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ISRAEL CARRIER ASSOCIATION

FMC AGREEMENT NO. **011346-022**

AN AGREEMENT AMONG OCEAN COMMON CARRIERS
OPERATING VESSELS DOCUMENTED UNDER
THE LAWS OF THE UNITED STATES ("U.S.") OR ISRAEL

Original Effective Date:
October 31, 1991

EFFECTIVE
FEB 25 2011
UNDER THE
SHIPPING ACT
OF 1984
Federal Maritime Commission

FMC Agreement No.: 011346-023 Effective Date: Friday, January 24, 2014
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ARTICLE 1: NAME OF AGREEMENT

The name of this Agreement is the "Israel Carrier Association" (hereinafter referred to as the "Association" or the "Agreement" or "ICA ").

ARTICLE 2: PURPOSE OF THE AGEEMENT

The purpose of this Agreement is to authorize and set forth the governing terms and conditions for the establishment and maintenance by the parties of agreed rates, charges and practices for or in connection with the transportation of cargo shipped by the Ministry of Defense of the Government of Israel ("MOD") within the geographic scope thereof.

ARTICLE 3: PARTIES TO AGREEMENT

The Parties to this Agreement (the "Members") are:

Zim Integrated Shipping Services, Ltd.
9 Andrei Sakharov Street
"Matam" – Scientific Industries Center
P.O.B. 1723, Haifa, 31016, Israel

A.P. Moller-Maersk A/S
Trading under the name of Maersk Line
50, Esplanaden, DK-1096,
Copenhagen K, Denmark

American President Lines, Ltd.
16220 N. Scottsdale Rd., Suite 300
Scottsdale, AZ 85254-2792

ARTICLE 4: GEOGRAPHIC SCOPE OF AGREEMENT

This Agreement covers transportation of MOD cargo, direct or via transshipment, Eastbound and Westbound, between United States ports and points and ports and points in Israel (the "Trade").

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ARTICLE 5: OVERVIEW OF AGREEMENT AUTHORITY

5.1 The Members may discuss, agree upon, and establish rates, terms, charges, conditions and practices for or in connection with the transportation of MOD cargo in the Trade.

5.2 (a) The Members may declare any tariff rate(s) or rules(s) to be "open," with or without agreed minima or special conditions, and, thereafter, declare said rates or rules to be "closed." (b) For the purposes of this Agreement the term "Open Rate/Rule" means a rate or rule on a specific commodity or commodities over which the Members relinquish or suspend their ratemaking/rulemaking authority in whole or in part, and thereby permitting each individual Member to fix its own Rate or Rule on such commodity or commodities. (c) In the event that rates or rules are declared "open," the Association tariff shall so state. The Members also may discuss any open tariff rate or rule, including their respective tariff entries therefor, and may reach agreement with regard to any such open matter; provided, however, that no Member shall have any obligation to adhere, other than voluntarily, to any agreement on such open tariff matter and shall not be required to provide notice to the other Members of its intention to depart therefrom or otherwise alter any open tariff matter published for its account.

5.3 The Members may make arrangements or agreements among themselves and with other modes of transportation for the movement of intermodal shipments to or from inland points in Israel or in the U.S. and, among themselves, inland rates, rules, charges, classifications, practices, liability, bill of lading conditions, per diems, free time and detention on carrier-provided containers, chassis and related equipment, positioning of equipment, interchange with connecting carriers, terminal and shoreside loading operations (including wharfage), free time and demurrage, receipt, handling, storage, pickup and delivery of cargo, consolidation, container yards, depots and freight stations, and such other matters as may be ancillary to the transportation of MOD shipments in the Trade.

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5.4 The Members may discuss and agree upon all matters pertaining to "alternate port service" which, for purposes of this Agreement, shall mean the use by a Member, at its own expense, of land or water transportation services or facilities (whether or not owned, controlled, chartered, or operated by a Member) for transportation from a loading port named in the bill of lading to another loading port, and for transportation from a discharge port named in the bill of lading to another discharge port. Nothing contained in this Agreement shall authorize the Members to take any action to prevent any Member from providing direct vessel service to any port covered by this Agreement.

5.5 The Members may agree upon and enter into service contracts with MOD pursuant to Article 13 hereof and agree upon, negotiate and discuss with MOD, all other matters covered by this Agreement.

5.6 Subject to Article 10 hereof, the Members may agree upon the terms, organization, and procedures for policing and enforcement of Association obligations and procedures for cargo inspection.

5.7 The Members may establish committees under such terms and conditions as they deem helpful and delegate any authority exercised by the Association under this Agreement to any such committee or committees.

5.8 The Members may agree upon the terms and conditions pursuant to which a Member may charter space on any other Member's vessel for the transportation of MOD cargo in the Trade on an ad hoc, emergency or interim basis. Any such chartering agreement entered into on an on-going basis (i.e., for more than 90 days) is to be filed with the Federal Maritime Commission (" FMC").

ARTICLE 6: AGREEMENT OFFICIALS

6.1 The Members may appoint a Chairman from among them to preside at Association meetings. The Members also may employ a Chairman of the Association and designate such a Chairman to preside at meetings. In the absence of the Chairman at any meeting, an acting Chairman shall be selected for the conduct of the meeting by the Members present.

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6.2 Association decisions and administrative matters are to be implemented by the Chairman.

6.3 The Agreement Chairman or its Counsel are each authorized to execute and file Amendments to this Agreement, and any required information in support thereof, with the Federal Maritime Commission ("FMC"), on behalf of the Members.

ARTICLE 7 – AGREEMENT MEMBERSHIP, WITHDRAWAL AND EXPULSION

7.1 Any ocean common carrier, as defined in the Shipping Act of 1984, as amended (the "Act"), operating vessels documented under the laws of Israel or the U.S., which has been regularly engaged as an ocean common carrier in the Trade, or who furnishes evidence of ability to institute and maintain a regular service in the Trade and, in good faith, to abide with the terms and conditions of this Agreement, may hereafter become a Member of this Agreement upon its signing, or having signed on its behalf, the Agreement (or a counterpart thereof). No such carrier who has complied with such conditions shall be denied admission or readmission to membership. All Applicants for membership may be requested to answer questionnaires to be supplied by the Association office. No admission shall be effective prior to the effective date of an amendment to this Agreement reflecting that membership. Prompt notice of any denial of admission shall be furnished to the FMC with the reasons therefor.

7.2 Membership shall cease when the service of a Member in the Trade is permanently abandoned or terminated and upon the effectiveness of an amendment to this Agreement reflecting same. If a Member fails to maintain a service in the Trade owing to war, strikes, force majeure, or other circumstances beyond its reasonable control, it shall be

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retained an inactive Member without any vote for the period of such disability; provided, however, such a Member's membership shall be terminated without any vote in the event it has not furnished to the Association satisfactory evidence that it has resumed service within sixty (60) days after the cause of the interruption of its service. The loss of membership pursuant to this Article shall become effective upon the effectiveness of an appropriate amendment to this Agreement.

7.3 Any Member may withdraw from the Association effective forty-five (45) calendar days after the receipt of written notice by the Association office thereof, which shall promptly advise the other Members of said notice, and upon the effectiveness of an appropriate amendment to this Agreement. Within ten (10) days of receipt of such notice by the Association office, any other Member may submit notice of intent to withdraw by providing written notice thereto the Association office, and such latter withdrawal shall become effective upon the same date as the original notice submitted to the Association office. Any notice of withdrawal submitted pursuant to the provisions of this Article may be cancelled by the Member giving same at any time prior to its effective date by written notice to the Association office and which shall promptly advise the other Members of such cancellation. The submission of withdrawal notice does not, until same become effective, relieve any Member of its obligations regarding observances of rates and rules for current and future trading until the effectiveness of the termination of membership.

7.4 No Member which has served a notice of withdrawal shall be entitled to vote on any Association or committee matter, the decision with respect to which is to become effective after the effective date of its withdrawal or is to continue in force beyond such date.

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7.5 No Member may be expelled against its will from this Association except for (a) failure to maintain an ocean common carrier service between the ports within the scope of this Agreement with vessels documented under the laws of Israel or the U.S. or (b) failure to abide by the terms and conditions of this Agreement and then only by unanimous decision of the other Members; provided, however, that the Member in question, and any other Member whose policy is determined by the same interests owning or controlling that Member, shall have no vote thereon.

ARTICLE 8 – AGREEMENT VOTING AND MEETINGS

8.1 Association meetings (including committee meetings) shall be held at places and times as may be agreed by the Members. Notice advising of the subject matter of meetings shall be provided to all Members. Interim decisions between meetings may be reached through correspondence, telephone and by electronic means.

8.2 Except as otherwise specifically provided in this Agreement, all decisions with respect to matters within the scope of this Agreement shall be determined: (a) If there are two Members, by unanimous vote; (b) If there are three Members, by a two-thirds majority vote and (c) If there are four or more Members, by a three-fourths majority vote.

8.3 The number of Members constituting a quorum at Association and committee meetings shall be the same as the number of votes required for determination of decisions, and in no event shall any decisions be reached unless a quorum is present. With respect to all matters to be voted upon, each Member entitled to vote shall have one vote.

8.4 Amendments to this Agreement, its termination and agreements regarding the apportionment of expenses, shall require the unanimous approval of all Members.

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ARTICLE 9 - DURATION AND TERMINATION OF AGREEMENT

This Agreement has no expiration date and may be terminated at anytime upon the effectiveness of an appropriate amendment or other appropriate notice to the FMC by agreement of the Members.

ARTICLE 10 – ACTS PROHIBITED UNDER AGREEMENT

The Members shall not engage in any boycott or take any other concerted action resulting in an unreasonable refusal to deal; or engage in any predatory practice designed to eliminate the participation, or deny the entry, in the Trade, of a common carrier not a Member of this Agreement, a group of common carriers, an ocean tramp or a bulk carrier.

ARTICLE 11 – AGREEMENT REQUESTS, COMPLAINTS, CONSULTATION AND DISPUTE PROCEDURES

11.1 MOD may, at any time, submit a request to the Association for consultation or concerning any matter which it wishes to have the Members consider and/or act upon and it may likewise submit any complaint it may have to them. Any request or complaint presented by MOD to the Association shall be promptly, fairly and reasonably considered and acted upon by the Association.

11.2 The Members and MOD shall endeavor to amicably resolve any dispute which may arise between them and, failing which, either may have recourse to such other remedies as may be afforded by law.

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11.3 In the event of a dispute between or among the Members, they shall likewise endeavor to amicably resolve it and, failing which they, or any of them, may have recourse to such other remedies as may be afforded by law.

ARTICLE 12 - INDEPENDENT ACTION UNDER AGREEMENT

12.1 Except as otherwise provided herein, each Member shall have the right to take independent action ("IA") with respect to any rate or service item upon (3) business days' written notice to the Chairman, received during normal business hours, specifying said action. Provided, however, that should a Member elect to adhere to a particular tariff entry less favorable to the cargo interest than that adopted by the other Members, the foregoing 3 day requirement shall not apply and the Member shall have the right, upon notice to the Chairman, to take IA immediately, with effect from the earliest date an appropriate tariff publishing may be accomplished by the Chairman or on such later date as the Member may specify.

12.2 Upon receipt of a Member' notice of IA, the Chairman shall promptly advise all other Members thereof. Each other Member shall thereupon have the right to adopt that action with effect from the same date, or any subsequent date, by so advising the Chairman in writing. Except to so adopt the IA of another Member, no Member may revise any matter with respect to which it has provided notice of IA , and whether or not that action has become effective, without first providing notice of such intent in accordance with Article 12.1 hereof.

12.3 The Chairman shall implement an authorized IA of a Member by effecting the publication thereof in the Association tariff for its use effective 3 business days after receipt

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of notice thereof or on such later date as may be otherwise required by FMC regulations. At any time before or after a Member has given notice of IA, and at any time before or after such IA becomes effective, the Members may discuss and adopt the proposed, pending or effective IA, or may take any other action in response thereto, including action for the purpose of reaching a compromise. Any matter so decided by the Members shall be in accordance with the terms of this Agreement and, unless adopted without modification, no proposed, pending or effective independent action of any Member shall be canceled or altered without such Member's consent. Nothing herein shall require a Member proposing an independent action to (i) attend any meeting called to discuss the IA or (ii) compromise the IA.

12.4 The right of IA provided for under this Article shall also apply to freight forwarder compensation paid to an ocean transportation intermediary as defined in the Act.

12.5 The provisions of this Article shall not apply to any rate or rule which the Members have declared to be "Open" pursuant to Article 5.2 of this Agreement.

ARTICLE 13 - SERVICE CONTRACTS UNDER AGREEMENT

13.1 The Members shall be authorized to jointly negotiate, agree upon, offer, enter into, and amend service contracts ("SCs") with MOD providing for the transportation of MOD cargo in the Trade. Prior to the execution of any such SC any Member may elect not to participate, or to limit its participation therein, in which event the SC so specify. Notwithstanding any other provision of the Agreement, no Member shall unilaterally modify or deviate from such a joint SC or any terms or conditions thereof, except as may be provided by the SC, or as the Members may agree under the terms of this Agreement.

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13.2 Any Member may individually and unilaterally negotiate, offer and/or enter into a SC with MOD for the transportation of MOD cargo in the Trade and with or without notice to other Members thereof or of the content of any such SC as it may consummate.

ARTICLE 14 – AGREMEENT ORGANIZATION AND ADMINISTRATION

14.1 The Association may employ a Chairman and provide such staff and office facilities as may be deemed necessary for the conduct of the its business. In addition, the Association and/or is Chairman may share office space, equipment, personnel, administrative and related facilities with other entities.

14.2 The Association Chairman shall, to the extent directed by the Members, prepare and provide agendas for meetings, keep records of Association business, prepare and file meeting minutes and cause agreed tariff rates and rules and IAs to be published. The Chairman shall perform such other duties relevant to this Agreement as may be assigned by the Members.

14.3 The Association may compile, maintain and/or perform analyses of tonnage, revenue, or other statistics relating to MOD traffic in the Trade, and the Members may utilize such data as they may deem helpful to carry out the purposes of this Agreement.

14.4 The expenses of the Association shall be apportioned among the Members as they may, from time to time, unanimously agree and said expenses shall be promptly paid by the respective Members.

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ARTICLE 15 – MEMBERS' AGREEMENT RESPONSIBILITIES

15.1 At the request of any Member, the Association shall engage the services of an independent neutral body to fully police the obligation of the Members and, in which event, this Agreement shall be amended to include a description of any such neutral body authority and procedures related thereto.

15.2 Except as otherwise provided in this Agreement, the Members agree to each adhere to the agreed rates and rules for all cargo carried by them within the scope of this Agreement and to bind their agents to also so adhere.

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SIGNATURE PAGE

EXECUTION OF AGREEMENT

Wherefore, the Parties have caused this Agreement to be executed by their duly authorized representatives as witnessed below.

A.P. MOLLER-MAERSK A/S
Trading under the name of Maersk Line

By: _____

Name: Wayne Rohde

Title: Attorney-in-Fact

AMERICAN PRESIDENT LINES, LTD.

By: _____

Name: Wayne Rohde

Title: Attorney-in-Fact

ZIM INTEGRATED SHIPPING SERVICES, LTD.

By: _____

Name: Wayne Rohde

Title: Attorney-in-Fact

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