RECEIVED
2015 APR 14 PM 12: 26
OFFICE OF THE SECRETARY
FEDERAL MARITIME COMM

Original Title Page

COSCON/"K" Line/WHL/WHS SPACE CHARTER AND SAILING AGREEMENT

FMC No. 012228-001

Second Edition

Expiration Date: Not applicable

EFFECTIVE
APR 14 2015
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017

TABLE OF CONTENTS

ARTICLE PAGE

1 - Full Name of the Agreement..... 3

2 – Purpose of the Agreement 3

3 – Parties to the Agreement 3

4 - Geographic Scope of the Agreement 3

5 – Overview of Agreement Authority 4

6 – Officials of the Agreement and Delegations of Authority..... 5

7 – Membership, Withdrawal, Readmission and Expulsion..... 5

8 – Voting 5

9 – Duration and Termination of the Agreement 5

Signature Page 6

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this agreement is the COSCON/"K" Line/ WHL/WHS Space Charter and Sailing Agreement (the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to permit the Parties (defined in Article 3) to charter space on vessels, coordinate their sailings, and cooperate in the carriage of cargo in the Trade (defined in Article 4).

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties ("Parties") to this Agreement are:

COSCO CONTAINER LINES COMPANY, LIMITED ("COSCON")
378, Da Ming Road (East)
Shanghai, The People's Republic of China

KAWASAKI KISEN KAISHA, LTD. ("'K' Line")
Iino Building
1-1, Uchisaiwaicho 2-chome, Chiyoda-ku
Tokyo, 100-8540 Japan

Wan Hai Lines Ltd. ("WHL")
10th Floor
136 Sung Chiang RoadTaipei, Taiwan R.O.C. ZIP: 104

Wan Hai Lines (Singapore) PTE Ltd.("WHS")
10 Hoe Chiang Road, #25-01
Keppel Towers
Singapore 089315

(WHL and WHS will operate as a single party for purposes of this Agreement, and will be referred to herein as "WHL")

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement covers the following geographic scope, including inland and coastal points, via direct service or transshipment, which shall be known as the "Trade":

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017

The People's Republic of China (including Hong Kong) and the Pacific Coast of the United States of America and Canada.

ARTICLE 5: OVERVIEW OF AGREEMENT AUTHORITY

5.1. The Parties are authorized to charter space in the Trade up to the full reach of a vessel, on vessels owned or chartered by any Party, or space available to a Party under an agreement with another carrier, on such terms and conditions as the Parties may agree. A Party will take slots in a service in proportion to the capacity it provides in that service, unless otherwise agreed by the Parties. A Party is authorized to transfer to another vessel operating common carrier slots that the transferring Party controls, so long as such transfer is authorized under the Shipping Act of 1984, as amended ("Shipping Act"). To facilitate efficient operations under this Agreement, the Parties may discuss and agree upon their space requirements and the availability of such space in vessels owned or chartered by the Parties, as well as arrangements for chartering vessels, coordination of sailings and port calls, the place and timing of the provision of space; procedures for booking space, for documentation, for special cargo handling instructions or requirements; all matters relating to the transshipment of cargo moving under this Agreement on vessels provided by the Parties or by other carriers; other administrative matters relating to chartering and transportation under this Agreement; and the terms and conditions for the use or interchange of equipment in the carriage of cargo in the Trade. Joint service is not authorized as defined by 46 CFR 535.104. The following vessels will initially be operated by the Parties in the Trade: four vessels from COSCON, two vessels from "K" Line, and one vessel from WHL, each with an approximate loadable capacity of between 7400 and 10000 TEU. The total deployment may be changed to between five and fifteen vessels and the TEU capacities of these vessels by up to fifty percent without amendment of this Agreement. A Party may withdraw its vessel(s) or resign from the Agreement per Article 7, and adjustments will be made among the remaining Parties to accommodate such changes, or the remaining Parties may agree to terminate this Agreement.

5.2. Compensation, billing and payment terms and conditions for space chartered pursuant to this Agreement shall be upon such terms and at such hire as the Parties may agree, including compensation in the form of space on the Parties' other services in the Trade.

5.3. The Parties are authorized to discuss and agree upon arrangements for the use of terminals in connection with the chartering of space, including entering into exclusive, preferential, or cooperative working arrangements with marine terminal operators and any person relating to marine terminal, stevedoring or other shoreside services. Nothing herein authorizes the Parties jointly to operate a marine terminal in the United States.

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017

RECEIVED
2015 JUL 17 PM 1:04
OFFICE OF THE SECRETARY
FEDERAL MARITIME COMM.

EFFECTIVE
JUL 17 2015

5.4. The Parties are authorized to exchange information on any matter within the scope of this Agreement and to reach agreement on any and all related administrative and operational functions including, but not limited to, forecasting, terminal operations, stowage planning, insurance, liability, cargo claims, indemnities, the terms of their respective bills of lading, failure to perform and force majeure.

5.5. The Parties are authorized to enter into agreements about routine operational or administrative matters to implement this Agreement. Any further agreement which does not concern operational or administrative matters shall not go into effect unless authorized by an agreement filed and effective under the Shipping Act.

5.6. A Party may discuss and agree on operational matters of common interest with any party to the COSCON/KL/YMUK/Hanjin/ELJSA Worldwide Slot Allocation and Sailing Agreement (FMC No. 012300), the "K" Line/WHL/WHS/PIL Space Charter and Sailing Agreement (FMC No. 012327), the PIL/MELL Space Charter and Sailing Agreement (FMC No. 012343), or any other operating agreement in which any Party participates, if such party is using a slot provided by such Party under this Agreement.

5.7. Wan Hai Lines Ltd. is the entity contractually responsible for this Agreement.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

The following shall have the authority to sign and file this Agreement with the Federal Maritime Commission and any modification and to delegate the same: (a) any authorized officer or official of a Party; and (b) legal counsel for a Party.

ARTICLE 7: MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION

Any Party may resign upon not less than sixty days' advance written notice to the other Parties.

ARTICLE 8: VOTING

Not applicable.

ARTICLE 9: DURATION AND TERMINATION OF THE AGREEMENT

This Agreement shall take effect on the date it becomes effective under the Shipping Act and shall remain in effect until terminated by mutual agreement of the Parties. The foregoing is without prejudice to any Party's remedies for breach of this Agreement.

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the ____ day of July, 2015.

COSCO CONTAINER LINES COMPANY, LIMITED.

By: _____
Name: Eric C. Jeffrey
Title: Legal counsel

KAWASAKI KISEN KAISHA, LTD.

By: _____
Name: Eric C. Jeffrey
Title: Legal counsel

WAN HAI LINES LTD.

By: _____
Name: Eric C. Jeffrey
Title: Legal counsel

WAN HAI LINES (SINGAPORE) PTE. LTD.

By: _____
Name: Eric C. Jeffrey
Title: Legal counsel

FMC Agreement No.: 012228-002 Effective Date: Friday, July 17, 2015
Downloaded from WWW.FMC.GOV on Thursday, April 27, 2017