

Original Title Page

MSC/APL/MOL SPACE CHARTER AGREEMENT

A Space Charter Agreement

FMC Agreement No. 011993



Expiration Date: None

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011993
Original Page No. i

TABLE OF CONTENTS

<u>Article Title</u>		<u>Page No.</u>
ARTICLE 1	FULL NAME OF THE AGREEMENT	1
ARTICLE 2	PURPOSE OF THE AGREEMENT	1
ARTICLE 3	PARTIES TO THE AGREEMENT	1
ARTICLE 4	GEOGRAPHIC SCOPE OF THE AGREEMENT	2
ARTICLE 5	AGREEMENT AUTHORITY	2
ARTICLE 6	OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY	4
ARTICLE 7	MEMBERSHIP AND READMISSION	4
ARTICLE 8	VOTING	4
ARTICLE 9	DURATION AND TERMINATION OF AGREEMENT	4
ARTICLE 10	APPLICABLE LAW	6
ARTICLE 11	ARBITRATION	6
ARTICLE 12	NON-ASSIGNMENT	7
ARTICLE 13	NOTICES	7
ARTICLE 14	ENFORCEABILITY	7
SIGNATURE PAGE		

MSC/APL/MOL Space Charter
Agreement

FMC Agreement No. 011993
Original Page No. 1

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is the MSC/APL/MOL Space Charter Agreement (the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to authorize MSC to charter space to APL and MOL on its vessels in the Trade (as hereinafter defined) and to authorize the parties to enter into cooperative working arrangements with respect to the chartering of such space.

ARTICLE 3: PARTIES TO THE AGREEMENT

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

1. Mediterranean Shipping Co. S.A. ("MSC")
40, Av. Eugene Pittard
1206 Geneva
Switzerland
2. American President Lines, Ltd. and APL Co. PTE Ltd. (operating as a single carrier and hereinafter referred to jointly as "APL")
111 Broadway
Oakland, CA 94607
3. Mitsui O.S.K. Lines, Ltd. ("MOL")
1-1, Toranomom 2-Chome
Minato-ku, Tokyo 105-8688
Japan

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011993
Original Page No. 2

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement covers the carriage of cargo between ports on the U.S. Atlantic Coast (Eastport, ME to Key West, FL range) and ports in Argentina and Brazil (the "Trade").

ARTICLE 5: AGREEMENT AUTHORITY

5.1 (a) MSC shall charter to APL and MOL, and APL and MOL shall purchase from MSC, slots for 225 TEUs and 150 TEUs (based on an average weight of 14 tonnes per TEU, subject to such maximum weight limitations as the parties may agree from time to time), respectively, on each weekly sailing of MSC's vessels in the Trade on such terms and conditions (including slot charter hire) as the Parties may from time to time agree. Six months after the commencement of service under this Agreement, MOL shall have the option to increase its allocation from 150 to 200 TEUs (which, if exercised, would increase the aggregate number of slots purchased by APL and MOL from 375 to 425 TEUs). It is understood and agreed that APL and MOL shall have a combined maximum slot allocation of 125 TEUs at Buenos Aires, to be divided between them in accordance with their actual slot allocations set forth in this Article 5.1 or as APL and MOL may otherwise agree. Subject to space availability, APL and/or MOL may purchase additional slots from MSC on such terms and conditions as the Parties may from time to time agree.

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011893
Original Page No. 3

(b) If for temporary operational reasons the total allocation of slots and/or deadweight on one or more vessels must be reduced, each Party will have its slot/weight allocation reduced on a pro-rata basis.

(c) MSC shall consult with APL and MOL before making permanent changes to its schedule, and shall endeavor to give APL and MOL not less than 30 days notice of any permanent change to its schedule.

5.2 Neither APL nor MOL shall sub-charterer any of the space made available to it hereunder to third party ocean common carriers without the prior consent of MSC, provided however that APL and MOL may sub-charter space to each other within their weekly space allocation without seeking prior consent of MSC.

5.3 The Parties are authorized to discuss and agree upon the joint and/or individual negotiation of appropriate contracts with terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo.

5.4 Nothing in this Agreement shall be construed as creating a partnership, association, joint venture or joint service. Each Party shall utilize and maintain its own marketing and sales organizations, issue its own bills of lading, collect its own freight and settle its own claims with respect to cargo moving under its bills of lading.

5.5 The Parties are authorized to discuss and agree upon any and all technical and operational matters described in 46 C.F.R. §535.408(b) such as procedures for allocating space, forecasting, stevedoring and terminal operations, recordkeeping, responsibility for loss, damage or injury (including provisions of bills of lading relating to same), the interchange of information and data regarding all matters within the scope of this Agreement, terms and conditions for force majeure relief,

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011993
Original Page No. 4

insurance, guarantees, indemnification, and compliance with customs, safety, security, documentation, and other regulatory requirements.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND
DELEGATIONS OF AUTHORITY

The following are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

- (i) Any authorized officer of each of the Parties; and
- (ii) Legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP AND READMISSION

Membership is limited to the Parties hereto except that additional ocean common carriers may be admitted or readmitted by unanimous consent of the Parties and by amendment of the Agreement pursuant to the Shipping Act of 1984, as amended.

ARTICLE 8: VOTING

All actions taken pursuant to this Agreement shall require unanimous agreement of the Parties.

ARTICLE 9: DURATION AND TERMINATION OF AGREEMENT

9.1 This Agreement shall become effective on the date it is effective under the Shipping Act of 1984, as amended, and shall continue in effect indefinitely.

9.2 Any Party may withdraw from this Agreement effective on not less than six (6) months' prior written notice; provided, however, that such notice may not be given until this Agreement has been in effect for six (6) months.

9.3 MSC may terminate this Agreement with immediate effect in default of payment of an undisputed invoice more than 21 days after the date of receipt.

9.4 Should APL or MOL start a parallel service or buy slots from another carrier within the Trade on other than an *ad hoc* basis without the prior written agreement of MSC, MSC will have the option to terminate this Agreement on the expiry of 15 days written notice.

9.5 If in good faith APL or MOL determines that its commercial position in the Trade is adversely affected by changes made to the schedule and such changes were objected to by it during consultation, then it shall have the right to resign from this Agreement on not less than fifteen (15) days written notice; provided, however, that such notice must be given not more than 90 days after MSC notified it of the proposed change to the schedule.

9.6 If at any time during the term of this Agreement a Party is dissolved, or becomes insolvent or fails to pay its debts as they become due, or becomes subject to any form of insolvency, liquidation or bankruptcy procedure or takes any action in furtherance of the same (other than for the purpose of a consolidation, reconstruction or amalgamation previously approved in writing by the other Party(ies)), any other Party may give notice to the affected Party this Agreement resigning from this Agreement with immediate effect or suspending it for such period as the other Party in its sole discretion deems appropriate.

9.7 In the event that the ownership or shareholding of a Party is modified in a way that materially alters its financial control or ownership and the other Party is of the good faith opinion that such modification is likely to jeopardize the Agreement's

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011993
Original Page No. 6

implementation and performance and/or to be likely to prejudice the cohesion and or viability of this Agreement, then the other Party shall be entitled to resign from Agreement on not less than three (3) months prior written notice, which notice must be given within three (3) months of such Party being advised in writing of the change of ownership or shareholding.

9.8 Any termination of this Agreement shall be without prejudice to the accrued rights and obligations of the Parties hereunder and to any right and obligation hereunder expressed to survive such termination.

ARTICLE 10: APPLICABLE LAW

The interpretation, construction and enforcement of this Agreement shall be governed by the laws of England, to the exclusion of their rules on the conflict of law, which would refer the matter to the laws of another jurisdiction. Notwithstanding the foregoing, nothing herein shall relieve the Parties of their obligations to comply with the U.S. Shipping Act of 1984, as amended, and all applicable laws and regulations of the countries in the Trade.

ARTICLE 11: ARBITRATION

Any dispute or claim arising hereunder which is not amicably settled by the Parties shall be settled by arbitration. Unless otherwise agreed, arbitration shall be held in London, England before a single arbitrator agreed upon by the Parties or, failing such agreement, appointed by the President of the London Maritime Arbitration Association ("LMAA"). Arbitration shall be conducted under the procedural rules of the LMAA.

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011493
Original Page No. 7

ARTICLE 12: NON-ASSIGNMENT

A Party shall not assign its rights or delegate its duties under this Agreement to any other person or entity without the prior written consent of the other Parties.

ARTICLE 13: NOTICES

All notices pertaining to the Agreement, except as the Parties may otherwise provide, shall be sent by facsimile transmission and confirmed by first class mail, postpaid to the addresses set forth in Article 3 hereof.

ARTICLE 14: ENFORCEABILITY

If at any time during the performance of the Agreement, any provision hereof shall be held to be invalid, illegal or unenforceable, the remainder of the Agreement shall not be affected thereby and shall be valid and be enforceable to the full extent permitted by law.

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 011993

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have this 29th day of March, 2007, caused
this Agreement to be executed by their duly authorized representatives.

MEDITERRANEAN SHIPPING CO. S.A.

AMERICAN PRESIDENT LINES, LTD. AND
APL CO. PTE LTD

By: _____

By: Eric Swett

Name:

Name: Eric Swett

Title:

Title: authorized signatory &
attorney in fact

MITSUI O.S.K. LINES, LTD.

By: _____

Name:

Title:

MSC/APL/MOL Space Charter
Agreement
FMC Agreement No. 611993

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have this 21st day of March, 2007, caused
this Agreement to be executed by their duly authorized representatives.

MEDITERRANEAN SHIPPING CO. S.A.

AMERICAN PRESIDENT LINES, LTD. AND
APL CO. PTE LTD

By: _____

By: _____

Name:

Name:

Title:

Title:

MITSUI O.S.K. LINES, LTD.

By: 

Name: KEVIN J. HARTMANN

Title: Authorized Signatory