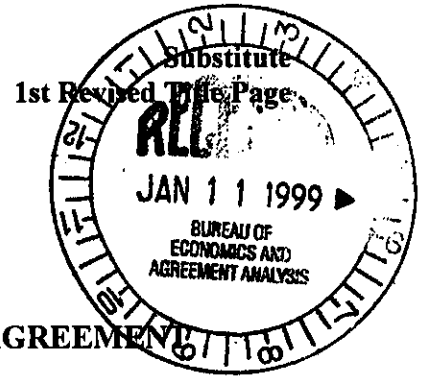


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OFFICE OF THE SECRETARY
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VOLUNTARY INTERMODAL SEALIFT DISCUSSION AGREEMENT

FMC AGREEMENT NO. 203-011516-002

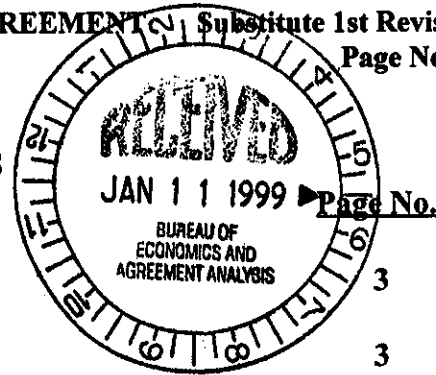
**A COOPERATIVE WORKING AGREEMENT
AMONG OCEAN COMMON CARRIERS THAT ARE
PARTICIPANTS IN THE VOLUNTARY INTERMODAL
SEALIFT AGREEMENT (VISA) DEVELOPED BY THE
SECRETARIES OF TRANSPORTATION AND DEFENSE**

**NOTE: THIS AGREEMENT WAS PREVIOUSLY PUBLISHED EFFECTIVE
NOVEMBER 20, 1995 UNDER A DIFFERENT NAME**

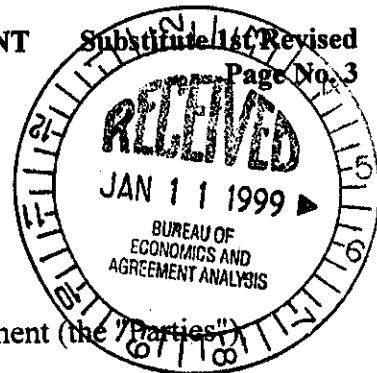
EXPIRATION: SEE ARTICLE 9



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THE PARTIES HERETO HAVE AGREED AS FOLLOWS:

Article 1: Name of Agreement

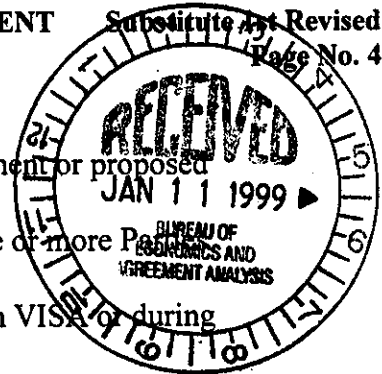
1.1 The ocean common carriers named in Article 3 of this Agreement (the "Parties") operating vessels documented under the laws of the United States, hereby establish an association to be known as the "Voluntary Intermodal Sealift Discussion Agreement" or "VISDA".

Article 2: Purpose of Agreement

2.1 The purpose of this agreement is to enhance the ability of the Parties, in consultation with appropriate government agencies and procurement officials, to develop mutually acceptable procurements for the ocean and intermodal services for Defense Transportation System ("DTS") cargoes in peacetime and contingencies. Such procurements may as agreed by the relevant parties and government agencies also apply in time of war or other defined contingency situations when the carrier parties would be providing certain ocean and intermodal services to the government as participants in the government's Voluntary Intermodal Sealift Agreement ("VISA") which has been established and may be revised pursuant to the authority contained in Section 708 of the Defense Production Act of 1950 (50 U.S.C. App. 2158) by the U.S. Maritime Administration ("MARAD") and the U.S. Transportation Command ("TRANSCOM") in consultation with the Parties. As published at 62 Federal Register 6838-6846, VISA applies to the provision of commercial shipping capacity to DOD during a "contingency", as defined in VISA, and does not apply to the provision of commercial shipping capacity to DOD through normal peacetime contracts. However, for the special and limited purposes of this Agreement, "VISA

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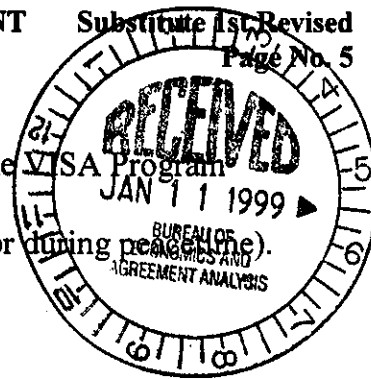
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Page No. 4



Program" means (i) the aforementioned VISA, (ii) any other agreement or proposed agreement between one or more U.S. Government agencies and one or more Parties concerning the carriage (whether during a contingency as defined in VISA or during peacetime) of Relevant Cargo as defined below, (iii) any revision or proposed revision of an agreement or proposed agreement referred to in (i) or (ii) above, and (iv) all related terms, conditions, rules, regulations and procedures.

2.2 The further purpose of this Agreement is to establish a basis for discussion among the Parties in connection with discussions with the Government with respect to all aspects of the VISA Program, including without limitation in order to promote and ensure an economic, efficient and practical system for insuring the availability of and providing for the efficient and economic transportation of U.S. military containerized and breakbulk cargo originating with U.S. Government agencies and moving under shipping orders or government bills of lading or similar shipping documents in the Defense Transportation System ("DTS") and subject to Military Standard Transportation and Movement Procedures ("MILSTAMP") or a similar successor system, to be developed and agreed to by the Parties in consultation with the responsible Federal government agencies and procurement officials (including TRANSCOM, the Military Sealift command ("MSC") and the Military Traffic Management Command ("MTMC")) directly or indirectly concerned with obtaining such ocean and intermodal transportation for DTS shipments. As used in this Agreement, "Relevant Cargo" means any such cargo, as well as any other U.S. Department of Defense

cargo that may be transported on one of the party's vessels under the VISA Program (including during Stages I, II or III, or a volunteer stage of VISA, or during peacetime).



Article 3: Parties to Agreement

3.1 The full legal names of the parties to this Agreement, each of which is incorporated and domiciled in the United States, and the addresses of their respective principal offices, are set forth in APPENDIX A hereto.

Article 4: Geographic Scope of Agreement

4.1 For the purposes of this Article, "United States" means the District of Columbia; Commonwealths of Puerto Rico and the Northern Marianas; all other United States territories and possessions; and the several States.

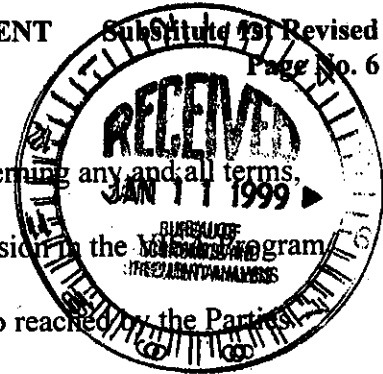
4.2 This Agreement covers the transportation of Relevant Cargo by the Parties in the foreign commerce of the United States that is transported between any port, point or place in the United States and any foreign port, point or place (the "Trade").

Article 5: Agreement Authority

5.1 The Parties (including any combination of two or more Parties) directly or through their staff, agents and contractors, and with respect to any aspect of the VISA Program and any Relevant Cargo they transport or offer to transport in the Trade, are authorized to:

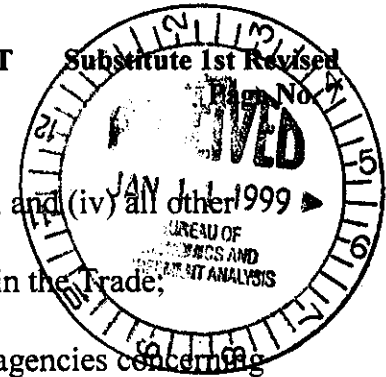
**VOLUNTARY INTERMODAL SEALIFT DISCUSSION AGREEMENT
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(a) Consult about and make joint recommendations concerning any and all terms, conditions, practices and procedures included or considered for inclusion in the VISA Program (including in any agreement thereunder), provided that agreements so reached by the Parties relating to matters to be included in the VISA Program are understood to be subject to further agreement by the relevant U.S. Government agencies. Such terms, conditions, practices and procedures may include, without limitation, a mutually acceptable procurement process to satisfy the ocean and intermodal transportation requirements of Relevant Cargo in peacetime and in times of war or other contingency situations, and concepts for determining rates, charges or other terms for the transportation of Relevant Cargo in the Trade, including (i) volume, time-volume, local, proportional (including proportional rates based on origin/destination) and through rates (whether single-factor, multi-factor, combination, joint, intermodal or non-intermodal, or otherwise), and inland portions of through rates; charges for all services provided in connection with transport of Relevant Cargo in the Trade not covered by such rates, including terminal charges and any surcharges; classifications of cargo; rules; regulations; and tariffs, including separate tariffs or separate sections in tariffs pertaining to service to or within any particular area within the geographic scope of this Agreement; (ii) rates, rules and charges relating to per diem, free time and detention on carrier-provided containers, chassis and related equipment; positioning or return of such equipment; interchange with connecting carriers; receiving, handling, storing, pick-up and delivery of cargo; consolidation; container yards, depot, and freight stations; and route coding services; (iii) rules, allowances, arbitrables and other matters relating to alternate port service by the Parties, including the application of

**VOLUNTARY INTERMODAL SEALIFT DISCUSSION AGREEMENT
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such service to the positioning or return of empty carrier equipment; and (iv) all other matters as may be ancillary to the transportation of Relevant Cargo in the Trade;

(b) Conduct joint discussions with relevant Government agencies concerning the matters referred to in paragraph (a), above;

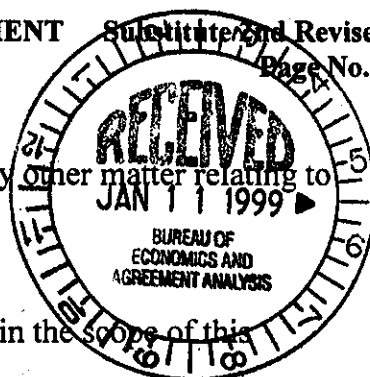
(c) Obtain, compile, maintain and distribute such data and information as may be deemed necessary or desirable to facilitate the consultations and recommendations authorized above, including without limitation to establish the objectivity, accuracy or validity of policies relating to the transportation of Relevant Cargo in the Trade;

(d) Meet and discuss among themselves, and with the government agencies involved in procuring ocean and intermodal services for Relevant Cargo relevant issues concerning the terms of payment of rates and charges relating to the transportation of Relevant Cargo;

(e) Meet together, and with other persons and engage in activities with each other and with other persons, including the exchange of relevant information, statistics and other data, for the purpose of facilitating further discussions to achieve the purposes stated under Article 2; Provided, however, that no such agreement within the scope of the Shipping Act of 1984 shall be implemented except in accordance with the said Act;

(f) Meet and discuss with the government agencies and organizations including without limitation the VISA Joint Planning Advisory Group concerned with and involved in the procurement of ocean and intermodal transportation for Relevant Cargo with

regard to rates, charges, classifications, rules, regulations and any other matter relating to the VISA Program; and



(g) Consult from time to time upon such matters within the scope of this Agreement that may be deemed necessary or desirable to meet the peacetime and contingency sealift readiness requirements of the U.S. government.

5.2 The Parties shall have no obligation to adhere to any joint recommendation reached pursuant to the authority in this article.

5.3 Nothing in this article authorizes the Parties to publish a common tariff or to jointly enter into a service contract with any shipper.

5.4 The Parties acknowledge that the DOD -- pursuant to acquisition statutes, the Federal Acquisition Regulation (FAR); and other authorities -- generally has adopted competitive bidding and procurement policies and practices. Nothing in this agreement authorizes the Parties to discuss or agree on actions that would violate or contravene any applicable competitive bidding procurement statute or regulation, including the FAR and its supplements, adopted by DOD.

5.5 Nothing in this agreement authorizes the Parties with respect to the transportation of Relevant Cargo to discuss or agree on joint action to: (i) participate or not participate in a VISA Program, (ii) to submit a bid or proposal or not submit a bid or proposal for a DOD contract, (iii) to enter into or not enter into any agreement with the DOD, or (iv) to

**VOLUNTARY INTERMODAL SEALIFT DISCUSSION AGREEMENT
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insist on particular terms as a condition of participating in any such Program, bidding or proposing on any such contract, or entering into any such agreement.

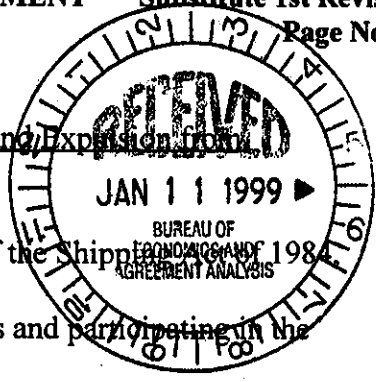
Article 6: Officials of Agreement and Delegation of Authority

6.1 (a) The Parties may appoint and employ administrative personnel, attorneys and other persons to perform services in connection with this Agreement and otherwise provide for administrative and housekeeping arrangements.

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

1. The Chief Operating Officer of each Party of the Agreement.
2. Legal Counsel for each of the Parties of the Agreement.

Article 7: Admission and Readmission to, and Withdrawal and Expulsion from Membership in Agreement



7.1 Any ocean common carrier, as defined in section 3(18) of the Shipping Act of 1984, operating vessels documented under the laws of the United States and participating in the government's Voluntary Intermodal Sealift Agreement that has been regularly engaged as such a carrier in the Trade, or who furnishes evidence of ability and intention in good faith to participate in VISA and to institute and maintain regular service in the Trade may hereafter become a party, as may a common carrier operating vessels documented under the laws of the United States and participating in the Voluntary Intermodal Sealift Agreement that has been regularly engaged in performing through transportation in the trade.

7.2 Any Party may resign without penalty from the Agreement, effective not less than 60 calendar days after receipt of written notice thereof by the other Parties; Provided, however, that the retention of any security for the payment of outstanding obligations hereunder shall not be considered as a penalty. Notice of the resignation of any Party shall be furnished promptly to the FMC.

Article 8: Voting

8.1 All actions taken pursuant to this Agreement shall be by agreement of a majority of the Parties involved in such action. Any amendment to this Agreement shall also be by agreement of a majority of the Parties and shall, to the extent required, be subject to the filing procedures of the Shipping Act of 1984.

Article 9: Duration and Termination of the Agreement

9.1 (a) This Agreement may be implemented, in whole or in part, as from its effective date pursuant to the Shipping Act of 1984.

(b) Any amendment to this Agreement shall become effective on the first day it may be lawfully implemented under the Shipping Act of 1984 except that should such an amendment stipulate that it shall enter into effect at a later time, then it shall be effective at such later time.

9.2 This Agreement, as it may be from time to time amended, shall continue in full force and effect indefinitely unless earlier terminated by a majority vote of the Parties. Termination shall be subject to such terms and conditions as the Parties may determine and notice of termination shall be provided to FMC in accordance with its applicable rules.

Article 10: Agreement Expenses and Facilities

10.1 The expenses of the Agreement shall be apportioned among the Parties as they shall from time to time determine.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives. There follows a separate signature page for each Party, duly executed by the Party's authorized representative.



**VOLUNTARY INTERMODAL SEALIFT DISCUSSION AGREEMENT
FMC AGREEMENT NO. 203-011516 - 005**

EXECUTION OF AMENDMENT

Wherefore, the Parties, have caused this amendment to the Agreement to be executed by their duly authorized representative as witnessed below.

AMERICAN PRESIDENT LINES, LTD.

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

C P SHIPS USA, LLC (formerly
LYKES LINES LIMITED, L.L.C.)

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

CROWLEY LINER SERVICES, INC.

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

MAERSK LINES, LIMITED

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

CROWLEY MARINE SERVICES, INC.

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

MATSON NAVIGATION COMPANY

By: Gerardo A. Malia
Name: GERARDO A. MALIA
Title: Agreement Counsel

FARRELL LINES, INC.

By: _____
Name: _____
Title: _____

TOTEM OCEAN TRAILER EXPRESS, INC.

By: _____
Name: _____
Title: _____

**VOLUNTARY INTERMODAL SEALIFT RATE AGREEMENT
FMC AGREEMENT NO. 203-011516-005 SUBSTITUTE**

**APPENDIX A
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**APPENDIX A
(PARTIES TO AGREEMENT)**

The Parties to this Agreement are:

AMERICAN PRESIDENT LINES, LTD.
1111 Broadway
Oakland, CA 94607

CP SHIPS USA, LLC
40 East Jackson Street, Suite 3300
Clearwater, FL 33755

CROWLEY LINER SERVICES, INC.
155 Grand Avenue
Oakland, CA 94612-3724

MAERSK LINES, LIMITED
120 Corporate Blvd, Suite 400
Norfolk, VA 23502

CROWLEY MARINE SERVICES, INC.
155 Grand Avenue
Oakland, CA 94612-3724

MATSON NAVIGATION COMPANY
555 - 12th Street, 7th Floor
Oakland, CA 94607

FARRELL LINES, INC.
One Whitehall Street
New York, NY 10004

TOTEM OCEAN TRAILER EXPRESS, INC.
32001 - 32nd Avenue South, Suite 200
Federal Way, WA 98001

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