

301-200694-001

Amendment No. 1
to
Crane Relocation Agreement
(FMC No. 224-200694)



This amendment of the Crane Relocation Agreement among American President Lines, Ltd., Sea-Land Service, Inc. and the Port Authority of Guam (FMC Agreement No. 224-200694), effective as of August 20, 1992, is entered into as of the 22 day of March, 1995 among the same parties.

WHEREAS, as a result of earthquake damage suffered at the facilities of the Port Authority of Guam, the Subic Crane is located at a damaged and unusable portion of the wharf; and

WHEREAS, the parties desire to relocate the Subic Crane from Berth F6 to Berth F4; and

WHEREAS, the Port Authority desires to relocate one Paceco Crane, Serial No. 338, from its present position at Berth F4 to Berth F6; and

WHEREAS, the parties wish to provide for the installation of certain crane tie-down improvements to secure the Subic Crane and a Paceco Crane, Serial No. 852 at Berth F4;

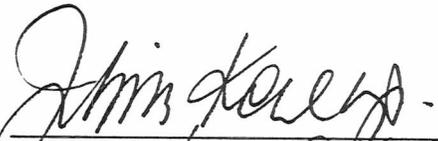
NOW, THEREFORE, the parties agree to amend the Crane Relocation Agreement as set forth herein and on the attached pages revising the Crane Relocation Agreement in the form required by *Title 46, Code of Federal Regulations, § 572.403.*

- I. Revised Page Nos. 2 and 19 attached are hereby substituted in place of Original Page Nos. 2 and 19, respectively.

- II. Original Page Nos. 18A, 18B, 18C, 18D and 18E attached are hereby added.

- III. Except as provided herein and in the attached pages, the Crane Relocation Agreement shall continue in full force and effect.

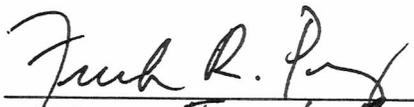
AMERICAN PRESIDENT LINES, LTD.

By: 
Printed Name: JULIUS G. KEREMUNI,
Title: DR. CRANE FACILITY ENG'G

SEA-LAND SERVICE, INC.

By: 
Printed Name: JOHN L. SUTHERLAND
Title: VICE PRESIDENT & GEN. MGR.

PORT AUTHORITY OF GUAM

By: 
Printed Name: FRANK R. PEREZ
Title: Acting G.M.

The Agreement shall also cover crane repositioning and tie-down improvements within the facilities of the Port Authority of Guam.

(b) If the cost of removal exceeds \$150,000, the parties may consult and agree as to an alternative undertaking for removal of the coral head and for allocating the cost thereof among themselves.

5.13 Subic Crane, Paceco Crane Repositioning

(a) The Parties agree that the Subic Crane shall be relocated from Berth F6 to Berth F4 in accordance with the provisions of this paragraph 5.13. The Parties also agree that a Paceco Crane, Serial No. 338 (the "Paceco Crane") shall be relocated from Berth F4 to Berth F6 in accordance with the provisions of this paragraph 5.13.

(b) APL shall manage the repositioning project as respects the Subic Crane under terms and conditions agreed to between APL and Sea-Land in their capacity as joint owners of the Subic Crane. APL will also act as project manager as respects the repositioning of the Paceco Crane on behalf of the Port Authority.

(c) APL will further act as manager of additional project work on behalf of the Port Authority involving the installation of a crane tie-down system designed to secure the Subic and Paceco Cranes during high wind conditions.

(d) The scope of APL's project management work for repositioning the Subic Crane and the Paceco Crane and for the tie-down system installation is set forth in Exhibit B hereto entitled "Crane Relocation Project - Guam Project Management Scope of Work," as amended from time to time by agreement of the Parties. APL shall absorb the administrative expense of engineering and other employee time and travel incurred in performing its project management functions hereunder.

(e) The direct expense of contracting and paying for the repositioning project work shall be equally shared by APL and Sea-Land on terms and conditions to be mutually determined between them. In no event is any party obligated to perform any undertaking or incur any expense if the bids obtained by APL for the crane repositioning work and the tie-down system installation work exceeds \$650,000 unless otherwise agreed.

5.14 Port Authority Reimbursement of Project Expenses

(a) Promptly following completion of the work, APL will provide a statement to the Port Authority and Sea-Land identifying out-of-pocket expenses paid to contractors for work performed or materials or equipment provided in connection with (i) repositioning the Subic or Paceco Cranes, and (ii) installation of the tie-down system. Such statement or statements shall be supported by copies of invoices accruing to APL and copies of checks or other

evidence of payment by APL to contractors for work performed or materials or equipment provided in connection with the (i) repositioning of the Subic or Paceco cranes, and (ii) installation of the tie-down system.

(b) Upon receipt of each such statement from APL, the Port Authority shall record a credit of one-half of the amount of each such statement against future Port Authority terminal tariff charges to be accrued by each of APL and Sea-Land. The Port Authority shall, within 30 days of receipt of each such statement provide APL and Sea-Land each with a payment for all or any portion of their respective costs incurred. The parties intend that the amount of such statement which is to be paid by the Port Authority within 30 days of receipt shall be discretionary with the Port Authority in keeping with its cash management requirements. Any amounts determined by the Port authority to be paid within such 30-day period shall be so paid; provided, that the amounts paid to APL and Sea-Land shall be equal unless otherwise agreed.

(c) Any amounts not paid by the Port Authority within such 30-day period shall be reported to APL and Sea-Land in writing and shall bear interest at the rate of 12 percent simple interest, per annum, prorated based on a 365-day year. All or any portion of the unpaid balance of such amounts due, if any, together with accrued interest thereon, may be paid by the Port Authority at any time without any prepayment penalty.

(d) At the sole option of the Port Authority, in lieu of making such payments to APL and Sea-Land, the Port may apply such amounts as credits against then current invoices of the Port Authority issued to APL and/or Sea-Land for charges due under Port Authority tariffs.

(e) In the event that, within 180 days of the first statement of expense incurred by APL and provided to the Port Authority, or within 90 days of the last such statement, whichever is later, the Port Authority has not paid by cash or credit off-set as provided hereinabove to either APL or Sea-Land any portion of the respective shares of expenses covered by statements submitted to and to be reimbursed by the Port Authority, then APL and Sea-Land may each offset any unpaid balance owed to it, together with interest thereon, with immediate effect, against any Port Authority terminal tariff charges then due or next incurred.

5.15 Release

(a) The Port Authority agrees to release and hold harmless APL and Sea-Land from and against all claims, suits, liability, and expense arising out of any loss of or damage to the Paceco Crane in the course of repositioning work, and any loss of or damage to other property of the Port Authority arising out of or caused by such work or installation of the tie-down system; provided however, this release shall not extend to the negligent acts of APL in connection

with its management of the crane repositioning and tie-down installation project work. It is agreed that any negligence in connection with the design and engineering of the project work shall be deemed exclusively that of the design and/or engineering consultants employed by the Port Authority for that purpose and that this release fully applies to any such design and engineering work.

(b) Crane repositioning and tie-down installation contracts, together with the design and engineering consulting contracts related thereto, shall be satisfactory to APL and the Port Authority and will be between the contractor(s) and the Port Authority as principals except with respect to repositioning of the Subic Crane.

(c) APL and Sea-Land agree to release and hold harmless the Port Authority from and against all claims, suits, liability, and expense arising out of any loss of or damage to the Subic Crane in the course of repositioning work, and any loss of or damage to other property of APL and Sea-Land arising out of or caused by such work or installation of the tie-down system; provided however, that this release shall not extend to the negligent acts of the Port Authority in connection with the repositioning work or the installation of the tie-down system. The crane repositioning contract for the Subic Crane shall be among the contractor(s) and APL and Sea-Land as principals.

~~(b) If the cost of removal exceeds \$150,000, the parties may consult and agree as to an alternative undertaking for removal of the coral head and for allocating the cost thereof among themselves.~~

ARTICLE 6 OFFICIALS OF THE AGREEMENT AND DELEGATIONS
OF AUTHORITY

(a) There are no specified officials of this Agreement except that each Party may appoint such persons as it deems appropriate to administer the functions hereunder.

(b) The following individuals each has the authority to file this Agreement and any modification to this Agreement with the Federal Maritime Commission, as well as authority to delegate the same:

1. For Sea-Land: Thomas G. Cowan
Vice President, Pacific North America
John L. Sutherland
Vice President
- For APL: Ronald D. Widdows
Director, Terminal Operations
Julius G. Kerenyi
Director, Crane and Facilities Engineering &
Maintenance
- For the Port: David B. Tydingco
General Manager
Port Authority of Guam
Frank Perez
Acting General Manager
2. Legal counsel for each of the parties.