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TRANS-ATLANTIC AMERICAN FLAG LINER OPERATORS
FMC AGREEMENT NO. 10714 - 035

A RATEMAKING AGREEMENT
AMONG OCEAN COMMON CARRIERS
OPERATING VESSELS DOCUMENTED UNDER
THE LAWS OF THE UNITED STATES

EFFECTIVE
DEC 18 2004
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

NOTE

This Agreement Was Last Republished
With Effect As from 26 January 1998

FMC Agreement No.: 010714-037 Effective Date: Tuesday, September 21, 2004
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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 "Members"), operating vessels documented under the laws of the United States, hereby establish an association to be known as the "Trans-Atlantic American Flag Liner Operators" or "TAAFLO".

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ARTICLE 2: PURPOSE OF AGREEMENT

2.1 The purpose of this Agreement is to establish a lawful basis for cooperation among the Members in deterring instability, malpractice and economic waste and providing for the efficient and economic transportation of household goods, personal effects and unaccompanied baggage originating with U.S. Government agencies and moving under through government bills of lading or similar shipping documents ("TGBLs") executed by motor or rail carriers, household goods movers, or freight forwarders (hereinafter "Contractors" or "Shippers") under rate/service tenders, or other procurement arrangements, approved or otherwise accepted by said agencies ("relevant cargo").

ARTICLE 3: PARTIES TO AGREEMENT

3.2 The full legal names of the parties to this Agreement, each of which is lawfully eligible to carry cargo covered thereby, and the addresses of their respective principal offices, are:

A.P. Moller-Maersk A/S
(dba) Maersk Sealand
50, Esplanaden

American President Lines, Ltd.
1111 Broadway
Oakland, CA 94607

Lykes Lines Ltd, LLC
401 E. Jackson Street
Tampa, FL 33602

Farrell Lines Incorporated) As One Party
P&O Nedlloyd Limited) Only
One Meadowlands Plaza, 12th Floor
East Rutherford, NJ 07073

American Roll-On Roll-Off Carrier, LLC
85 Chestnut Ridge Road
Montvale, NJ 07645

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ARTICLE 4: GEOGRAPHIC SCOPE OF AGREEMENT

4.1 This Agreement covers the transportation of relevant cargo by the Members in the foreign commerce of the United States except that which is transported between any port, point or place in the United States and any port, point or place in the Far East. Provided, however, nothing herein shall authorize the Members to discuss or agree upon prices for, or any other matter relating to, inland transport services within the European Economic Area ("EEA'). For purposes of this Article 4.1, the term "inland transport within the EEA" means the transportation, via any mode, of cargo having a prior or subsequent transatlantic movement in the Trade beyond the gate of any European marine terminal employed by a Member to or from any point (i) in the EEA or (ii) outside the EEA where the inland transport route traverses territory within the EEA, but excluding transshipment by sea between a European port within the EEA and a European port not within the EEA.

4.2 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, and "Far East" means the area lying west of 130 degrees West Longitude and East of 90 degrees East Longitude.

4.3 The above described geographic scope of this Agreement shall, for the purposes of the operation thereof, be sectionalized as follows.

Section A shall cover all shipments of relevant cargo moving to/from ports in North Europe.

Section AA shall cover all shipments of relevant cargo moving to/from ports in the Mediterranean and adjacent and tributary seas and including all ports in Spain.

Section AAA shall cover all shipments of relevant cargo moving between ports within the geographic scope of this Agreement which are not covered by Sections A or AA.

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4.4 If, at any time, there shall be less than two Members electing to participate in Section A or in Section AA of this Agreement, the operations of said Section or Sections shall be suspended until such time as two or more Members elect to so participate. Nothing in this Agreement shall prohibit or restrict any Member or Members from adhering to any other Conference or Rate Agreement covering the transport of relevant cargo in any Section of this Agreement, the operations of which have been suspended.

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Except as otherwise provided in Article 4.1 hereof with respect to inland transport within the EEA and in Article 14 hereof with respect to service contracts, the Members, directly or through their professional staff, agents and contractors, and with respect to relevant cargo they transport or offer to transport in the trade, are authorized to:

(a) Agree upon, establish, cancel, maintain and revise: (i) rates, including 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 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; and (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, depots, and freight stations; and route coding services; (iii) rules, allowances arbitraries and other matters relating to alternate port service by Members, including the application of such service to the positioning or return of empty carrier equipment; and (iv) such matters as may be incidental to the transportation of cargo in the Trade;

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(b) Declare any tariff rate, rule or regulation to be "open", with or about agreed minimum or other limitation, thereafter declare any tariff matter so "opened" to be "closed";

(c) Subject to the protection of such confidential service contract information and such aggregation of individual member data as may be appropriate, obtain, compile, maintain and distribute such information, records, and statistics as may be deemed necessary or desirable to conduct their business;

(d) Provide for self-policing and enforcement of the obligations of the Members under this Agreement; cargo and Shipping document inspection; the collection of underpayments of tariff rates and charges; and rules and procedures governing such activities and the resolution of disputes arising therefrom;

(e) Meet, discuss and agree among themselves, and with Contractors, upon the terms of payment of rates and charges established pursuant to this Agreement, including the furnishing of bonds and other arrangements to insure the payment of such rates and charges and other matters relating to the payment and collection thereof such as: rules regarding the time and currency in which such payments shall be made; currency conversion rules; and credit conditions including security requirements, qualification and disqualification of Sureties, suspension, denial and restoration of credit privileges, handling of delinquent accounts and interest thereon, distribution among Members of partial recoveries of defaults and related collection costs and offsets against Member's shares thereof for untimely reporting of outstanding delinquent shipper accounts, and notice to Members with respect to all such matters; and

(f) Succeed to all of the interests, funds, property, records, accounts, claims, obligations and rights of Atlantic & Gulf American-Flag Berth Operators ("AGAFBO") Agreement, FMC No. 9355, and its Members, under any contracts or agreements to which it and they are party including, but not limited to, housekeeping and other administrative arrangements and agreements; employment and procurement contracts; bonds and other financial instruments furnished by Contractors to insure the payment of freight and

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obtain credit privileges, and to further succeed to and continue in effect without interruption AGAFBO Tariff FMC No. 3, and as it may be renamed, renumbered or otherwise amended to reflect said succession in conformity with FMC regulations;

(g) Meet, discuss and negotiate with individual shippers, shippers' associations and other groups of shippers with regard to tariff rates, charges, classifications, rules and regulations;

(h) Charter space on any other Member's vessel pursuant to the rules and procedures set forth at Annex A of this Agreement and which Annex is hereby incorporated by reference. Provided, however, that such authority shall be limited to ad hoc, sporadic or emergency movements of cargo, and any on-going or long term charter arrangements between/among Members shall be covered by separate discrete filed agreements, and further provided that exercise of authority hereunder shall be noted in Member's FMC Monitoring Reports.

5.2 For the purposes of this Agreement, the term "relevant cargo" shall mean the commodity items specified at Article 2.1 hereof and any and all other commodity items not so specified (i.e. Cargo N.O.S.) which may be consolidated and shipped in mixed container loads with such specified items by the Dispatch Agent of the U.S. Department of State.

ARTICLE 6: AGREEMENT OFFICIALS AND DELEGATIONS OF AUTHORITY

6.1 The Members shall appoint a Chairman (the "Chairman") not otherwise associated with any of them but who may be, at the same time, the Chairman or an official of any other carrier association. The Chairman shall have full authority to carry out decisions of the Members and perform such other duties and functions as may be determined and delegated by the Members. The Chairman may, except as otherwise expressly directed by the Members, delegate such duties and functions to members of the Agreement staff. Subject to the directions of the Members, the Chairman is specifically authorized to receive shippers' requests and

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complaints; meet, discuss, and negotiate tariff rates, charges, classifications, rules and regulations with shippers, consignees, shippers' association, other shippers' groups and their agents or representatives; negotiate contracts; execute contracts for and on behalf of the Members including, but not limited to, service contracts and amendments thereto; execute amendments to this Agreement; assume custody and maintain the books, records and property of the Members under this Agreement; obtain, compile, maintain and distribute information and statistics pertaining to the business of the Members under this Agreement; provide notice of meetings and agenda therefor; keep records of proceedings; prepare and issue reports of meetings, tariffs, and studies and recommendations requested by Members or initiated by the Chairman; assist in the conduct of self-policing operations; accept, maintain, execute, and seek collection against bonds or other financial guarantees and instruments furnished by Contractors in connection with credit privileges and facilities extended by Members and otherwise administer and enforce credit systems established pursuant to the Agreement; and perform such other duties and functions as may be assigned by the Members. The Chairman, or a member of the Agreement staff designated by him, shall chair meetings of Members. Provided, however, that in the absence of the Chairman, or the staff member so designated, at any such meeting, or upon the decision of the Members, any person representing a Member at a meeting may be appointed by the Members to chair that meeting.

6.2 The Members may provide for the employment of such officials, clerical and other personnel (the "Agreement staff") as may be deemed required to assist the Chairman in the performance of his duties and to act for the Chairman in the event of absence or disability. Except as otherwise specifically determined by the Members, the Chairman shall be empowered to select the persons to be so employed and to discharge any of those persons from such employment. The Members may also appoint overseas representatives. Overseas representatives shall report to the Chairman and perform such functions within the scope of this Agreement as the Chairman may assign and delegate.

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6.3 The Members may, from time to time, establish standing, ad hoc, sectional and other committees and sub-committees ("committees") as they consider needed to efficiently conduct the business of the Agreement. Such committees may be authorized, in whole or in part: to make recommendations, studies and reports; otherwise consider, and take final action concerning, any or all matters within the scope of this Agreement; implement decisions reached pursuant to this Agreement; and delegate or assign any of the foregoing functions to other committees. The Members may likewise decide to revise the functions and authority of any committees so established and to abolish any committee at any time it is no longer considered to be needed. Unless otherwise unanimously agreed, each Member shall be entitled to full and equal membership on any committee which is so established and delegate authority to and designate the person or persons selected to represent it.

ARTICLE 7: ADMISSION AND READMISSION TO, AND WITHDRAWAL AND EXPULSION FROM, MEMBERSHIP IN AGREEMENT

7.1 (a) Any ocean common carrier, as defined in the Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998 (the "Act"), operating vessels documented under the laws of the United States and who has been regularly engaged as such a carrier in the Trade, or who furnishes evidence and ability and intention in good faith to abide by all the terms and conditions of this Agreement, may hereafter become a Member hereof. Every application for admission or readmission to membership (hereinafter "admission") shall be acted upon promptly. No ocean common carrier which has complied with the conditions set forth in this Article shall be denied admission to membership. Prompt notice of admission shall be provided to the FMC and no admission shall be effective prior to the postmark date of such notice. Advice of any denial of admission to membership, together with a statement of the reasons therefor, shall be furnished promptly to the FMC.

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(b) Each applicant for admission shall execute a copy of this Agreement and pay into the Agreement funds an initiation fee in the sum of $2,500.00.

(c) All Members shall participate in Section AAA of this Agreement and each Member shall have the option to also participate in either Section A or Section AA, or in both Sections A and AA. Prospective new Members shall declare their intent in this regard at the time they apply for admission and current Members shall declare such intent at the time the amendment to the Agreement including this provision is voted upon. Provided, however, that said amendment shall not be implemented prior to the day it enters into effect under the Act and further provided that any Member may, at any time subsequent to said effective date, alter any prior sectional participation option it has exercised with effect (i) 15 days following written notice thereof to the Chairman or (ii) on the day the membership of any new Member may become effective provided that written notice thereof, in that event, is submitted to the Chairman prior to that day. Sectional membership under this Agreement shall be shown on the Signature Page hereof. Subsequent revisions thereto shall be filed with the FMC for information.

7.2 (a) Any Member may resign without penalty from the Agreement, effective not less than 60 calendar days after receipt of written notice thereon by the Chairman who shall immediately provide copies of the notice to the other Members. Provided, however, that the retention of any security for the payment of outstanding obligations hereunder shall not be considered as a penalty. Resignation on less than such notice shall render a Member liable for liquidated damages in the sum of $1,000 per day for each such day but not to exceed a total amount of $50,000. Notice of the resignation of any Member shall be furnished promptly to the FMC.

(b) Any Member may, within thirty (30) calendar days of receipt of a notice of resignation by another Member, resign by the same procedure and subject to the same conditions, but effective not earlier than the day designated by such other Member's notice of

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resignation. The tendering of a notice of resignation shall not, until the resignation becomes effective, relieve a Member of its obligations under this Agreement, but a Member shall not, after it submits such a notice, be entitled to vote on any matter which is to continue in effect until, or become effective after, the effective date of its resignation.

(c) Any notice of resignation tendered by a Member may be withdrawn at any time prior to its effective date upon advice thereof to the Chairman who shall immediately so advise the other Members. In such an event, the involved Member's voting rights will be at once fully restored and it shall not be liable for any otherwise applicable liquidated damages.

7.3 No Member may be expelled against its will from this Agreement except for failure to maintain ocean common carrier service within its scope for a period of sixty (60) calendar days, force majeure excepted, or for failure to abide by its terms and conditions. Expulsion must be authorized by unanimous vote of all Members excluding the Member whose expulsion is at issue. No expulsion shall become effective until a detailed statement setting forth the reasons therefor has been provided to the expelled Member and a copy to the FMC.

7.4 Any carrier becoming a Member of this Agreement shall thereby become a party to, and any carrier resigning or expelled from membership shall thereby cease to be a party to, any agreements or contracts jointly entered into by all of the Members on the one hand, and any other person or persons, on the other. Provided, however, that nothing herein shall serve to relieve any Member which has resigned or been expelled from any prior liability or cost sharing obligation it may have jointly or severally incurred under any such agreements or contracts.

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ARTICLE 8: VOTING

8.1 Only those Members offering service from particular ports or points within the scope of this Agreement to such ports or points and participate in the geographic Section of this Agreement in which they are covered shall be entitled to vote on any matter pertaining to such service.

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8.2 (a) Except as otherwise expressly provided at sub-Articles 7.2(b) (notice of resignation), 7.3 (expulsion from membership) and 8.1 (service requirements) of this Agreement, each Member shall be entitled to cast one vote on each matter presented for decision pursuant thereto. Further provided, however, that should the Members decide to establish any committee of less than the entire membership, only the Members serving thereon will be entitled to vote on any matter before that committee and which it is authorized to decide.

(b) Members entitled to vote may vote for ("yes"), against ("no") or with the majority ("majority") with respect to any matter presented for decision at a meeting or by poll, or may elect to abstain ("abstain") from voting on any matter so presented. In the event of an equal number of votes for and against any matter, majority votes shall be counted as votes against that matter. Should any Member elect to abstain from voting on any matter, whether subject to majority or unanimous voting requirements, that matter shall be determined solely on the basis of the votes cast by the other Members. At a meeting, a Member may also elect to "pass" or to "revert" when called upon by the Chairman of the meeting to cast its vote. In the former case, the Member shall cast its vote immediately after each other Member has been so called upon. In the latter case, the Member shall cast its vote after the meeting by advising the Chairman of the meeting within the time established by said Chairman for it to do so, failing which the Member shall be counted as having voted with the majority on the matter involved. Provided, however, that where a matter voted upon at a meeting would carry or fail notwith- standing the subsequent vote of a "reverting" Member, that matter shall be recorded and treated as a final decision unless all of the other Members voting thereon agree to hold that decision in abeyance at the request of the "reverting" Member and pending the timely subsequent casting of its vote.

(c) Any matter which may be decided by the Members pursuant to this Agreement may be considered and acted upon by telephone, telex, personal or other type of poll, as well as at meetings. Such polls shall be conducted upon the request of any Member or at the initiative of the Chairman. If, after two (2) or more working days following the commencement of a poll, votes sufficient to determine the matter involved pursuant to this Agreement have been

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cast, that matter shall be recorded and treated as a final decision notwithstanding that any Member's vote with respect thereto has not been cast.

(d) Any matter presented for decision pursuant to this Agreement, at a meeting or by poll, may be voted upon by secret ballot and shall be so voted upon at the request of a Member. At the conclusion of such a ballot, the Members will be advised as to whether the matter voted upon carried or failed and the number of each category of votes cast.

(e) Members may vote at meetings only if present. Voting by proxy at meetings will not be permitted.

8.3 Except as otherwise expressly provided by this Agreement, all matter presented for decision shall require an affirmative vote of a numerical majority of all Members entitled to vote thereon to carry, and except as also so otherwise provided, each Member shall be bound by, and respect and adhere to, all final decisions which are reached pursuant to the provisions of this Agreement. Further provided that decisions to amend this Agreement shall require the unanimous vote of all Members entitled to vote in any one or more Sections in which they participate.

8.4 (a) Regular meetings of the Members and such committees as they establish pursuant to this Agreement, the date, time and place of which they shall determine or leave to "the call of the chair", will be held with sufficient frequency to permit the expeditious transaction of Agreement business. Unless unanimously waived, at least four (4) working days advance notice shall be given of all matters to be considered at any meeting which require unanimous decision to carry. Special meetings may be requested by any Member upon application to the Chairman, together with full information as to the reason for same, and such special meetings shall be called by the Chairman. Notice of special meetings, setting forth the subject matter of the meetings, shall be given to all Members. Members may decide to cancel or change the date, time and place of any regularly scheduled meeting or any special or other meeting which has been called.

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(b) A quorum at any meeting at which final action is authorized to be taken shall consist of a numerical majority of all Members entitled to vote. In the absence of a quorum at such a meeting, no final action shall be taken. There shall be no quorum requirements at meetings at which final action is not authorized to be taken.

(c) The Members participating in each geographic Section of this Agreement shall, without more, constitute a separate Sectional Committee. Only Members participating in a Section may attend meetings of that Section or otherwise engage in Agreement affairs exclusively pertaining thereto.

(d) The Members may, from time to time, adopt and revise parliamentary procedures governing the conduct of meetings and other Agreement proceedings and determine the manner in which parliamentary issues are to be resolved.

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ARTICLE 9: DURATION OF AGREEMENT

9.1 (a) This Agreement may be implemented, in whole or in part, as from its effective date pursuant to the Act. Provided, however, that the general obligations of the Members pertaining to adherence to Agreement tariffs set forth at Article 14.2 hereof shall not be binding upon any Member until the first day a tariff of rates and charges filed pursuant to this Agreement, and covering the transportation of relevant cargo in any particular sector of the trade a Member serves, becomes effective pursuant to said Act and the applicable regulations of the FMC.

(b) Any subsequent amendment to this Agreement shall become effective on the first day it may be lawfully implemented under the Act 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 terminated by the unanimous vote of the entire membership.

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Termination shall be subject to such terms and conditions as the Members may determine and notice of termination shall be provided to FMC in accordance with its applicable rules.

ARTICLE 10: NEUTRAL BODY POLICING

10.1 Upon the written request of a Member, submitted to the Chairman, the Members shall engage the services of an independent neutral body to police fully the obligations of the Association and its Members.

10.2 In the event a neutral body is engaged, pursuant to Sub-Article 10.1, or in the event Members decide to otherwise provide for self-policing in a manner permitted by law, any provisions relating thereto and required to be made part of this Agreement by FMC rules, FMC rules, shall be attached hereto as an Annex, or included in the text of this Agreement, in such manner and form as may be prescribed by those rules.

ARTICLE 11: PROHIBITED ACTS

11.1 The Members shall not engage in any boycott or take any other concerted action resulting in an unreasonable refusal to deal; or engage in any predatory practice designed to eliminate the participation, or deny the entry, in a particular trade, of a common carrier not a member of this Agreement, a group of common carriers, an ocean tramp or a bulk carrier.

ARTICLE 12: CONSULTATION; SHIPPERS' REQUESTS AND COMPLAINTS

12.1 In the event of a controversy, claim or dispute of a commercial nature arising out of or relating to (i) this Agreement or (ii) any effort to reduce or eliminate malpractices, the Members, acting through the Chairman or other designee, shall endeavor to resolve the dispute in an amicable manner, with the opportunity for direct discussions with the disputant. The means of invoking such consultation shall be set forth in the joint tariffs of the Members.

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12.2 (a) Shippers' requests and complaints may be made by filing statements thereof with the Chairman. Such statements shall be accompanied by completed information sheets prescribed by the Chairman. Statements and information sheets shall be distributed promptly to all Members.

(b) A request or complaint shall be promptly considered by the Members. Discussions and actions of the Members on a request or complaint need not be restricted to the exact scope of the request or complaint but may include other matters varying from but related thereto. The Members shall render a decision on a request or complaint promptly after its distribution to them. Such decision shall be in writing signed by the Chairman or his designee, and forwarded to the requesting or complaining party. If a request or complaint is denied, the requesting or complaining party shall be granted an early opportunity to be heard by the Chairman or his designee.

(c) The procedures for filing shippers' requests or complaints shall be set forth in the joint tariffs of the Members.

ARTICLE 13: INDEPENDENT ACTION

13.1 Except as otherwise provided herein, any Member shall have the right to take independent action with respect to any rate or service item upon five (5) calendar days' written notice to the Chairman, received during normal business hours, specifying said action. Provided, however, that should a Member elect to adhere to a particular tariff entry less favorable to the cargo interest than that adopted by the other Members, the foregoing five (5) day requirement shall not apply, and the Member shall have the right, upon notice to the Chairman, to take independent action immediately, with effect from the earliest date an appropriate tariff publishing may be accomplished by the Chairman or on such later date as the Member may specify.

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13.2 Upon receipt of a Member' notice of independent action, the Chairman shall promptly advise all other Members participating in the Section or Sections to which it pertains thereof. Each other Member shall thereupon have the right to adopt that action with effect from the same date, or any subsequent date, by so advising the Chairman in writing. Except to so adopt the independent action of another Member, no Member may revise any matter with respect to which it has provided notice of independent action, and whether or not that action has become effective, without first providing notice of such intent in accordance with Sub Article 13.1 hereof.

13.3 The Chairman shall implement an authorized independent action of a Member by effecting the publication thereof in the appropriate tariff for its use effective five (5) calendar days after receipt of notice thereof or on such later date as may be otherwise required by FMC regulations. At any time before or after a Member has given notice of independent action, and at any time before or after such independent action becomes effective, the Members may discuss and adopt the proposed, pending or effective independent action, or may take any other action in response thereto, including action for the purpose of reaching a compromise. Any matter so decided by the Members shall be in accordance with the terms of this Agreement and, unless adopted without modification, no proposed, pending or effective independent action of any Member shall be canceled or altered without such Member's consent. Nothing herein shall require a Member proposing an independent action to (i) attend any meeting called to discuss the independent action or (ii) compromise the independent action.

ARTICLE 14: SERVICE CONTRACTS

14.1 The Members, directly or through their professional staff, agents and contractors, and with respect to relevant cargo they transport or offer to transport in the Trade, are authorized to agree to jointly negotiate and enter into conference service contracts ("CSCs"), as defined at Section 3(19) of the Act, with shippers and agree to the terms and conditions of any such

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contracts, including the amendment, extension or renegotiation thereof. Prior to the execution of any CSC any Member may elect not to participate, or to limit its participation therein, in which event the contract shall so state. Each CSC entered into hereunder, shall be filed with the FMC, and its essential terms published, in accordance with FMC regulations applicable thereto. Pursuant to Article 6.1 of this Agreement, the Chairman, subject to the direction of the Members, is authorized to negotiate and execute CSCs for and on behalf of the Members. Voting by Members with respect to CSCs and matters related thereto shall be governed by the rules and procedures of general applicability set forth at Article 8 of this Agreement and such contracts and contract matters may be considered and acted upon at meetings, and by poll, as also generally provided by said Article 8.

14.2 Each Member is authorized to enter into individual service contracts ("ISCs) and any two or more Members are authorized to enter into joint individual service contracts (i.e., "multi-carrier service contracts" or "MCSCs"). Nothing in this Agreement shall (i) prohibit or restrict a Member or Members from engaging in negotiations for ISCs or MCSCs; (ii) authorize a Member or Members to disclose a negotiation of an ISC or MCSC or the terms and conditions thereof, other than those required to be made publicly available by the Act; or (iii) authorize the Members to adopt mandatory rules or requirements affecting the right of an Agreement Member or Members to negotiate and enter into ISCs and/or MCSCs. Provided, however, that the Members are authorized to exchange information relating to ISCs and MCSCs and discuss such information as is in the public domain or available by reason of a legal requirement or where a shipper party has consented to such disclosure/discussion.

14.3 The Members may agree upon voluntary guidelines which relate solely to technical, non-commercial matters, or to the disclosure by a Member or Members to the other Members of the existence, but not the terms (other than those required to be published under applicable U.S. law) of an ISC or MCSC with a shipper when such shipper requests an Agreement service contract or an MCSC. In addition, the Members may promulgate and adopt a standard/model Agreement service contract which any Member or Members may refer to and utilize as a basis for negotiating service contracts with shippers. The Members are also

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authorized to refer to and adopt published Agreement rates and/or tariff provisions in connection with their ISC and MCSCs. No Member is required to utilize such model service contract and the Members are not authorized to discuss which contract form, rates or tariff terms are or are not, or may or may not be, included in any ISC or MCSC except when as between two or more Members are entering into an MCSC.

ARTICLE 15: OBLIGATIONS OF MEMBERS

15.1 Members shall strictly abide by all of the terms of this Agreement and all rules and regulations established pursuant thereto. No Member, nor any holding, parent, subsidiary, associated or affiliated company of a Member, shall provide, arrange or participate in any arrangement for transportation of relevant cargo in the Trade at rates or on terms and conditions other than those established or otherwise authorized pursuant to this Agreement.

15.2 All rates and other charges for or in connection with the transportation of relevant cargo in the Trade shall be quoted, charged and collected by Members in accordance with Agreement tariffs and no part thereof shall be, directly or indirectly, remitted or refunded in any manner or by any device.

15.3 Each Member unconditionally warrants that neither it nor any parent, subsidiary, associated or affiliated company, or its agents or their agents or any of them, shall either directly or indirectly, in any manner or by any device whatsoever, give or promise to any former, present or prospective shipper, consignee, forwarder, broker, cargo owner or beneficial owner, intermediary or cargo interest; or to any director, officer, employee, agent or r representative of such person or persons, or to any member of the family of any of the aforesaid, any return, commission, compensation, concession, or any free or reduced storage, passenger fare or transportation rate, charge or facility, or any bribe, gratuity, gift of substantial value or other payment or remuneration. or render any service to any of the foregoing, outside or beyond that provided in the Agreement tariffs, for or in consideration of its or any other patronage in the Trade.

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15.4 Except as specifically authorized elsewhere in this Agreement, no Member shall take independent action with respect to any matter within its scope. Each Member warrants that no entity or person representing it as an agent, or in any other capacity, shall represent any non-member vessel operating or non-vessel operating carrier transporting or offering to transport relevant cargo in the trade except to the extent the Members may otherwise agree or where no other agent is available.

15.5 Except as may be duly required by governmental regulations, compulsory process of law, or otherwise agreed, no Member shall disclose to any person, except representatives of other Members, the Chairman and members of his staff, and its own or the Agreement's attorneys, the view or position of any Member on any matter considered under the Agreement, or any legally privileged or otherwise confidential Agreement business, and it is expressly stipulated that any conduct in conflict with these under-takings shall constitute a serious breach of this Agreement for which liquidated damages of $10, 000 may be assessed.

15.6 Notwithstanding any other provision of this Agreement, a Member providing service within the geographic scope of any Section in which it opts not to participate shall have the right to unilaterally (i) determine rates, charges and rules applicable to shipments of Cargo moving within said Section and (ii) negotiate and enter into service contracts covering shipments of Cargo moving within said Section. In said event, the Member involved shall be responsible for the appropriate filing of such tariff and service contract matter with FMC.

ARTICLE 16: MINUTE FILING AND RECORD RETENTION

16.1 Minutes of meetings of Members pursuant to this Agreement shall be filed with the FMC in accordance with such regulations as it may prescribe.

16.2 Records of activities under this Agreement to the extent required by FMC regulations, shall be retained by the Chairman.

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ARTICLE 17: AGREEMENT EXPENSES AND HOUSEKEEPING ARRANGEMENTS

17.1 The expenses of the agreement shall be apportioned among the Members as they shall from time to time determine. Invoices for assessments to meet such expenses shall be rendered periodically by the Chairman to the Members and be promptly paid.

17.2 (a) For purposes of economy and administrative efficiency, the Agreement may enter into housekeeping arrangements with other carrier associations or persons and may share office space, equipment, facilities, personnel and administrative services; and participate in joint pension, insurance and other employee benefit plans, with such other associations or Persons.

(b) All housekeeping operations and functions shall be conducted and performed under the administrative supervision of the Chairman, and shall be directed by any committee of the Members they may designate for that purpose.

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ANNEX A

RULES AND PROCEDURES FOR SPACE/SLOT CHARTERING AMONG MEMBERS

The Members of the Trans-Atlantic American Flag Liner Operators (the "Members"), FMC Agreement No. 202-010714 (the "Agreement"), hereby establish, pursuant to Sub-Article 5.1(h) of said Agreement, the following rules and procedures governing space/slot chartering arrangements among the Members:

SECTION 1: DEFINITION OF TERMS

As used herein, a Member who charters vessel capacity from another Member is the "charterer", a Member whose vessel capacity is chartered by another Member is the "underlying carrier", and the shipper who tenders the cargo to the charterer is the "underlying shipper".

SECTION 2: MEMBERS RIGHTS AND OBLIGATIONS

(a) Any Member may advise any other Member at any time of the need for, or the availability of, vessel capacity for chartering purposes. Except as provided in Subsection 2(b) hereof, a Member may charter space or slots under such Member's operational control to another Member on any ocean line-haul, feeder, relay or other vessel utilized for the transportation of cargo within the scope of the Agreement. Any Member may agree to such a charter arrangement in conjunction with discussions regarding the deployment or redeployment of such vessel. Cargo shipments within the scope of the Agreement may be made under space/slot charter arrangements between or among Members only where the charterer has booked the shipment pursuant to an Agreement tariff or service contract, or any individual or joint individual service contract of a Member or Members. Shipments of Members' empty containers and other transportation equipment may be made under space/slot charter arrangements without reference to Agreement tariffs or such service contracts.

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(b) A Member not entitled to vote on particular matters by reason of the service requirements of Sub-Article 8.1 of the Agreement may not charter space or slots pursuant to the Agreement from any other Member for the transportation of cargo between ports it does not ordinarily serve.

(c) Space/slot chartering shall be strictly voluntary. No Member shall be obligated to charter space or slots to or from any other Member except as any Members may, from time to time, mutually agree.

(d) Cargo shipments made pursuant to this Annex shall be consigned to the charterer and transported by the underlying carrier on a contract basis.

(e) Compensation for any shipments under space/slot charter arrangements between or among Members shall be as the parties to such arrangements may agree.

(f) Nothing herein shall be construed as a demise or partial demise of any vessel of any Member. At all times during any voyage on which cargo, containers or other equipment are carried pursuant to the terms of a space/slot charter arrangement entered into hereunder, the Master, his delegates, the officers and crew, shall be and remain the employees and agents of the underlying carrier only and shall not be or be deemed to be the employees or agents of the charterer.

(g) The charter and underlying carrier shall make such ancillary terminal, operating, administrative and other arrangements as may be needed to conduct and perform space/slot chartering pursuant hereto, and shall exchange such booking data, shipping documents, tariff information and other material as they may require for that purpose.

(h) An underlying carrier will ensure that its personnel will, in accordance with any instructions of the charterer, maintain, repair, and inspect the charterer's equipment.

SECTION 3: <u>LIABILITIES</u>

(a) <u>Charter.</u> The charterer shall, with respect to the underlying shipper, employ its own usual bill of lading and strictly adhere to applicable published tariffs. The charterer shall be liable to the underlying shipper and shall receive and process claims for cargo loss and damage in the same manner and to the same extent and degree as if the cargo had been

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transported on the charterer's own vessel. The charterer shall indemnify and hold harmless the underlying carrier for damage to property, death, injury or illness resulting from misdescription of goods, improper stowage of goods within containers, or defect in the construction of containers tendered by the charterer to the underlying carrier. The charterer shall also indemnify the underlying carrier for any fines, penalties, duties or other expenses imposed on the latter due to errors in cargo manifests or any other documents, whether furnished by the charterer or the underlying shipper, if the charterer is liable for such errors.

(b) Underlying Carrier. Subject to the terms and conditions of the space/slot charter arrangement, the underlying carrier shall indemnify the charterer, as provided in the Carriage of Goods by Sea Act, 46 U.S.C. §§301-1315, for liability to the underlying shipper in connection with any loss o damage to property caused by the underlying carrier.

(c) Force Majeure. Except as may be otherwise specifically provided in a space/slot charter-arrangement, the obligations of the parties to an arrangement shall be excused to the extent that the existence and continuance of conditions beyond the parties' control render either the underlying carrier or the charterer, or both, unable to carry out their obligations. Such conditions include but are not limited to: war; civil commotion; invasion; rebellion; hostilities; strikes labor disputes; sabotage or other work stoppages; unusually severe weather; regulations or orders of governmental authorities; legal intervention; acts of God, or inability to obtain materials or services. A party asserting the existence of such conditions as an excuse for non-performance shall promptly give written notice of such conditions to all other parties to the charter arrangement.

SECTION 4: RESOLUITON OF DISPUTES

Except as specifically provided in a space/slot charter arrangement under this Agreement, or as may be otherwise mutually agreed by the parties in interest, this Agreement shall be governed by the laws of the State of New York and any and all differences or disputes between or among the Members, or any of them, of whatever nature arising out of this Agreement shall be put to arbitration there in force, before a board of three person, consisting of one arbitrator to be appointed by the party or parties

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complaining, one by the party or parties complained against, and one by the two so chosen. The decision of any two of the three on any point or points shall be final. The arbitrators may grant any relief which they, or a majority of them, deem just and equitable and within the scope of this Agreement including, but not limited to, specific performance. Awards made pursuant to this Article may include costs of the arbitration and a reasonable allowance for attorney's fees and judgement may be entered upon any award made hereunder in any Court having jurisdiction in the premises.

SECTION 5: CARGO PREFERENCE LAWS

Laws and government regulations requiring shipments to be carried in whole or in part by a national flag liner shall be observed unless appropriate waivers are obtained.

SECTION 6: AMENDMENTS OF THIS ANNEX

The procedures herein may be amended only by unanimous vote of all Members entitled to vote.

SECTION 7: OPTIONAL ARRANGEMENTS

The liability and disputes provisions of Sections 3 and 4, and the provisions of subparagraphs (f) and (h) of Section 2 hereof, shall apply except as may be otherwise mutually agreed by a charterer and an underlying carrier with respect to any space/ slot chartering arrangements between them.

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EXECUTION OF AGREEMENT

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

Lykes Lines Limited, LLC

Signature:

Name: Howard A. Levy

Title: Attorney-in-Fact

Sectional Membership: A/AAA

A.P. Moller-Maersk Sealand

Signature:

Name: Howard A. Levy

Title: Attorney-in-Fact

Sectional Membership: A/AA/AAA

American President Lines Ltd.

Signature:

Name: Howard A. Levy

Title: Attorney-in-Fact

Sectional Membership: A/AA/AAA

Farrell Lines, Incorporated) As One Party
P&O Nedlloyd Limited) Only

Signature:

Name: Howard A. Levy

Title: Attorney-in-Fact

Sectional Membership: AA/AAA

American Roll-On Roll-Off Carrier, LLC

Signature:

Name: Howard A. Levy

Title: Attorney-in-Fact

Sectional Membership: A/AA/AAA

New York, NY
Dec 3, 2002

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