

**ARTICLE 1: FULL NAME OF THE AGREEMENT**

The full name of this Agreement is the Maersk Line/APL Slot -Exchange Agreement ("Agreement").

**ARTICLE 2: PURPOSE OF THE AGREEMENT**

The purpose of this Agreement is to authorize the parties to exchange slots on their respective services in the Trade (as hereinafter defined) and to authorize the parties to enter into cooperative working arrangements in connection therewith.

**ARTICLE 3: PARTIES TO THE AGREEMENT**

The parties to the Agreement (hereinafter "party" or "parties") are:

1. ~~A.P. Moller Maersk A/S trading under the name of Maersk Line A/S~~  
("Maersk Line")  
50, Esplanaden  
DK-1098, Copenhagen K.  
Denmark
2. APL Co. Pte Ltd.  
9 North Buona Vista Drive  
#14-01  
The Metropolis Tower 1  
Singapore 138588

and

American President Lines, Ltd.  
16220 N. Scottsdale Rd.  
Scottsdale, AZ 85254-1781  
U.S.A.  
(operating together as a single entity (together, "APL"))

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**ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT**

The geographic scope of the Agreement shall extend to the trade between: (a) the U.S. Atlantic Coast (Eastport, Maine to Key West, FL) and ports in Canada, Spain, Italy, Egypt, Djibouti, Oman, United Arab Emirates, Pakistan, India, Singapore, Thailand, and Sri Lanka; and (b) the U.S. Pacific Coast and the People's Republic of China, Japan and the Republic of Korea. All of the foregoing is hereinafter referred to as the "Trade."

The Parties respectively intend to preserve their pre-existing port calls. Maersk Line has no plans to nor will it participate in the Dutch Harbor, Naha, Shanghai, and Qingdao ports calls on the CC3 service, or in the Jebel Ali (loading), Laem Chabang, Singapore, Colombo (discharge), Damietta, Cagliari and Halifax port calls on the AZX service. APL has no plans to nor will it participate in the Port Qasim (loading), Nhava Sheva, Salalah, Algeciras, Charleston, Houston, Djibouti or Pipavav port calls on the MECL 1 service.

**ARTICLE 5: AGREEMENT AUTHORITY**

5.1 Exchange of Space. The Parties shall exchange slots on a structural used/not used basis on Maersk Line's MECL 1 service and APL's AZX service. The Parties shall exchange space on the aforementioned services for 330 TEUs (or a maximum of 2,475 mtons) per sailing (including 35 reefer plugs) from the U.S. to the Middle East and space for 50 TEUs (or a maximum of 375 mtons) per sailing ~~(including 5 reefers plugs)~~ from the Middle East/Sri Lanka to the U.S.

5.2 Chartering of Space. In addition to the space exchange pursuant to Article 5.1 hereof, Maersk Line shall purchase from APL on a structural used/not used basis space for 400-50 TEUs (or a maximum of 375,000 mtons) per sailing (including 35 reefer plugs) eastbound and 100 TEUs (or a maximum of 750 mtons) per sailing (including 10 reefer plugs) westbound and eastbound on APL's CC3 service between the U.S. West Coast and Asia. Maersk Line is shall also authorized to purchase from APL on a used only basis space for up to a maximum of an additional 100 TEUs (or a maximum of 750 mtons) per sailing (including 10 reefer plugs) eastbound and up to a maximum of 150 TEUs (1,125 mtons) per sailing (including 15 reefer plugs) westbound on APL's EX1CC3 service between the U.S. West Coast and Asia.

5.3 Ad Hoc Chartering of Space. In addition to the space provided under Articles 5.1 and/or 5.2 hereof, the Parties may sell one another slots on an *ad hoc*-basis on the three services referenced above.

5.4 Terms of Exchange and Sale. The exchange of space and sale of slots pursuant to the authority of Articles 5.1, 5.2 and 5.3 shall be on such terms and conditions as the Parties may agree from time to time, including taking account of the special nature and value of U.S.-flag -capacity.

5.5 U.S.-Flag Service. Unless the Parties mutually agree otherwise, U.S.-flag vessels shall constitute a minimum of 80% of the departures per quarter on each of the MECL 1 and CC3 services.

5.6 Sub-Chartering. Neither Party shall sub-charter slots made available to it on a structural basis (i.e., on five (5) or more consecutive voyages/legs) hereunder to any third parties without first offering such slots to the other Party or obtaining the prior written consent of the other Party, which consent may be withheld at the sole discretion of such other Party. The Party sub-chartering slots shall remain responsible for such slots.

to payment of sums that may be owed, other than those that may be disputed in good faith, and may not be paid in full or may be delayed in payment, then the other party may give written notice terminating this Agreement with immediate effect. Such termination shall be without prejudice to any accrued obligations arising hereunder prior to the provision of such written termination notice.

8.3 In the case of a material breach by either Party, then that Party shall correct such breach within 30 days from the date of written notice of such breach sent by the other Party. In the event that the breach is not resolved within 30 days thereafter, then the non-breaching Party shall have the right to terminate the Agreement effective 30 days from the date notice of termination is given.

8.4 Any termination hereunder shall be without prejudice to any Party's financial obligations to the other as of the date of termination, and a non-defaulting Party retains its right to claim against the defaulting Party for any loss and/or damage caused or arising out of such termination.

#### **ARTICLE 9: NON-ASSIGNMENT**

Neither Party shall assign all or any part of its rights, or delegate all or any part of its obligations, under this Agreement to any other person or entity without the prior written consent of the other Party; ~~provided, however, that Maersk may assign or novate this Agreement (including any or all of its rights and/or liabilities hereunder) to Maersk Line A/S upon written notice to APL.~~

~~In the event of such assignment or novation, Maersk Line warrants that i) the new entity shall be a vessel operating common carrier as defined under the Shipping Act and implementing FMC regulations, and ii) the assignment/novation and the new entity is otherwise in full compliance with applicable laws and regulations. Maersk Line further warrants that the bill of lading terms and conditions of the new entity~~

~~shall be substantively identical to those of Maersk Line.~~

**ARTICLE 10: GOVERNING LAW AND ARBITRATION**

10.1 The interpretation, construction and enforcement of this Agreement, and all rights and obligations between the Parties hereunder, shall be governed by the laws of the United States including, but not limited to, the U.S. Shipping Act of 1984, as amended. The laws of the State of New York (excluding conflict of laws rules) shall apply to the extent the laws of the United States are silent on a subject.

10.2 Any dispute or claim arising out of or in connection with this Agreement which cannot be resolved amicably shall be referred to arbitration in New York, NY (unless varied by agreement of the Parties). The arbitration shall be conducted in English in accordance with the Society of Maritime Arbitrators rules current at the time when the arbitration proceedings are commenced, except as modified herein, and each arbitrator shall be a member of the Society of Maritime Arbitrators. Where the amount in dispute does not exceed U.S.\$200,000, the arbitration will proceed on documents and written submissions basis only; provided, however, that oral evidence may be allowed in exceptional cases at the discretion of the arbitrators.

**ARTICLE 11: SEPARATE IDENTITY/NO AGENCY OR PARTNERSHIP**

Nothing in this Agreement shall give rise to or be construed as constituting a partnership for any purpose or extent. Unless otherwise agreed, for purposes of this Agreement and any matters or things done or not done under or in connection herewith, neither Party shall be deemed the agent of the other.

**ARTICLE 12: NOTICES**

Any correspondence or notices hereunder shall be made by courier service or registered mail or, in the event expeditious notice is required, by email followed by courier or registered mail, to the following:

Maersk Line:  
~~A.P. Møller — Mærsk A/S~~  
50 Esplanaden  
1098 Copenhagen K  
Denmark  
Attn: Anders Boenaes  
E-mail: [Anders.Boenaes@maersk.com](mailto:Anders.Boenaes@maersk.com)

APL:  
APL Co. Pte Ltd  
9 North Buona Vista Drive  
#14-01 The Metropolis Tower 1  
Singapore 138588  
Attn: Alliance Management  
E-mail: [alphonsus\\_b\\_c\\_sng@apl.com](mailto:alphonsus_b_c_sng@apl.com)

CC:

APL Limited  
Legal Department  
16220 N. Scottsdale Rd  
Scottsdale, AZ 85253  
Attn: General Counsel  
E-mail: [Eric\\_Swett@apl.com](mailto:Eric_Swett@apl.com)

**ARTICLE 13: SEVERABILITY**

Should any term or provision of this Agreement be held invalid, illegal or unenforceable, the remainder of the Agreement, and the application of such term or provisions to persons or circumstances other than those as to which it is invalid, illegal or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid, legal and enforceable to the full extent permitted by law.