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ORIGINAL TITLE PAGE

**CARIBBEAN SHIPOWNERS ASSOCIATION
AGREEMENT**

TABLE OF CONTENTS

<u>Article No.</u>	<u>Title</u>	<u>Page No.</u>
1	Name of Agreement	2
2	Purpose	3
3	Parties	4
4	Geographic Scope	5
5	Authority	6
6	Officials and Delegations of Authority	9
7	Membership, Withdrawal, Readmission & Expulsion	11
8	Voting Procedures	14
9	Duration and Termination	16
10	Neutral Body Policing	17
11	Prohibited Acts	18
12	Consultation, Shippers' Requests and Complaints	19
13	Independent Action	20
14	Service Contracts	21
15	Meetings and Procedure	22
16	Expenses and Office Arrangements	23
17	Definitions	24
18	Filing Agent	25
19	Administrative Regulations	26

ARTICLE 1. NAME OF AGREEMENT

 This Agreement shall be known as the Caribbean
Shipowners Association, hereinafter called the "Association."

ARTICLE 2. PURPOSE

This Association is to provide a forum among ocean common carriers serving the geographic scope as hereinafter defined to establish and maintain agreed to rates, charges, rules, classifications, and practices governing the transportation of cargo, whether moving in all water or in through transportation service under through bill of lading or otherwise, in the trade. The objectives of the Association are to establish and maintain competitive, non-destructive liner services in the trade for the purpose of fostering commerce and stability in the trade while maintaining competition and freedom of carrier action.

ARTICLE 3. PARTIES TO THE AGREEMENT

The Members of the Association (members) are:

Tropical Shipping &
Construction Co., Ltd.
821 Avenue "E"
Riviera Beach, Florida 33404
Nationality: Bahama

Sea-Land Service, Inc.
10 Parsonage Road
P.O. Box 800
Iselin, NJ 08830
Nationality: Delaware Corp.

Trailer Marine Transport
Corporation
9487 Regency Square Blvd.
P.O. Box 2110
Jacksonville, Florida 32203-2110
Nationality: Delaware Corp.

The Association voting section membership is:

Section 1 (Leeward/Windward Islands)

Tropical Shipping &
Construction Co., Ltd.
Sea-Land Service, Inc.
Trailer Marine Transport
Corporation

Section 2 (Barbados, Trinidad and Tobago)

Tropical Shipping &
Construction Co., Ltd.
Sea-Land Service, Inc.
Trailer Marine Transport
Corporation

ARTICLE 4. GEOGRAPHIC SCOPE

A. Member Trade

The geographic scope of the Association extends between ports of the United States located between Jacksonville, Florida, and Key West, Florida, on the one hand, and ports located in the Leeward/Windward Islands, Barbados and Trinidad and Tobago, on the other hand, including points located within the Continental United States (excluding Hawaii and Alaska) and points in nations of the Leeward/Windward Islands, Barbados and Trinidad and Tobago via the aforementioned ports. This geographic scope is herein referred to as "the trade."

ARTICLE 5. AUTHORITY

The members shall have the authority in the member trade to:

1. discuss; agree upon, and establish uniform or differential rates, charges, classifications, rules and regulations applicable thereto (hereinafter "tariff provisions") in connection with the transportation of cargo moving within the all-water and intermodal Association authority to be established by the parties via their respective routes including tariff provisions relating to cargo space accommodations; inland factors; surcharges; arbitraries; absorptions; equalization; currency adjustment factors; alternate port service; proportional rates, through rates, joint through rates or other intermodal rates, time/volume rates; the opening and closing of rates with or without a floor/ceiling; service contracts; receipt, handling, delivering, and storing of cargo; consolidation and allowances applicable thereto; designation of base ports; terminal and port charges, wharfage container detention, free time, per diem, cargo demurrage; positioning of containers, chasis and related equipment; container yards, depots, and freight stations;

interchange with connecting carriers; payment for services rendered or received including credit rules and privileges and the enforcement (including suspension and restoration of credit privileges thereof among the member lines), commissions, brokerage, and freight forwarder compensation and the conditions thereof, and any other ancillary services in connection with ocean transportation of cargo;

2. Reserving the rights of independent action, discuss and enter into agreements with other carriers serving the trade not members of this Association or other conferences serving the trade or the foreign destinations of the trade; provided, however, such agreements shall not be implemented until filed and effective pursuant to the terms of the Shipping Act, 1984.

3. discuss and exchange information including statistics or compilations or analyses thereof, relating to transportation conditions in the trade.

4. implement this authority through tariff or tariffs including an individual member separate tariff or sections in tariffs pertaining to service in the trade as described herein; provided however, that a member who is also a member of another Association whose

geographic scope covers a movement within this Association will be governed by the tariff of that other Association.

5. negotiate with any shipper's Association as defined in Section 3 (24) of the Shipping Act, 1984.

6. discuss and agree upon sailing and tonnage rationalization; provided, however, such agreement shall not be implemented until filed and effective pursuant to the terms of the Shipping Act, 1984.

ARTICLE 6. OFFICIALS AND DELEGATIONS OF AUTHORITY

The members of the Association, in authorized meetings, shall constitute the plenary authority. The Association shall appoint one of its members as its Chairman for a one-year term, and shall also appoint an Executive Director who shall serve at the pleasure of the Association.

The Executive Director shall carry out all decisions of the Association, including but not limited to obtaining and maintaining office facilities and retaining a staff; maintaining records as required by law or the Association; filing reports as required by law or the Association; receiving and acting upon shippers' requests and complaints; filing of tariffs and amendments thereto; negotiating routine housekeeping contracts; and such other duties as the Association requires in the efficient, lawful function of the Association.

The Association meetings shall include meetings of the members and may, from time to time, establish standing, ad hoc, and any other committees and sub-committees ("committees") as they consider necessary to conduct the business of the Association and the decision of the committees shall be deemed the decision of the Association, unless specifically limited by the Association. Unless otherwise unanimously agree, each member shall be entitled to full and equal membership on any committee

established by the Association and, subject to the following limitation for Executive Committee meetings, may designate the person or persons selected to represent it for said purposes. Executive Committee Meetings shall convene, at least, three times annually, and be attended only by one or more senior executives of the member without the presence of its agent. The Association may also conduct its business through oral, written, telephone, telegraphic and telex polls upon which Association action is taken.

The Chairman shall act in the place of the Executive Director if the Executive Director is unwilling or unable to so act. The Chairman, or a member of the Association staff designated by him, shall chair meetings of the Association and its committees. Provided, however, that in the absence of the chairman, or the staff member so designated at any such meeting, upon the decision of the members, any person representing a member at a meeting may be appointed by the members to chair that meeting.

ARTICLE 7. MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION

- a) Any ocean common carrier serving the member trade may be a full member of this Association.
- b) Each member shall pay a reasonable admission fee, as determined from time to time by the Association (but in no event to exceed the total annual projected budget of the Association divided by the number of members). Each new member shall pay the then current admission fee upon application, and this fee is not refundable. The Federal Maritime Commission shall be advised of the amount of such admission fee no later than thirty (30) days after the establishment thereof.
- c) Any member may resign, including from a voting section of the Association, upon at least thirty (30) days written notice to the Executive Director. During this written notice period such member shall not be entitle to vote on any matter. Notice of resignation will be effective in accordance with the applicable Shipping Act law.

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- c) Any member may resign, including from a voting section of the Association, upon at least thirty (30) days written notice to the Executive Director. During this written notice period such member shall not be entitle to vote on any matter. Notice of resignation will be effective in accordance with the applicable Shipping Act law.

- d) Any former member may be readmitted without penalty provided, however, that previous debts to the Association, if any, are fully paid and it meets the conditions set forth in subparagraphs a and b hereof.
- e) Any member can be expelled for failure to maintain an ocean common carrier service in the member trade for a period of one hundred twenty (120) consecutive days, force majeure and strike periods accepted; or for failure to abide by the terms of the agreement or decisions made by the Association pursuant to this agreement. An explanation will be served upon that member with copy to the appropriate office of the Federal Maritime Commission detailing the basis for expulsion prior to its effective date.
- f) The filing of a notice of resignation does not, until the resignation become effective relieve a member of its obligations under this agreement. Computation of outstanding obligations of any resigning member shall include any amount reflecting pro-rata share

of continuing obligations for six months subsequent to the effective date of the member's resignation with respect to the Agreement's expenses and liabilities incurred prior to the receipt of the notice of resignation by the Executive Director.

ARTICLE 8. VOTING PROCEDURES

- a) Each member shall be entitled to one vote; a joint venture or consortium of two or more ocean common carriers shall be considered as one member;
- b) A quorum to do business shall consist of a simple majority of members entitled to vote. A quorum of a committee to do business shall consist of a simple majority of members entitled to vote. Failure of a quorum, the Association or committee shall conduct no business except to set a new meeting date.
- c) A matter shall be considered passed if a simple majority of the quorum vote "yes"; in all other respects the matter shall be considered to have failed; provided, however, that exclusion of members and amendments to this agreement shall require at least a three-fourths majority.
- d) Voting by poll requires a simple majority of all members entitled to vote for passage of a matter. The vote must be completed within two working days (16 consecutive working

hours) of informing the membership. All members must be informed and polled although a member may abstain. Failure to vote or abstain within the two working days shall be considered a "yes" vote on the matter.

- e) For voting purposes, the Association shall be divided into two (2) rate-making sections, namely the Leeward/Windward Islands (Section 1), and Barbados Trinidad and Tobago (Section 2). Voting in each section shall be limited to members maintaining an active service in the section. Quorum and majority requirements shall be as set forth in subparagraphs (b), (c), and (d) hereinabove.
- f) Any matter presented for decision pursuant to this agreement at a meeting may be voted upon by secret ballot and shall be so voted upon, provided that a request therefor is made by a member to the chairman, or other person chairing the meeting, not later than at the time that the matter is opened for discussion. At the conclusion of such vote, the members will be advised as to whether the matter voted upon carried or failed.

ARTICLE 9. DURATION & TERMINATION

This agreement shall be effective upon its filing with the Federal Maritime Commission and effectiveness pursuant to Shipping Act, 1984 and shall remain in effect until terminated. This agreement may be terminated by the unanimous vote less one of the Association members entitled to vote or by the resignation of all members less one.

ARTICLE 10. NEUTRAL BODY POLICING

Upon the written request of any member of the Association, the Executive Director shall engage an independent neutral body, as agreed to by the Association, to police fully the obligations of the Association and its members. In the event that a neutral body is employed, the identity of the neutral body, description of its authority and procedures, as determined by the Association, will be reflected by a separate contract with the neutral body as implementation of this agreement, and filed with the Federal Maritime Commission pursuant to the requirements of the Shipping Act, 1984.

ARTICLE 11. PROHIBITED ACTS

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

ARTICLE 12. CONSULTATION, SHIPPERS' REQUEST AND COMPLAINTS

Rules implementing requests for consultation and shippers requests or complaints (hereinafter collectively referred to as shipper requests) shall be published in the tariff(s). Shipper requests will be received by the Executive Director or any member line which will immediately transmit it to the Executive Director. Upon receipt by the Executive Director, the Executive Director shall place the shipper request on the next Association agenda for action by the Association. The Executive Director shall promptly inform the shipper of the disposition of its request upon Association consideration.

ARTICLE 13. INDEPENDENT ACTION

Each member in Section 1 may take independent action on any rate or service item to be filed in the Association or a member's separate tariff(s) except with regard to service contracts, effective upon 10 calendar days notice to the Association Executive Director, whereupon the Executive Director shall cause such tariff changes to be made effective on the date indicated by the member. Each member of Section 2 may take independent action on any rate or service item to be filed in the Association or a member's separate tariff(s) except with regard to service contracts, effective upon 10 calendar days notice to the Association Executive Director whereupon the Executive Director shall cause such tariff changes to be made effective on the date indicated by the member. The Executive Director shall immediately distribute all independent action requests to all members whereupon each other member may adopt by written notice to the Executive Director the independent rate or service item on or after the effective date of such charge. Members may not take independent action upon service contracts.

ARTICLE 14. SERVICE CONTRACTS

(a) The Association may enter into and implement service contracts as defined in Section 3(21) of the Shipping Act of 1984. Any such service contract shall be a contract of the Association on behalf of any one or more of its members. Except as otherwise agreed by unanimous vote of the members, individual Members are hereby prohibited from entering into or modifying any service contract on their own behalf.

(b) Members may elect not to participate, or to limit their participation, in any such service contract by appropriate written notification to the Executive Director prior to execution of any such contract specifying their election not to participate or the limitation on their participation. Any service contract shall specify those Members not participating, or if participating in a limited manner, the limitation of a Member's participation.

ARTICLE 15. MEETINGS AND PROCEDURE

Regular Association meetings shall be held as agreed upon by the Members. Upon the request of at least two (2) members and upon forty-eight (48) hours notice the Executive Director shall call special meetings. In all other respects the Association shall determine notice for other meetings, contents of agenda, and meeting procedures.

ARTICLE 16. EXPENSES AND OFFICE ARRANGEMENTS

Expenses of the Association shall be apportioned among the members as they agree from time to time; provided however, that the Executive Director shall provide a projected annual budget which shall be reviewed quarterly and upon approval of the annual budget, each member shall deposit its share of one-half of the Association's projected expenses, and upon quarterly review each member will deposit its share of one-quarter of the Association's projected expenses. The Executive Director shall maintain all financial records including checking accounts. The Executive Director shall sign all checks on behalf of the Association.

ARTICLE 17. DEFINITIONS

Words defined in the Shipping Act of 1984 and the Federal Maritime Commission regulations promulgated pursuant to the Act have the same definition and meaning when used in this Agreement.

ARTICLE 18. FILING AGENT

Each member hereof appoints, in writing, an Association Counsel as its representative on behalf of such member to file with the Federal Maritime Commission this Agreement and all amendments or republications thereof. This Agreement and each amendment or a republication of the Agreement may be executed in one or more counterparts, and all such counterparts shall constitute one Agreement, notwithstanding that all parties are not signatory to the same counterpart.


ARTICLE 19. ADMINISTRATIVE REGULATIONS

The members may implement the Association Agreement through administrative regulations, resolutions and decisions, all of which shall be binding on the members.

Caribbean Shipowners Association
FMC Agreement No.

IN WITNESS WHEREOF, the Members have caused this
agreement to be executed below by their duly authorized represen-
tative this 8th day of July , 1986.

Tropical Shipping & Construction Co; Ltd.

By: 
Title: Executive Vice President
Name: Rick Murrell

Sealand Service Inc.

By: _____
Title:

Trailer Marine Transport Corporation

By: _____
Title:

Caribbean Shipowners Association
FMC Agreement No.

IN WITNESS WHEREOF, the Members have caused this
agreement to be executed below by their duly authorized represen-
tative this 8th day of July , 1986.

Tropical Shipping & Construction Co; Ltd.

By: _____
Title:

Sealand Service Inc.

By: _____
Title:

Trailer Marine Transport Corporation

By: *Peter A. Bacci*
Title: Asst. Vice President, Marketing
Name: Peter A. Bacci

Caribbean Shipowners Association
FMC Agreement No.

IN WITNESS WHEREOF, the Members have caused this agreement to be executed below by their duly authorized representative this 8th day of July, 1986.

Tropical Shipping & Construction Co; Ltd.

By: _____
Title:

Sealand Service Inc.

By: Gary Ferrulli
Title: DIRECTOR OF PRICING
AMERICAS DIVISION
Name: Gary Ferrulli

Trailer Marine Transport Corporation

By: _____
Title: