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FEDERAL MARITIME COMMISSION

**SSA TERMINALS (OAKLAND)
COOPERATIVE WORKING AGREEMENT**

FMC No. 201197

A Cooperative Working Agreement



TABLE OF CONTENTS

ARTICLE 1.	Purpose of the Agreement.	1
ARTICLE 2.	Parties to the Agreement.	1
ARTICLE 3.	Geographic Scope of the Agreement.	2
ARTICLE 4.	Overview of Agreement Authority	2
ARTICLE 5.	Performance of Terminal and Stevedoring Activities	6
ARTICLE 6.	Delegations of Authority.....	8
ARTICLE 7.	Effective Date, Term and Termination	9
ARTICLE 8.	Miscellaneous	9

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ARTICLE 1. Purpose of the Agreement.

The purpose of this Agreement is to set forth the terms and conditions on which the parties are authorized to make and implement agreements to organize SSA Terminals (Oakland), LLC ("SSATO") to operate a marine terminal and provide container stevedoring, terminal and related services in the Port of Oakland, California. It also sets forth the authority of the parties to make and implement agreements on services to be provided to SSATO in this endeavor by the other parties to this Agreement.

ARTICLE 2. Parties to the Agreement.

The parties to this Agreement are as follows:¹

	NYK Terminal (Oakland), Inc. 300 Lighting Way Secaucus, NJ 07094
SSA Terminals, LLC 1131 S.W. Klickitat Way Seattle, WA 98134	NYK Line (North America), Inc. 300 Lighting Way Secaucus, NJ 07094
Yusen Terminals Inc. 701 New Dock Street Terminal Island, CA 90731-7535	SSA Terminals (Oakland), LLC 1131 S.W. Klickitat Way Seattle, WA 98134

Additional parties may be added to this Agreement by unanimous vote of all current parties. Any new membership will be reflected in an amendment to this Agreement filed with the Federal Maritime Commission, and the membership of the new party shall not become effective unless and until said amendment becomes effective under 46 U.S.C. § 40101 *et seq.* (formerly the Shipping Act of 1984), as amended.

¹ The terms of this Agreement and the filing of it with the Federal Maritime Commission ("FMC") do not and are not intended to bring within the scope of the Shipping Act of 1984, as amended (including the antitrust exemption conferred by the Act), or the jurisdiction of the FMC, parties that are not marine terminal operators or ocean common carriers as defined under the Act.

ARTICLE 3. Geographic Scope of the Agreement.

The geographic scope of the Agreement applies to activities at or related to terminal facilities at the Port of Oakland, California.

ARTICLE 4. Overview of Agreement Authority

4.1 The parties are authorized to agree on and implement the organization of SSATO as a California Limited Liability Corporation to operate in Oakland, California as a Marine Terminal Operator defined in 46 CFR 535.104(q). SSATO's organization and procedures will be determined by SSATO's formational documents as they may be agreed and amended and supplemented by the parties. The SSATO members will be SSA Terminals, LLC ("SSAT") and NYK Terminal (Oakland), Inc. ("NYK Oakland"). SSAT and NYK Oakland each are authorized to contribute assets to SSATO as they may agree, which may include an agreement subassigning to SSATO the assignment from the Port of Oakland applicable to the marine terminal known as Oakland International Container Terminal at Berths 57-59 in the Port of Oakland, California ("OICT").

4.2 Subject to Article 4.1, SSATO is authorized to conduct container stevedoring and terminal operations and activities incidental thereto at OICT and to expand those operations to include Howard Terminal ("Howard Terminal") or a different terminal or terminals in the Port of Oakland, California including under the circumstances identified in Article 5(c)(ii) hereof. Subject to Article 4.1, SSATO is authorized to discuss, agree and take any actions in furtherance of its stevedoring, terminal and incidental operations, including but not limited to the following:

- (a) Establish rates, charges and competitive practices.
- (b) Publish marine terminal schedules.

(c) Negotiate and enter into agreements concerning marine terminal facilities and/or services, marine terminal conference agreements and/or agreements to provide stevedoring, maintenance and repair and other related services, subject to any applicable governmental filing requirements.

(d) Take measures necessary or appropriate to comply with applicable governmental requirements, including with respect to terminal security;

(e) Either directly or through subcontractors, own and/or lease and operate cranes, lift machines, trucks and other equipment and gear incident to SSATO's purposes;

(f) Either directly or through subcontractors, operate, pursuant to lease, sublease, assignment, subassignment, purchase or acquisition, the terminal facilities and operations connected with such facilities at OICT and at Howard Terminal or a different terminal or terminals in the Port of Oakland, including under the circumstances identified in Article 5(c)(ii) hereof.

(g) Enter into agreements in its own name to obtain services and materials required for such operations. Such services and materials may include:

(i) payroll, coordination of external audits, billing, and accounts payable;

(ii) tax services, such as the preparation and filing of, and assistance with respect to, tax returns and reports to the Internal Revenue Service;

(iii) procuring legal services; insurance services, including assistance in designing, obtaining and negotiating insurance policies;

- (iv) property management services, including the administration of leasehold and/or ownership interests in land and equipment;
 - (v) human resources services;
 - (vi) services related to public affairs, including contacts with news and trade publications media and including crises management;
 - (vii) marketing, advertising, and public relations services, such as developing a customer service program, and/or pursuing third party opportunities;
 - (viii) general services with respect to government relations;
 - (ix) terminal design services, including mechanical/electrical and industrial engineering;
 - (x) vessel planning services;
 - (xi) provision of any guarantees to the Port of Oakland that may be necessary as security required by the Port of Oakland under any lease agreements between any of the parties and the Port of Oakland.
- (h) Engage in such other activities as are customary for a marine terminal operation.
- (i) Perform all functions necessary to operate a California limited liability company, including but not limited to maintenance of company books and records, preparation of financial statements, filing of tax returns and other tax information as required, establishment of bank accounts and investments, maintenance of offices and

hiring and management of personnel, indemnification of managers and officers, and maintenance of insurance.

4.3 The parties are authorized to consult, exchange information, discuss, and reach agreement regarding the subjects of this Article 4. Such agreements are authorized to include:

(a) Agreement for SSAT to provide, for the benefit of SSATO, union and non-union employee labor and certain senior managers of SSAT to enable SSATO to operate its stevedoring and terminal service business at Port of Oakland. SSAT may be authorized to provide such labor and senior managers either directly or through subcontractors, upon such terms and conditions, and at such rates, as SSAT and SSATO may from time to time agree.

(b) Agreement for Yusen Terminals Inc. ("YTI") to provide, for the benefit of SSATO, any Clerks' Union Duties to be performed or discharged pursuant to any stevedoring or terminal services agreement between SSATO and any Line for services to be performed at OICT. For purposes of this agreement, "Clerks Union Duties" shall mean the duties, responsibilities and obligations of SSATO under any stevedoring agreements that are required under applicable collective bargaining agreements of YTI to be performed or discharged, as applicable, through services provided by members of the Clerks' Union. "Clerks' Union" means the ILWU Ship Clerks' Association, Local 34. "Line" means NYK Line (North America), Inc. ("NYK") and any of its affiliates and any shipping line that is a member of the Grand Alliance at or after the date on which the formational documents referenced in Article 4.1 become effective.

ARTICLE 5. Performance of Terminal and Stevedoring Activities

(a) The parties are authorized to agree, subject to the exceptions stated in Article 5(c), that for so long as SSAT and NYK Oakland each remain a member of SSATO, they shall not compete nor permit any of their affiliates to compete, nor own nor permit any of their affiliates to own, directly or indirectly, more than 20 percent of the equity or voting interest in any entity which competes with SSATO in providing stevedoring and terminal services for containerized cargo at the Port of Oakland.

(b) The parties are authorized to agree, subject to any exceptions that may be agreed by the parties and subject to the terms and exceptions of any stevedoring agreement between NYK and SSATO, that so long as NYK Oakland continues as a member of SSATO, all container vessels which are owned, chartered or otherwise controlled by NYK or any of its majority-owned affiliates and which are employed by NYK or any such affiliate in any scheduled container cargo service, will take their requirements for stevedore and terminal services in Oakland, California at OICT and/or that SSATO may be terminated if they do not.

(c) Exceptions. The parties are authorized to agree, notwithstanding the provisions of Article 5(a), that the following arrangements and activities are permitted:

- (i) Chassis Pools. SSATO, SSAT and its affiliates and NYK Line (North America), Inc. and its affiliates to each be entitled to operate a business of leasing container chassis to customers calling at OICT or any container terminal, notwithstanding that these businesses may compete with one another.
- (ii) Howard Terminal. SSAT to be entitled to continue to operate the marine terminal located at the Howard Terminal independent of SSATO,

notwithstanding that the Howard Terminal may be in competition with OICT; provided, that for so long as Matson Navigation Co., Inc. ("Matson") or any Affiliate of Matson is being served at the Howard Terminal ("Matson Service"), SSAT would not serve any shipping lines at Howard Terminal other than Matson, Matson's Majority Affiliates (as defined in the SSATO formational documents) and any other shipping lines that may be in alliances or other similar arrangements with Matson or its Majority Affiliates and then only to the extent that such other shipping lines are loading or discharging cargo which is moving under any such alliance or similar arrangement with Matson or its Majority Affiliates; further provided that if all or a portion of the Matson Service is relocated to another terminal or terminals at the Port of Oakland, SSAT shall offer SSATO, on such terms as they agree, the opportunity to conduct operations at the entire portion of the Howard Terminal not being used to conduct Matson Service, and in the event that SSATO declines to conduct operation of such entire portion of the Howard Terminal, SSAT may thereafter serve any customer it chooses on such entire portion of the Howard Terminal except that SSAT shall not so serve, or solicit to serve, any customer of SSATO as of the date that SSAT is obligated to offer SSATO an opportunity to operate at Howard Terminal or any customer that SSATO has served at OICT within 90 days prior to such date; and provided further that the provisions of this Article 5(c)(ii) shall extend to a different terminal or

terminals in the Port of Oakland other than OICT to which the Matson Service conducted at Howard Terminal may be relocated.

- (iii) CEM Services. SSAT and not SSATO to be exclusively entitled to perform container equipment maintenance ("CEM") services pertaining to the inspection, monitoring, maintenance, repair and cleaning of container equipment for the customers of SSATO at OICT, except at such times as SSAT has been engaged on an exclusive basis, on terms mutually acceptable to SSAT and YTI, to perform such maintenance and related services to YTI's customers in the Port of Los Angeles, at which times SSATO and not SSAT shall be exclusively entitled to perform such maintenance and related services for the customers of SSATO at OICT.

ARTICLE 6. Delegations of Authority.

The following persons shall have authority on behalf of a Party to sign and file this Agreement, any subsequent modifications thereto, and any supporting information with the Federal Maritime Commission ("FMC") or any other governmental entities with jurisdiction over this Agreement and to respond to any requests for information from the FMC, and such persons are also authorized to delegate such authority:

1. A designated senior executive of each Party; or
2. Legal counsel for each Party or for the Agreement.

This Agreement and any subsequent modification hereto may be executed in writing by separate counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

ARTICLE 7. Effective Date, Term and Termination

(a) The Agreement shall become effective on the later of (i) the date it becomes effective under 46 USC § 40304, or (ii) the date on which the formational documents referenced in Article 4.1 become effective.

(b) The Agreement shall continue in effect indefinitely unless otherwise terminated by agreement of all parties.

ARTICLE 8. Miscellaneous.

(a) Assignment. The Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither the Agreement nor any of the rights, interests, or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties.

(b) Governing Law. The Agreement and the legal relations among the parties hereto shall be governed by and construed in accordance with the laws of the State of California without regard to its conflicts of law doctrine.

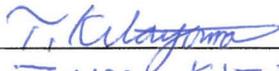
(c) Disputes. Any dispute arising out of this Agreement shall be settled by arbitration in accordance with the commercial rules of the American Arbitration Association as then in effect.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 9 day of October, 2008.

NYK Terminal (Oakland), Inc.

SSA Terminals, LLC

By: 
Name: TOMOO KITAYAMA
Title: president

By: _____
Name: _____
Title: _____

NYK Line (North America), Inc.

Yusen Terminals Inc.

By: 
Name: PETER I KELLER
Title: PRESIDENT

By: _____
Name: _____
Title: _____

SSA Terminals (Oakland), LLC

By: _____
Name: _____
Title: _____

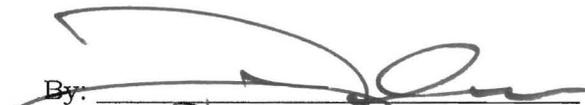
SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 9th day of October, 2008.

NYK Terminal (Oakland), Inc.

SSA Terminals, LLC

By: _____
Name: _____
Title: _____

By: 
Name: Edward A. DeMike
Title: Chief Operating Officer

NYK Line (North America), Inc.

Yusen Terminals Inc.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SSA Terminals (Oakland), LLC

By: 
Name: Edward A DeMike
Title: Chief Operating Officer

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 9 day of October, 2008.

NYK Terminal (Oakland), Inc.

SSA Terminals, LLC

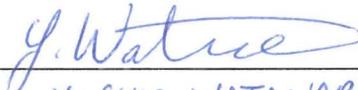
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NYK Line (North America), Inc.

Yusen Terminals Inc.

By: _____
Name: _____
Title: _____

By: 
Name: YOSHIO WATANABE
Title: PRESIDENT & C.E.O.

SSA Terminals (Oakland), LLC

By: _____
Name: _____
Title: _____