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CMA CGM/MSC RECIPROCAL SPACE CHARTER,
SAILING AND COOPERATIVE WORKING AGREEMENT

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TABLE OF CONTENTS

		Page
ARTICLE 1	FULL NAME OF THE AGREEMENT....	2
ARTICLE 2	PURPOSE OF THE AGREEMENT	2
ARTICLE 3	PARTIES TO THE AGREEMENT.	2
ARTICLE 4:	GEOGRAPHIC SCOPE OF THE AGREEMENT	3
ARTICLE 5:	AGREEMENT AUTHORITY	3
ARTICLE 6	TONNAGE DEPLOYMENT AND ALLOCATIONS	5
ARTICLE 7	THIRD PARTIES	9
ARTICLE 8	IDENTITY OF CARRIER	10
ARTICLE 9	TERMINALS...	10
ARTICLE 10	OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY.....	11
ARTICLE 11	MEMBERSHIP	11
ARTICLE 12	VOTING	11
ARTICLE 13	DURATION AND TERMINATION OF THE AGREEMENT	11
ARTICLE 14	ADMINISTRATIVE MATTERS...	13
ARTICLE 15	APPLICABLE LAW	14
ARTICLE 16:	ARBITRATION.....	14
ARTICLE 17:	FORCE MAJEURE	14
ARTICLE 18	CONFIDENTIALITY	15
ARTICLE 19:	NON-ASSIGNMENT..	15
ARTICLE 20	NOTICES.	16
ARTICLE 21:	SEVERANCE	16
ARTICLE 22	LANGUAGE	16
ARTICLE 23	HARDSHIP	
ARTICLE 24	COUNTERPARTS....	17
ARTICLE 25	SIGNATURE PAGE	18

ARTICLE 1 FULL NAME OF THE AGREEMENT

The full name of the Agreement is the CMA CGM/ MSC RECIPROCAL SPACE CHARTER, SAILING AND COOPERATIVE WORKING AGREEMENT (hereinafter referred to as the "Agreement")

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of the Agreement is to provide the basis for cooperation among the Parties in order to achieve efficiencies and economies in their respective services currently offered to the trades covered by the Agreement through progressive replacement of their current respective fleets and services

Based on the provisions included in this Agreement, Parties shall progressively harmonize their respective schedules and finally deploy a total of 5 newly built Vessels of about 8200 TEU nominal capacity and/or 8100 TEU capacity at 10 tons average weight per TEU, to be operated on a weekly service (the "Service") between the Far East and the Pacific coast of the United States

Upon completion of such progressive deployment "the initial build up period"), it is agreed that the fleet composition and Parties' vessels contribution shall be as follows:

CMA CGM shall provide and operate two (2) vessels

MSC shall provide and operate two (2) vessels

One (1) vessel shall be jointly provided under a cost sharing agreement.

This Vessel shall be operated by each of the Parties on an alternate basis, starting with CMA CGM

Total 5 vessels of 8100 TEU capacity at 10 Tons average per TEU

ARTICLE 3 PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter "Party" or "") are:

1. CMA CGM S.A. (« CMA CGM »)
4, Quai D'Arenc
13235 Marseille Cédex 02
France

2 MEDITERRANEAN SHIPPING CO.S.A (« MSC »)
40, avenue Eugene Pittard
1206 Geneva
Switzerland

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement shall cover the trade between ports in Pacific coast of the United States of America in the Seattle Washington, to San Diego California range inclusive and United States inland coastal points served via such ports on the one hand, and ports in Asia in the Singapore/Malaysia/ China /Korea/ Japan range inclusive of Indonesia Philippines, and inland and coastal points served via such ports, on the other hand and vice versa. The above geographic scope is hereinafter referred to as "the Trade"

Notwithstanding the aforesaid, it is agreed between Parties that nothing contained in above paragraph shall preclude any Party from utilizing their respective allocations under the present Agreement for the carriage of cargo to/from areas outside the Trade.

ARTICLE 5 AGREEMENT AUTHORITY

Fleet employment and composition

The Parties may consult and agree upon sailing schedules, service frequency, ports to be served and port rotation and fleet composition

i) During the initial build up period, without amendment to this Agreement, Parties shall be authorized to discuss and agree upon the number, size and characteristics of vessels to be deployed, the time and place of any such deployment the introduction or withdrawal or the substitution of vessels as may be deemed necessary or appropriate and implement any such decision without prior notification to the Federal Maritime Commission.

ii) Once the initial build up period is terminated, Parties shall operate all

five 8100 TEU vessels as described Parties shall remain authorized to discuss, agree and implement any change to the schedule and to the fleet composition as described in Articles 5.1 and 5.1 (i) above except that any introduction, withdrawal or substitution of vessels which would increase or decrease the overall fleet capacity by more or less 5% in TEU shall only be implemented after an amendment has been filed with the FMC and has become effective under the Shipping Act of 1984, as amended by The Ocean Shipping Reform Act of 1998 (OSRA)

The Parties shall also be authorized to charter vessels to/from one another for use in the Service at any time for the period of this Agreement

iv) Subject to Article 5.1. ii above, Parties agree that they shall seek to provide sufficient capacity to meet the needs of their shippers in the Trade if market conditions warrant, they will seek to add additional capacity to that capacity which will initially be deployed

5.2 Use of space, slot charter and slot exchange

The Parties are authorized to charter, exchange space or otherwise make space available to each other on their respective Vessels in the Service at such terms and conditions as may be mutually agreed. The Parties may agree on the number of slots and/or space to be exchanged and the compensation for such transportation. The Parties may interchange the space allocated to each of them on the terms and conditions as they may from time to time agree. Any regular over/under provision of capacity or further ad-hoc slot sale or purchase of slots between the Parties will be paid for at slot rates to be agreed

Parties are also authorized to sell or purchase slots from each other on a used or not used basis during the initial build up period according to the terms set in clause 6.2 herein.

Without any amendment to the present Agreement, Parties may review and adjust the initial Vessel's declared capacity of 8100 TEU at 10 tons average

per TEU, subject to fluctuations to the Trade average weight per TEU or actual capabilities of vessels employed in the Service

5.3 Vessel's scheduling and performance

From time to time, the Parties will agree on sailing schedules based on pro-forma schedule covering the voyage rotation. Each Party shall maintain the sailing schedule and shall use maximum efforts to remedy any failure to comply in accordance with decisions taken by the Parties. Parties will agree necessary procedures for financial compensations and other implications in relation to failure to maintain sailing schedule.

5.4 Joint Operating Authority and Cost Sharing Agreement for the Joint Vessel

Pursuant to the terms included in this Agreement, the Parties authorized to jointly provide and / or operate one vessel "the Joint Vessel") in the Service. The operating costs for such Joint Vessel shall be apportioned between the Parties on a 50% / 50% sharing basis. Such vessel operating costs include daily hire; port expenses including mooring / unmooring expenses pilotage, tugs, harbour dues; bunker costs; insurance costs and any other cost as agreed between the Parties. Parties are therefore authorized to exchange any information in relation to Vessel operating costs for vessels employed in the Service.

ARTICLE 6 TONNAGE DEPLOYMENT AND ALLOCATIONS

6.1 General principles

6.1.1 Delivery and deployment of the vessels

The 8100 TEU vessels will be delivered to the service in the Inchon to Hong Kong range, in principle at Xiamen (P.R.C), as follows

		Intended date	Vessel Provider
CMA CGM Hugo	Jul/Aug 2004	1 st Aug. 2004	CMA CGM
MSC Texas	Sept 2004	26 th sept.2004	MSC
Pacific Link	November 2004	7 th Nov. 2004	CMA CGM*

CMA CGM Vivaldi	November 2004	28 th Nov 2004	CMA CGM
MSC Rachele**	April 2005	10 th Apr 2005	MSC

M/V Pacific Link will be the Vessel jointly operated as per Article 5.4 hereof Initially, CMA CGM shall time charter the Joint Vessel from the owner. CMA CGM will be the first operator of such vessel Commencing with the twelfth sailing of this Vessel in this Service as calculated from its deployment date, MSC will charter this Vessel and operate it until the completion of the twenty-second sailing of the vessel in the service Thereafter, the Parties shall alternate the operation of the Joint Vessel at the termination of every eleventh sailing

Subject to Article 5.4 herein, costs and liabilities in relation with the Joint Vessel shall be shared between the Parties as from the date/time the Vessel leaves the shipyard

** M/V MSC Rachele may be delivered to the service earlier, on 6th march 2005

2 Each Party shall be liable to maintain the Vessels it provides in good operating conditions Each Party shall maintain the agreed Schedule. If any one Party's Vessel cannot satisfactorily maintain the agreed Schedule, Parties shall seek a substitute Vessel at terms to be mutually agreed upon in writing

6.1.3 No Party may substitute a Vessel or Vessels unless with the prior agreement of the other Party.

6.1.4 Unless otherwise agreed, all additional costs including but not limited to transshipment and feeder expenses due to substitution of a Vessel or the phase in of a Vessel by a Party shall be for the account of the Party substituting or phasing the Vessel in the Service, except if such substitution is caused by a Force Majeure event following the provisions of Article 17 herein, in which event resulting costs shall be for account of each Party individually

for its own containers

6.1.5 The Party providing the Vessel shall guarantee the availability of the Slot and deadweight allocation to the other Party even if this means a reduction in his own allocations, except Force Majeure cases and unless otherwise agreed

6.1.6 Each Party shall receive on each Vessel, an allocation of reefer plugs and 45' and 40' High cube space, in the ratio of the actual provision of any such capacity by each Party over the total Service fleet 40' High cube containers shall be counted as equivalent to 2.3 TEU per 40' above any Party's 40' High cube allocation, 45' High Cube containers shall count 2.6 TEU as from the first unit loaded.

6.1.7 In the event that for any individual voyage a Vessel Operator is able to load more than the nominal capacity / deadweight on the carrying Vessel as a result of the conditions existing for that individual voyage then the Vessel Operator may but shall not be obliged to, offer such additional space to the other Party If such space is taken up by the other Party, then it shall pay for any such additional Slots at the agreed Slot rate Notwithstanding the above empty containers may be carried above allocation, free of charge

6.1.8 Except for the purpose of the Joint Vessel, each Party will bear all costs for the Vessels it provides, including, but not limited to, daily running costs, charter hire, bunkers, port charges dry docking, repairs and insurance

6.1.9 Except if otherwise mutually agreed in writing, a Cycle shall be considered as a roundtrip rotation starting in Asia "a sailing" starting in principle in Xiamen and ending in Xiamen after a complete rotation, or any other mutually agreed port between the Parties) to be performed by five consecutive Vessels

6.2 Progressive deployment of vessels - the initial build up period

Parties shall progressively deploy the 8100 TEU vessels following the time schedule mentioned in Article 6.1.1. Parties agree that allocations shall be based on a declared capacity of 8 100 TEU / 81 000 Gross Weight Tons. On such basis, Parties shall receive on each Vessel, the following allocations, in TEU or weight, whichever is reached first

CMA CGM 4050 TEU / 40 500 GWT

MSC 4050 TEU / 40 500 GWT

(Loss of space induced by High Cube containers are included in above-mentioned figures)

Provision of such capacities shall be subject to payment of slot charter rates to the Vessel Provider following terms and conditions mutually agreed between the Parties

At the same time, the Parties will progressively withdraw Vessels they each operate in the Trade, as follows:

- CMA CGM will withdraw vessels deployed under FMC agreement 232-011695 and such agreement shall terminate

MSC will withdraw vessels deployed within their own "Orient Express" Service

Tentative plans for the build up period as agreed between the Parties are included in Appendix 1 to this Agreement.

On such basis, the initial build up period will terminate upon introduction of the fifth vessel to the service (in principle MSC Rachele)

6.3 The Reciprocal Space Exchange as from start of Cycle 1

Parties will start their Slot Exchange Agreement with Cycle nr 1 commencing with the first voyage of MSC Rachele, ETA Xiamen 10th April 2004. As from this first voyage of MSC Rachele and onwards, (Cycle 1 and onwards) there shall be five (5) x 8100 TEU vessels deployed and operating on a permanent basis within the Service, unless specifically agreed otherwise. Vessel provision by the Parties will be as per Article 2 herein.

The Parties agree that allocations shall be based on a declared standard

capacity of 8100 Teu / 81 000 Gross Weight Tons for each of the five vessels
On such basis each Party will receive, on each vessel, the following allocations in TEU and/or weight, whichever is reached first

CMA CGM 4050 TEU / 40 500 GWT

MSC 4050 TEU / 40 500 GWT

(Loss of space induced by High Cube containers are included in above-mentioned figures.)

6.4 Designation of Parties as Charterer and Owners

As used herein, either Party who charters Vessel capacity from the other shall be referred to as "Charterer" A Party whose Vessel capacity is chartered by the other Party for transportation hereunder shall be referred to as "Owner"

6.5 Obligation of the Parties

6.5.1. On individual sailings the Owner shall guarantee the availability of the Slot and deadweight allocation to the other Party even if this means a reduction in its own allocations, unless otherwise agreed.

In the event that a Vessel is unable to lift the agreed Slot/Dead-weight Allocations because of known and agreed port draft restrictions then the remaining capacity available is to be shared according to basic allocation shares, including any regular slot sale between Carriers. Restrictions for stability reasons are at the sole responsibility and cost of the Owner.

6.5.2 Each Owner is obligated to maintain the Vessels it operates in the Trade in good operating condition

ARTICLE 7: THIRD PARTIES

Neither Party to this Agreement may sub-charter its allocated space to other ocean common carriers without first obtaining the prior written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Parties agree that this provision shall not

preclude CMA CGM from chartering slots from its own allocation to Norasia/CSAV and / or to LLOYD TRIESTINO and/or to its VOCC subsidiary ANL Container Line on any Vessel operated under the present Agreement including Vessels operated and provided by MSC.

In the event space is subchartered by a Party, then the Charterer shall be liable to the Owner for any and all liability and damages that may result from such subcharter and shall hold the Owner harmless and indemnify the Owner in the event of any liability or damages that are assessed against Owner as a result of the carriage of containers subchartered by Charterer unless such liability or damage is the result of the unseaworthiness of Owner's Vessel or the act, the fault or neglect of the owner the Master and crew of the Vessel and/or Owner's agents contractors or sub-contractors

ARTICLE 8: IDENTITY OF CARRIER

Each Party shall retain its separate identity and shall have separate sales, pricing, and marketing functions. Each Party will issue its own bills of lading to its shippers, handle its own claims and shall be fully responsible for the expenses and operations of its own Vessels and for terminal costs attributable to cargo moved on its own bill of Lading including each Party's share of common charges

ARTICLE 9: TERMINALS

The Parties may interchange, establish pools of or otherwise cooperate in connection with, their empty containers, chassis and/or related equipment to provide for the efficient use of such equipment as between themselves, or to/from each other, or with third parties on such terms as they may agree. The Parties may also jointly contract with or coordinate in contracting with stevedores, terminals, ports, inland depots and suppliers of equipment, land or services or may designate the other to provide or manage such services and equipment or equipment pools on the designating Party's behalf. Nothing herein

shall authorize the Parties jointly to operate a marine terminal in the United States

ARTICLE 10 : OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

The following persons shall have authority to sign and file this Agreement or any modification to this Agreement, to respond to any requests for information from the FMC and to delegate such authority to other persons

10.1 The Chief Executive / Managing Director, or a Vice President for each Party; or

10.2 Legal counsel for each Party.

ARTICLE 11 MEMBERSHIP

Membership is limited to the Parties hereto, except that additional carriers may be admitted by unanimous consent of the Parties and by amendment of the Agreement pursuant to the Shipping Act of 1984

ARTICLE 12: VOTING

All determinations made and/or actions to be taken pursuant to this Agreement require unanimous vote of the Parties

ARTICLE 13 DURATION AND TERMINATION OF THE AGREEMENT

13.1 Duration and Effective Date

The Effective Date shall be the later of (1) the date this Agreement becomes effective pursuant to the Shipping Act of 1984, as amended or (2) the deployment of the first Vessel to the service This Agreement shall remain in force for a period of ten (10) years to count from the introduction of the third Vessel to the service, unless terminated by unanimous agreement of the Parties, or unless terminated upon written notice with immediate effect for any

reason set in clauses 13.2.3 and 13.2.4

The Federal Maritime Commission shall be promptly notified in writing of any such termination of this Agreement

13.2 The Agreement may be terminated as follows

13.2.1 Subject to the provisions of Article 13.1 hereof, either Party may resign from the Agreement by giving at least six (6) months' prior written notice to the other Party; provided that no such notice does take effect prior to the tenth (10th) anniversary date of the deployment of the third vessel (the Joint Vessel to the service

13.2.2 The present Agreement may be terminated at any time subject to mutual written agreement of the Parties

In the event both Parties agree to separate for major reasons before the end of the ten (10) years period, the Party initiating this separation will have the obligation to charter to the other Party its Vessels in the Service and the other Party will have the right but not the obligation to charter-in the Vessels provided such other Party will continue to operate the Transpacific Service

The main purpose of this charter will be

period for the remaining period of the ten (10) years,

charter hire: at market rate, but in any case not less than USD 30 500 net/per day/per vessel

13.2.3 In case the Ownership or shareholding of either Party is modified in a way altering the relevant Party's financial control or material Ownership, the other Party, if it judges in good faith that such modification is likely to jeopardize the Agreement's implementation and performance and or to is likely to prejudice the cohesion and or viability of this Agreement shall be entitled to terminate the present Agreement on six (6)

months prior written notice which notice must be given within six (6) month of such Party being advised in writing of the change of Ownership

13.2.4 If at any time during the term of the Agreement any Party should become bankrupt or declares insolvency or have a receiving order against it, suspend payments, or continue its business under a receiver for the benefit of any of its creditors, or if a petition is presented or a meeting convened for the purpose of considering a resolution, or other steps are taken, for the winding-up of that Party (otherwise than for the purposes of and followed by a resolution previously approved in writing by the other Party), or any event similar to any of the above shall occur under the laws of the Party's country of incorporation (the Party so affected being referred to in clause 13.2.4 only as the Affected Party) and the other Party is of the opinion that the result may be materially detrimental to the Service, or that sums may be owed by the Affected Party to the other Party and may not be paid in full or their payment may be delayed, then, by decision of the other Party, the Agreement or any part thereof may, with immediate effect, either be terminated or suspended for such period as the other Party, in its sole discretion, deem appropriate. In particular but without limitation thereto, the operation of mechanism for financial settlement in respect of the Affected Party may be suspended

13.3. The termination of this Agreement pursuant to Article 13.2 shall not terminate or otherwise affect any accrued obligations of one Party to the other Party under this Agreement which have arisen prior to such termination

ARTICLE 14: ADMINISTRATIVE MATTERS

The Parties may consult and agree upon general administrative matters necessary to implement this Agreement, including but not limited to performance procedures and penalties, procedures for allocating space, forecasting terminal operations, stowage planning, schedule adjustments, the establishment

of individual or joint tonnage centers recordkeeping, insurance, claims and settlement procedures, liabilities and indemnifications the interchange of information and data and will bear these administrative expenses as the Parties may from time to time agree

ARTICLE 15 APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of England. Notwithstanding the aforementioned, nothing shall relieve the Parties from their obligation to comply with the Shipping Act of 1984, as amended

ARTICLE 16: ARBITRATION

All disputes or differences arising under this Agreement which cannot be amicably resolved shall be referred to arbitration in London in accordance with the Arbitration Act 1996 together with LMAA (London Maritime Arbitration Association) terms

ARTICLE 17: FORCE MAJEURE

In the event that a delay in the schedule and/or a failure to provide the agreed Slot Contribution or any other event affecting performance by either Party to this Agreement is caused by Force Majeure as defined below, then each Party shall bear all such extra costs which are related to its own containers and goods or if such extra costs cannot reasonably be identified as relating to its specific containers and cargo, such costs shall be prorated between the Parties as per Slot Entitlement/Volume Allocation share on that particular vessel of the service fleet

Force Majeure

Except as may be otherwise specially provided herein, neither Party shall

be liable for a failure to perform its obligations hereunder or deemed responsible for any loss, damage, delay insofar as such Party can prove that (i it could not have foreseen the operation of such event (ii that the impediment to its performance actually resulted from one or more of the following events, the enumeration not being exhaustive war (whether declared or not), warlike operations, terrorist act, civil commotion (or civil war), invasion rebellion, sabotage or other work stoppages, hostilities blockade, strikes, lockouts, labour disputes, nuclear accidents, unusually severe weather, regulations, or order of governmental authorities, Acts of God, or inability to obtain material or services, any other event whatsoever proven to be beyond the control of the Party concerned and (iii) that there were no reasonable steps which such Party could have taken to avoid, minimize or reduce the impact of such events.

Any Force Majeure case which renders the performance of this Agreement wholly or substantially impracticable shall not be a cause for termination of this Agreement, but the performance of any Party thereof shall be suspended (in whole or in part as appropriate) until such time as the performance thereof is again practicable, without prejudice to any rights, liabilities and obligations accrued at the date of suspension

ARTICLE 18: CONFIDENTIALITY

Except as strictly required by law, this Agreement shall not be shown nor the contents divulged to any third party by either Party without the prior consent of the other Party.

ARTICLE 19 NON-ASSIGNMENT

Neither Party may assign or transfer its rights or obligations under this Agreement either in part or in full to any third party, firm or corporation without the prior written consent of the other Party

ARTICLE 20: NOTICES

All notices required by this Agreement shall be sent by facsimile, telex or other electronic means, with a confirmation copy sent by registered mail, return receipt requested, addressed as set forth below. All other written communications pertaining to or in connection with this Agreement may be by facsimile, telex or other electronic means, addressed as set forth below

1. CMA CGM S.A.
4, Quai D'Arenc
P.O. Box 2409
13235 Marseille Cedex 2
France

E-Mail ho.rjsaade@cma-cgm.com

2. MEDITERRANEAN SHIPPING CO.S.A
40, avenue Eugene Pittard
1206 Geneva
Switzerland

Telex and fax communications shall be deemed to have been received if communications bear the recipient's answerback

ARTICLE 21: SEVERANCE

If any provision of this Agreement, as presently stated or later amended is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then this Agreement shall be invalid only to the extent of such invalidity, illegality or unenforceability and no further remaining provisions hereof shall remain binding and enforceable.

ARTICLE 22: LANGUAGE

This Agreement and all notices, communications or other writings made in connection therewith shall be in the English language. No Party shall have any obligation to translate such matter into any other language and the wording and

meaning of any such matters in the English language shall govern and control.

ARTICLE 23: HARDSHIP

In the event that a Party considers that any cause, happening or event not within its control substantially impairs its ability to enjoy its rights or carry out its obligations under this Agreement then, at its request, the Parties shall discuss and if necessary meet together with all reasonable dispatch in order to consider any adjustment to the terms of the present Agreement as may be mutually acceptable

ARTICLE 24: COUNTERPARTS

This Agreement may be executed in counterparts. Each such counterpart shall be deemed an original, but all together shall constitute but one and the same instrument

ARTICLE 25 SIGNATURE PAGE

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed
their duly authorized officers or agents as of this 9th day of June, 2004.

MEDITERRANEAN SHIPPING CO.S.A

CMA CGM S.A

By: Paul M. Keane
Paul M. Keane
Title: Attorney-in-Fact

By: Paul M. Keane
Paul M. Keane
Title: Attorney-in-Fact