

Agreement No. 20117

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into this 16th day of March, 2001 between and among Holt Cargo Systems, Inc., Astro Holdings, Inc., and Holt Hauling and Warehousing Systems, Inc. (hereafter collectively referred to as "Holt"), Pasha Auto Warehousing, Inc. (hereafter "Pasha") and the Philadelphia Regional Port Authority (hereafter "the PRPA").

WITNESSETH THAT:

WHEREAS, Pasha and the PRPA are parties to a Construction and Sublease Agreement dated January 18, 1985 and an Interim Agreement dated January 28, 1985 (hereafter the "Pasha/PRPA leases"); and

WHEREAS, Holt Cargo Systems, Inc. and the PRPA are parties to an Amended and Restated Lease and Operating Agreement for Packer Avenue Marine Terminal dated December 31, 1990, the tenant's interest in which subsequently was assigned to Astro Holdings, Inc. (hereafter the "Packer Avenue Lease"); and

WHEREAS, Holt instituted proceedings in the Federal Maritime Commission ("FMC") at Docket No. 96-13 and asserted claims relating to the Packer Avenue Lease and the Pasha/PRPA leases; and

WHEREAS, Pasha instituted proceedings against the PRPA and Holt in the United States District Court for the Eastern District of Pennsylvania at Civil Action No. 96-6779 and Civil Action No. 00-2793 and asserted claims relating to the Packer Avenue Lease and the Pasha/PRPA leases; and

WHEREAS, the parties wish to resolve certain claims and issues among themselves and dismiss the proceedings now pending in the FMC.



NOW THEREFORE, in consideration of the premises herein, it is hereby agreed as follows:

1. Pasha has and shall continue to have preferential berthing rights to Pier 96 South for the duration of the Pasha/PRPA leases.
2. Notwithstanding any contrary position previously taken in the proceedings before the United States District Court for the Eastern District of Pennsylvania or the FMC, Pasha hereby consents, and the PRPA hereby acknowledges its approval, that Holt shall have secondary berthing rights to Pier 96 South for the duration of the Pasha/PRPA leases.
3. In order that the parties can schedule and coordinate their operations, as and when Pasha or Holt intend to berth a vessel at Pier 96 South, then each shall make reasonable efforts to provide seven days' written notice to the other and to PRPA of the vessel's estimated arrival time, and in any event shall provide 48 hours' written notice to the other and to PRPA of the vessel's designated arrival time.
4. In the absence of notice from Pasha that Pasha intends to berth a vessel at Pier 96 South, then Holt shall continue to have Pasha's consent to berth Holt's vessel(s) at the berth and conduct cargo operations. However, Holt shall remove its vessel(s) from the berth, and shall clear all equipment and cargo from the pier, within 48 hours after receipt of the initial written notice that Pasha desires to berth a vessel at the pier. In the event that Holt does not comply with Pasha's notice within 48 hours, Holt hereby consents to the entry of a court order compelling Holt's immediate compliance.
5. It is understood that Pasha's consent to Holt's secondary usage of Pier 96 South is granted pursuant to the Pasha/PRPA leases and the acknowledgment of the PRPA. Pasha does not undertake any responsibilities to Holt nor any other person beyond the granting of consent, and

Pasha's consent is not to be deemed an assignment or sublease as to any of Pasha's rights under the Pasha/PRPA leases. Further, Holt's secondary usage of Pier 96 South is subject to the terms and conditions of the Packer Avenue Lease, and Holt shall be solely responsible for complying with those terms and conditions and paying such amounts as may be required by the Packer Avenue Lease.

6. Holt hereby releases Pasha from, and agrees to indemnify, defend and hold Pasha harmless against, any and all claims or suits by any third party that arise or are alleged to arise out of Holt's negligence in the usage of Pier 96 South. Holt agrees to name Pasha as an additional assured under Holt's general liability and automobile insurance policies, and to provide to Pasha, in advance of any usage by Holt of Pier 96 South, certificates that confirm the existence of such insurance and the status of Pasha as an additional assured. Holt's obligations toward PRPA with regard to indemnification and insurance shall be governed by the terms of the Packer Avenue Lease.

7. Until the earlier of (a) the termination of the Pasha/PRPA leases and (b) the date that one or more berths at Pier 96 South become unavailable due to ongoing construction of a marginal pier facility, Holt shall provide to Pasha an alternate berth for one vessel at Packer Avenue Marine Terminal on a preferential basis, and in close proximity to the Pier 98 Annex. Pasha shall be permitted to utilize that alternative berth only when: (a) it has need for the alternative berth due to the presence of a ship loading or unloading automobiles at Pier 96 South; or (b) no berth is available at Pier 96 South due to there being insufficient depth of water to safely dock the incoming vessel at Pier 96 South. As and when Pasha desires to use this alternate berth at Packer Avenue Marine Terminal, Pasha shall provide seven days' written notice to Holt and to PRPA of the vessel's estimated arrival time (if such is known to Pasha) and the lack of sufficient depth of water at Pier

96 South or the presence of another ship loading or unloading automobiles at Pier 96 South, but in any event shall provide 48 hours' written notice to Holt and to PRPA of the vessel's designated arrival time. Dockage and wharfage shall be payable to Holt in accordance with Holt's tariff, provided however that Holt agrees its tariff rates shall be competitive with the rates charged for autocarrier vessels in other ports in the general region, including Wilmington, Delaware and Baltimore, Maryland.

8. Pasha hereby consents to the inclusion of Pier 96 South in the development of a marginal pier facility by Holt or PRPA, which may include the demolition of the pier structure and filling of the berth, and to the extent necessary for purposes of any permit applications or approvals, Pasha agrees to formally confirm its consent within five days after receiving a request for such confirmation. In the event that Pasha does not confirm its formal consent within five days after receiving a request, Pasha hereby consents to the entry of a court order compelling immediate compliance. Nothing in this paragraph shall be construed as a waiver or modification of the terms of the Packer Avenue Lease with regard to the development of such marginal pier facility. The granting of the consent by Pasha under this paragraph does not constitute a waiver of its rights regarding the berthing of vessels under the Pasha/PRPA Leases.

9. For such periods of time that two berths are not available at Pier 96 South due to construction relating to the marginal pier facility, Holt shall provide to Pasha access, as needed, to two berths on a preferential basis at Pier 96 South and/or Packer Avenue Marine Terminal in close proximity to the Pier 98 Annex, for the duration of the Pasha/PRPA leases. As to vessels berthed at Packer Avenue Marine Terminal, dockage and wharfage shall be payable to Holt as set forth in paragraph 7 above; as to vessels berthed at Pier 96 South or at the marginal pier under construction,

dockage and wharfage shall be payable to PRPA pursuant to Pasha's tariff and the Pasha/PRPA leases.

10. Upon completion of the marginal pier facility, Holt shall provide to Pasha access, as needed, to two berths on a preferential basis at the marginal pier in close proximity to the Pier 98 Annex, along with a nine-acre plot for staging and handling of automobiles, for the duration of the Pasha/PRPA leases. The location of the nine-acre plot for the staging of automobiles may be modified by Holt from time to time, but shall always be within reasonable proximity to the Pier 98 Annex. Pasha shall make reasonable efforts to notify Holt when the space actually required for staging of automobiles from a particular vessel will be less than nine acres, but in any event, Pasha shall have sole discretion in determining whether less than nine acres, or the full nine acres, is required for efficient operations. Dockage and wharfage shall be payable pursuant to Pasha's tariff and the Pasha/PRPA leases.

11. During construction and after completion of the marginal pier facility, and until the termination of the Pasha/PRPA leases, as and when Pasha needs to berth a vessel or vessels at Pier 96 South and/or Packer Avenue Marine Terminal and/or the marginal pier facility, Pasha shall make reasonable efforts to provide seven days' written notice to Holt and to PRPA of the vessel's estimated arrival time, but in any event shall provide 48 hours' written notice of the vessel's designated arrival time.

12. Pasha agrees to dismiss with prejudice all claims asserted against Holt in the litigation pending in the United States District Court for the Eastern District of Pennsylvania at Civil Action No. 00-2793.

13. In the event that Pasha and the PRPA are able to settle their differences, it is understood that the settlement agreement between Pasha and the PRPA shall incorporate the terms and provisions of the instant Agreement. PRPA and Pasha shall provide Holt with a copy of such settlement agreement ten(10) days prior to the effective date of such settlement agreement, during which period Holt may advise PRPA and Pasha of any objections that it may have to such settlement agreement. Such notice and objection shall be without prejudice to any party's rights under the terms of the Packer Avenue Lease or the Pasha/PRPA leases. In the absence of a settlement agreement between Pasha and the PRPA prior to final dismissal of the FMC proceeding, and upon the entry of an order by Administrative Law Judge Dolan dismissing FMC Docket No. 96-13, the parties jointly shall forward a copy of that order to Judge Shapiro and request that a ruling be issued by Judge Shapiro as to the issues previously submitted to the United States District Court in Civil Action No. 96-6779.

14. Holt hereby agrees to dismiss without prejudice all claims asserted in the proceedings pending in the FMC at Docket No. 96-13, with each party to bear its own costs, including attorney's fees. The parties shall jointly make such filings with the FMC and shall jointly take such actions as may be necessary to comply with any regulatory and procedural requirements of the FMC and/or the Shipping Act of 1984, as amended, in connection with this Settlement Agreement and the dismissal of Holt's Docket 96-13 claims. Paragraphs 1 through 13 of this Agreement shall become formally effective upon the issuance of a final order dismissing FMC Docket No. 96-13 and the filing of this Settlement Agreement with the Federal Maritime Commission.

15. The parties agree that any application to interpret or enforce this Agreement shall be presented to the United States District Court for the Eastern District of Pennsylvania, unless that

Court shall not have subject matter jurisdiction, in which case the action shall be presented to the Court of Common Pleas of Philadelphia County, Pennsylvania. The parties hereby waive any claim that the Federal Maritime Commission has primary jurisdiction over such action for enforcement or interpretation.

16. Nothing in this Settlement Agreement shall be deemed to be an admission by any party with respect to the subject matter of the action pending before the Federal Maritime Commission docketed at No. 96-13, and the actions pending before the United States District Court for the Eastern District of Pennsylvania, docketed at No. 96-6779 and No. 00-2793.

17. Holt and Pasha represent and warrant that the terms of this Settlement Agreement as written herein constitutes the full and complete agreement between Pasha and Holt with regard to the Pasha/PRPA Leases, Pasha's use of the Packer Avenue Marine Terminal, Holt's use of Pier 96 South, the action pending before the Federal Maritime Commission docketed at No. 96-13, and the actions pending before the United States District Court for the Eastern District of Pennsylvania, docketed at No. 96-6779 and No. 00-2793. Pasha and Holt further represent and warrant that no consideration is being exchanged between them in connection with this Settlement Agreement other than that explicitly set forth herein. Holt and Pasha acknowledge that the representations and warranties in this paragraph are material to PRPA's decision to consent to this agreement. PRPA and Pasha agree that any subsequent settlement agreement between them that is presented to Holt pursuant to paragraph 13 above shall contain representations and warranties by PRPA and Pasha substantially identical to those contained in this paragraph.

18. Nothing in this agreement is intended to waive or modify any rights that may exist between and among Holt Cargo Systems, Inc., Holt Hauling and Warehousing, Inc. and Astro Holdings, Inc.

19. This Agreement may be signed in counterparts.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to set their hands and seals this 16th day of March, 2001.

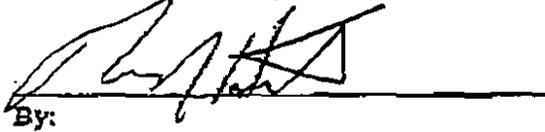
HOLT CARGO SYSTEMS, INC.,


By: _____

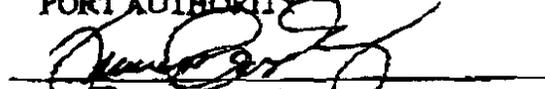
PASHA AUTO WAREHOUSING, INC.

By: _____

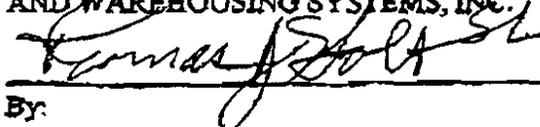
ASTRO HOLDINGS, INC.


By: _____

PHILADELPHIA REGIONAL
PORT AUTHORITY


By: Francis X. Crowley, Esq.
COUNSEL FOR PAPA

HOLT HAULING
AND WAREHOUSING SYSTEMS, INC.


By: _____

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Glenn S. Yamaguchi

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19. This Agreement may be signed in counterparts.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to set their hands and seals this _____ day of _____, 2001.

HOLT CARGO SYSTEMS, INC.,

PASHA AUTO WAREHOUSING, INC.

By: _____

Glenn S. Yamaguchi
By: Executive V.P. General Counsel

ASTRO HOLDINGS, INC.

PHILADELPHIA REGIONAL
PORT AUTHORITY

By: _____

By: _____

HOLT HAULING
AND WAREHOUSING SYSTEMS, INC.

By: _____