ARTICLE 1 - NAME OF AGREEMENT

The name of this Agreement is the "TRANS-PACIFIC AMERICAN FLAG BERTH OPERATORS AGREEMENT."

ARTICLE 2 - PURPOSE OF AGREEMENT

The purpose of this Agreement is to assist American Flag Berth Operators to establish and maintain efficient, reliable, stable and economic liner transportation services in the Trade.

ARTICLE 3 - PARTIES TO AGREEMENT

The parties to this Agreement are the following American Flag Berth Operators:

AMERICAN PRESIDENT LINES, LTD.
1800 Harrison Street
Oakland, CA 94612

SEA-LAND SERVICE, INC.
P.O. Box 800
Iselin, NJ 08830
ARTICLE 4 - GEOGRAPHIC SCOPE OF AGREEMENT

This Agreement covers the transportation of cargoes described in Article 5.1 on liner vessels, whether moving in all-water or intermodal service, direct or by transshipment, in the trades and various sub-trades (collectively, the "Trade") between ports and points in the United States, including Hawaii and Alaska, and its commonwealths, territories and possessions, and ports and points in Japan, Korea, Taiwan, Siberia USSR, the People's Republic of China, Hong Kong, Vietnam, Democratic Kampuchea (Cambodia), Thailand, Laos, the Republic of the Philippines, the Republic of Singapore, the Federation of Malaysia, the Sultanate of Brunei and the Republic of Indonesia.

ARTICLE 5 - AGREEMENT AUTHORITY

5.1 The parties may from time to time meet, discuss and agree upon rates, terms and conditions under which cargoes, including military household goods, and personal effects originating with the U.S. Department of Defense and moving under Department of Defense through Government bills of lading executed by truck lines, household goods movers, railroads and/or regulated or non-regulated freight forwarders operating under rate carriers and forwarders approved by the U.S. Department of Defense and service tenders approved by the parties in the Trade, and unaccompanied baggage, including privately owned passenger vehicles, motorcycles and boats (excluding yachts).