

MEDITERRANEAN FORCE MAJEURE AGREEMENT  
FMC No. 10051- 3  
(AS REPRINTED AND RE-EXECUTED MARCH, 1978)

PREAMBLE

The undersigned common carriers by water in the foreign commerce of the United States, in the trade between and/or via ports in the Mediterranean Sea and the U.S. Atlantic Coast, Eastport, Maine, to Key West, Florida, inclusive, in order to expedite the movement of cargoes and to serve the interests of the shipping public, hereby agree as follows:

ARTICLE I

Where, by virtue of force majeure or other causes beyond their control, any of the signatories are unable to make a regularly scheduled port or ports of call or to load all or part of the cargo they have booked at such a port or ports, they may invoke the rights and assume the obligations in this Agreement.

ARTICLE II

In the event of an operative cause under Article I any signatory so affected (a "distressed carrier") may offer to any other signatory

(an "underlying carrier") containerized cargo for transportation in the trade on such terms and conditions as may be mutually agreed and subject to the provisions of this Agreement. Provided, however, that each signatory shall afford to each other signatory the most favorable terms and conditions that it affords to any other signatory. It is expressly warranted, however, that no signatory shall invoke this Agreement to book or otherwise undertake to carry, in respect to any particular eastbound or westbound voyage, a greater number of containers, as measured in terms of twenty foot equivalent units ("TEUs"), than the full safe capacity of its distressed vessel.

### ARTICLE III

Cargo subject to this Agreement shall be self-consigned by the distressed carrier and transported by the underlying carrier on a slot-charter contract basis. Notwithstanding the provisions of this Agreement, however, the distressed carrier shall, in respect to the shipper, employ its regular bill of lading and strictly adhere to its published tariffs and any applicable Conference or other rate agreements as may be in force. It is further understood that the distressed carrier shall be liable to the

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 moved on its own vessel.

An underlying carrier shall be liable to indemnify a distressed carrier for reasonable payments the latter must make to cargo owners in connection with loss or damage to property caused by the underlying carriers subject to the terms and conditions of the contract of affreightment between the underlying carrier and the distressed carrier.

The distressed carrier shall indemnify the underlying carrier for any fines, penalties, duties or other expense imposed on the underlying carriers for manifest errors, misdescriptions, shortages, overages or any other documentation errors due to incorrect information furnished by the distressed carrier or his shippers for which the underlying carrier may be held liable.

Furthermore, the distressed carrier shall indemnify and hold harmless the underlying carrier for damage to property and/or deaths, injuries or illnesses resulting from misdescription of goods, improper stowage of goods within the containers, or defect in construction of the

containers tendered by the distressed carrier to the underlying carrier.

The distressed carrier must take delivery of all containers said to contain perishable cargoes moving in dry or temperature controlled vans within twenty-four (24) hours after said containers have been made available for pick up from the underlying carrier. The underlying carrier shall not be held liable for damage to the cargo if the distressed carrier fails to take delivery of the cargo within the twenty-four hour time requirement as prescribed.

ARTICLE IV

Any common carrier by water providing containerized shipping services and regularly scheduled sailings in the trade may become a party to this Agreement on equal terms and conditions.

ARTICLE V

Cargo required by law to be carried in whole or in part by a national flag line shall be excluded from this Agreement unless appropriate waivers are obtained.

ARTICLE VI

All expenses arising from the maintenance and administration of this Agreement shall be pro-rated among the signatories in equal shares.

ARTICLE VII


On each occasion that the authority of this Agreement is invoked the distressed carrier shall provide a report to a Coordinator to be designated by the signatories specifying the nature of the applicable operative cause under Article 1, the port or ports involved and the identity of the underlying carrier. The Coordinator shall have the duty and the authority to insure adherence to the terms and the conditions of this Agreement. The Coordinator shall prepare, on a quarterly basis, a report summarizing operations under this Agreement which report shall be distributed to all signatories and provided to the Federal Maritime Commission.

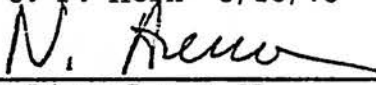
ARTICLE VIII

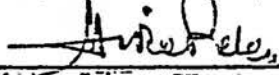
This Agreement shall become effective upon approval by the Federal Maritime Commission and shall, unless previously cancelled,

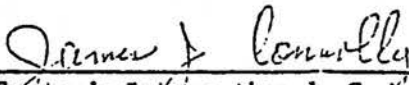
remain in effect for two years from the date of such approval, provided, that the signatories may extend the duration of this Agreement for such a further period as said Commission may authorize. This Agreement shall expire on December 13, 1979.

WHEREFORE, the undersigned, being duly authorized, have affixed their signatures below.


  
\_\_\_\_\_  
American Export Lines, Inc.  
By: J. P. Horn 3/15/78

  
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Italia Lines, S.p.A. N.  
By: N. Arena 3/23/78

  
\_\_\_\_\_  
Jugoslavija Lines  
By: Capt. Niko Kelez 3/23/78


  
\_\_\_\_\_  
Seatrain International, S.A.  
By: James J. Connolly 3/23/78

  
\_\_\_\_\_  
Sea-Land Service, Inc.  
By: R. E. Halloran 3/15/78

  
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Zim Israel Navigation Co., Ltd.  
By: A. Birnbaum 3/23/78


**ORIGINAL**

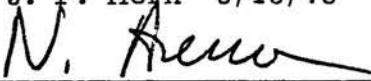
New York, New York  
March 23, 1978

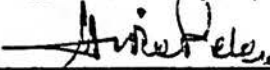
  
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Ibero Lines/U.S.A.  
By: James M. Hatgipetros 9/14/79  
(Westbound Trade Only)

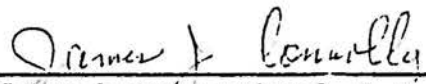
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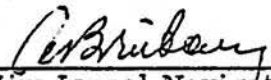
  
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