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TITLE PAGE

AGREEMENT NAME	CCNI / FRONTIER LINER SERVICES SPACE CHARTER AND SAILING AGREEMENT
FMC NUMBER	011862
CLASSIFICATION	The generic classification of this Agreement in conformity with 46 C.F.R. $ 535.104 is a Space Charter Agreement.
DATE LAST REPUBLISHED	Not applicable
CURRENT EXPIRATION DATE	See Article 9

EFFECTIVE
SEP 22 2003
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

FMC Agreement No.: 011862 Effective Date: Monday, September 22, 2003
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ARTICLE 1 FULL NAME OF THE AGREEMENT

The full name of this Agreement is the COMPAÑÍA CHILENA DE NAVEGACIÓN INTEROCEÁNICA S.A. (CCNI) / FRONTIER LINER SERVICES, INC. (FRONTIER) Space Charter Agreement ("Agreement").

ARTICLE 2 PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to permit CCNI to charter space from FRONTIER and FRONTIER to charter space from CCNI for container cargoes.

ARTICLE 3 PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter "party" or "parties") are:

1) Compañía Chilena de Navegación Interoceánica S.A. ("CCNI")
Avda. Andres Bello 2687, Piso 17
Las Condes – Santiago, CHILE

2) FRONTIER LINER SERVICES, INC. ("FRONTIER")
8600 NW 53rd Terrace, Suite 204
Miami, Florida, 33166, USA

ARTICLE 4 GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of the Agreement shall cover the Trade between (I) the ports on the East Coast/Gulf of the United States, and (ii) ports in Central America, the Caribbean and North Coast of Colombia (hereinafter referred to as the "Trade").

ARTICLE 5 AGREEMENT AUTHORITY

1) Space Sale

a) The parties may consult and agree upon the charter space on vessels operated in the Trade. Such Space Charter shall be conducted on an as needed, as available, basis, to the extent space is available on vessels operating in the Trade. The parties may consult and agree on the terms and conditions of and relating to the sale of such space, including terms and conditions relating to the compensation to be paid for the space.

b) A party may not sub-charter to any third party any space the use of which has been granted to the other party under this Agreement.

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c) This Agreement shall cover stevedoring and terminal costs and all other cargo handling costs at the ports, which shall be the responsibility of each party. Cost for any storage whatsoever and costs for any drayage for cargo shipped shall be the responsibility and borne by party which issues the Bill of Lading.

2) **Efficient Use of Equipment, Terminals, Stevedores, Ports and Suppliers.**

The parties may jointly contract with or coordinate in contracting with stevedores, terminals, ports, and suppliers of equipment, land or services or may designate a party to provide such services on the designating party's behalf. This Agreement does not authorize joint operation of a marine terminal by the parties in the United States.

3) **Miscellaneous**

The parties may discuss and agree upon such general administrative matters and other terms and conditions concerning the implementation of this Agreement as may by necessary or convenient from time to time, including, but not limited to, their respective rights, change in ownership, insolvency, performance procedures and penalties, procedures for allocating space, forecasting, terminal operations, stowage planning, schedule adjustments, record-keeping, responsibility for loss or damage, the terms and conditions for force majeure relief, insurance, liabilities, claims, indemnification, consequences for delays, port omissions, documentation, joint negotiations, and treatment of hazardous and dangerous cargoes.

4) **Further Agreements**

Pursuant to 46 C.F.R. $ 535.407, any further agreement contemplated herein cannot go into effect unless filed and effective under the Shipping Act of 1984, as amended, except to the extent that such agreement concerns routine operational or administrative matters.

5) **Implementation**

The parties shall collectively implement this Agreement by meetings, writings, or other communications between them and make such other arrangements as may be necessary or appropriate to effectuate the purposes and provisions of this Agreement.

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ARTICLE 6 OFFICIALS AND DELEGATIONS OR AUTHORITY.

The following are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

a) Julio Osorio, General Manager, Frontier Liner Services, Inc., and / or

b) Legal Counsel for either party.

ARTICLE 7 MEMBERSHIP

Non applicable

ARTICLE 8 VOTING

All actions taken pursuant to this Agreement shall require unanimous agreement of the parties.

ARTICLE 9 DURATION AND TERMINATION OF AGREEMENT

This Agreement shall take effect on the date it becomes effective under the Shipping Act of 1984, as amended. This Agreement shall remain in effect until terminated by either party upon ninety (90) days' prior written notice to the other party. The Federal Maritime Commission shall be promptly notified in writing if this agreement is terminated.

ARTICLE 10 FORCE MAJEURE

10.1 Neither CCNI nor FRONTIER shall be deemed responsible with respect to its failure to perform any term or condition of this Agreement if such failure is due to an event beyond its reasonable control, such us, but not limited to, war, declared or undeclared; hostilities; warlike or belligerent acts or operations; piracy; riots; civil commotion or other disturbances; acts of God; blockade of port of place or interdict or prohibition of or restriction on commerce or trading; governmental action, including, but not limited to, quarantine, sanitary or other similar regulations or restrictions; strikes, lockouts or other labor troubles, whether partial or general and whether or not involving employees of CCNI or FRONTIER; shortage, absence or obstacles of labor or facilities for loading, discharge, delivery or other handling of the goods; epidemics or disease; or unusually severe weather which can cause operational hindrance.

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termination of such event causing a party's failure to perform its obligations under this Agreement, such party shall as soon as possible resume its performance of its obligations according to the terms and conditions of this Agreement.

ARTICLE 11 INSURANCE

For the duration of this Agreement, each party shall undertake to have valid P & I Insurance for all conventional P&I Risks with a club being a member of the International Groups of P&I Clubs. In the event the terms and conditions or the cover in general are materially amended, the affected party shall notify the other party without delay.

ARTICLE 12 NON-ASSIGNMENT

Neither party shall assign all or any part of its rights or delegate all or any part of its obligations under this Agreement to any other person or entity without the prior written consent of the other party.

ARTICLE 13 APPLICABLE LAW AND ARBITRATION

This Agreement shall be governed by and construed exclusively in accordance with the maritime laws of the United States and by the laws of the State of New York, to the exclusion of its rules on the conflict of law, which would refer the matter to the laws of another jurisdiction. However, nothing herein shall relieve the parties of their obligation to comply with the U.S. Shipping {Act of 1984, as amended. Except as otherwise agreed, all disputes in connection with this Agreement, which cannot be resolved amicably, shall be referred to arbitration in New York, and governed by the Rules of the Society of Marine Arbitrators, New York. A party must provide the other party at least sixty (60) days' notice of its intention to refer a matter to arbitration, specifying the nature of the controversy or claim. Such notice must be delivered in writing to the other party. The arbitration shall be referred to a single arbitrator to be appointed by agreement of the parties, or failing such agreement within fourteen (14) days of such reference, to three arbitrators. The party referring a matter to arbitration and the remaining party shall appoint one arbitrator each and the third arbitrator shall be appointed by the two arbitrators appointed by the parties. If the two selected arbitrators fail to appoint a third arbitrator within thirty (30) days after the request for arbitration such third arbitrator shall be selected and appointed by the Society of Marine Arbitrators, New York. The arbitrator(s) shall not have the power to award punitive or consequential damages. Unless agreed otherwise, all discovery and evidence pursued or submitted in connection with the arbitration shall be subject to the Federal Rules of Civil Procedure and the Federal Rules of Evidence. The parties agree to exclude any right of application or appeal to any courts in connection with any question of law arising in the course of such

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arbitration or with respect to any award made therein. Any arbitration award rendered will be final and binding upon the parties, shall not be subject to appeal, and may be enforced in any court of competent jurisdiction.

ARTICLE 14 COUNTERPARTS

This Agreement and any future amendment hereto may be executed in counterparts. Each such counterpart shall be deemed and original, and all together shall constitute one and the same agreement.

ARTICLE 15 SEPARATE IDENTITY

Each party shall retain its separate identity and shall have separate sales, pricing and, to the extent applicable, separate marketing functions. Each party shall issue its own Bills of Lading.

ARTICLE 16 NO AGENCY OR PARTNERSHIP

This Agreement does not create and shall not be interpreted as creating any partnership, joint venture or agency relationship between the parties, or any joint liability under the law of any jurisdiction.

ARTICLE 17 NOTICES

All notices required to be given in writing, unless otherwise specifically agreed, shall be sent by registered mail or courier service to the parties as set forth in Article 3 hereof.

ARTICLE 18 LANGUAGE

This Agreement and all notices, communications or other writings made in connection therewith shall be in the English language. Neither party shall have any obligation to translate such matter into any other language and the wording and meaning of any such matters in the English language shall govern and control.

ARTICLE 19 SEVERABILITY

If any provision of this Agreement, as presently stated or later amended is 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.

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ARTICLE 20 WAIVER

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement, or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against either party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

ARTICLE 21 AMENDMENT

Any modification or amendment of this Agreement must be in writing and signed by both Parties and may not be implemented until filed with the FMC and effective under the Shipping Act of 1984.

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SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly autorized officers or agents as of the 8th day of ~~May 2002.~~ August 2003

Compañía Chilena de Navegación Interoceánica S.A. (CCNI)

~~On behalf of~~

Name: John P. VARDA

Title : Attorney

FRONTIER LINER SERVICES, INC. (FRONTIER)

Name : Julio Osorio

Title : General Manager

EFFECTIVE SEP 22 2003