of the other Party, a Party may move up to ten (10) reefer units within its allocation under Articles 8(a)-(f). The Parties shall agree on the procedures and responsibilities relating to the carriage of such containers.

(k) Subject to mutual agreement of the Parties, the slot allocations set forth in Articles 8(a) through 8(f) above (or any of them) may be adjusted up or down by an amount not greater than 50% without further amendment to this Agreement.

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 the loading 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. 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.

(a) Zim and/or COSCON 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 ninety (90) 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 USD100,000.00 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:

COSCO Container Lines Co. Ltd.
378 Dong Da Ming Road
Shanghai, China
Zip Code: 200080
Attn: Mr. Wang Haimin
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, those 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.

ZIM/COSCON SLOT CHARTER
AGREEMENT
FMC AGREEMENT NO. 011882

SIGNATURE PAGE

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED BY THEIR DULY AUTHORIZED REPRESENTATIVES AS OF THIS 14th DAY OF MAY, 2004.

ZIM ISRAEL NAVIGATION
COMPANY LTD.

By: R. Podlaskowich

RON PODLASKOWICH
Vice President
Regulatory Matters and Trade Development

COSCO CONTAINER
LINES CO. LTD.

By: _____

EFFECTIVE JUN - 4 2004

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ZIM ISRAEL NAVIGATION
COMPANY LTD.

By: _____

COSCO CONTAINER
LINES CO. LTD.

By: [signature]
A.V.P C.N.A 5/14/04

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