Original Title Page

COSCO SHIPPING/PIL/WHL VESSEL SHARING AND SLOT CHARTER AGREEMENT

A SPACE CHARTER AND
COOPERATIVE WORKING AGREEMENT

FMC Agreement No. 012460

EXPIRATION DATE: None.

This Agreement has not been published previously.

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TABLE OF CONTENTS

Article	Name	Page
1	Parties	1
2	Definitions	1
3	Undertaking and Purpose	2
4	Scope of the Agreement	4
5	Containers and Cargo	4
6	Schedules	4
7	Term of the Agreement	4
8	Booking Procedure	5
9	Delivery of Containers and Terminal Operations	5
10	Slot Costs	6
11	Documentation and Liability	6
12	Force Majeure and Termination of Agreement	6
13	Applicable Law and Arbitration	6
14	Notices	7
15	Non-Assignment	8
16	Amendment and Embodiment	8
17	Further Agreements	8
18	Agreement Officials and Delegations of Authority	8
	Signature Page	

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

1. Parties

The parties to this Agreement are

COSCO Shipping Lines Co. Ltd. ("COSCO SHIPPING")
378 Dong Da Ming Road
Shanghai, People's Republic of China 200080

Pacific International Lines (PTE) Ltd. ("PIL")
140, Cecil Street, #03-00, PIL Building
Singapore 069540

Wan Hai Lines Ltd. ("WHLL")
10th Floor
136 Sung Chiang Road
Taipei, Taiwan R.O.C. ZIP: 104

Wan Hai Lines (Singapore) PTE Ltd. ("WHS")
10 Hoe Chiang Road #25-01
Keppel Towers
Singapore 089315

(WHLL and WHS will operate as a single party for purposes of this Agreement, and will be referred to herein as "WHL")

2. Definitions:

"Agreement"	means this COSCO SHIPPING/PIL/WHL VESSEL SHARING AND SLOT CHARTER AGREEMENT.
"Party"	means PIL, WHL or COSCO SHIPPING.
"Container(s)"	means any ISO standard container(s) with a maximum height of 9'6" including any reefer and/or other special containers, provided they meet ISO standards. For the purpose of this Agreement, one FEU shall be equal to 2 TEUs.
"Vessel(s)"	means a purpose built containership maintained in service by PIL, WHL or COSCO SHIPPING, or the containership of another carrier which PIL, WHL or COSCO SHIPPING is entitled to use and sub-charter pursuant to a space charter or similar agreement.

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

"Slot" means the space occupied by 1 x 20" x 8" x 8'6" or 1 x 20' x 8' x 9'6" ISO container for the predetermined maximum average gross weight.

"The Loading Party" means the Party on whose vessels (owned and/or operated) the containers are loaded.

"The Shipping Party" means a Party who is shipping containers on another Party's vessels.

3. Undertaking and Purpose

Subject to the terms and conditions hereinafter set forth, PIL, WHL and COSCO SHIPPING undertake to operate joint services and to allow each other to charter Slots on their Vessels for the carriage of Containers of the volume and on the terms hereinafter described.

Each Party undertakes to meet its commitment and pay any excess slot capacity to be chartered by it as hereunder described.

VESSEL SHARING COOPERATION

Initially, the Parties will operate a single joint service as follows:

a. The Parties will operate a joint service known as the ACS/AAC3/CP2.

i. The initial port rotation will be: Qingdao-Shanghai-Ningbo-Los Angeles-Oakland-Qingdao.

ii. The service will be initially operated with six vessels in the size range of approximately 5300 to approximately 6300 TEU, to be provided by COSCO SHIPPING (1), PIL (3), and WHL (2).

iii. The initial voyage is expected to be on or around April 29, 2018 (ex Qingdao).

The Parties are authorized to engage in the following activities, to the extent permitted by the applicable law of the relevant jurisdictions within the scope of this Agreement, and subject to any applicable filing requirements:

(a) Consult and agree upon the type, capacity, speed, and total number of vessels to be used, the type, capacity, speed, and number of vessels to be contributed by each Party, including changes in the number of vessels provided by any Party, and substitution of vessels and the terms, conditions and operational details pertaining thereto.

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

(b) Consult and agree upon the sailing patterns, ports to be called, port rotation, vessel itineraries, schedules, the number, frequency, and character of sailings at ports, transit times, adjustment of the speed of vessels (including slow steaming of vessels), on-time performance criteria and consequences for a Party failing to adhere to the established schedule and/or to load cargo in accordance with its obligations hereunder, and all other aspects of the structure, scheduling and coordination of vessels and services operated hereunder.

(c) Consult and agree upon the allocation of space, on such terms as they may agree from time to time.

(d) Consult and agree upon terms and conditions, including advance notice, with respect to a Party's withdrawal of a vessel(s) or introduction of additional, substitute, or replacement vessels in the Trade and the characteristics (including but not limited to size, capacity, speed, configuration, delivery date) of such vessels.

(e) Consult, agree upon, negotiate and contract (individually and/or jointly, including any two of the Parties) for the chartering, hiring, establishment, use, scheduling, coordination and/or operation of transshipment, barge and/or feeder services in conjunction with linehaul vessel operations hereunder.

(f) Consult and agree on vessel maintenance and repair matters, drydocking schedules, and the provision of temporary replacement or substitute tonnage.

The Parties may make changes to the foregoing without further amendment, except that: (i) changes to the total number of vessels in a service are authorized without amendment only within a range of four to nine; and (ii) changes to the size range of vessels in the service are authorized without amendment only up to 50 percent (higher or lower).

SLOT EXCHANGE

The Parties are authorized to exchange space between the joint service described above and space COSCO SHIPPING is entitled to use on a service in the Trade operated by CMA CGM pursuant to the Ocean Alliance, currently known as the PRX/AAS2/AC6/CP3, and, as information only, with an initial port rotation of Fuzhou-Nansha-Hong Kong-Yantian-Xiamen-Los Angeles-Oakland-Fuzhou.

Initially, the Parties will provide space to one another as follows:

a. COSCO SHIPPING shall provide PIL with 53 TEUs (at 10 MT per TEU) each week (EB and WB) on the PRX/AAS2/AC6/CP3, and PIL shall provide COSCO SHIPPING with 53 TEUs (at 10 MT per TEU) each week (EB and WB) from PIL's allocation on the ACS/AAC3/CP2.

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

b. COSCO SHIPPING shall provide WHL with 47 TEUs (at 10 MT per TEU) each week (EB and WB) on the PRX/AAS2/AC6/CP3, and WHL shall provide COSCO SHIPPING with 47 TEUs (at 10 MT per TEU) each week (EB and WB) from WHL's allocation on the ACS/AAC3/CP2.

The above service names may be changed and the number of slots to be exchanged in any of the above exchanges may be increased or decreased up to one hundred percent, without amendment of this Agreement. The Parties may from time-to-time discuss and agree upon limitations on the availability and number of slots that may be loaded at particular ports or used between particular port pairs, as well as the Parties' respective responsibilities when port calls are omitted. The Parties may agree on any particular voyage to exchange, sell, or charter additional slots on an ad hoc basis.

4. Scope of the Agreement

This Agreement shall cover the eastbound and westbound transportation of cargo between ports in China (including Hong Kong) and ports on the United States West Coast. The foregoing geographic scope is hereinafter referred to as "the Trade".

5. Containers and Cargo

A Shipping Party will be allowed to ship only dry-cargo Containers, reefers and empty Containers meeting the definition mentioned in Clause 2 hereof. Loaded Containers shall be in a seaworthy condition, containing lawful merchandise of any kind; including IMO cargo, properly packed and secured. Containers not meeting the above criteria may be refused for carriage. The Parties may also discuss and agree on the carriage of breakbulk, noncontainerized, and hazardous cargo, subject to the concurrence of the Loading Party. Notwithstanding the above, explosives and radioactive material shall not be accepted by the Loading Party.

6. Schedules

Each Party shall be allowed to utilize Slots available on each other's service and Vessels according their respective schedules and service arrangements.

In the event that there is a permanent change to the schedule, ports of call, rotation and/or Vessels in the PRX/AAS2/AC6/CP3service, COSCO SHIPPING shall give the other Parties sixty (60) days' written notice of such change (ninety (90) days for a significant change). Each other Party has in such case: (i), if the change in service is significant, the rights provided by Article 12(b); or (ii), if the change in service is not significant, the right to revise its Slot commitment in accordance with allocation/performance within the affected ports.

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

7. Term of the Agreement

a) Amendment 001 to this Agreement shall commence on the later of (i) the date it becomes effective under the U.S. Shipping Act of 1984, as amended, and (ii) the date of first loading port of the first voyage (the "Effective Date"). Both the vessel sharing cooperation and the slot exchange shall have a minimum period of 12 months after the Effective Date, subject to automatic renewal for another 12-month period, unless terminated as specified below.

This Agreement, or just the slot exchange, may be terminated by any Party upon a minimum of three (3) months' prior written notice, to be given no earlier than three (3) months prior to any expiry dates. This Agreement, or just the slot exchange, may be terminated at any time by mutual agreement of the Parties.

b) If a Party commits any one of the following situations, any other Party has the right, by giving written notice, to terminate this Agreement immediately without prejudice to any already accrued rights and obligations.

a) Commencement of dissolution procedure;
b) Filing of bankruptcy or insolvency procedure; or
c) Making a general assignment for composition with its creditors.

c) Notwithstanding Article 7a, this Agreement shall continue in force to the extent that each Vessel should complete its cargo discharge at the last port of her final voyage which commenced prior to the respective termination.

8. Booking Procedure

The Parties will book their requirements with each other's booking centers as may be designated from time to time. In all instances delivery closing dates, booking and documentation procedures of the Loading Party shall be adhered to.

9. Delivery of Containers and Terminal Operations

a. The shipments of Containers under this Agreement shall be done under FIO terms. Delivery of the Containers and acceptance thereof shall be when the Containers are loaded on board and redelivery shall be effected and accepted once discharge operation of each Container commences.

b. For operations under the vessel-sharing cooperation, the Parties shall discuss and agree upon the terminals, tug services, stevedores and other such landside services to be used by the joint services. Such services may be procured jointly (including by any two Parties) or individually, as the Parties may agree from time to time.

c. For operations under the slot exchange, the Parties recognize that, as to the PRX/AAS2/AC6/CP3, terminals and other landside services are decided pursuant to the Ocean Alliance Agreement (FMC No. 012426).

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

The Parties may, however, discuss matters relating to such terminals, subject to decision by the Ocean Alliance.

d. For operations under both the vessel-sharing cooperation and the slot exchange, each Party shall be directly responsible for all payments relating to its Containers to the stevedores, terminals and the port, if any, including royalties and assessments in USA ports, and they shall be independently debited for all such operations, and shall settle all payments independently and separately. In ports where, because of local regulations and/or customs of the port, direct settlements as described above are not possible, the Loading Party shall debit the Shipping Parties for all such payments and the Shipping Parties shall each settle such payments either through its local agent or if such payments are not immediately settled, then these payments shall be made together with the payments mentioned in Clause 11 hereunder.

10. Slot Costs

The Parties shall agree on the amounts they shall charge one another for the carriage of loaded and empty Containers hereunder, and may adjust said amounts as they may agree from time to time. The Parties shall also agree on the terms on which such amounts shall be paid to one another.

11. Documentation and Liability

(a) The Parties shall agree on the terms of issuance of documentation for cargo moving hereunder, the terms and conditions contained in that documentation and the procedures to be followed with respect to the issuance and processing of such documentation. The Parties are also authorized to agree on their respective liabilities with respect to damage to cargo (including general average) and/or equipment and the procedure to be followed in handling claims for such damages.

(b) Each Party shall be responsible for insurance for its Vessels.

12. Force Majeure and Termination of Agreement

(a) If circumstances arise, such as war or warlike activities, civil commotion, riots, invasion, rebellion, hostilities, governmental and/or national regulations, boycott against one flag or a political ban against any party, strikes, restraints of Princes and Rulers or any other cause of a like nature the consequences of which have not been or could not have been considered and which are of a nature considerably influencing the terms of the Agreement, the Parties will, as far as possible, advise each other within 48 hours of such new circumstances and adapt the terms of this Agreement to the changed circumstances as far as possible.

(b) In the event that the PRX/AAS2/AC6/CP3 service is terminated or its route, scheduling or materially altered, COSCO SHIPPING shall give

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

ninety (90) days' prior notice to this effect (or as much prior notice less than 90 days as consistent with the decisions of the Ocean Alliance) and either PIL or WHL may by written notice terminate the Agreement, or just the slot exchange, as of the expiry of the COSCO SHIPPING notice. No Party shall have any claim against each another with regard to or in connection with such termination.

13. Applicable Law and Arbitration

(a) This Agreement shall be governed by and interpreted in accordance with the Laws of England for the time being in force.

(b) Any dispute, claim or violation which may arise under this Agreement shall be settled by arbitration in London in accordance with the Laws of England and the Arbitration Act of 1979 or any statutory modification or reenactment thereof for the time being in force.

Unless the Parties in the dispute agree on the appointment of a single arbitrator, the matter in dispute shall be referred to the decision of two arbitrators, one to be appointed by the Party(ies) complaining and the other by the Party(ies) complained against, with the power to such arbitrators to choose an umpire. If the arbitrators cannot agree upon the umpire within four (4) weeks after their appointment, the umpire shall be nominated by the Chairman of the London Maritime Arbitrators Association unless otherwise agreed between all parties to the arbitration.

If either the Party(ies) complaining or the Party(ies) complained against fails to appoint an arbitrator within twenty-one (21) days after the other has given written notice of the appointment of its arbitrator, then the arbitrator appointed by such other Party(ies) shall act as sole arbitrator.

The arbitrator(s) or umpire shall give his (their) decision in writing with utmost dispatch. The award given by the arbitrator(s) or umpire shall be final and binding upon all parties concerned.

(c) For disputes the sum of which does not exceed the amount of USD100,000.00 any Party shall be entitled to proceed by arbitration to be held in London according to the London Maritime Association Small Claims Procedures.

14. Notices

(a) All legal process, notices or other formal communications required by or in connection with this Agreement shall be in writing and sent by letter, or email/fax confirmed by letter as appropriate, or such other means as may be agreed, and addressed to the other Party at their official company address as follows:

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

COSCO Shipping Lines Co. Ltd.
378 Dong Da Ming Road
Shanghai, People's Republic of China 200080

Pacific International Lines (PTE) Ltd.
140, Cecil Street, #03-00, PIL Building
Singapore 069540

Wan Hai Lines Ltd.
10th Floor
136 Sung Chiang Road
Taipei, Taiwan R.O.C. ZIP: 104

Wan Hai Lines (Singapore) PTE Ltd.
10 Hoe Chiang Road #25-01
Keppel Towers
Singapore 089315

(b) Any such notices, legal processes or other formal communications shall be deemed to have reached the person to whom it is addressed 48 hours after posting or when dispatched.

15. Non-Assignment

No Party shall assign its rights, including its rights to utilize the Container Slots, or delegate its duties this Agreement to any person or entity other than a Party without the prior written consent of the other Parties. Notwithstanding the above, each of the Parties may on written notice to the other Parties assign its rights or delegate its duties under this Agreement to a fully-owned subsidiary that is a vessel-operating ocean carrier within the meaning of the U.S. Shipping Act; provided that in the event of such an assignment the Party to this Agreement shall remain responsible for the due and punctual performance to this Agreement by such a subsidiary.

16. Amendment and Embodiment

This Agreement may not be amended, modified or rescinded except in writing and duly signed by authorized signatories of the Parties, and any amendment, addendum or appendix so signed shall constitute a part of this Agreement.

17. Further Agreements

The Parties are authorized to enter into further agreements with respect to routine operational and administrative matters to the extent necessary or desirable to implement the general provisions contained in this Agreement (including, but not limited to, those set forth in Clauses 11 and 12 hereof) without further amendment to this Agreement. Any further agreement contemplated by this Agreement, except to the extent such further agreement relates to routine operational and administrative matters, shall be filed with the

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

FMC and become effective under the Shipping Act of 1984 prior to being implemented.

18. Agreement Officials 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.

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have agreed to this Agreement this ____ day of March, 2018, and to file same with the U.S. Federal Maritime Commission.

COSCO SHIPPING LINES CO. LTD.

By: _____

PACIFIC INTERNATIONAL LINES (PTE) LTD.

By: _____

WAN HAI LINES LTD.

By: _____

WAN HAI LINES (SINGAPORE) PTE LTD.

By: _____

FMC Agreement No.: 012460-001 Effective Date: Wednesday, March 28, 2018
Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018