Revised Title Page

GREATER

BALI HAI SERVICE

Agreement No. 011138-01

JOINT SERVICE AGREEMENT

EFFECTIVE
JUN - 1 2001
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

FMC Agreement No.: 011138-001 Effective Date: Friday, June 1, 2001
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Article 1 - NAME OF AGREEMENT

This Agreement shall be known as the "GREATER BALI HAI SERVICE ."

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Article 2 - PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish a Joint Service in the "Trades" as defined in Article 4.

Article 3 - PARTIES TO THE AGREEMENT

Name	Principal Office Address	Nationality (Domicile)
Mitsui O.S.K. Lines, Ltd.	1-1 Toranomon 2-Chome, Minato-ku, Tokyo 105-8688, P. O. Box 5, Shiba 5, Tokyo, Japan	Japan
Nippon Yusen Kaisha	Yusen Building 3-2, Marunouchi, 2-Chome, Chiyoda-Ku, Tokyo 100-0005 C.P.O. Box 1250, Tokyo, Japan	Japan
The China Navigation Company Limited	9/F, East Wing, Warwick House, Taikoo Place 979 King's Road, Quarry Bay, Hong Kong	United Kingdom
The Kyowa Shipping Co., Ltd.	Shuwa No. 2 Shiba Park Bldg. 12-7, Shiba-Daimon, 2-Chome Minato-Ku Tokyo, Japan 105-0012	Japan

Article 4 - GEOGRAPHIC SCOPE

The Joint Service is authorized to operate (1) between ports in Japan/Korea and the port of Pago Pago, American Samoa and (2) between the port of Pago Pago, America Samoa and Suva, Lautoka, Apia, Papeete, Rarotonga, Nukualofa, Noumea, Villa, Santo, Honiara, Tarawa, (and other South Pacific ports upon inducement) (hereafter, the "Trades"). Operations may be offered on a port to port and/or through transportation basis to and from inland

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geographic areas of origin and destination, direct and via transshipment.

Article 5 - AGREEMENT AUTHORITY

The Joint Service shall act as a single carrier, and shall have authority under its own name (1) to fix port to port and through transportation rates, charges, practices and conditions of service, (2) to publish its own tariffs and issue its own bills of lading, (3) to enter into service contracts and (4) to join conferences or other agreements operating in the Trades .

Article 6 - OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

The parties shall establish a Management Committee which shall be responsible for the overall supervision of the Joint Service. The Management Committee shall consist of four persons, one to be appointed by each of the four parties. The Management Committee as so constituted shall appoint a General Manager who, subject to its supervision, shall have authority to administer the day-to-day operations of the Joint Service, including authority to publish the tariff or tariffs of the Joint Service and to file, or to delegate authority to file, modifications of this Agreement and such other agreements with the Federal Maritime Commission as the Management Committee may direct. The General Manager shall report to the Management Committee and shall serve on such terms as the Management Committee may decide.

The parties shall establish and maintain an office from which the operations of the Joint Service will be directed. The office address of the Joint Service and the name of the General Manager shall be published in the tariff or tariffs of the Joint Service. The Joint Service may enter into contracts for equipment or services required by the Joint Service; provided, however, any equipment or services provided by a party to the Joint Service or a third party shall be with the mutual consent of all parties. All contracts made by the Joint Service shall be entered into by the General Manager on behalf of the Joint Service.

Article 7 - ADMISSIONS AND WITHDRAWALS

Additional Parties may be admitted to this Agreement upon the unanimous consent of the membership. Any party may withdraw

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from this Agreement upon the giving of ninety (90) days' advance written notice to the other parties.

Article 8 - VOTING

All decisions of the parties, or of the Management Committee, as the case may be, shall be by unanimous vote.

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Article 9 - DURATION AND TERMINATION OF THE AGREEMENT

This Agreement shall remain in effect for an indefinite period unless terminated by the unanimous consent of the parties. Such termination shall be accomplished upon the giving of ninety (90) days' advance written notice to the Commission.

Article 10 - VESSELS

Under this Agreement, the Joint Service may charter for operation such vessels as the parties agree to contribute for the carriage of cargoes in the trades, hold out and advertise as a Joint Service, establish sailing schedules, service frequency, the ports and points to be served and the number, type and capacity of the vessels to be operated. No more than four such vessels, each suitable for the carriage of breakbulk, vehicular and container cargoes, may be placed by the parties at the disposal of the Joint Service. As the vessels are also operated by the Joint Service in contiguous foreign-to-foreign trades, the Joint Service shall allocate such space as is needed from time-to-time for use in the trades subject to this Agreement. No charter entered into by the Joint Service shall be terminated or the vessels chartered withdrawn on less than twelve (12) months' written notice of termination given to the Joint Service, except in the event of a vessel which is withdrawn from the Joint Service because of a total loss or for any other reason in which case the party or parties whose vessel is withdrawn shall be entitled to contribute a substitute vessel subject to the approval by the other parties as to its suitability.

No party may introduce either owned or chartered tonnage for operation under the Agreement without the concurrence of the other parties.

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Article 11 - CONTRIBUTIONS AND LOSSES

In respect to the trades covered by this Agreement, the General Manager shall calculate amounts payable by the Joint Service under each Charter for each vessel (hereafter referred to as the "Contribution to Charter Hire"). The Contribution to Charter Hire shall be considered an expense of the Joint Service to be deducted from the gross revenues.

Profits and losses of the Joint Service (after payment of all expenses including, without limitation, Contributions to Charter Hire and agency commissions) shall be distributed or borne in the following proportions:

MOL	-	25%
NYK	-	25%
CNCO	-	25%
KSC	-	25%

If any party shall default in making payments hereunder, the other parties shall have the option to make good the shortfall caused by such default and to the extent that any party shall contribute such funds, such party shall be entitled to be indemnified by the defaulting party and such indemnity shall include interest on the relevant amount calculated from date of payment by the other party until payment by the defaulting party at the said rate.

The General Manager will identify to the Management Committee working capital requirements in advance of anticipated needs. Working capital agreed to by the Management Committee shall initially be funded in proportion to the parties' share of profits and losses. All working capital funds will bear interest at LIBOR at the relevant time, such interest to be deducted from the gross revenues as a Joint Service expense. LIBOR means the average of Interbank offered rates for three month dollar deposits in the London market as published in the Asian edition of the Wall Street Journal and shall in respect of any day or days for which no such rate is published mean the last such published rate.

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Article 12 - ACCOUNTING

The accounting period of the Joint Service shall be the calendar year. An unaudited account for each calendar year will be presented by the General Manager to the Management Committee on or before March 1 in the following year. The General Manager will cause to be prepared by an independent accountant a final audited account each calendar year before May 1 of the following year which shall be accompanied by the final distribution for the relevant calendar year. Any party may, on serving prior written notice on the General Manager, inspect, review and make copies of any accounts or records relating to the Joint Service and the budget for the current year. Any extra costs incurred by the General Manager by such review or inspection shall be borne by the party undertaking or requiring it.

Article 13 - ASSIGNMENT

No party may assign its rights under this Agreement to any person or entity without the prior written consent of the other parties; provided, however, that any party may assign its interest to its parent or any subsidiary company. In the event of such an assignment, the assigning party shall remain liable to the other parties for all its obligations hereunder and shall ensure that the assignee shall enter into an agreement with the remaining parties along the lines of this Agreement.

Article 14 - GOVERNING LAW

This Agreement shall be construed, interpreted and governed by and in accordance with the laws of England, provided, however, that nothing herein shall relieve the parties of any obligations to comply with the U.S. Shipping Act of 1984, as amended. Any dispute arising under this Agreement shall be settled by arbitration in London. The party requesting arbitration shall serve upon the other parties a written demand for arbitration with the name and address of the arbitrator appointed by it, and such other parties shall within twenty days thereafter appoint an arbitrator. The two arbitrators so named shall appoint a third,

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and the decision or award of any two shall be final and binding upon the parties. Should the party upon whom the demand for arbitration is served fail or refuse to appoint an arbitrator within twenty days, the first moving party shall have the right without further notice to appoint a second arbitrator, who shall be a disinterested person, with precisely the same force and effect as if said second arbitrator had been appointed by the other party. In the event that the two arbitrators fail to appoint a third arbitrator within thirty days of the appointment of the second arbitrator, either arbitrator may apply to The London Maritime Arbitration Association for the appointment of a third arbitrator, and the appointment of such arbitrator on such application shall have precisely the same force and effect as if such arbitrator had been appointed by the two arbitrators. The arbitrators shall have the discretion to impose interest on the award and to impose the costs, including lawyers' fees, of the arbitration upon the closing party, or divide it between the parties on any terms which may appear just. Any decision or award rendered hereunder may be made and entered as rule or judgment of any court, in any country, having jurisdiction.

Article 15 - EVENTS IN CASE OF TERMINATION

In the event of the Agreement's termination, the parties shall remain responsible for any outstanding liabilities of the Joint Service in the proportion for which they are deemed by the Management Committee to be accountable.

Article 16 - EFFECTIVENESS

Modifications to this Agreement shall take effect when permitted under applicable provisions of the Shipping Act of 1984, as amended.

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IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized representative.

Charles F. Warren
Attorney-in-Fact
Mitsui O.S.K. Lines, Ltd.
Nippon Yusen Kaisha
The China Navigation Company Limited
The Kyowa Shipping Co., Ltd.

Date: April 17, 2001

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