RECEIVED
2005 JUL 26 AM 8:51
FEDERAL MARITIME COMM

SEABOARD MARINE / FRONTIER LINER SERVICES SPACE CHARTER AGREEMENT

FMC Agreement No. : 011918

Expiration Date: None

This Agreement has not been published previously.

EFFECTIVE
AUG 19 2005
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

TABLE OF CONTENTS

Page

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 1

ARTICLE 5: AGREEMENT AUTHORITY 2

ARTICLE 6: AUTHORIZED REPRESENTATIVE 4

ARTICLE 7: MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION 4

ARTICLE 8: VOTING 4

ARTICLE 9: DURATION AND TERMINATION OF THE AGREEMENT 5

ARTICLE 10: ARBITRATION AND GOVERNING LAW 6

ARTICLE 11: LANGUAGE 6

ARTICLE 12: NON-ASSIGNMENT 7

ARTICLE 13: FORCE MAJEURE 7

ARTICLE 14: HARDSHIP 7

ARTICLE 15: NOTICES 8

ARTICLE 16: COUNTERPARTS 8

ARTICLE 17: SIGNATURE PAGE 9

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of the Agreement is the **SEABOARD MARINE LTD/ FRONTIER LINER SERVICES, INC. SPACE CHARTER AGREEMENT** (hereinafter referred to as the "Agreement"). The Agreement may also be referred to as the Seaboard Marine / Frontier Space Charter Agreement."

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of the Agreement is to permit FRONTIER LINER SERVICES to charter space from SEABOARD MARINE and SEABOARD MARINE to charter space from FRONTIER LINER SERVICES for container cargoes thereby allowing the Parties to achieve efficiencies and economies in their respective services offered in the Trade covered by the Agreement.

ARTICLE 3: PARTIES TO THE AGREEMENT

The Parties to the Agreement (hereinafter referred to as "the Party" or collectively as "the Parties") are:

1) Seaboard Marine, Ltd.
   8001 N.W. 79th Avenue
   Miami, Florida 33166

2) Frontier Liner Services, Inc.
   8600 N.W. 53rd Terrace, Suite 204
   Miami, Florida 33166

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement shall cover transportation between ports in the State of Florida and coastal points served via such ports on the one hand, and on the other, ports in Colombia and all inland coastal points served via such ports. The foregoing geographic scope is hereinafter referred to as "the Trade."

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Cargo

This Agreement covers containerized cargo and all commodities pursuant to each participating Carrier's governing tariffs.

5.2 Slots

a) The parties may consult and agree upon the charter space on vessels operated in the Trade. Such Space Charter shall be conducted on an as needed, as available, basis, to the extent space is available on vessels operating in the Trade. The parties may consult and agree on the terms and conditions of and relating to the sale of such space, including terms and conditions relating to the compensation to be paid for the space.

b) A party may not sub-charter to any third party any space the use of which has been granted to the other party under this Agreement.

5.3 No Joint Service, Pooling

The slot allocation, coordination of sailings and vessels, and cooperative use of equipment, terminals, stevedores, ports and suppliers to the extent provided hereunder do not create a joint service or permit the Parties to pool cargo or revenue or to discuss rates.

5.4 Marketing and Documentation

The Parties shall solicit and book cargoes subject to this Agreement for their separate accounts and shall issue their own separate bills of lading. This Agreement does not authorize the Parties to establish a common tariff.

5.5 Miscellaneous

a) The Parties may discuss and agree upon such general administrative matters and other terms and conditions concerning the implementation of this Agreement as may be necessary or convenient from time to time, including, but not limited to, performance procedures and penalties, procedures for allocating slots, forecasting, schedule adjustments, record-keeping, responsibility for loss or damage, the establishment and operation of individual or joint tonnage centers, the terms and conditions for force majeure relief, insurance, liabilities, claims, indemnification, consequences for delays, and treatment of hazardous and dangerous cargoes. Notwithstanding the foregoing, each Party shall bear its own administrative expenses in connection with this Agreement.

b) The Slot Provider shall provide any documentation relating to vessels that may be required to permit vessels' trade in the service leg, including, but not limited to certificates of financial responsibility for oil pollution, valid international tonnage certificate, valid certificate of registry.

5.6 Vessels

Seaboard Marine will provide two (2) vessels of approximately 335 TEU capacity each in its service and intends to operate the vessels on a weekly basis. Frontier Liner Services will provide two (2) vessels of approximately 328 TEU capacity each in its service and intends to operate the vessels on a weekly basis.

ARTICLE 6: AUTHORIZED REPRESENTATIVE

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.

1) Mr. Robert Schicchi
Vice President
Seaboard Marine
Telephone: 305-863-4361
Facsimile: 305-863-4393

Mr. Julio Osorio
General Manager
Frontier Liner Services, Inc.
Telephone: (305) 471-7800
Facsimile: (305) 471-7002

and/or

2) Legal Counsel for a Party.

ARTICLE 7: MEMBERSHIP, WITHDRAWAL, READMISSION & EXPULSION

None.

ARTICLE 8: VOTING

All matters decided under this Agreement, including amendments hereto, shall be by unanimous vote of the Parties. The Parties may meet wherever they decide for implementing this Agreement; however, actions in implementation of this Agreement may also be taken pursuant to telephone/E-mail/fax or other writing polls of the Parties. A quorum shall exist if all Parties are present in person or by telephone/E-mail/fax or other writing contact.

ARTICLE 9: DURATION AND TERMINATION OF THE AGREEMENT

9.1 Unless otherwise agreed by the Parties, this Agreement shall be effective upon the later of either the commencement by the Parties of the vessel operations described herein, or the date the Agreement becomes effective pursuant to the Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998. Failure of a Party to this Agreement to obtain approval of any authority, for any reason, shall not provide the basis for any recourse, liability or damages whatsoever.

9.2 Subject to Article 9.1 above, this Agreement shall commence in August 2005, pending approval by the Federal Maritime Commission, and is intended to remain in force until terminated by either party. The Federal Maritime Commission shall be promptly notified in writing if this Agreement is terminated.

9.3 The Agreement may be terminated as follows:

a) Either Party may terminate this Agreement by giving written notice of termination not less than forty-five (45) days prior to the termination date specified in such notice;

b) Either Party may terminate this Agreement if one or more vessels are lost or withdrawn from service under this Agreement and is not replaced by the Slot Provider within one (1) month after the loss. The Slot Provider shall give immediate written notice to the Slot Purchaser of any actual loss or constructive loss of a vessel;

c) Notwithstanding the above provision 9.3, this Agreement may be terminated at any time by mutual consent of the Parties.

9.4 If any Party becomes involved in any one of the following situations, either of the Parties has the right, by giving written notice, to terminate the Agreement immediately without prejudice to any already accrued rights and obligations:

a) Commencement of dissolution procedure;

b) Filing of bankruptcy or insolvency procedure; and/or

c) Making a general assignment or composition with its creditors.

9.5 Notwithstanding any other provision of this Agreement, the obligations of the Parties pursuant to this Agreement shall remain in force until each vessel operated pursuant to this Agreement shall have completed discharging at the last port on the last leg of her final complete voyage which commenced prior to termination, and all accounts between the Parties under this Agreement are settled.

ARTICLE 10: ARBITRATION AND GOVERNING LAW

Any dispute among the Parties arising out of or in connection with this Agreement shall, if amicable settlement is not possible, be referred to arbitration before three (3) arbitrators in the State of Florida, under the rules of the Society of Maritime Arbitrators. In any such dispute, this Agreement shall be governed by and construed in accordance with the law of the State of Florida, and to the extent applicable, U.S. federal or maritime law. Nothing in this Agreement shall be construed to relieve the Parties of their obligations to comply with the Shipping Act of 1984, as amended.

ARTICLE 11: LANGUAGE

This Agreement and all notices, communications or other written documents related to this Agreement shall be in the English language. If any document related to the Agreement cannot be in the English language, it shall be accompanied by an English translation and the English version shall prevail.

ARTICLE 12: NON-ASSIGNMENT

12.1 The Slot Purchaser shall not assign, transfer, subcontract, change, or otherwise dispose of any rights and duties in this Agreement to any person, firm, or corporation without the prior written consent of the other Party.

12.2 The Slot Purchaser shall not be authorized to enter into any other agreement on behalf of the Slot Provider whether relating to navigation, operation or management of the vessel or otherwise.

ARTICLE 13: FORCE MAJEURE

The obligations of the Slot Provider/Slot Purchaser shall be excused to the extent that the existence and continuance of conditions beyond its control render the Slot Provider/Slot Purchaser unable to perform its obligations. Such conditions include but are not limited to war, civil commotion, invasion rebellion, regulations, or order of governmental authorities, acts of God, or inability to obtain materials or services. The Party asserting the existence of such conditions as an excuse of non-performance shall promptly given written notice such conditions to the other Party.

ARTICLE 14: HARDSHIP

14.1 Notwithstanding Article 9, during the effective period of this Agreement, if the consequences of any Force Majeure described in Article 13, or boycott against one flag or a political ban against one Party to this Agreement, causes substantial frustration of the objectives of the Agreement, then the Parties shall meet in a spirit of goodwill and are bound to adapt the terms of this Agreement to these circumstances. If the Parties fail to reach an agreement within thirty (30) days, any Party may terminate this Agreement immediately upon written notice.

14.2 In the event one of the Parties is merged with or sold to a third party which continues to operate container vessels in the Trade covered by this Agreement,

then such other party shall be bound by the terms of this Agreement and continue to provide slots under the terms of this Agreement to the Party who was not subject to the merger. The merging party shall include in the merger agreement a clause requiring the merged entity to honor this Agreement. Notwithstanding the foregoing either of the Parties who was not subject to merger shall have the right to terminate this Agreement on ninety (90) days prior written notice.

ARTICLE 15: NOTICES

Except as otherwise agreed to by the Parties hereto, any notice under this Agreement shall be in writing and be signed by or on behalf of the Party giving it. Any such notice will be served by sending it by facsimile to the fax number as notified by the Parties as provided hereunder.

1) Seaboard Marine
8001 N.W. 79th Avenue
Miami, Florida 33166
Facsimile No: (305 863-4393

2) Frontier Liner Services, Inc.
8600 N.W. 53rd Terrace, Suite 204
Miami, Florida 33166
Facsimile No.: (305) 471-7002

Any notice so served by facsimile shall be deemed to be received twenty-four (24) hours after the time of dispatch provided an error-free transmission report has been received by the sender.

ARTICLE 16: 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 17: SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date above set forth.

SEABOARD MARINE

By: _____
Robert Schicchi
Vice-President

FRONTIER LINER SERVICES, INC.

By: _____
Julio Osorio
General Manager

Dated: July 21, 2005 at Miami, FL