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HMM/ZIM
SLOT EXCHANGE AGREEMENT

A Cooperative Working Agreement

FMC Agreement No. **012412-001**

Expiration Date: None

This Agreement has not been published previously.

FMC Agreement No.: 012412-001 Effective Date: Wednesday, October 12, 2016
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ARTICLE 1: NAME OF THE AGREEMENT

The name of this agreement is the HMM/Zim Slot Exchange Agreement (the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of the Agreement is to authorise the parties to exchange slots on their respective services in the Trade (as hereinafter defined).

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to the Agreement are as follows:

Hyundai Merchant Marine Co., Ltd. ("HMM")

Address: 194, Yulgok-ro, Jongno-gu,
Seoul 110-754, Korea

ZIM Integrated Shipping Services, Ltd. ("ZIM")

Address: 9 Andrei Sakharov Street
"Matam" – Scientific Industries Center
P.O.B. 1723
Haifa, 3101601, Israel

HMM and ZIM are sometimes referred to individually as a "Party" and jointly as the "Parties."

ARTICLE 4: GEOGRAPHIC SCOPE

The scope of the Agreement shall be the trade between ports of the People's Republic of China (including Hong Kong), the Republic of Korea (South Korea), Panama, and the United States East Coast.

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ARTICLE 5: OVERVIEW OF AGREEMENT AUTHORITY

5.1. Slot Exchange

(a) HMM shall initially provide ZIM with minimum 150 TEUs/1,425 DWT, @9.5tons/TEU weekly on its Pacific Atlantic 2 (PA2) Service.

(b) ZIM shall initially provide HMM with minimum 150 TEUs/1,425 DWT, @9.5tons/TEU weekly on its ZIM Container Service Pacific (ZCP)service.

(c) The preceding allocations shall be on a weekly round trip voyage basis.

(d) The Parties reserve the right to increase the number of slots sold purchased and/or exchanged up to an amount of 300 TEUs / 2,850 tons DWT @ 9.5tons/TEU as the Parties may agree without the need for further amendment of this Agreement. The Parties are authorized to buy/sell additional slots from/to one another on an *ad hoc* basis, subject to space availability.

(e) The Parties may use slots made available to them under this Agreement to transport transhipment cargo moving from origins and/or to destinations beyond the geographic scope of this Agreement.

(f) Neither Party may sub-charter space made available to it hereunder to another carrier without the prior written consent of the other Party.

5.2. Vessel Schedules

Each Party providing space hereunder shall keep the other Party advised of its vessel scheduling, and shall provide not less than thirty (30) days advance written

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notice of any permanent change in port calls, port rotation, or other changes in its service(s). If a Party structurally modify its service and the other Party is of the opinion that such modification is or may be detrimental to its use of the space chartered, the Parties shall discuss the modification and changes (if any) to this Agreement. If the Parties do not reach an agreement, then the Slot receiving Party may terminate the Agreement upon 30 days written notice. For purposes of this subsection "detrimental" shall mean loss of port call that is significant to the Slot receiving Party, or a material impact to the service quality caused by the structural change in the rotation including change in transit time. Both Parties may without amendment to this Agreement by mutual agreement make changes due to the modification of the services.

5.3. Terminals and Stevedores

The Parties are authorized to discuss and agree on the joint and/or individual negotiation of appropriate contracts with terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo, such as overtime and stand-by time.

5.4 Operational and Administrative Matters

The Parties may discuss and agree upon general administrative matters related to the implementation of this Agreement as may be necessary or convenient from time to time including, but not limited to, performance and payment procedures, recordkeeping, responsibility for loss or damage, insurance, liabilities, claims, indemnifications, consequences for delays, force majeure, settlement of claims, and treatment of dangerous and hazardous cargoes.

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5.5 Each Party shall operate under its own name, issue its own bill of lading, publish its own tariff and shall collect its own freights. Nothing in this Agreement shall constitute a partnership, association or joint venture.

5.6 Further Agreements

Pursuant to 46 C.F.R. §535.408(b), any further agreement between the Parties, other than those concerning routine operational and administrative matters, will not be implemented unless such agreement has been filed and become effective under the Shipping Act of 1984, as amended.

ARTICLE 6: ADMINISTRATION AND DELEGATION OF AUTHORITY

6.1 This Agreement shall be administered and implemented by meetings, decisions, memoranda and communications between the Parties.

6.2 The following individuals shall have the authority to file this Agreement and any modifications thereto with the Federal Maritime Commission, as well as the authority to delegate same:

(a) Any authorised officer of each of the Parties; and

(b) Legal counsel for each of the Parties.

ARTICLE 7: EFFECTIVENESS, DURATION AND TERMINATION

7.1 This Agreement will take effect when effective in accordance with the provisions of the Shipping Act of 1984, as amended, and will be implemented from the first sailing due to commence loading thereafter.

7.2 The Agreement will continue indefinitely, but either Party may withdraw from this Agreement by giving three (3) months written notice of

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withdrawal; provided however, that no such notice may be given before December 31st, 2016 and may not become effective prior to March 31st , 2017.

7.3 Notwithstanding Articles 7.1 and 7.2 above, if at any time during the term of the Agreement there shall be a change in the control or a material change in the ownership of a Party and the other Party is of the opinion arrived at in good faith that such change is likely to materially prejudice the cohesion or viability of the Agreement, then the other Party may within three months of the coming into effect of such change terminate the Agreement on not less than three months written notice. For purposes of this Article 7.3 a change in the control or material change in the ownership of a Party shall not include any change of holding in the framework of a financial restructuring whereby shares are transferred and/or allocated to any third party, and any sale or transfer of shares by the shareholders thereafter (excluding to a container Liner operator).

7.4 Notwithstanding Articles 7.1 and 7.2 above, if at any time during the term of the Agreement a Party should become bankrupt or declare insolvency or have a receiving order made against it, suspend payments, or continue its business under a receiver for the benefit of any of its creditors, or if a petition is presented or a meeting convened for the purpose of considering a resolution, or other steps are taken, for the winding-up of the Party (otherwise than for the purposes of and followed by a resolution previously approved in writing by the other Party), or any event similar to any of the above shall occur under the laws of the Party's country of incorporation, then the other Party may terminate the Agreement with immediate effect.

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ARTICLE 8: ASSIGNMENT

Neither Party may assign all or part of its rights and obligations under this Agreement without the written consent of the other Party.

ARTICLE 9: LAW AND ARBITRATION

9.1 This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Article 9.

9.2 The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.

9.3 The reference shall be to three arbitrators. A Party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other Party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other Party appoints its own arbitrator and given notice that it has does so within the 14 days specified. If the other Party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the Party referring a dispute to arbitration may, without the requirement of any further, prior notice to the other Party, appoint its arbitrator as Sole Arbitrator and shall advise the other Party accordingly. The

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award of a sole arbitrator shall be binding on both Parties as if he had been appointed by agreement.

9.4 Nothing herein shall prevent the Parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator. In cases where neither the claim nor any counterclaim exceeds the sum of US$ 100,000.00 (or such other sum as the Parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

9.5 Notwithstanding the above, the Parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Agreement.

ARTICLE 10: LANGUAGE

This Agreement and all notices, communications or other writing shall be in the English language and no Party shall have any obligation to translate such matter into any other language. The wording in the English language shall prevail.

ARTICLE 11: NOTICES

Any notice or other communication which one Party hereto may require to give or to make to the other under the Agreement shall, unless otherwise specifically provided herein, be written in English and sent by mail or email with copy by mail, to the points of entry and addresses of the other Party as designated from time to time.

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ARTICLE 12: ENFORCEABILITY

If any provisions of any clause in the Agreement, as presently stated or later amended or adopted, shall be held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then this Agreement shall be invalid only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

ARTICLE 13: DISCLAIMER OF PARTNERSHIP

This Agreement is not intended to create a partnership or joint liability under any jurisdiction.

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SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be amended and restated by their duly authorized representatives as of this ___ day of August, 2016 and to file same with the U.S. Federal Maritime Commission.

HYUNDAI MERCHANT MARINE CO. LTD.

By: _____

Name: Ted Song

Title: Head of Alliance Management Team

ZIM INTEGRATED SHIPPING SERVICES, LTD.

By: _____

Name: Mark E. Newcomb

Title: Counsel & Vice President

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By: _____

Name: Mark E. Newcomb

Title: Counsel & Vice President

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Appendix 1

Cross Slot Charterparty

dated

between

(1) .....

(Disponent) Owner of the Ship .....
being at the date of this charter classed .....
and having a container carrying capacity of .....
which Owner undertakes to maintain throughout the term of this Charterparty

(hereinafter called "the Owner")

and

(2) .....

(hereinafter called "the Charterer")

1. DEFINITIONS

"Carrier" means the Line identified in the Transport Document as responsible for the carriage of the Charterer's Goods or Other Goods. In the case of the Charterer's Goods the Carrier shall be deemed to be the Charterer and no other party. In the case of Other Goods the Carrier shall be deemed to be the Line which utilises or sub-lets the Slot and no other party.

"Charterer" shall have the meaning as defined above.

"Charterer's Goods" means the whole or any part of the cargo received from the Charterer and any container including an empty container whether or not the container is owned or hired by the Charterer and any cargo and/or container including an empty container occupying a slot used or sub-let by the Charterer for the Voyage.

"Charterparty" means this Slot Charterparty

"Hague Rules" means the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25th August, 1924.

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"Hague-Visby Rules" means the Protocol to amend The International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25th August, 1924. – Brussels, 23rd February, 1968.

"Institute Warranty Limits" means the maritime area within which a Vessel may operate with marine insurance cover.

"Other Goods" means the whole or any part of cargo received from any Line except the Charterer (but including the Owner) and any container including an empty container whether or not the container is owned or hired by that party and any cargo and/or container including an empty container occupying a Slot utilised by or sub-let by that Line (in respect of which that Line shall be the Carrier as above defined and the Principal Carrier pursuant to sub-Clause 21.2 of the Operating Agreement).

"Owner" shall have the meaning as defined above.

"Ship" means any ship sailing in any service operated by the Owner acting alone or in a group.

"Sub-contractor" includes direct and indirect sub-contractor and their respective servants and agents.

"Third Party" means any entity not being a party to this Slot Charterparty.

"Terminal Operator" means any independent contractor providing receiving, loading discharging, storage and delivery services at the scheduled port.

"Transport Document" means a document issued by a Carrier that evidences Carrier's receipt of Charterer's Goods or Other Goods and evidences or contains the Contract of Carriage. A Transport Document may be a Bill of Lading or a seaway Bill or a Booking Note or any other document intended to have contractual effect as or as evidence of the Contract of Carriage.

"Voyage" means the sailing of the Ship between ports for which the slot has been chartered by the Charterer from the Owner pursuant to this Charterparty.

It is agreed

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2. SLOT ALLOCATION AND PERIOD

The Owner lets and the Charterer hires for the carriage of goods and containers ..... slots (or more or less as may be agreed for each Voyage) on board the Ship from ..... and thereafter until terminated by separate agreement.

3. EMPLOYMENT

3.1 The Ship shall be employed only in lawful trades within the Institute Warranty Limits ("IWL") for the carriage of lawful goods and carried between good and safe ports where the Ship can safely lie always afloat. This clause shall not apply in case of breach of the Institute Warranty Limit due by any amendment made in relation with the war risk insurance cover. In such case the Owner is permitted to operate its ship outside the IWL subject to the Owners obtaining the consent of interested war risk insurers and paying any additional premiums required.

3.2 The cargo carried pursuant to this Charterparty shall comprise of properly packed and stowed goods in seaworthy containers of standard sizes and specifications, and empty containers of such sizes and specifications save that uncontainerised and out of gauge goods may be carried, but only with the prior consent of the Owner. If accepted such items shall be carried under the terms of this Charterparty but subject to such additional conditions as the Owner may require.

3.3 Charterer's Goods which are of a dangerous, inflammable, explosive, radio-active, obnoxious or damaging nature shall not be shipped pursuant to this Charterparty unless:

(a) prior written notice of their nature has been given to the Owner by or on behalf of the Charterer (including but not limited to particulars of the characters of the goods, the flash point, if any, the type of packing of the Charterer's Goods and any other information which the Owner may reasonably require); and

(b) the Owner has consented after receipt of such notice to accept those goods for shipment; and

(c) all the relevant requirements and recommendations of the International Maritime Organisation and the law and regulations in force in the country of registration of the Ship, the port of shipment, the port of discharge, any area through which the Ship may pass, and any scheduled port of call have been complied with by the Charterer; and

(d) the Charterer's Goods shall have been packed, labelled and stowed within the containers and the containers have been labelled by the Charterer in

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accordance with such law, regulations, requirements or recommendations, and in any event, so as to avoid such Charterer's Goods causing damage, injury or material discomfort to the Ship, crew and Other Goods and to any other property or person.

Live animals shall not be shipped pursuant to this Charterparty except by special arrangement with the Owner and then on no liability terms for the Owner.

3.4 If the requirements of sub-clauses 3.1, 3.2 and 3.3 are not complied with by the Charterer, the Charterer shall be responsible to the Owner against all loss, damage or expense arising out of the Charterer's Goods being tendered for shipment or being handled or carried by the Owner pursuant to this Charterparty.

3.5 Further, if in breach of sub-clause 3.3 Charterer's Goods of an inflammable, explosive, radioactive, obnoxious, damaging, injurious or dangerous nature are shipped whereof the Owner they may at any time before discharge be landed at any place or destroyed or rendered innocuous by the Owner without compensation.

3.6 Even if Charterer's Goods are shipped with Owner's knowledge and consent pursuant to sub-clause 3.3, should the same become a danger to the Ship or Other Goods, they may in like manner be landed at any place or destroyed or rendered innocuous by the Owner .

4. REMUNERATION

The Owner shall be remunerated in accordance with provisions from time to time to be separately agreed or in default of agreement shall receive such remuneration as shall be fair and reasonable.

5. OWNER'S EXPENSES

The Owner shall pay all wages, insurance premiums, charges, dues, taxes, agencies, commissions, fees and all other expenses whatsoever incurred in connection with the operation of the Ship.

6. VOYAGE AND DESTINATION

6.1 The itinerary of each Voyage shall be mutually agreed between the Owner and the Charterer or, in default of agreement, the Owner shall advise the Charterer as soon as possible together with prompt notification of any updates thereto.

6.2 The Owner shall be entitled to exercise the liberties to deviate provided in the said Hague-Visby Rules at any time without prior notice to the Charterer. However, if during the course of a voyage the Owner should deviate in circumstances which under the Hague-Visby Rules do not permit the Owner to deviate, the Owner shall be responsible for any liability thereby incurred, unless the Owner shall have

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obtained the prior consent of the Charterer to such deviation, in which case this indemnity shall not apply.

6.3 Subject as may be otherwise agreed, the Owner shall have the liberty to take the Ship out of service for maintenance and repairs subject to proper replacement vessel being phased in, or suitable settlement being agreed with the Charterer. In arranging such periods the Owner will take account of the Charterer's requirements so far as is possible.

7. OPENING CONTAINERS

7.1 The Owner shall be entitled at any time (but under no obligation) to open any container or package and to inspect the contents at the Owner's expense and shall promptly notify the Charterer if they do so. Where possible the Charterer shall be advised in advance so that they can attend such opening of container or package.

7.2 Containers opened must be properly closed and sealed and records maintained which must be available to the Charterer. The Owner must advise the Charterer promptly in writing of the replacement seal number. The Owner shall bear the cost of closing and re-sealing, save if the inspection of the contents of the container shows a discrepancy with the Charterers' Transport Document, when the Charterer shall be responsible in the first instance for the closing and resealing costs without prejudice to the Charterers' right to claim reimbursement of the same plus any other costs and expenses from those interested in the Goods.

7.3 If opening of any Container is the result of a request by Customs or other authorities then the costs of such opening and resealing shall be for the Charterer in the first instance, without prejudice to the Charterer's right to claim reimbursement of the same plus any other costs and expenses from those interested in the Goods.

8. ACCESS TO LOGS

8.1 The Master and Engineer shall keep full and correct logs and adequate records concerning the care and condition of the containers and the Charterer's Goods and all logs and records relevant to the Voyage, the containers, the Charterer's Goods and, if reasonably required, Other Goods shall be accessible to the Charterer who shall also be entitled to copy the same. If the Owner is not the registered owner of the Ship, the Owner shall ensure that such a similar provision is included in the Charterparty or contract between the Owner and the party from whom the Owner charters the Ship and shall use best reasonable endeavours to assist the Charterer to obtain all such logs and records relevant to the defence of the case.

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8.2 The Owner will co-operate with the Charterer to assist them to identify witnesses including but not limited to Ship's witnesses and obtain statements and other necessary evidence in respect of any incident during the currency of this Charterparty which gives rise to a claim against the Charterer.

9. LIABILITY REGIME - GENERAL

The liability regime under this Charterparty is intended to be a fair and reasonable allocation of responsibilities between the Owner and the Charterer. Subject always to the specific provisions as more fully set out below: the Charterer shall be responsible for and in the first instance shall deal with all claims made by those interested in Charterer's Goods and with all claims caused by Charterer's Goods, while the Owner shall be responsible for and in the first instance shall deal with all loss and damage caused by the Ship and/or by Other Goods to the Charterer and/or to Charterer's Goods and shall deal with any claims made by those interested in Other Goods (including those made under Owner's Transport Documents) not caused by Charterer's Goods.

10. OWNER'S LIABILITIES & OBLIGATIONS

10.1 The Owner will be responsible for the seaworthiness of the Ship in accordance with Article III Rule 1 and Article IV Rule 1 of the Hague-Visby Rules as scheduled to the Carriage of Goods by Sea Act 1971, and subject thereto shall be entitled to the rights and immunities set out in Article IV Rules 2, 4 and 6 of the Hague-Visby Rules for all purposes in connection with this Charterparty.

10.2 Subject to sub-clause 10.1, the Owner will be responsible for the proper and careful carriage, custody and care of the Charterer's Goods whilst on board the Ship and for unsecuring and discharging Charterer's Goods at a port of refuge and for unsecuring, discharging, handling and storing Charterer's Goods discharged solely in order to be reloaded or in order to load or discharge Other Goods and for re-loading, re-stowing and re-securing the same provided that any such temporary discharge of the Charterer's Goods is not undertaken at the specific request of the Charterer.

10.3 The Owner will be responsible for the Owner's Stevedoring Operations as defined in sub-clause 14 (ii). Should Charterer's Goods be damaged, lost or delayed by, or should any personal injury or death result from, any of the Owner's Stevedoring Operations then the Owner shall be solely responsible therefor and shall indemnify and hold the Charterer harmless in respect of any claim, including any third party claim, made against the Charterer in respect thereof.

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10.4 Subject to sub-clause 10.1, the Owner shall be responsible for the provision of:

(a) Adequate electrical power, and sufficient ventilation if under-deck stowage is provided

(b) A supply of refrigerant gas of the type and number specified by the manufacturer and in accordance with the Joint Working Procedure in place, and

(c) A supply of the recommended lubricating oil, and

(d) Plugging or unplugging, and

(e) Plugs and cables

to integrated refrigerated containers and actively ventilated containers (collectively "Mechanical Containers") containing Charterer's Goods shipped on the Ship.

10.5 The Owner shall use all reasonable endeavours to monitor and record the performance of all Mechanical Containers whilst on board the Ship and to the extent the Owner has the necessary resources (including spare parts etc.) on board in order to repair and rectify any breakdown, default or deficiency which may occur in any Mechanical Containers using the resources on board the Ship as set out in detail in the Joint Working Procedure. The Owner shall keep a limited number of spares on board the Ship to carry out repairs. If the spares on board the Ship are insufficient the Owner, in consultation with and at the expense of the Charterer, shall use all reasonable endeavours promptly to obtain any required spares or the assistance of a specialised refrigeration engineer to the extent as set out in detail in the Joint Working Procedure. The Owner shall be liable for any loss of or damage to Mechanical Containers or the Charterer's Goods therein arising out of any breakdown, fault or deficiency of its machinery but only for such proportion of the loss or damage as was caused directly by the failure of the Owner to comply with the terms of sub-clause 10.4 and/or this sub-clause.

10.6 The Owner shall indemnify the Charterer against any expense, liabilities, loss, damage, claims or demands which the Charterer may reasonably incur or suffer by reason of any failure by the Owner to comply with any notices of Customs, port and any other authorities, relevant laws, regulations, directions, sanctions, prohibitions and orders which relate to the Ship, its ownership, its flag, its crew and to any of the ports visited in the Service or by reason of any infestation, contamination or condemnation or damage or loss arising from any act, neglect or default of any party interested in any Other Goods carried on board the Ship other than Charterer's Goods.

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10.7 In the event of any loss or damage:

(i) caused to the Ship or to Other Goods other than by Charterer's Goods then these shall, for the purposes of this Charterparty, be the primary responsibility of the Owner who shall be obliged to seek recourse in relation thereto on its own behalf; and;

(ii) caused to Charterer's Goods carried on the Ship by Other Goods, carried under another Line's Transport Document, not being the Owner's Transport Document, then the Charterer shall be primarily responsible to seek recourse, on its own behalf from the responsible third party, including a Responsible Line if any as defined in the Operating Agreement; and

(iii) caused to Charterer's Goods carried on the Ship by Other Goods carried under the Owner's Transport Document then the Owner shall be responsible to Charterer and those interested in Charterers' Goods in respect of all loss, damage and expense incurred by each of them

11. CHARTERER'S LIABILITIES & OBLIGATIONS

11.1 In relation to Charterer's Transport Documents, the Charterer shall be primarily liable:

(i) as Carrier to those interested in Charterer's Goods but subject always to the Charterer's rights of recourse as more particularly set out in Clause 13 and

(ii) to the Owner for any loss or damage caused to the Ship or to Other Goods by Charterer's Goods as a result of an actionable fault or neglect of the Charterer or those interested in Charterer's Goods.

11.2 Any Transport Document issued by the Charterer must expressly identify the Charterer as the Carrier and shall contain a Paramount Clause incorporating the Hague or Hague-Visby Rules for the sea transportation period, the New Jason Clause and the Both-to-Blame Collision Clause. The Transport Document must not incorporate the Hamburg Rules nor any terms more onerous than those applied by the Hague or Hague-Visby Rules, nor should it provide for shipper's higher value declarations but must acknowledge that the Carrier has no knowledge of the value of the cargo, and shall in no circumstances provide a liability per package or unit of weight in excess of that applied by the 1979 Brussels Protocol to Article IV Rule 5(a) and 5(d) of the Hague-Visby Rules as to Special Drawing Right units of account. Although the Charterer gives no warranty or undertaking as to the efficacy of such Clauses, the Transport Document shall also include a Himalaya Clause or a Circular Indemnity Clause in favour of the Owner and any co-Charterer or Slot Charterer, their servants, agents and sub-contractors. The Charterer shall be obliged to issue a Transport Document which includes the above Clauses in respect of any

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Charterer's Goods occupying slots allocated to the Charterer and, as between the Owner and the Charterer, the Charterer shall be deemed in all cases for the purposes of this Charterparty to have issued such Transport Document.

11.3 Charterer's Transport Document shall provide for General Average to be adjusted and settled at any port or place at the option of the Charterer as the Carrier on terms no less beneficial than the York-Antwerp Rules 1994 but always excluding the York-Antwerp Rules 2004 which shall not be incorporated. Charterer's Transport Document shall provide that the Rules governing responsibility and provision for General Average shall apply to Charterer's Goods whether loaded on deck or under deck.

11.4 Charterer's Transport Document shall not create a contractual relationship between those interested in Charterer's Goods with the Master and/or with the Owner.

11.5 The Charterer shall process all claims made under its Transport Documents and shall defend or compromise any such claim as it may reasonably decide, when it shall fully satisfy any settlement agreed by it or any judgment entered against it. The Charterer shall keep the Owner fully and timely informed about the conduct of the claim and shall if reasonably possible seek the Owner's approval to any settlement in the event that a recourse claim against the Owner is contemplated.

11.6 If notwithstanding 11.1 above any party interested in or purporting to be interested in Charterer's Goods pursues a claim wholly or partly directly against the Owner then the Charterer, without prejudice to their rights of recourse under this Charterparty, will indemnify and hold the Owner harmless on the terms more particularly set out in this Clause 11.

11.6.1 Should notwithstanding sub-clause 11.5 those interested in Charterer's Goods threaten or commence proceedings in any competent jurisdiction against the Owner then, provided always the Owner provides prompt notice and full details of the same, the Charterer shall at its option either

(i) stand in the Owner's shoes when the Owner's liabilities and rights shall be transferred to and vest in the Charterer who shall take over and deal with the claim, when. the Owner will do all things reasonably necessary to assist the Charterer so to do, including but not limited to the provision of a Power of Attorney or other written authority, and all reasonable assistance as regards the provision of documents and evidence, whether written or oral, to enable the Charterer properly to defend the claim on the Owner's behalf or

(ii) require the Owner to defend the claim, and then bring a recourse action against the Charterer in respect of any legal or other fees that the Owner reasonably incurs for the proper defence of the claim, including funds required to be paid under a reasonable settlement or to satisfy any Final Judgment provided always the Charterer has been fully and timely informed about the conduct of the claim and has

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proved the steps taken by the Owner (such approval not to be unreasonably withheld.)

11.6.2 If notwithstanding the Owner's full compliance with 11.6.1 above the Charterer is unable to stand in the Owner's shoes for reasons beyond the Owner's control or should the Owner and the Charterer expressly agree on a case by case basis that the Owner shall itself defend the claim, the Owner is entitled to bring a recourse claim against the Charterer in respect of any legal or other fees the Owner reasonably incurs for the proper defence of the claim including funds required to be paid under a reasonable settlement of the claim or to satisfy any final Judgment provided always that the Charterer has been fully and timely informed about the conduct of the proceedings and has approved the steps taken by the Owner (such approval not to be unreasonably withheld).

11.7 Should the Ship or Other Goods be damaged, lost or delayed by, or should any personal injury or death result from, any of the Stevedoring Operations as defined in sub-clause 14 (i) then the Charterer shall be solely responsible therefore and shall indemnify and hold the Owner harmless in respect of any claim, including any third party claim, made against the Owner in respect thereof.

11.8 The Charterer shall indemnify the Owner against any expense, liabilities, loss, damage, claims or demands which the Owner may reasonably incur or suffer by reason of any failure by the Charterer to comply with any notices of Customs, port and any other authorities, relevant laws, regulations, directions, sanctions, prohibitions and orders which relate to the Charterer's obligations under this Charter, or by reason of any infestation, contamination or condemnation or damage or loss arising from any act, neglect or default of any party interested in Charterer's Goods carried on board the Ship.

12. OWNER'S RECOURSE RIGHTS AND OBLIGATIONS

12.1 If loss or damage is caused by reason of those matters set out in sub-clause 10.7 (i) above then this shall be the sole responsibility of the Owner who shall have no right of recourse against the Charterer in respect thereof under this Charterparty, but always without prejudice to any rights that the Owner may have as the Ship Operator against the Responsible Line under the Operating Agreement (including Appendix 5 Cross Slot Charterparty).

12.2 If loss or damage is caused to Charterer's Goods carried on the Ship by reason of those matters set out at sub-clause 10.7 (ii) then the Charterer shall on its own behalf seek recourse , from the Responsible Line as defined in Clause 20 of the Operating Agreement, but shall have no responsibility in respect of any damage to the Ship or to the Owner who alone shall be obliged to seek recourse in respect thereof from the responsible third party, including a Responsible Line if any as defined in the Operating Agreement; or

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12.3 If loss or damage is caused to Charterers' Goods carried on the Ship by reason of those matters set out at sub-Clause 10.7(iii) then the Owner shall have recourse action against the Charterer and those interested in Charterer's Goods being entitled to pursue recovery against each of them in respect of all loss, damage and expense incurred by each of them.

13. CHARTERER'S RECOURSE RIGHTS AND OBLIGATIONS

13.1 The Charterer's obligations at sub-clauses 11.5, 11.6 above and for the Stevedoring Operations at 14.(i) shall be its primary liability but shall always be strictly without prejudice to its right subsequently to obtain reimbursement or a contribution from the Owner of all sums properly paid and reasonably incurred by it whether on its own behalf or on behalf of the Owner in respect of the claim in the event that the liability that the Charterer has (or which it has assumed by virtue of its obligations to provide recourse to the Owner under sub-clause 11.6.) arises in whole or in part from a breach or breaches of Owner's liabilities under Clause 10 above or otherwise under this Charterparty.

13.2 The Charterer's rights of recovery under sub-clause 13.1 above shall also include Charterer's reasonable legal costs and disbursements and other expenses incurred in relation to its primary liability and also in obtaining a recovery from the Owner of any sums so paid.

13.3 The liability of the Owner to reimburse or make a contribution to the Charterer under sub-clause 13.1 above shall be back to back with and shall, save for the addition of those sums due to the Charterer pursuant to sub-clause 13.2 above, in no event exceed the primary liability (if any) of the Charterer for the claim under the Charterer's Transport Document and shall be subject always to the Charterer's compliance with its obligations under sub-clauses 11.2 and 11.4.

13.4 The liability of the Owner for any loss of or damage to or in connection with a container owned or hired or operated by the Charterer shall not in any event exceed the cost of repair or the market value of the container at the time of such loss or damage, whichever is the less, and the Owner and the Ship shall not in any event be liable for any damage to a container which does not exceed US$500 on any one voyage.

13.5 In the event that the Charterer is liable to the Owner or to a third party in relation to the Stevedoring Operations in accordance with sub-clause 11.6 the Owner shall use its best endeavours to assist the Charterer in relation to any recovery action the Charterer may have against the stevedores or the Terminal Operator including but not limited to the provision of relevant documentation and witness evidence, whether written or oral, and as necessary the assignment or other transfer of any rights that the Owner may have for the benefit of the Charterer in relation to such recourse claim.

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14. RESPONSIBILITY FOR STEVEDORES

The responsibilities of the Owner and the Charterer under this Charterparty for those functions of stevedores or a Terminal Operator as identified below shall be as follows:

(i) any loading, stowing, lashing, securing, unlashing, unsecuring and discharging operation undertaken by stevedores or the Terminal Operator at the loading and discharging ports identified in a Charterer's Transport Document shall be carried out as agents for and at the expense of and under the responsibility of the Charterer in respect of Charterer's Goods ("the Stevedoring Operations").

(ii) in all other cases the Stevedoring Operations shall be carried out by stevedores or the Terminal Operator as agents for and at the expense of and under the responsibility of the Owner ("the Owner's Stevedoring Operations").

15. ARREST

15.1 In the event that the Ship or other ship in the ownership, associated ownership or control of the Owner is arrested or otherwise detained as security for a claim by a party said to be interested in Charterer's Goods then the Owner shall provide its own security in such amount and on such terms as the Owner is able reasonably to negotiate or as the Owner is ordered by any Court or Tribunal of competent jurisdiction to provide, when the Charterer shall promptly provide counter-security either by way of a Club Letter or if that is not available by way of a bank guarantee or other security, in a form acceptable to the Owner on back-to-back terms in consideration of the Owner providing primary security.

15.2 In the event that the Ship is arrested or detained for security for any claim set out at sub-clause 10.7 above then the Owner shall promptly provide the same to procure the release of the Ship.

16. TIME BAR

16.1 The liabilities of the Owner under sub-clauses 10.1 – 10.7, 13.4 and 14(ii) shall be time barred absolutely 18 months after Charterer's Goods have been or in the case of non-delivery when Charterer's Goods should have been delivered or 30 months in the event of any claim which is brought under or subject to the Hamburg Rules. If the Charterer receives a claim for which it intends to seek recourse against the Owner, the 18 month period alternatively 30 month time bar periods as above shall still apply in the case of such recourse claim. Requests by the Charterer for extensions of time shall not be unreasonably refused..

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16.2 The liabilities of the Charterer under Clauses 11 and 14(i) shall be time barred absolutely 18 months after Charterer's Goods have been or in the case of non-delivery when Charterer's Goods should have been delivered or 30 months in the event of any claim which is brought under or subject to the Hamburg Rules. If the Owner receives a claim for which it intends to seek recourse against the Charterer, the 18 month period alternatively 30 month time bar periods as above shall still apply in the case of such recourse claim. Requests by the Owner for extensions of time shall not be unreasonably refused.

17. GENERAL RIGHT OF LIMITATION

Nothing in this Charterparty shall prejudice or deprive the Owner or the Charterer of their respective rights of limitation or exclusion of liability under any applicable or relevant law and/or international convention.

18. CUSTOMERS & SUB-CONTRACTORS

In this Charterparty customers shall include all parties who are comprised with the definition of Merchant as used in the Charterer's Transport Document and the expression "sub-contractor" shall include direct and indirect sub-contractors and their respective servants and agents.

19. GENERAL AVERAGE & SALVAGE SERVICES RECEIVED

19.1 General Average shall be adjusted at any port or place at the Owners option and shall be settled according to the York-Antwerp Rules 1994, (unless any subsequent modification thereto is approved by the CMI – excluding the modification of 2004 - , in which case such subsequent modification shall apply). The Owner's remuneration and the freight earned by the Charterer shall not contribute to General Average. The Owner authorises and empowers the Charterer to act as the agents of the Owner in the collection of General Average security. The Charterer will use its best endeavours to assist the Owner to obtain the contributions properly due to the Owner in respect of Charterer's Goods for which the Charterer is Carrier under a Transport Document as set out in more detail in clause 11 unless delivered to the consignee prior to notice being given by the Owner to the Charterer that General Average security is required.

Furthermore, the Charterer guarantees the contributions properly due to the Owner in respect of containers owned or hired by the Charterer.

19.2 In the event of the Ship needing to engage salvage services and, in order to secure the release of Charterer's Goods and containers for oncarriage, the Owner is required to give any undertaking to salvors to assist in the collection of security and not to release Charterer's Goods including containers until acceptable salvage security has been provided, the Charterer shall guarantee to the Owner that the requirements of

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such undertaking will be met in respect of containers owned, hired or operated by the Charterer and furthermore use its best endeavours to assist the Owner to obtain such undertaking in respect of Charterer's Goods for which the Charterer is the Carrier, provided that these requirements are notified to the Charterer prior to the delivery of the Charterer's Goods including containers to the Charterer.

19.3 In the event of a General Average situation arising at a port of refuge the Owner and the Charterer shall consult on the desirability and practicability of on-carriage under a non-separation agreement. The costs of such on-carriage recoverable within General Average as substituting expenses are for the account of the General Average community.

19.4 The Owner undertakes that his demands for General Average security and counter security for salvage (where clause 14.2 applies) shall be reasonable in the light of what is readily available at the destination port/place of delivery. If the Owner is unprepared to accept security offered he will accept and reimburse to the Charterer any storage costs which the Charterer, despite best endeavours, is unable to recover from his cargo interests.

20. SALVAGE

The Charterer shall be entitled to the percentage, as agreed for the Voyage under clause 2, of all salvage and assistance to other ships after deducting the Master's and crew's proportion and all legal and other expenses including a reasonable sum for the time lost in salvage and the cost of repairing damage incurred in the salvage to the extent not recoverable from hull insurers. The Charterer shall be bound by all measures taken by the Owner in order to secure payment of salvage and to fix its amount.

21. STOWAWAYS

Any fines, costs and losses incurred in respect of stowaways shall be for the Owner's account unless it can be proved that the means by which the stowaway gained access to the Ship was by hiding in the Charterer's Goods including containers prior to loading, in which case all such fines, costs and losses shall be for the Charterer's account, except to the extent that such fines, costs and losses have arisen as a result of unlawful conduct by the Master, officers or crew.

22. CONTRABAND AND DRUGS

In the event that contraband and or unmanifested drugs or goods are found to have been shipped as part of the Charterer's Goods including containers on board the Ship, any fines or imposts levied and legal and all other costs incurred, including but not limited to loss of time for the Ship shall be for the Charterer's account and the Charterer shall on demand provide reasonable security required to enable the Ship to sail. If it can be established that the presence of contraband and or unmanifested

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drugs or goods was due solely to the act neglect or default of the Owners their servants agents or sub-contractors such fines or imposts levied and all legal and other costs incurred shall be for the Owners account who shall, on demand, provide the security.

23. DECK CARRIAGE

23.1 Charterer's Goods in containers and Charterer's empty containers may be carried on deck and shall contribute in General Average whether carried on or under deck.

23.2 Charterer's Goods not in containers and Charterer's Goods stowed on flat racks may be carried on deck only with the mutual agreement of the Charterer and Owner in writing. The Owner shall not be bound to give such approval but in the event that it is given any loss or damage that arises solely because the carriage is on deck (but not otherwise) shall be at the Charterer's risk, responsibility and expense as between the Owner and the Charterer.

24. NON-ASSIGNMENT

Neither party shall assign this Charterparty without the prior written consent of the other, such consent not to be unreasonably withheld. The Charterer shall not sub-let any Slots or part thereof unless otherwise agreed.

25. MUTUAL EXEMPTION CLAUSE (Force Majeure)

25.1 Neither the Owner nor the Charterer shall be responsible for any loss or damage or delay or failure in performance under this Charterparty resulting from Act of God, the event of war, whether declared or not, hostilities or the imminence thereof, act of public enemies, arrest or restraint of princes, rulers or people, or compliance with any compulsorily applicable law or governmental directive, boycott against flag, political ban, terrorism, civil commotion, labour disputes, strikes, lock-outs or other events of a Force Majeure nature

25.2 Except as elsewhere provided neither the Owner nor the Charterer shall be responsible for any indirect or consequential loss, including but not limited to damage or decline in the market value of the Ship or Charterer's Goods during delays, loss of profit or loss of business opportunities in respect of any claim that the one may have against the other.

26. LAW AND ARBITRATION

26.1 This Slot Charterparty shall be governed by and construed in accordance with the laws of England.

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26.2 Any dispute arising out of or in connection with this Cross Slot Charterparty which cannot be amicably resolved shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification thereof. The arbitration shall be conducted in accordance with the London Maritime Arbitration Association (LMAA) Terms current at the time when the arbitration proceedings commence.

26.3 The reference shall be to three arbitrators. A Party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other Party requiring the other Party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other Party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other Party does not appoint its own arbitrator and give notice that it has done so within 14 days specified, the Party referring a dispute to arbitration may, without the requirement of any further prior notice to the other Party, appoint its arbitrator as sole arbitrator and shall advise the other Party accordingly. The award of a sole arbitrator shall be binding on both Parties as if he had been appointed by agreement.

26.4 The Parties further agree that where the amount in dispute is US$ 100.000 or less, the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time the arbitration proceedings commence.

26.5 For the purpose of this clause, a dispute shall consist of all claims and counter claims in respect of one occurrence or accident or series of occurrences or accidents arising out of one event.

26.6 Any interest awarded under this Clause shall be simple interest only.

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