

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Exchange of Space. Maersk Line shall provide Hapag-Lloyd with slots for 200 TEUs or 2800 mtons (whichever is used first), including 25 reefer plugs, on each sailing of its UCLA service, in exchange for which Hapag-Lloyd will provide Maersk Line with slots for 200 TEUs or 2800 mtons (whichever is used first), including 25 reefer plugs, on each sailing of its GS-1 service. If a Party fails to provide the other Party with its allocation of slots and reefer plugs, it shall make available to the other Party a number of slots and/or reefer plugs from within its own slot allocation on the next vessel in the service equivalent to those which were not made available to the other Party or, if the Party which failed to provide the slots/plugs in its sole discretion so decides, pay the other Party an agreed slot cost multiplied by the number of such slots or, alternatively, provide a combination of such monetary and space compensation.

5.2 Ad Hoc Chartering of Space. (a) In addition to the foregoing exchange of space, Maersk Line shall purchase from Hapag-Lloyd, and Hapag-Lloyd shall sell to and guarantee to Maersk Line, on each sailing of Hapag-Lloyd's GS-1 service, space for 300 TEUs or 4200 mtons (whichever is used first) roundtrip on a used/not used basis, including 75 reefer plugs.

(b) In addition to the space provided under Articles 5.1 and 5.2(a) hereof, the Parties may sell one another slots on an *ad hoc* basis on the services referenced above.

5.3 Terms of Exchange and Sale. The exchange and/or sale of slots pursuant to the authority of Articles 5.1 and 5.2 shall be on such terms and

conditions as the Parties may agree from time to time.

5.4 Use of Space. Neither Party shall sub-charter slots made available to it hereunder to any third parties without the prior written consent of the other Party, except that each Party may sub-charter slots to affiliated ocean carriers. The Party sub-chartering slots shall remain responsible for such slots, which may not be further