

Amendment 2 to the Vessel Sharing Agreement

Between Maersk A/S, COSCO Shipping Lines Co., Ltd and Ocean Network Express Pte. Ltd.

By this agreement (the "Amendment 2") the parties listed below agreed to vary the Vessel Sharing Agreement – North East Asia - Australia service (VSAHSCNYKMOL) finally registered on 23rd December 2015 (the "Agreement").

The Parties hereto are:

Maersk A/S ("MSK")

Esplanaden 50
1263 Copenhagen K
Denmark

COSCO Shipping Lines Co., Ltd ("COSCO")

No.378,
Dong Da Ming Road, Shanghai,
China

Ocean Network Express Pte. Ltd. ("ONE")

7 Straits View
#16-01 Marina One East Tower
Singapore 018936

Following the recent discussions, the Parties have agreed to amend the Agreement in accordance with the following terms:

1. **Appendix 5** includes the draft of the Vessel Sharing Agreement which amends and replaces the terms of the Agreement finally registered on the 23rd December 2015.
2. Commercial terms of the Agreement are amended and reflected under Schedule 3 to the Vessel Sharing Agreement (VSA) as follows:

Service Port Rotations (amends clause 4.1 of the Agreement)

Tokyo – Kobe – Pusan – Shanghai – Yantian – Hong Kong – Brisbane – Auckland–
Lyttelton – Napier – Tauranga – Tokyo

Commencement Date (amends clause 5.1 of the Agreement)

This Agreement will come into effect on the date of commencement of the following sailings ("**Commencement Date**"):

Vessel MAERSK GARONNE voyage 247S departing Tokyo on or about 15th of November 2022,

or on the date of departure of such other Vessel (or Vessels) as the Parties may agree.

Notwithstanding the above, the Commencement Date shall be subject to 72 days waiting period after filing with Registrar in Australia.

Vessel Provision (amends clause 7 of the Agreement)

The Parties shall deploy █ Vessels, as follows:

Vessel Provider	Vessel Provision	Percentage Provision of Capacity
MSK	█ Vessels	█%
COSCO	█ Vessels	█%
ONE	█ Vessels	█%

Vessel Capacity Description (amends clause 6 of the Agreement)

Each Party agrees and undertakes that each Vessel which it deploys in the Service shall meet the following requirements:

Nominal capacity: █ TEUs

Agreed declared capacity: █ TEUs/█ metric tons, at an average gross weight of █ metric tons per TEU. Any merit/demerit to be for the Vessel Provider's account, subject to the terms of this Agreement.

Agreed declared capacity of reefer plugs: █ for all Vessels. Any merit/demerit to be for the Vessel Provider's account, subject to the terms of this Agreement.

Basic Slot Allocation and Basic Reefer Allocation (amends clause 8 and Appendix 1 of the Agreement)

Each Party shall receive the following Basic Slot Allocation and Basic Reefer Allocation for each roundtrip voyage:

Party	Slot Allocation Share	Basic Slot Allocation	Basic Reefer Allocation
MSK	█%	█ TEUs / █ mtons (whichever is reached first)	█
COSCO	█%	█ TEUs / █ mtons (whichever is reached first)	█
ONE	█%	█ TEUs / █ mtons (whichever is reached first)	█

Average weight: █ mtons per TEU

Slot Cost (amends clause 9 and Appendix 2 of the Agreement)

Reefer Plugs

The Slot User shall pay a sum of USD █ per reefer plug when used above its Basic Reefer Allocation.

The Vessel Provider shall supply reefer kits for machinery types only as specified in the Joint Working Procedures. The cost of usage of these reefer kits as supplied by the Vessel Provider shall be for the account of the Slot User. The Slot User must supply the relevant reefer kits if it wishes to service units other than those specified in the Joint Working Procedures.

Slot Cost

The Parties agree on a Slot Cost in accordance with this paragraph to be used for the settlement of the unanimously agreed slot contribution imbalance (Structural Settlement) and for the settlement of space or weight in excess of a Slot User's Slot Allocation (Excess Settlement), as well as for compensation for port omissions and phasing-in delays. A detailed Slot Cost calculation is attached in Schedule 6 of the VSA.

Slot Cost Parameters

Slot Cost Parameters include the Daily Vessel Time Charter Hire (T/C), the Port Cost, the Fuel Consumption and the Fuel Price, subject to adjustment as per this paragraph.

Daily Vessel Time Charter Hire (T/C)

At the start of this Agreement, the agreed T/C is USD [REDACTED] per day.

The agreed T/C will remain fixed for 12 months. The Parties will review the T/C applicable to any and every 3 Cycles thereafter, minimum one month in advance, based on the actual charter market for the reference Type Ship, subject to a agreement on any change.

Port Costs

The Parties may review the Port Cost Standards/Parameters at any time, subject to unanimous agreement on any change. At the start of this Agreement, the agreed Port Cost is USD [REDACTED] and detailed in Schedule 6 of the VSA.

Fuel Consumption

Unless the Parties agree on Fuel Consumption tables shall remain in effect for the duration of the Agreement, and the round voyage fuel consumption shall only be adjusted following changes in the pro forma schedule. At the start of this Agreement, the agreed Bunker Consumption per R/V is [REDACTED] mtons for low sulfur fuel and detailed in Schedule 6 of the VSA.

Fuel Price

The Parties agree the reference port of bunkering for this Agreement is 100 pct. [REDACTED]. The price of bunkers used for the Slot Cost calculation per cycle shall be the average of all the published Platt's Bunkerwire marine fuel 0.5% (index MFHKD00) which will be monitored every Tuesday in this port for the preceding cycle.

Structural Slot Purchases

MSK shall purchase from COSCO per round-trip voyage [REDACTED] TEUs/[REDACTED] mtons on COSCO or ONE operated vessels and [REDACTED] TEUs/[REDACTED] mtons on MSK operated vessels, whether used or not used. COSCO shall provide and guarantee the availability of such space and weight to MSK. In addition, MSK shall purchase from ONE per round-trip voyage [REDACTED] TEUs/[REDACTED] mtons on all vessels, whether used or not used. ONE shall provide and guarantee the availability of such space and weight to MSK.

The price payable by MSK in consideration of such structural slot purchase shall be applied to Slot Cost described in paragraph 9 under Schedule 3.

3. The minimum level of services (Appendix 4) shall be amended as follows:

Appendix 4

Minimum Levels of service to be provided by North East Asia / Australia Service

1. **EXTENT OF UNDERTAKING TO PROVIDE MINIMUM LEVEL OF SERVICE**

With a view to providing adequate, economic and efficient shipping services, MSK, COSCO and ONE (the "Parties") agree, subject to the conditions set out in this Appendix, to provide the following minimum levels of service specified in Paragraph 3 of this Appendix.

2. **BASIS OF PROVIDING MINIMUM LEVEL OF SERVICES**

The minimum levels of service specified in Paragraph 3 of this Appendix are established having regard to the forecast operational conditions. In the event that any of these conditions change to a degree which could prevent the achievement by any Party of the specified minimum levels of service, the Parties have the right, with prior notice to the relevant Designated Shipper Body, to provide proportionately a lower level of service for a period not exceeding 90 days.

If the minimum levels of service specified in Paragraph 3 below is not amended in respect of minimum service levels within the 90 day period, the Parties would take whatever action is necessary to provide the minimum levels of service specified in paragraph 3.

3. **STATEMENT OF MINIMUM SERVICE LEVELS**

The minimum service levels for the purpose of this Agreement on the basis in Paragraph 2 above are as follows:

Minimum Capacity/sailings

The Parties to this Agreement collectively undertake to maintain sufficient vessels in the trade to provide 132,000 TEUs per annum including 2,000 TEUs for refrigerated cargo, and to provide 40 sailings per annum on a regular basis with sufficient container equipment that is in good order and condition:

Loading/discharge ports

Tokyo – Kobe – Pusan – Shanghai – Yantian – Hong Kong – Brisbane – Auckland – Lyttelton – Napier – Tauranga – Tokyo

4. **OTHER PORTS**

Other Ports of Loading or discharge may be included in a vessel's itinerary, or may be subject to centralization/decentralization arrangements according to cargo requirements. In such cases additional or on-carrying charges may apply.

5. **LIABILITY IN RESPECT OF CONTRACTUAL ARRANGEMENTS**

Parties in making this commitment do so without liability in respect of contractual arrangements with exporters other than those specified in the conditions of Bills of Lading, tariffs and other contracts of carriage, which apply.

6. **AMENDMENT**

This Appendix is subject to amendment by the Parties, after negotiation if required, with the relevant Designated Shipper Body.

VESSEL SHARING AGREEMENT

The "Agreement"

BETWEEN

MAERSK A/S

AND

OCEAN NETWORK EXPRESS PTE LTD

AND

COSCO Shipping Lines Co., Ltd.

TABLE OF CONTENTS

	<u>PAGE</u>
1.	Purpose of this Agreement..... 8
2.	Service..... 9
3.	Guarantee and Use of Allocations10
4.	Operational Responsibilities14
5.	Financial arrangements20
6.	Terminals21
7.	Liability23
8.	Force Majeure23
9.	Compliance with Laws24
10.	Effectiveness and duration of this Agreement.....24
11.	Separate Marketing and Commercial Relationships with Customers.....26
12.	Insurance26
13.	Confidentiality26
14.	International Safety Management (ISM) Code26
15.	Joint Working Procedures26
16.	Approval by Authorities27
17.	Notices.....27
18.	Variation, Waiver and Further Agreements.....27
19.	Conflict of terms.....27
20.	No Agency or Partnership27
21.	Assignment.....28
22.	Severance28
23.	Rights of Third Parties28
24.	Governing Law28
25.	Arbitration28
26.	Mediation29
Schedule 1	Pro Forma Schedule31
Schedule 2	Agreed Terminals32
Schedule 3	Slot Allocation and Charges33
Schedule 4	Cross Slot Charterparty37
Schedule 5	Common Terminal Charges52
Schedule 6	Slot Cost Calculation53

The Parties to this Agreement

Maersk A/S ("MSK")

Esplanaden 50
1263 Copenhagen K
Denmark

COSCO Shipping Lines Co., Ltd ("COSCO")

No.378,
Dong Da Ming Road, Shanghai,
China

Ocean Network Express Pte. Ltd. ("ONE")

7 Straits View
#16-01 Marina One East Tower
Singapore 018936

The Parties may also hereinafter individually be referred to as:

- a **"Party"** and/or,
- **"Vessel Provider"**, when the operator of the Vessel(s) and/or,
- **"Slot User"**, when taking space on a Vessel operated by another Party,

as the context shall determine.

1. PURPOSE OF THIS AGREEMENT

- 1.1. This Agreement, together with the Joint Working Procedures and Cross Slot Charter Party, sets out the terms governing the Parties' operation of a joint liner service, covering the trading route between ports in the North East & East Asia - Australia / New Zealand in which the Parties exchange container slots on their respective Vessels.
- 1.2. In this Agreement, the following terms and expressions shall have the meanings indicated below:

Affiliate	means, in relation to a body corporate, any subsidiary or holding company thereof and any subsidiary of any such holding company or any entity which controls, or is controlled by, or is under the common control of such body corporate. For these purposes, "control" means the power to direct or cause the direction of the management and policies of a company whether by ownership of a majority of the equity in such company, by contract or otherwise, and the terms "controlled by" and "under common control of" shall be construed accordingly;
Agreement	means this vessel sharing agreement between MSK, COSCO and ONE (excluding, for the purposes of this definition, Schedule 4 and the Joint Working Procedures);
Basic Slot Allocation	has the meaning given in Clause 2.4.1;
Basic Reefer Allocation	has the meaning given in Clause 2.4.1;
Commencement Date	has the meaning given in paragraph 2 of Schedule 3;

Container	means any standard ISO container full or empty;
Cross Slot Charter Party	means the cross slot charter party set out in Schedule 4;
Cycle	has the meaning given to it in Clause 5.3;
Force Majeure	has the meaning given to it in Clause 8;
Joint Working Procedures	means the joint working procedures which the Parties agree to adopt in connection with this Agreement;
Mtons	means metric tonnes;
Principal Carrier	means the Party which is the carrier of cargo in the Service pursuant to a bill of lading or any other contract of carriage issued by itself to cargo interests;
Pro Forma Schedule	means the pro forma schedule in Schedule 1;
Region	means the North East & East Asia and Oceania regions;
Service	means the service as described in Schedule 3 and as modified by agreement between the Parties from time to time;
Slot	means the space on a vessel required for the carriage of one standard ISO Twenty Foot Equivalent Unit (TEU);
Slot Allocation	means, in respect of a Party, its Basic Slot Allocation and Basic Reefer Allocation, as adjusted to reflect any acquisitions and disposals in accordance with Clauses 2.4.2 and 2.4.3;
Slot Cost	means the amount calculated in accordance with Schedule 3;
TEU	means twenty-foot equivalent unit;
Vessel	means a vessel operated in the Service in accordance with the terms of this Agreement; and
Working Day	means a day (other than a Saturday or Sunday) on which banks are open for general business in Copenhagen, Shanghai and Singapore.

2. SERVICE

2.1. Scope

The Agreement covers the Service and the ports set out in Schedule 1.

2.2. Vessels Provision

The Parties shall deploy six (6) Vessels, as more fully detailed in Schedule 3.

2.3. Vessels' Capacity Description

Each Party undertakes that each Vessel which it deploys in the Service as a Vessel Provider shall meet the requirements set out in Schedule 3 under the heading "Vessels' Capacity Description".

2.4. Allocations

2.4.1 Basic Slot Allocation and Basic Reefer Allocation

Each Party shall receive on each Vessel such number of Slots (the "**Basic Slot Allocation**") and such number of Reefer Plugs (the "**Basic Reefer Allocation**") as set out in Schedule 3.

2.4.2 Ad hoc purchase of Slot

A Party may acquire additional Slots from another Party at the price set out in Schedule 3 subject to the prior agreement of that other Party.

2.4.3 Structural purchases of Slots and/or reefer plugs

Details of structural purchases of Slots and/or reefer plugs between the Parties (if any) are as set out in Schedule 3.

2.5. Terminals

A list of agreed terminals is set out in Schedule 2.

3. GUARANTEE AND USE OF ALLOCATIONS

3.1. Guarantee by Vessel Provider of Slot Allocation

3.1.1 The Vessel Provider guarantees the availability of the Slot Allocation of the Slot User at all times during each voyage, even where this would result in a reduction in the Vessel Provider's Slot Allocation on the same voyage, save where a reduction in the Slots and/or reefer plugs available on a Vessel has been caused by a Force Majeure event and/or events which upon their occurrence are immediately and clearly attributable to the Slot User (without the need for expert, witness evidence), in which case the Parties shall share the Slots and reefer plugs which are available on the relevant Vessel in proportion to their respective Slot Allocations.

3.1.2 Subject to Clause 4.3 and 4.4, which set out the compensation regimes applying to Port Omissions and Shut Outs respectively, if the Vessel Provider fails to comply with Clause 3.1.1, it shall:

(a) make available to the Slot User, from its own Slot Allocation on the next Vessel in the Service, an equivalent number of Slots and/or reefer plugs to those which were not made available to the Slot User in accordance with Clause 3.1.1; or, if the Vessel Provider in its sole discretion so decides,

(b) pay the Slot User a sum equal to the Slot Cost multiplied by the number of such unavailable Slots or, alternatively, provide the Slot User with a combination of such monetary and space compensation.

3.1.3 Where the Vessel Provider is required to make Slots and/or reefer plugs available to the Slot User pursuant to Clause 3.1.2(a) or (b) but fails to do so in full, Clause 4.5 shall apply.

3.1.4 The Slot User may use the space made available under this Agreement for the carriage of cargo and Containers between ports in the same Region, provided that it does not exceed its Slot Allocation, subject to:

(a) operational constraints;

- (b) time constraints; and
- (c) applicable law.

3.2. **Restricted Weight Allocations**

- 3.2.1 Notwithstanding Clause 3.1.1 above, the Parties accept that certain ports in the Service may be affected by a draft restriction (permanent or temporary) which imposes a deadweight restriction on Vessels sailing to and from them. The Parties shall share any such deadweight restriction in proportion to their respective Slot Allocations on the relevant Vessel for arrival at or departure from the relevant port, unless otherwise agreed. The calculations of the impact of draft restrictions on the Parties' Slot Allocations will be performed by the Vessel Provider prior to the Vessel's arrival at the relevant port of call (and the Vessel Provider shall provide sufficient notice of these calculations to the Slot User to minimise such impact).
- 3.2.2 Details of the ports which are affected by draft restrictions (if any) are set out in Schedule 3.

3.3. **Excess Basic Slot Allocation**

- 3.3.1 If the Vessel Provider discovers that the Slot User has loaded in excess of its Slot Allocation (either in space or by weight) without the prior written consent of the Vessel Provider, the Vessel Provider may require the Slot User immediately to discharge cargo and Containers at that or any of the following ports until the Slot User is within its Slot Allocation, provided that (and only to the extent that) the Vessel Provider requires the space or weight used by such excess loadings for its own Containers. All costs, losses, expenses and delays whatsoever arising from such excess loadings and/or steps taken to reduce such excess loadings as may be required by the Vessel Provider, including for extra fuel to make up time lost as a result of such excess loadings, shall be for the account of the Slot User. For these purposes, the cost of the extra fuel shall be calculated by reference to the then current bunker price as determined under paragraph 9 of Schedule 3 and the other costs shall be calculated by reference to publicly available market rates or, where there is no publicly available market rate for the cost in question, the parties' reasonable determination of the then current market rate. No information that is commercially sensitive shall be disclosed.
- 3.3.2 The Vessel Provider may exceed its Slot Allocation free of charge (and without prejudice to the Slot User's payment obligations in respect of such Slots), provided that:
 - (a) such excess loadings are made within the additional capacity of the Vessel (good stowage); or
 - (b) such excess loadings are made within the unused space of the Slot User, provided that the Vessel Provider complies with its obligations in Clause 3.1.1. Slots shall be deemed to be unused by the Slot User if the Slot User has not tendered cargo for such Slots to the Vessel Provider's agent before the deadline as determined by reference to the Joint Working Procedures or, where no deadline is stated in the Joint Working Procedures, the relevant agent's general practice and operational procedures. Cargo may be accepted for shipment after this deadline at the sole discretion of the Vessel Provider or its agent.
- 3.3.3 The Slot User shall pay the Vessel Provider the amount set out in Schedule 3 for any excess loadings on board a Vessel.

3.4. **Applicable reefer surcharge**

The Slot User shall pay the Vessel Provider a reefer premium for each used plug above its Basic Reefer Allocation of the amount set out in Schedule 3.

3.5. **Cargo acceptance**

3.5.1 The Joint Working Procedures contain details of cargo which will not be accepted on Vessels.

3.5.2 The Slot User may load out of gauge cargo or break bulk cargo subject to the Vessel Provider's prior approval which may only be withheld or delayed by the Vessel Provider (acting reasonably) based on operational and stowage constraints.

3.5.3 Dangerous cargo may be accepted within each Party's Slot Allocation subject to:

(a) compliance with the Vessel Provider's procedures and policies in force from time to time; and

(b) suitable space being available to carry such cargo in accordance with all applicable legal requirements and those set out in the Joint Working Procedures.

3.5.4 In the event that suitable space for dangerous cargo on any Vessel is oversubscribed by the Parties, the Parties shall be entitled to load dangerous cargo in proportion to their Slot Allocations.

3.5.5 The Slot User must ensure that its dangerous cargo fully complies with all applicable international and national regulations. Any fine levied by a port or other authorities as a result of the Slot User's failure to comply with such applicable international or national regulations shall be for the account of the Slot User, together with any costs, losses and expenses of the Vessel Provider which are incurred thereby.

3.5.6 Where the Slot User's cargo or Containers cause any Slots to be unusable, the Slot User shall be deemed to have used all such Slots for the relevant voyage for the purposes of Clause 3.1.1 and, if applicable, Clause 3.3.

3.5.7 No IMO premium shall be payable.

3.6. **Space Accounting**

3.6.1 When calculating the usage of space by each Party on a Vessel, the ratios set out in Schedule 3 shall apply.

3.6.2 The number of TEU's used by out of gauge cargo shall be counted as one TEU for each TEU or part thereof actually used or that becomes unusable in consequence of the out of gauge cargo being loaded. Any extra costs incurred by the Vessel Provider to accommodate the Slot User's out of gauge cargo (including, without limitation, restowage or over-stowage) shall be for the Slot User's account. All lashing materials and securing costs are for the account of the Slot User.

3.7. **Sub-chartering of Slots**

3.7.1 Save as otherwise provided in this Agreement and subject to Clause 3.7.2, a Party may not sub-charter Slots and/or reefer plugs to any third party without

the prior written consent of all Parties. Any such third party must be a vessel operating carrier.

3.7.2 A Party may always sub-charter Slots and/or reefer plugs to its vessel operating Affiliates (as may change from time to time).

3.7.3 At the date of this Agreement, each Party declares the following entities as its vessel operating Affiliates:

MSK: Maersk A/S trading as Sealand Americas, Aliança Navegação e Logística Ltda, Sealand Maersk Asia Pte Ltd, Sealand Europe A/S, Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft A/S & Co KG

COSCO: OOCL (ASIA PACIFIC) LTD., New Golden Sea Shipping Pte. Ltd.

ONE: NIL

3.7.4 Where a Party sub-charters Slots and/or reefer plugs to an Affiliate, that Party:

(a) shall not permit the relevant Affiliate to sub-charter such Slots or reefer plugs to any other person without the prior written consent of all Parties; and

(b) shall terminate the sub-chartering arrangement immediately upon the sub-chartering party ceasing to be an Affiliate.

3.7.5 For the avoidance of doubt, the sub-chartering Party shall remain fully responsible and liable under the terms of this Agreement for any breach of its obligations in this Agreement regardless of whether such breach is committed by its Affiliate or any third party sub-chartering its Slots and/or reefer plugs, but any such breach will not constitute a material breach under Clause 10 where the sub-chartering Party has not acted recklessly in agreeing to sub-charter its Slots and/or reefer plugs to the relevant Affiliate or third party.

3.7.6 All sub-chartering entities shall be duly identified with their proper container operator codes on all loading lists and bay plans of all Vessels in all ports.

3.7.7 Upon the termination of an arrangement for the sub-chartering of Slots by a Party to a third party (other than its Affiliates), that Party shall offer the relevant Slots to the other Party, save to the extent that they are required for its own use.

3.8. **Qualifying Vessels**

3.8.1 Each Party shall ensure that at all times during the term of this Agreement each of its Vessels is:

(a) classed with a Classification Society which is a Member or Associate Member of the International Association of Classification Societies; and

(b) no more than 25 years of age.

3.8.2 Where a Party fails to provide a Vessel which satisfies each of the criteria in Clause 3.8.1, another Party shall be entitled to give one month's prior notice to terminate this Agreement.

4. OPERATIONAL RESPONSIBILITIES

4.1. Phasing-in / Phasing-Out of Vessels

- 4.1.1 A phase-in schedule or a phase-out schedule shall be prepared when a Vessel is introduced to, or withdrawn from, the Service.
- 4.1.2 The port at which a Vessel is planned to enter the Service under the relevant phase-in schedule shall be referred to as the phase-in port for that Vessel. All Vessels shall be phased into the Service at Pusan being the first Southbound port in the North East Asia (Region), unless otherwise agreed.
- 4.1.3 Subject to Clause 4.7, the Vessel Provider shall bear all direct transshipment costs of moving cargo and Containers from a Vessel being phased-out (whether pursuant to a vessel substitution or otherwise) to another Vessel, except that, in cases where the phasing-in or phasing-out of a Vessel is caused by a Force Majeure event the Slot User shall bear such direct transshipment costs to the extent that they relate to its own cargo and Containers. For the avoidance of doubt, the Vessel Provider shall not in any circumstances whatsoever be responsible for anything other than the direct transshipment costs which are incurred as a result of the phasing-in and/or phasing-out of a Vessel, as the case may be.
- 4.1.4 The relevant Vessel shall be considered to be committed to the Service as from the time and date stated in the relevant phase-in schedule.
- 4.1.5 Failure to provide the Vessel at the relevant phase-in port by the agreed phase-in date and time shall constitute a default by the relevant Vessel Provider and the following provisions shall apply:

(a) Delay of up to 3 days

If the Vessel is delivered up to 3 days later than the date and time stated in the relevant phase-in schedule, the defaulting Vessel Provider shall prepare a revised phase-in schedule for the relevant Vessel which will provide for the Vessel to arrive in the Oceania Region on her first round-trip voyage within the time period stated in the pro-forma schedule. The Slot User shall be compensated in accordance with Clause 4.3 or Clause 4.4 (as applicable) for any actions taken by the Vessel Provider for this purpose, including, without limitation, any port omission or cut and run, and all such actions shall be treated as non-excused for the purposes of these provisions.

(b) Delay of more than 3 days

If the Vessel is delivered more than 3 days later than the date and time stated in the relevant phase-in schedule, the defaulting Vessel Provider shall propose an alternative phase-in schedule which must revise the time and date of each port of call in such a way that would put the Vessel in compliance with its pro-forma schedule as soon as reasonably practicable and include a proposal for the replacement by the defaulting Vessel Provider of the Slots and reefer plugs which have been made unavailable to the Slot User by the Vessel Provider's failure to phase-in on time, either by providing a replacement vessel or by offering Slots and reefer plugs to enable the Slot User's cargo and Containers to be carried on similar services within 3 days of the agreed phase-in date. In the event that the Slot User does not agree to the alternative phase-in schedule (such agreement not to be unreasonably withheld or delayed), Clause 4.5 shall apply and, for these purposes, the Vessel

Provider shall be deemed not to have made available to the Slot User its full Slot Allocation for the relevant voyage.

4.2. **Schedule maintenance**

The Vessel Provider shall be responsible for compliance by its Vessels with the Pro Forma Schedule at all times, including by using additional bunker to speed up the Vessel where appropriate. No account shall be taken of any differences between the Pro Forma Schedule and the long term vessel schedule or the coastal schedule for the purposes of compliance with this obligation. The Slot User shall cooperate in good faith with the Vessel Provider in order to maintain the Pro Forma Schedule.

4.2.1 Permanent schedule adjustments

Notwithstanding the foregoing provision, where the Parties agree that it is not possible for the Vessels to adhere to the Pro Forma Schedule for reasons beyond their reasonable control, they shall use all reasonable endeavours to agree to a revised port rotation as soon as practicable, taking into account the legitimate interests of each Party. Notwithstanding, any permanent schedule adjustment must be unanimously agreed by all Parties.

4.2.2 Ad hoc schedule adjustments

- (a) If the Joint Working Procedures so require, the Vessel Provider shall promptly propose a rescheduling plan for the relevant Vessel for discussion with the Slot User, which may include one or more port omissions.
- (b) The Parties shall use all reasonable endeavours to reach agreement on ad hoc rescheduling matters. If the Parties do not reach agreement on such ad hoc rescheduling measures within a reasonable period of time, the Vessel Provider may, in its sole discretion, decide on the appropriate measures and, in doing so, shall endeavour to reduce the burden of such measures on each Party.
- (c) The apportionment of costs between the Parties in connection with any rescheduling measures shall be made in accordance with Clause 4.3 and/or Clause 4.4, as the case may be.

4.3. **Port Omissions**

4.3.1 Where the Vessel Provider demonstrates to the reasonable satisfaction of the Slot User that the omission of a port is required for any of the following reasons, the Vessel Provider shall have the right to discharge and unload the cargo and Containers on board the relevant Vessel at the nearest port of convenience which, so far as reasonably practicable, shall be a scheduled port on the Service (or such other port as is specified in a rescheduling plan prepared under Clause 4.2.2), and each Party shall be responsible for all costs incurred in respect of its Containers and cargo on board the affected Vessel and at the omitted port:

- (a) berth and/or port congestion at the omitted port which is reasonably anticipated to incur a delay of 48 hours or more; or
- (b) closure of the port, or lack of ability to operate the Vessel in the port due to (i) bad weather, (ii) strikes of service providers (such as pilots, tugs and stevedores) or (iii) the lack of terminal equipment due to breakdown or delay, which is reasonably anticipated to incur a delay of 48 hours or more; or

- (c) a lawful deviation made for the purpose of saving or attempting to save life or property at sea; or
- (d) a Force Majeure event; or
- (e) events which upon their occurrence are immediately and clearly attributable to the Slot User (without the need for expert, witness evidence).

4.3.2 The Vessel Provider shall promptly notify the Slot User of any of the above events and consult with the Slot User as to appropriate measures to be taken to minimise costs.

4.3.3 Unless the port omission is excused as per Clause 4.3.1, the Vessel Provider shall be responsible for the movement of cargo and Containers to and from the omitted port as follows:

- (a) by arranging for the transshipment, pre and on-carriage, which (at the option of the Vessel Provider) may be by means of the next Vessel in the Service, of all the Slot User's Containers loaded on board the affected Vessel and destined for the omitted port before the port omission was made; and
- (b) by compensating the Slot User for the Slots it would have used at the omitted port and, for this purpose, the Vessel Provider shall:
 - (i) make available to the Slot User, from its own Slot Allocation on the next Vessel in the Service, such number of Slots and reefer plugs which is equivalent to the average of the Slot User's last three liftings from that port; or, if the Vessel Provider in its sole discretion so decides,
 - (ii) pay the Slot User a sum equal to the Slot Cost multiplied by the number of such Slots or, alternatively, provide the Slot User with a combination of such monetary and space compensation

except that the Slot User shall not receive compensation for Slots and reefer plugs which it is deemed the Slot User would have filled at the omitted port to the extent that it has been able to utilise these Slots for other cargo and Containers before the Vessel's departure from the Region.

4.3.4 Where the Vessel Provider is required to make Slots and/or reefer plugs available to the Slot User pursuant to Clause 4.3.3 but fails to do so in full, Clause 4.5 shall apply.

4.4. **Shut Out of Containers**

4.4.1 Shut out of Containers due to the Vessel Provider's fault

Subject to Clause 4.4.2, When the Vessel Provider leaves on the quay some or all of the Slot User's Containers or cargo properly programmed for loading within the Vessel's call at the terminal, the Vessel Provider shall:

- (i) make available to the Slot User, from its own Slot Allocation on the next Vessel in the Service, such number of Slots and reefer plugs as is necessary for the carriage of such Containers and cargo; or, if the Vessel Provider in its sole discretion so decides,

- (ii) pay the Slot User a sum equal to the Slot Cost multiplied by the number of such Slots or, alternatively, provide the Slot User with a combination of such monetary and space compensation

except that the Slot User shall not receive compensation for Slots and reefer plugs which it is deemed the Slot User would have filled at the omitted port to the extent that it has been able to utilise these Slots for other cargo and Containers before the Vessel's departure from the Region.

If the Vessel Provider fails to provide for the carriage of any cargo or Containers in accordance with Clause 4.4.1, by making a sufficient number of Slots and reefer plugs available on the next Vessel in the Service, Clause 4.5 shall apply.

4.4.2 Shut out of Containers not due to the Vessel Provider's fault

When a shut out of Containers is caused by:

- (a) the omission of a port (in respect of which Clause 4.3 shall apply); or
- (b) a Force Majeure event; or
- (c) events which upon their occurrence are immediately and clearly attributable to the Slot User (without the need for expert, witness evidence) and/or imposed by a terminal

the Slot User will carry its shut out boxes within its own Slot Allocation on a subsequent sailing and the Slot User shall bear all additional expenses related to such shut out boxes.

4.4.3 The Vessel Provider shall without undue delay inform the Slot User if the relevant Vessel leaves a port for any reason before all of the Slot User's Containers and cargo which are programmed for loading have been loaded on the Vessel.

4.5. **Failure to Carry Cargo or Containers**

4.5.1 Where this Clause 4.5.1 is expressed to apply (but not otherwise), the Vessel Provider shall:

- (a) make available to the Slot User, from its own Slot Allocation on the next Vessel in the Service, an equivalent number of Slots and/or reefer plugs to those which were not made available to the Slot User in accordance with Clause 3.1.2, 3.1.3, 4.1.5(b), 4.3.3, 4.3.4, or 4.4.1 (as the case may be); or, if the Slot User in its sole discretion so decides,
- (b) pay the Slot User a sum equal to the Slot Cost multiplied by the number of such unavailable Slots; or, alternatively, provide the Slot User with a combination of such monetary and space compensation.

4.5.2 Where the Vessel Provider is required to make Slots and/or reefer plugs available to the Slot User pursuant to Clause 4.5.1 and fails to do so in full, Clause 4.5.1 shall apply *mutatis mutandis* in respect of the Slots and reefer plugs which were not made available to the Slot User. The Parties acknowledge that this Clause 4.5.2 may apply more than once in respect of the same cargo and Containers.

4.5.3 Without prejudice to the rights of the Slot User under the Cross Slot Charter Party, the Vessel Provider shall have no liability under this Agreement for failing to make available in whole or in part the Slot Allocation of the Slot User during any voyage other than the space and monetary compensation which is expressly provided for in Clauses 3.1.2, 3.1.3, 4.1.5(b), 4.3.3, 4.3.4, 4.4.1, and 4.5.

4.6. **Misdeclaration of Cargo Weight**

Each Party shall be responsible for ensuring the accuracy of its declared cargo weight. The Vessel Provider has the option to conduct a cargo weight survey at its own expense at any port if it so wishes. The cost of such cargo weight survey shall be borne by the Vessel Provider, except where the survey demonstrates that there has been a misdeclaration of weight by the Slot User, in which case the Slot User shall bear the cost of the survey.

4.7. **Vessel dry-dockings**

- (a) A Vessel Provider intending to dry dock a Vessel or to remove a vessel for a dry docking shall provide a minimum of 45 days prior notice to the Slot User.
- (b) Any extra transshipment and/or transfer incurred for long leg laden containers by programmed / periodical dry-docking shall be for the Vessel Provider's account. Notwithstanding the above, Line agree that, the Vessel Provider is entitled, after the Slot User consultation, to discharge Long Leg empty Containers at the most efficient/convenient call of the Service for the Slot User. Consultation referring to "as a permission from Slot User or bilateral agreement" that the Vessel Provider is "entitled" to proceed with the same, and in case there is no agreement, not to be unreasonably withheld, by the Slot User then Vessel Provider has to deliver the Long Leg empty Containers to their intended port of discharge.
- (c) On the introduction of a Vessel to the Service (on the Commencement Date or during the course of this Agreement), the Vessel Provider shall notify the Slot User of the Vessel's latest date of regular dry docking to be performed in accordance with the requirements of the charter party, the owner or the Vessel Provider, as the case may be.
- (d) The Parties shall use reasonable endeavours to plan their dry dockings during the slack season and otherwise in a way that avoids unnecessary disruption to the operation of the Service. The Parties shall, so far as possible, coordinate their planned dry dockings so as not to overlap with one another.

4.8. **Seasonal cancellations of sailings**

- 4.8.1 Seasonal cancellations shall be discussed beforehand between the Parties. A decision to initiate any such cancellation shall require the agreement of all Parties, which agreement may not be unreasonably withheld or delayed.
- 4.8.2 All additional costs arising from a seasonal cancellation shall be discussed as part of the seasonal cancellation program and shall be agreed in accordance with Clause 4.8.1 before any announcement is made of the cancellation of the relevant sailing.

4.9. Addition of ports

4.9.1 An ad hoc addition of a port of call may be made at the discretion of the Vessel Provider, provided always that such call has no effect on the schedule integrity of Vessels in the Service, including their normal transit times. In the event of an ad hoc addition of a port of call the Vessel Provider shall, from the point in time that the relevant Vessel leaves the scheduled port of call immediately prior to the ad hoc port call until such time as the Vessel is back on schedule as if that additional call had not taken place:

- (a) bear all risk in relation to such deviation;
- (b) be responsible for all costs which would not otherwise have been incurred; and
- (c) have exclusive rights of discharge/load at the additional port of call.

4.9.2 The Slot User may load and/or discharge cargo and Containers at an additional port of call with the prior consent of the Vessel Provider, and by so doing the Slot User affirms the ad hoc additional call and waives any right of action against the Vessel Provider under Clause 4.9.1(a) to 4.9.1(c) and the Slot User shares with the Vessel Provider all additional costs which are incurred in connection with such port call (including, without limitation, the port and fuel costs) in proportion to their respective number of moves. For these purposes, the cost of the extra fuel shall be calculated by reference to the then current bunker price as determined under paragraph 9 of Schedule 3 and the other costs shall be calculated by reference to publicly available market rates or, where there is no publicly available market rate for the cost in question, the Parties' reasonable determination of the then current market rate. No information that is commercially sensitive shall be disclosed.

4.10. Schedule reliability targets and measurements

4.10.1 The Vessel Provider shall be responsible for ensuring that the rate of compliance by its Vessels with the Pro Forma Schedule shall be a minimum of 90% in each calendar month. For this purpose:

- (a) schedule reliability is calculated by dividing the number of port calls performed 'on time' by each Vessel Provider during each calendar month by the total number of port calls set out in the Pro Forma Schedule for that month;
- (b) a port call is deemed to be performed 'on time' if the relevant Vessel arrives at berth less than 12 hours after its pro forma berth time;
- (c) if the Vessel arrives at berth earlier than its pro forma berth time, the port call is deemed to be performed 'on time';
- (d) the port call is not deemed to be performed 'on-time' if it is not performed due to the omission of the port;
- (e) inducement calls are included in the calculation of the compliance rate by Vessels and, notwithstanding anything to the contrary in this Clause 4.10, are always deemed to have been performed 'on-time';
- (f) where the Parties have agreed to the seasonal cancellation or holiday closure of a port of call before the commencement of a round-trip voyage, that port shall be disregarded from the calculation of the compliance rate by the Vessel; and

- (g) where the Parties have agreed before the commencement of a round-trip voyage to change the scheduled arrival time of a Vessel at a port of call due to pre-planned events (such as avoiding terminal holiday closures), the Vessel's actual arrival time at that port shall be measured against its adjusted expected arrival time.
- 4.10.2 In the event that the phase-out schedule for a Vessel would result in the replaced Vessel and/or replacement Vessel failing to perform any port calls on time, the relevant phase-out schedule shall be discussed and agreed prior to the start of the phasing-out voyage.
- 4.10.3 Each Vessel Provider shall obtain details of the performance of port calls by its Vessels on a daily basis. The Parties shall exchange schedule reliability statistics in respect of their Vessels on a monthly basis.
- 4.10.4 If a Vessel Provider performs below the agreed schedule reliability target of 90% in any calendar month, it shall promptly provide the other Party with a detailed action plan of the specific steps which it will take in order to fully restore schedule reliability. If a Vessel Provider's performance falls below the schedule reliability target of 90% for two consecutive months, the Parties shall meet to discuss what actions may be necessary in order to fully restore schedule reliability, including structural changes to the Pro Forma Schedule. If no agreement is reached at this meeting, the defaulting Party shall be deemed to be in material breach of this Agreement and, for the purposes of Clause 10.3, 30 days shall be deemed to be a reasonable period of time for the Vessel Provider to remedy such breach before the Slot User's termination right becomes exercisable.

5. **FINANCIAL ARRANGEMENTS**

5.1. **Operating Costs**

The Vessel Provider shall be solely responsible for settling with its contractors all amounts due and pertaining to the operation and maintenance of its Vessels including, without limitation, bunkers, port costs, husbanding and agency costs.

5.2. **Free-In-Out-Stowed**

The provision of services between the Parties is on a Free-In-Out-Stowed (FIOS) basis.

Save where this Agreement provides otherwise, the Slot User shall therefore bear and settle all expenses arising from the loading, discharging and handling of its cargo and Containers on to and from each Vessel and all those expenses incurred at the terminals and by stevedores.

Vessel Provider shall bear and settle all costs of loading, discharging and handling where they carry out an operational shifting or transshipment between the original port of loading and the final port of discharge, except in so far as the Vessel Provider can demonstrate the same arises from specific instructions of the Slot User or from any breach of their obligations under this Agreement.

5.3. **Contribution of slots**

5.3.1 Subject to Clause 5.3.2, in the event of any Slot contribution imbalance between the Parties (whether or not caused by an event of Force Majeure) at the time when all Vessels have completed a round-trip voyage (and at the time when they have all completed each subsequent round-trip voyage) (a "**Cycle**"), the under-provider shall offer Slots on other sailings to the over-provider or, if the under-provider so chooses, the under-provider shall make payments to the

over-provider of an amount equal to the Slot Cost multiplied by the number of Slots by which it is in under-provision.

- 5.3.2 Clause 5.3.1 shall not apply to the extent that a Slot contribution imbalance is caused or affected by the omission of a port, the shut out of containers or an agreed seasonal cancellation, which shall be subject to the provisions of Clause 4.3, 4.4 or 4.8 (as the case may be).

5.4. **Settlement of Slots**

5.4.1 A standard FIOS Slot Cost shall be used for the settlement of ad hoc and structural slot sales, excess loadings, compensation for port omissions and phasing-in delays and for any imbalance in the Parties' respective Slot contributions, in accordance with and subject to the terms of this Agreement.

5.4.2 The Slot Cost shall be calculated in accordance with Schedule 3.

5.5. **Invoicing**

5.5.1 Each Party shall issue an invoice with relevant supporting documentation to the other Party no later than five Working Days after the end of each month for any amounts which have become owing in that month by the other Party.

5.5.2 Amounts which are stated as owing in an invoice shall be paid no later than the last Working Day of the month in which the relevant invoice is issued, failing which interest shall be due on the overdue payment (both before and after any judgment or award) at a monthly rate of 1.5% accruing daily and compounded monthly.

5.5.3 A Party may in good faith dispute any part of an invoice within ten Working Days after the invoice has been received. Where a Party does so, but the Parties do not agree upon the matter in dispute, they shall attempt promptly and in good faith to resolve the disagreement, failing which the dispute resolution mechanism in Clauses 25 and 26 shall apply. Notwithstanding the foregoing, disputed portions of payments, together with undisputed portions, shall be paid in full on the due date pending resolution of such disagreement. Each Party waives and relinquishes any right of set-off or counterclaim which it may have in respect of the payment of any such amount.

5.5.4 All invoices shall be billed in United States Dollars.

6. **TERMINALS**

6.1. **Terminal selection**

6.1.1 A list of the selected terminals for the Service as at the date of this Agreement is set out in Schedule 2.

6.1.2 The appointment of any new terminals shall be subject to the agreement of the Parties on the basis of the selection criteria in Clause 6.1.3 (the "**Selection Criteria**"). Where more than one terminal satisfies each of the Selection Criteria, preference shall be given to the terminal in which a Party has a financial interest, whether direct or indirect through its Affiliates.

6.1.3 The Selection Criteria for terminals shall be based on independent and individual negotiated rates between each Party and the terminal and will include the following:

- (a) sufficient capabilities and capacity to effectively serve the deployed tonnage and the operational demands; or

- (b) good fit with network requirements; or
- (c) the level or standard of service quality; or
- (d) competitiveness of offered berth productivity in comparison with directly competing terminals; or
- (e) competitive rates in comparison with directly competing terminals, as determined by reference to a comparison between the base rate for equivalent products together with all additional charges and as verified by an independent third party (if requested by a Party).

6.1.4 Unless otherwise agreed, the Parties shall assess on an annual basis whether each terminal complies with the Selection Criteria. The first such assessment shall take place before the anniversary of this Agreement. For the purposes of Clause 6.2, the Parties agree that a terminal shall cease to be selected for the Service if it is in material or persistent breach of any of the Selection Criteria.

6.1.5 Each Party shall contract separately with the terminal suppliers, and shall ensure that these contractual arrangements may be terminated as a result of a material or persistent breach of any of the Selection Criteria.

6.2. **Change of Terminal**

Any change to the terminals selected for the Service shall be subject to the agreement of the Parties based on the Selection Criteria and the financial interests of the Parties in the relevant terminals in accordance with Clause 6.1.2.

6.3. **Terminal Charges**

6.3.1 The Parties shall settle certain terminal costs at each port (the "**Common Terminal Charges**") in proportion to their pro rata throughput in that port (which shall include any transshipment undertaken by a Party on behalf of another Party). Schedule 5 contains a table of the Common Terminal Charges.

6.3.2 The following shall apply in relation to terminal charges:

- (a) as terminal costs (other than the Common Terminal Charges) do not form part of this Agreement, the Slot User shall negotiate the terms of its terminal contracts separately with the relevant terminal operators;
- (b) the Slot Cost shall not cover stevedoring or other cargo handling or terminal costs and, save where this Agreement provides otherwise, the Slot User shall be responsible for the payment of all terminal costs related to the handling and storage of its cargo and Containers in accordance with its contracts with the terminal operators, including, without limitation, storage, plug-ins, re-nominations, documentation/administrative charges and custom clearance in conjunction with phase in/out, port omission and shut out of Containers;
- (c) use of hoot shifts shall always be subject to the prior consent of the Slot User in order to qualify as a Common Terminal Charge (which consent shall not be unreasonably withheld or delayed), save where the Vessel Provider is able to demonstrate to the reasonable satisfaction of the Slot User that the hoot shift assisted in bringing the Vessel back into schedule, in which case the cost shall be shared notwithstanding no prior consent;

- (d) shiftings of Containers (including hatchcover moves) shall be for the sole account of the Vessel Provider, unless they result from the direct request or operational requirements of the Slot User, in which case the Slot User shall be responsible for such costs; and
- (e) in the event that additional lashers are required other than in connection with the Slot User's cargo, the related costs shall be for the Vessel Provider's account. Vessel Providers will also be responsible for the cost incurred in respect of the plugging and unplugging of reefer plugs on board their Vessels.

7. LIABILITY

- 7.1. Without prejudice to their rights under the Cross Slot Charter Party, the Parties shall not be entitled to recover under this Agreement for any loss they suffer under their contracts of carriage with third parties or otherwise as a result of damage to or loss of cargo or Containers, Vessel, other equipment and/or personal injury.
- 7.2. Notwithstanding anything in this Agreement to the contrary, in no event shall a Party be liable to another Party for any indirect loss or loss of profits including, without limitation, loss or anticipated loss of product, business interruption, loss or anticipated loss of revenue, loss of use of any equipment (including the Vessel) or loss of any contract or other business opportunity.

8. FORCE MAJEURE

- 8.1. Notwithstanding anything in this Agreement to the contrary unless specifically stated to override Force Majeure, where the performance of a Party in whole or in part is prevented by an event of Force Majeure, meaning any circumstances beyond the reasonable control of a Party which, by the exercise of due diligence, such Party is unable to provide against, such as but not limited to war (whether declared or not), warlike or belligerent acts or operations, hostilities or the imminence thereof, act of public enemies, terrorism or terrorist acts, restraint of princes, rulers or people, or compliance with any compulsorily applicable law or governmental directive, boycott against flag, political ban, epidemic, quarantine restrictions, , act of God, strikes, lockouts, labour disputes, stoppages or unrest (whether or not involving the employees of the affected Party), invasion, rebellion or sabotage, piracy, or any other events whatsoever beyond the reasonable control of the affected Party, the performance of this Agreement by the affected Party, to the extent of the Force Majeure event and no more, shall be suspended without penalty or liability on the part of the affected Party (in whole or in part as appropriate) until such time as the performance thereof is again practicable, without prejudice to any rights, remedies, liabilities and obligations accrued up to the date of suspension. The Parties shall cooperate to ameliorate the effect of any such Force Majeure events. Should the entire performance of this Agreement be suspended or be reasonably anticipated to be suspended by reason of Force Majeure for a period exceeding two (2) calendar months from the date of commencement of such suspension, the non-affected Party will have a right to terminate this Agreement (together with all schedules hereto).
- 8.2. Upon the occurrence of an event of Force Majeure the Party seeking to rely upon it shall as soon as reasonably practicable after the occurrence of the event, but in any event within 24 hours, give notice to the other Party specifying the nature of the Force Majeure event and its effect upon the performance of this Agreement.
- 8.3. Any Party claiming an event of Force Majeure shall take all reasonable steps to minimise the consequences of such event on the performance of this Agreement.

9. **COMPLIANCE WITH LAWS**

- 9.1. The Parties shall comply with all applicable laws, rules, regulations, directives and orders issued by any authorities having jurisdiction in relation to this Agreement and the Cross Slot Charter Party, including, to the extent applicable, anti-bribery laws and regulations.
- 9.2. Each Party shall indemnify and hold the other Party harmless against any losses to the extent incurred as a result of any breach by the indemnifying Party of applicable economic sanctions laws and regulations including, without limitation, where these are incorporated within United Nations resolutions, European Union regulations, Swiss ordinances and US federal laws and regulations (the "**Sanctions Laws**").
- 9.3. Each Party warrants that neither it nor any of its affiliates, directors, officers, employees or agents is identified on the U.S. Treasury Department's list of specially Designated Nationals and Blocked Persons (the SDN List), or the Swiss, European Union or other sanctions lists. The SDN list can be accessed via following link: <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>.
- 9.4. The Vessel Provider covenants that none of its Vessels is identified or otherwise targeted, or owned and/or operated, by any person identified or otherwise targeted by the Sanctions Laws. Each Party covenants that no interest in its cargo and/or Containers carried on any Vessel is identified or otherwise targeted by the Sanctions Laws.

10. **EFFECTIVENESS AND DURATION OF THIS AGREEMENT**

- 10.1. This Agreement shall be subject to a minimum notice of termination by either side of 6 months. Unless otherwise agreed, this Agreement shall nevertheless remain in force until the completion of all roundtrip voyages which have commenced and not completed by the date of termination.
- 10.2. Notwithstanding the above, this Agreement may be terminated pursuant to the following provisions:
- 10.2.1 at any time, by unanimous agreement;
- 10.2.2 if, following the outbreak of war (whether declared or not) or hostilities or the imminence thereof, or riot, civil commotion, revolution or widespread terrorist activity, any Party, being of the opinion that the events will render the performance of the Agreement hazardous or wholly or substantially imperilled, can give one month prior notice to terminate the Agreement;
- 10.2.3 if, at any time during the term of this Agreement there is a Change of Control of a Party, and another Party is of the opinion, arrived at in good faith, that such Change of Control is likely to materially prejudice the cohesion or viability of the Agreement, then that other Party may, within 1 month of becoming aware of such Change of Control, give not less than 6 months' notice in writing terminating this Agreement. For the purposes of this Clause 10.2.3, a "**Change of Control**" of a Party shall include (other than as presently exists):
- (a) the possession, direct or indirect by any person or entity, of the power to direct or cause the direction of the management and policies of the Party or its parent, whether by the ownership and rights of voting shares, by contract or otherwise; or
- (b) the ownership by the Party's parent of 50% or less of the equity interest or voting power in such Party,
- save that the transfer of any shares in a Party or its direct or indirect parent between close members of the same family or between Affiliates shall not constitute a Change of Control; or

10.2.4 if, at any time during the term of this Agreement:

- (a) a Party (the affected Party):
 - (i) is dissolved;
 - (ii) becomes insolvent or unable to pay its debts as they fall due;
 - (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
 - (iv) has a winding-up order made against it or enters into liquidation whether voluntarily or compulsorily;
 - (v) seeks or becomes the subject of the appointment of an administrator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets;
 - (vi) is affected by any event or act similar to or under which the applicable laws of the jurisdiction where it is constituted has an analogous effect to any of those specified in the sub-clauses (i) to (v) above; or
 - (vii) takes any action in furtherance of any of the foregoing acts (other than for the purpose of the consolidation, reconstruction or amalgamation or previously approved in writing by all Parties),

another Party may give notice to the affected Party terminating this Agreement with immediate effect.

10.3. Furthermore, a Party may terminate this Agreement with immediate effect if another Party:

- (a) repeatedly fails to comply with Clause 9 or commits a violation after notice of its failure to comply with Clause 9 from another Party; or
- (b) commits a material breach of this Agreement where such breach has not been remedied to the reasonable satisfaction of such non-defaulting Party within a reasonable period of time, after receipt by the defaulting Party of written notice from such non-defaulting Party requiring such remedy; or
- (c) fails to pay any amount when it becomes due and payable under the terms of this Agreement, where such failure has not been remedied within 10 Working Days of receipt by the defaulting Party of written notice from such non-defaulting Party requiring such remedy.

10.4. Notwithstanding the termination of this Agreement in accordance with this Clause 10 or Clause 3.8.2, a non-defaulting Party retains its right to claim against a defaulting Party for any loss caused by or arising out of such termination, but always subject to Clause 7.

10.5. Upon the termination of this Agreement for whatever cause:

- 10.5.1 a final calculation shall be carried out of the amount due (if any) under this Agreement and any amount due to be paid within 30 days of the date of termination if not otherwise due for payment at an earlier time;
- 10.5.2 the carriage of cargoes already lifted shall be completed by the Vessel Provider by due delivery at the port of discharge; and

10.5.3 the Parties shall continue to be liable to one another in respect of all liabilities and obligations accrued prior to termination but always subject to Clause 7.

10.6. Any notice of termination served by a Party under this Agreement shall be sent in writing in advance by email or by courier to the address of the other Party set out in Clause 17.

11. **SEPARATE MARKETING AND COMMERCIAL RELATIONSHIPS WITH CUSTOMERS**

11.1. Nothing in this Agreement will be deemed to restrict the freedom of any Party to offer or agree commercial terms with its customers including, without limitation, determining the rates at which carriage and feeder services are provided to each customer.

11.2. In providing carriage and feeder services, each Party shall maintain its separate identity and shall have separate sales, pricing and marketing functions.

11.3. Each Party as Principal Carrier shall enter into contracts of carriage (evidenced by bills of lading or sea way bills) with its customers naming itself as carrier for all cargo introduced to the Service and each Party shall procure that its sub-charterers name themselves as carriers on their contracts of carriage for all cargo that they introduce to the Service.

12. **INSURANCE**

Each Party undertakes that it will throughout the term of this Agreement effect and maintain insurance cover on industry standard terms with reputable insurers in respect of hull & machinery, conventional P&I risks, general liability and liability to third parties (including liability arising out of the use and operation of containers and chassis). The P&I risk shall be placed with a P&I association that is a member of the International Group of P&I associations.

13. **CONFIDENTIALITY**

13.1. The Parties agree to preserve confidentiality in respect of this Agreement and anything relating hereto (including the Joint Working Procedures) save to the extent that disclosure of any terms or all of this Agreement is required under the applicable laws or regulations (including in the reasonable opinion of a Party under stock exchange regulations) of any state, legitimate authority (judicial or otherwise) or international body or as is necessary to obtain advice from a Party's professional advisers.

13.2. The Parties shall keep confidential all awards and all materials relating to arbitration proceedings under the terms of this Agreement, and all other documents produced by another Party in the proceedings not otherwise in the public domain, save to the extent that disclosure may be required of a Party by applicable law or regulation, to protect or pursue a legal right or to enforce or challenge an award in bona fide legal proceedings before a court or other competent judicial authority.

14. **INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE**

During the term of this Agreement, the Vessel Provider shall procure that both the Vessel(s) and Vessel Provider (as defined by the ISM code) shall comply with the requirements of the ISM code. Upon request, the Vessel Provider shall provide a copy of the relevant Document of Compliance (DOC) and Safety Management Certificate (SMC) to the Slot User.

15. **JOINT WORKING PROCEDURES**

Subject to Clause 19, each Party undertakes to the other that it will comply with its obligations in the Joint Working Procedures and will procure compliance by its employees, agents and terminal operators.

16. **APPROVAL BY AUTHORITIES**

The Agreement is subject to filing with Ministry of Ocean and Fisheries (MOF) in South Korea, Ministry of Transport (MOT) in China, Japan Harbor Transport Association (JHTA) in Japan, and Registrar in Australia.

17. **NOTICES**

Communication of all written notices required pursuant to this Agreement (other than notice of termination, which shall be sent by registered mail in accordance with Clause 10.6) shall be sent by e-mail, fax or letter to the following addresses or as otherwise advised:

MSK:

Maersk A/S
50 Esplanaden
1263 Copenhagen K
Denmark

COSCO:

COSCO Shipping Lines Co., Ltd
No.378,
Dong Da Ming Road, Shanghai,
China

Attn: Network VSA Team
Email: DONLNTWVSACPH@maersk.com

Attn: Zuo Quan
Email: zuoquan@coscon.com

ONE:

Ocean Network Express Pte. Ltd.
7 Straits View
#16-01 Marina One East Tower
Singapore 018936

Attn: Network Planning, Oceania
Email: ghq.np.oc@one-line.com

18. **VARIATION, WAIVER AND FURTHER AGREEMENTS**

18.1. Subject to Clause 18.2, no variation or waiver of any of the provisions of this Agreement and no agreement concluded pursuant to any of the provisions of this Agreement shall be binding unless it is in writing and duly authorised by representatives of all Parties.

18.2. The Joint Working Procedures shall be updated from time to time as may be necessary to reflect amendments which are agreed by duly authorised representatives of the Parties in writing, orally or by any other means. For the avoidance of doubt, the Parties shall be contractually bound by any amendments so agreed by their duly authorised representatives.

19. **CONFLICT OF TERMS**

In the event of any conflict between the terms of this Agreement and the terms of the Joint Working Procedures, the terms of this Agreement shall prevail.

20. **NO AGENCY OR PARTNERSHIP**

Nothing in this Agreement shall give rise to nor shall be construed as constituting a partnership for any purpose or to any extent. No Party shall be construed or constituted as agent of the other unless expressly stated or constituted as such by the terms of this Agreement.

21. **ASSIGNMENT**

- 21.1. Subject to Clause 21.2, no Party may assign or transfer its rights or obligations under this Agreement or the Cross Slot Charter Party either in part or in full to any third party without the prior written consent of all Parties (which consent may be withheld or delayed for any reason), save that no consent shall be required for the subrogation of an insured claim to an insurer.
- 21.2. A Party may assign its rights under this Agreement to an Affiliate without the approval of another Party provided that, if the assignee ceases to be an Affiliate of the relevant contracting Party, the assignee shall, within 10 Working Days of so ceasing, assign its rights under this Agreement to the contracting Party or an Affiliate of the contracting party.

22. **SEVERANCE**

If any provision(s) of this Agreement is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational, such provisions shall cease to have effect between the Parties but only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

23. **RIGHTS OF THIRD PARTIES**

The Parties do not intend that any term of this Agreement should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party.

24. **GOVERNING LAW**

This Agreement, its validity, existence or termination, and/or any matter or dispute arising out of or on in connection with this Agreement, shall be governed by and construed in accordance with the laws of England and Wales.

25. **ARBITRATION**

- 25.1. Any question or dispute arising solely out of or in connection with outward cargo shipping from Australia, the Parties shall inform the Minister responsible for the administration of the Part X of the Competition and Consumer Act 2010 of the nature of the question or dispute and request permission for the question or dispute to be settled in accordance with clause 20. If such permission is not given, then Australian law shall apply to this Agreement and arbitration shall be before a single arbitrator to be appointed by agreement or, in default of agreement, by the Australian Commercial Disputes Centre and the arbitration shall take place in Sydney in accordance with and subject to the Commercial Arbitration Act 1984 (NSW) and UNCITRAL Arbitration Rules. Where the amount is USD 100,000 or less, the arbitration shall proceed on the basis of documents and written submissions only. Any right of appeal or other recourse under Part V of the Commercial Arbitration Act 1984 shall be excluded to the extent permitted under that Act.
- 25.2. Any matter or dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Act 1996 together with the LMAA (London Maritime Arbitrators Association) terms, save where the amount in dispute is less than USD 100,000, in which case the LMAA Small Claim Procedure shall apply.
- 25.3. The Parties agree to appoint a sole arbitrator, having appropriate commercial and consortia experience, within 21 days of any Party seeking an appointment. If any Party should so request, a panel of three arbitrators shall be appointed. Should there be no agreement on such appointment within 21 days, the LMAA President will appoint a sole arbitrator (or a panel of three arbitrators, as appropriate) at the request of any Party.

26. **MEDIATION**

26.1. Notwithstanding Clause 25, 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.

Signature Page

This Agreement is made in three original counterparts and is signed by:

Maersk A/S

COSCO Shipping Lines Co., Ltd.

By:

By:

Date:

Date:

Signature:

Signature:

Ocean Network Express Pte. Ltd.

By:

Date:

Signature:

**Schedule 1
Pro Forma Schedule**

North East & East Asia – AUS/NZL

PORT	ARRIVAL		DEPARTURE	
	DAY	HOUR	DAY	HOUR
Tokyo			Wed	6:00
Kobe	Thu	5:00	Thu	17:00
Busan	Fri	16:00	Sat	12:00
Shanghai	Sun	15:00	Mon	11:00
Yantian	Wed	7:30	Wed	17:30
Hong Kong	Thu	0:30	Thu	19:30
Brisbane	Sun	22:00	Mon	22:00
Auckland	Fri	6:00	Sat	15:00
Lyttelton	Mon	7:00	Tue	7:00
Napier	Wed	8:00	Thu	1:00
Tauranga	Thu	17:00	Fri	10:00
Tokyo	Tue	14:00		

Round voyage – 42 days

**Schedule 2
Agreed Terminals**

Port	Terminal
Tokyo	MSK - Uni-X Ohi No.6 No.7 COS - Y2 container Terminal ONE - Tokyo Ohi Terminal/Oc-4(Imoto)
Kobe	MSK - Kobe Rokko Terminal COS - PC-13 KAMIGUMI Terminal/Kobe Port Island Pc-13 ONE - Rokko 6-7
Busan	Busan new port terminal Co.ltd
Shanghai	Shanghai Wai Gao Qiao (phase 2)Terminal
Yantian	YanTian Intl. Container Terminal
Hong Kong	Hongkong/Hk International Terminals COS: COS-HIT
Brisbane	DP World Brisbane
Auckland	Ports of Auckland
Lyttelton	Lyttelton Container Terminal
Napier	Napier Container Terminal
Tauranga	Tauranga Container Terminal

Terminals' selection is subject to Clause 6 of this Agreement.

Schedule 3 Slot Allocation and Charges

1 Service Port Rotations

The pro forma schedule for the Service is included as Schedule 1.

Tokyo – Kobe – Pusan – Shanghai – Yantian – Hong Kong – Brisbane – Auckland– Lyttelton – Napier – Tauranga – Tokyo

2 Commencement Date

This Agreement will come into effect on the date of commencement of the following sailings (“**Commencement Date**”):

Vessel MAERSK GARONNE voyage 247S departing Tokyo on or about 15th of November 2022,
or on the date of departure of such other Vessel (or Vessels) as the Parties may agree.

Notwithstanding the above, the Commencement Date shall be subject to 72 days waiting period after filing with Registrar in Australia.

3 Vessel Provision

The Parties shall deploy █ Vessels, as follows:

Vessel Provider	Vessel Provision	Percentage Provision of Capacity
MSK	█ Vessels	█%
COSCO	█ Vessels	█%
ONE	█ Vessels	█%

4 Vessel Capacity Description

Each Party agrees and undertakes that each Vessel which it deploys in the Service shall meet the following requirements:

- 4.1 Nominal capacity: █ TEUs
- 4.2 Agreed declared capacity: █ TEUs/█ metric tons, at an average gross weight of █ metric tons per TEU. Any merit/demerit to be for the Vessel Provider’s account, subject to the terms of this Agreement.
- 4.3 Agreed declared capacity of reefer plugs: █ for all Vessels. Any merit/demerit to be for the Vessel Provider’s account, subject to the terms of this Agreement.

5 Basic Slot Allocation and Basic Reefer Allocation

Each Party shall receive the following Basic Slot Allocation and Basic Reefer Allocation for each roundtrip voyage:

Party	Slot Allocation Share	Basic Slot Allocation	Basic Reefer Allocation
MSK	█%	█ TEUs / █ mtons (whichever is reached first)	█
COSCO	█%	█ TEUs / █ mtons (whichever is reached first)	█
ONE	█%	█ TEUs / █ mtons (whichever is reached first)	█

Average weight: █ mtons per TEU

6 Space Accounting

When calculating the usage of space by each Party on a Vessel, the following ratios shall apply:

Equipment	20'	40'	40'HC	45'HC
Equivalent TEUs	1	2	2	OOG

7 Reefer Plugs

- 7.1 The Slot User shall pay a sum of USD █ per reefer plug when used above its Basic Reefer Allocation.
- 7.2 The Vessel Provider shall supply reefer kits for machinery types only as specified in the Joint Working Procedures. The cost of usage of these reefer kits as supplied by the Vessel Provider shall be for the account of the Slot User. The Slot User must supply the relevant reefer kits if it wishes to service units other than those specified in the Joint Working Procedures.

8 Turn Point

The turn-points are Brisbane (switch Southbound to Northbound on arrival) and Tokyo (switch Northbound to Southbound on arrival).

9 Slot Cost

The Parties agree on a Slot Cost in accordance with this paragraph 9 to be used for the settlement of the unanimously agreed slot contribution imbalance (Structural Settlement) and for the settlement of space or weight in excess of a Slot User's Slot Allocation (Excess Settlement), as well as for compensation for port omissions and phasing-in delays. A detailed Slot Cost calculation is attached in Schedule 6.

9.1 Slot Cost Parameters

Slot Cost Parameters include the Daily Vessel Time Charter Hire (T/C), the Port Cost, the Fuel Consumption and the Fuel Price, subject to adjustment as per this paragraph 9.

9.2 Daily Vessel Time Charter Hire (T/C)

At the start of this Agreement, the agreed T/C is USD █ per day.

The agreed T/C will remain fixed for 12 months. The Parties will review the T/C applicable to any and every 3 Cycles thereafter, minimum one month in advance, based on the actual charter market for the reference Type Ship, subject to una agreement on any change.

9.3 Port Costs

The Parties may review the Port Cost Standards/Parameters at any time, subject to unanimous agreement on any change. At the start of this Agreement, the agreed Port Cost is USD [REDACTED] and detailed in Schedule 6.

9.4 Fuel Consumption

Unless the Parties agree on Fuel Consumption tables shall remain in effect for the duration of the Agreement, and the round voyage fuel consumption shall only be adjusted following changes in the pro forma schedule. At the start of this Agreement, the agreed Bunker Consumption per R/V is [REDACTED] mtons for low sulfur fuel and detailed in Schedule 6.

9.5 Fuel Price

The Parties agree the reference port of bunkering for this Agreement is 100 pct. [REDACTED]. The price of bunkers used for the Slot Cost calculation per cycle shall be the average of all the published Platt's Bunkerwire marine fuel 0.5% (index MFHKD00) which will be monitored every Tuesday in this port for the preceding cycle.

10 Structural Slot Purchases

- 10.1 MSK shall purchase from COSCO per round-trip voyage [REDACTED] TEUs/[REDACTED] mtons on COSCO or ONE operated vessels and [REDACTED] TEUs/[REDACTED] mtons on MSK operated vessels, whether used or not used. COSCO shall provide and guarantee the availability of such space and weight to MSK. In addition, MSK shall purchase from ONE per round-trip voyage [REDACTED] TEUs/[REDACTED] mtons on all vessels, whether used or not used. ONE shall provide and guarantee the availability of such space and weight to MSK.
- 10.2 The price payable by MSK in consideration of such structural slot purchase shall be applied to Slot Cost described in paragraph 9 under Schedule 3.

11 Slot Purchases and Excess Loadings

- 11.1 The following shall be payable for the acquisition of Slots and for any excess loadings:
 - 11.1.1 where any Slots are acquired or excess loadings are on board a Vessel for more than one leg of a round-trip voyage, an amount equal to the Slot Cost per Slot;
 - 11.1.2 where any Slots are acquired or excess loadings are on board a Vessel for no more than a single leg of a round-trip voyage, an amount equal to 50% of the Slot Cost] per Slot; and
 - 11.1.3 where any Slots are acquired or excess loadings are on board a Vessel between two ports within the same Region, free of charge;
 - 11.1.4 notwithstanding (i) to (iii) above, to the extent that excess loadings comprise empty containers, an amount equal to 50% of the round-trip voyage Slot Cost per Slot.

- 11.2 If the actual weight of a Party's cargo and Containers exceeds its total weight allocation, that Party shall be deemed to have used such number of Slots for the additional weight as is calculated by reference to the average weight per TEU stated under paragraph 5.

Schedule 4
Cross Slot Charterparty

This Cross Slot Charter Party is dated on 22 March 2020.

between

(1) Maersk A/S ("Maersk")

(Owner or Charterer as the case may be)

and

(2) COSCO Shipping Lines Co., Ltd ("COSCO")

No.378,
Dong Da Ming Road, Shanghai,
China

(Owner or Charterer as the case may be)

and

(3) Ocean Network Express Pte. Ltd. ("ONE")

7 Straits View
#16-01 Marina One East Tower
Singapore 018936

(Owner or Charterer as the case may be),

each a "**Party**".

IT IS AGREED:

1. GENERAL

- 1.1. This Cross Slot Charter Party (the "**Charter Party**") forms part of the Vessel Sharing Agreement between the Parties and its related Joint Working Procedures for the service specified therein (the "**Service**"). The Vessel Sharing Agreement (excluding this Charter Party and the Joint Working Procedures) shall be referred to herein as the "**Main Agreement**".
- 1.2. The Parties do not intend the provisions of this Charter Party to overlap in any way with those of the Main Agreement. Where an action or omission of one Party results in a breach of both the Main Agreement and this Charter Party, and the Main Agreement prescribes or otherwise provides the other Party with a remedy for such action or omission, that other Party shall bring a claim against the breaching Party under this Charter Party in respect of such action or omission for the sole purpose of recovering Losses suffered by the non-breaching Party under contracts of carriage with third parties or otherwise as a result of damage to or loss of Goods, Containers, a vessel, other equipment and personal injury.
- 1.3. For the avoidance of any doubt, neither Party shall, in any circumstance, be entitled to recover under the Main Agreement for any Losses it has suffered under its contracts of carriage with third parties or otherwise as a result of damage to or loss of Goods, Containers, vessel, other equipment and personal injury.

1.4. This Charter Party shall apply individually to all of the vessels (in each case, a "**Vessel**") utilised under the Main Agreement, as varied from time to time by agreement between the Parties.

1.5. Any defined terms in the Main Agreement are incorporated into this Charter Party. In addition, the following defined terms apply to this Charter Party:

"**Goods**" means the whole or any part of the cargo, including any Container whether or not such Container is owned, operated, or hired by the Charterer, for carriage in a Slot that is chartered pursuant to this Charter Party, including where such Slot has been sub-let by the Charterer.

"**INL**" means the International Navigating Limits published by the Joint Hull Committee in 2003, as amended from time to time.

"**Losses**" means costs, claims, demands, damages, expenses, fees, fines and/or other losses of similar nature howsoever arising, always subject to this Clause 1 and Clause 17.3.

"**Sub-contractor**" shall include any directly appointed servants and agents.

2. **NUMBER OF CROSS SLOT CHARTER PARTIES**

This Charter Party shall be deemed to have been executed twice on identical terms by each Party, once as Owner and once as Charterer. A Party shall have signed as Owner where that Party is the provider of the Vessel concerned. A Party shall have signed as Charterer where that Party has agreed to take Slots on the Vessel concerned but is not the provider of the Vessel.

3. **SPACE ALLOCATION AND PERIOD**

Subject to and in accordance with the Main Agreement, the Owner lets and the Charterer hires for the carriage of Goods and Containers the agreed proportion of the container carrying capacity of the Vessel by reference to TEU capacity and weight, whichever is reached first (each being one "Slot"), (or more or less as may be agreed for each voyage) from the commencement of sailings under the Main Agreement and thereafter until the termination of the Main Agreement in accordance with its terms.

4. **EMPLOYMENT**

4.1. The Vessel shall be deployed in the Service only in lawful trades within the INL between safe ports where the Vessel can lie safely afloat. Slots may be utilised only for the carriage of lawful Goods properly, securely and carefully, packed, infestation free, labelled, internally secured inside Containers including dunnage if appropriate and stowed in seaworthy Containers, and empty Containers, save that non-containerised Goods and out-of-gauge Goods may also be carried subject to any conditions as set out in the Main Agreement.

Notwithstanding the above, the Owner is permitted to operate its Vessel outside the INL provided that the Owner shall have obtained war risk insurance cover for such operations and shall have paid any additional premiums required.

4.2. Each Party undertakes to the other that it will comply with its obligations in the Joint Working Procedures and will procure compliance by its employees, agents and terminal operators.

4.3. Subject to any restrictions in the Main Agreement and to the policies and procedures of the Owner (as notified to the Charterer and as may be incorporated within the Joint Working Procedures), dangerous, inflammable, explosive, radio-active, noxious or

damaging Goods may be carried in Containers with the prior written consent of the Owner provided that

- a. these can be loaded, stowed and discharged, and
- b. they are documented in accordance with all applicable international and national requirements, including any mandatory local requirements and the regulations of the flag state as well as the IMDG Code.

4.4. Live animals shall not be carried pursuant to this Charter Party except by special arrangement with the Owner and then on no liability terms for the Owner.

4.5. The Charterer shall not introduce into or use a container or reefer kit of any type in the Service unless it:

- a. is physically compatible with the Vessel;
- b. is constructed and tested according to ISO 1496;
- c. is properly maintained according to current industry standards and complies with the International Convention for Safe Containers (CSC), 1972;
- d. has a valid CSC plate;
- e. has a valid ACEP or PES decal or marking on the CSC plate;
- f. is constructed to the standards and requirements of any internationally recognised classification society, and is reasonably considered to be safe by the Owner;
- g. complies with applicable port and other regulations (including immigration and quarantine regulations and container safety conventions);
- h. does not contain any stowaway;
- i. is constructed of taint free materials; and
- j. is free from patent defects in construction.

4.6. The Owner may refuse to carry any Container which it believes, on reasonable grounds, does not comply with the requirements of Clauses 4.1, 4.3 and 4.5. The Charterer shall, subject to the rights, exceptions and limitations contained elsewhere in this Charter Party, be responsible for and indemnify the Owner from any Losses, arising out of the Goods being tendered for shipment, being handled or carried by the Owner and/or caused by a Container or its contents, including any consequences arising from introducing or using a Container which does not comply with the requirements of Clause 4.5 and/or if Clauses 4.1 and 4.3 are not complied with.

4.7. Notwithstanding Clause 4.3, Goods which, in the opinion of the Owner, are or may at any time become dangerous, inflammable, radioactive, obnoxious, damaging or injurious may at any time or place be unloaded, destroyed or rendered harmless by Owner without compensation to the Charterer and without any liability on the part of the Owner to make any General Average contribution in respect of such goods, and the Charterer shall be liable for all Losses arising out of or resulting from such shipment.

4.8. Each Party shall load high-value cargo, such as tobacco and processed tobacco products, precious metals (including silver bars and bullion), banknotes, travellers cheques, coins and other forms of currency, bonds and other negotiable instruments, on its own Vessel only. Such high-value cargo may be loaded on another Party's vessels on a case by case basis, and subject to the prior approval of the Owner.

5. **REMUNERATION**

The Owner will receive remuneration for its allocation of Slots on a Vessel in accordance with, and subject to, the Main Agreement.

6. **VOYAGE AND DEVIATION**

6.1. The itinerary of each voyage shall be mutually agreed between the Owner and the Charterer subject to the terms of the Main Agreement.

6.2. The Owner shall be entitled to deviate from an agreed voyage schedule as follows with no adverse consequences for Owners in respect of additional risk, costs, exceptions and/or limitations under this Charter Party:

- a. to omit a scheduled port of call which is excused and/or where the parties bear their own costs in respect of its Containers and Goods on board the affected Vessel at the omitted port pursuant to the Main Agreement;
- b. to insert a port of call provided that this does not affect the Vessel's schedule and that (notwithstanding any other provision herein), from the point in time that the Vessel leaves the scheduled port of call immediately prior to the ad hoc port call until such time as the Vessel is back on schedule, the Owner shall have the benefit of any limitations or exceptions to liability set out in this Charter Party only if the Charterer part takes in the port of call by loading and/or discharging, and by so doing affirms the ad hoc additional call;
- c. to save or attempt to save life or property at sea, discharging goods pursuant to Clause 4.7 or undertake any other reasonable deviation of similar kind; and
- d. to take the Vessel out of service for maintenance, repairs or substitution.

It is the responsibility of the Parties to ensure that their contracts of carriage permit the deviations provided for in Clause 6.2.

6.3. Unless Clause 6.2 applies, Owner will bear all risk of deviation and not have the benefit of exceptions and/or limitations under this Charter Party.

6.4. The Owner shall give the Charterer notice without undue delay of any intended or actual deviation affecting the Vessel's schedule.

7. **OPENING CONTAINERS**

7.1. The Owner shall be entitled at any time (but shall be under no obligation), with reasonable cause, to open any Container or package and to inspect its contents and shall promptly notify the Charterer if it does so and explain the basis on which it decided to open the Container or package. Where possible the Charterer shall be advised in advance so that Charterer can attend such opening of Container or package.

7.2. Containers or packages opened must be properly closed and sealed and records of all such actions must be maintained and made available to the Charterer. The Owner must advise the Charterer promptly in writing of the replacement seal number of each Container which has been opened in accordance with this Clause 7.1.

7.3. If the Owner is able to show reasonable cause for opening the Charterer's Container or any package and/or for inspecting its content, or the opening and/or inspection was carried out under the orders of a relevant authority having the legal or de facto power to make such orders, the reasonable costs of opening, repacking and/or resealing the Container and/or any package, including any costs for restowing or repacking the Goods, shall be for the account of the Charterer. If the Owner is unable to show reasonable cause for opening the Container or any package and/or inspecting its content, the costs

of opening, repacking and/or restowing and/or resealing of the Container shall be for the Owner's account.

8. HANDLING EXPENSES AND RESPONSIBILITY FOR THE CARGO

- 8.1. Except as otherwise provided in the Main Agreement and subject to Clause 8.2, the Charterer shall pay for all terminal and stevedore costs and expenses directly connected with the handling, loading, stowing, securing, and discharging of Goods and Containers carried under this Charter Party.
- 8.2. Owner shall pay for the costs and expenses set out in Clause 8.1 where they carry out an operational shifting or transshipment between the original port of loading and the final port of discharge except in so far as the Owner can demonstrate that the same arises from specific instructions of the Charterer or from any breach of the Charterer's obligations under this Charter Party.
- 8.3. Owner shall be responsible for and take custody and control of the Goods and Containers carried under this Charter Party by the Charterer from the time the spreader is disconnected at the original port of loading until the spreader is reconnected at the final port of discharge.
- 8.4. At all other times the relevant Goods and Container remain in the custody and control of the Charterer and Charterer is responsible for the same including all terminal and stevedore operations and all handling, loading, stowing, securing, discharging and delivery of the Goods and Containers.

9. ACCESS TO LOGS AND VESSEL

- 9.1. The Master and Chief Engineer shall keep full and correct logs and adequate records concerning the care and condition of the Containers and the Goods and shall ensure that all such logs and records relevant to the voyage, the Containers and the Goods are accessible by the Charterer. If the Owner is not the registered owner of the Vessel, the Owner shall ensure that a clause equivalent to the foregoing is included in the charter party or contract between the Owner and the party from whom the Owner has chartered the Vessel and shall use all reasonable endeavours to assist the Charterer to obtain all such logs and records relating to the defence of any claim in connection with a Vessel.
- 9.2. The Owner shall co-operate with the Charterer to:
 - a. allow access to the Vessel to Charterer or its nominated representatives, where reasonably requested;
 - b. provide all relevant Vessel documentation including but not limited to log books, maintenance and alarm records, Vessel plans, cargo documents, relevant on-board electronic data and the VDR upon Charterer written request to the extent available;
 - c. identify witnesses and obtain statementsin respect of any incident during the term of this Charter Party which gives rise to a claim against the Charterer in connection with a Vessel.

The Owner shall not be under an obligation to procure the attendance of a witness before a tribunal on behalf of the Charterer, but if the Owner does so, the Charterer shall indemnify the Owner for all of the costs incurred including the employment costs of the witness.

10. **CHARTERER'S OBLIGATIONS**

- 10.1. The Charterer shall ship Goods and Containers in accordance with the terms of Clause 4 and be responsible for the Goods and Containers as per Clause 8.
- 10.2. Without prejudice to the Charterer's obligations as set out in the Joint Working Procedures, the Charterer shall provide full and accurate details of Goods and Containers (including any documentation required at ports of call) and their weights to the Owner as early as possible but no later than upon the Vessel's arrival at the port of loading, with regular updating thereof. Such details shall include:
- a. the verified gross mass of the Goods and Containers; and
 - b. any feature of the Goods requiring attention by the crew during the voyage including, in particular, any hazardous or dangerous feature or the need to carry the Goods within a specified temperature range or location.
- 10.3. Charterer shall pay handling costs and expenses as per Clause 8.
- 10.4. Charterer shall be responsible for the Goods and Containers as per Clause 4 and 8.
- 10.5. Where Charterers are responsible for matters under this Charter Party they shall be liable for all Losses, (including loss of or damage to the Vessel) caused to the Owner by the improper or careless performance of such operations subject to any applicable defences or limitations under this Charter Party.
- 10.6. The Charterer shall comply with the directions of the Master or other persons responsible for the stowage on behalf of the Owner as to when and where Containers are to be stowed. The Charterer shall in its capacity as such be under no liability in respect of the consequences of complying with such directions save insofar as the directions are given in consequence of a breach by the Charterer of its obligations under Clause 4 or 10.2.
- 10.7. The Charterer shall indemnify the Owner against any Losses, which the Owner may reasonably incur or suffer by reason of any failure of the Charterers or the Container to comply with any applicable laws, regulations, directions or notices of customs, port or any other authorities by (or by reason of any infestation, contamination or condemnation arising from any act, neglect or default of) the consignors/shippers or consignees of any Goods or Containers which are the subject of this Charter Party, their servants or agents.
- 10.8. Notwithstanding anything to the contrary in the Main Agreement, the indemnity in Clause 10.7 will extend to any Losses reasonably suffered by the Owner in procuring, by whatever reasonable means the Owner considers appropriate, the release of the Vessel where the Vessel has been arrested or detained either:
- a. by virtue of any act done or omitted to be done by the Charterer or any party for whom the Charterer is responsible; or
 - b. in circumstances where, but for the fact that the Vessel was chartered to the Charterer, such arrest or detention would not have occurred,
- save where, and to the extent that, the arrest follows from an event for which the Owner is itself responsible under this Charter Party or otherwise.

11. **OWNER'S OBLIGATIONS**

- 11.1. Except as provided elsewhere in this Charter Party, the Owner shall, at its own expense, exercise due diligence to maintain the Vessel in Class in a thoroughly efficient state of hull and machinery and in every way fitted for the service throughout the term of this Charter Party.

- 11.2. Save as specifically provided otherwise in this Charter Party, the Owner shall pay all wages, maintenance expenses, provisions, bunkers, insurance of the Vessel, port charges, canal fees, dues, taxes, agencies, consular fees, commissions and all other expenses in connection with the operation of the Vessel.
- 11.3. The Owner shall be bound before and at the beginning of each voyage to exercise due diligence to make the Vessel seaworthy, to properly man, equip and supply the Vessel and to make the holds and all other parts of the Vessel in which Goods are carried fit and safe for their reception, carriage and preservation.
- 11.4. For all purposes in connection with this Charter Party, the Owner shall be entitled to the rights and immunities set out in Article IV, Rules 1, 2, 4 and 6 of the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25 August 1924 (the "**Hague Rules**").
- 11.5. The liability of the Owner for any Losses in connection with Goods carried under this Charter Party (including Containers not owned, hired or operated by the Charterer) shall be subject to Article IV Rule 5 of the Hague Rules but as if no declaration as to value is made, provided always that:
- a. the liability of the Owner to the Charterer as aforesaid shall in no event exceed the liability (if any) of the Charterer to the persons interested in such Goods in respect of such Losses;
 - b. notwithstanding anything to the contrary herein, the liability of the Owner to the Charterer in respect of such Goods shall not under any circumstances include any liability undertaken by the Charterer in excess of standard International Group P & I cover for the relevant voyage;
 - c. where the liability of the Charterer to any person(s) other than the Owner in respect of such Goods (including Containers not owned, hired or operated by the Charterer) is:
 - (i) subject to Article IV Rule 5 of the Hague Rules, the liability of the Owner to the Charterer shall be subject to Article IV Rule 5 of the Hague Rules; or
 - (ii) subject (by operation of law) to Article IV Rule 5 of the Hague Rules as amended by the Brussels Protocol to Amend the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 23 February 1968 or similar legislation (the "**Hague Visby Rules**") the Owner's liability to the Charterer shall be subject to Article IV Rule 5 as so amended,and in each case the Goods shall be deemed as between the Owner and Charterer and for the purposes of Rule 5 of the Hague Rules or Hague-Visby Rules (as applicable) to consist of the number of packages or units which is applicable for the purposes of Rule 5 as between the Charterer and such other person(s). Notwithstanding the other provisions of this Charter Party, if the liability of the Charterer to any other person for Losses, in respect of the Goods (including Containers not owned, hired or operated by the Charterer) is governed by some other mandatory law then the liability of the Owner to the Charterer shall be determined according to that mandatory law;
 - d. in addition to liability for the claim in accordance with the provisions of this sub-clause, the Owner shall be liable for and shall reimburse the Charterer for all reasonable legal and other expenses incurred by the Charterer in defending and/or settling claims for which the Owner is liable under the terms of this Charter Party; and

- e. the Charterer does not contractually incorporate Article IX of the Hague Rules into its contracts of carriage with its cargo interests and, where such rules are mandatorily applied, they limit the liability of the Charterer to GBP 100 Sterling, lawful money of the United Kingdom, per package or the equivalent national Hague Rules limit in other currencies.
- 11.6. Subject to Clauses 11.4 and 11.5 hereof, the Owner will be responsible for the proper and careful carriage, custody and care of the Containers and Goods from the time when it is deemed to take control of such Goods and Containers under Clause 8.
- 11.7. The Owner takes custody and control of the Goods and Containers as set out in Clause 8.
- 11.8. Subject to Clauses 11.4 and 11.5 hereof, the Owner shall be responsible for verifying that refrigerated Containers have been plugged in on board the Vessel at the original loading port and unplugged from the Vessel at the final discharge port, and (subject to the Charterer's compliance with its relevant obligations in the Joint Working Procedures) for the provision of adequate electrical power to refrigerated Containers containing Goods carried on the Vessel. The Owner shall only be liable for any Losses to a refrigerated Container or the Goods therein, arising out of any breakdown or deficiency of the refrigerating machinery to the extent such Losses was caused by the failure of the Owner to comply with the terms of this Clause 11.8 or the Joint Working Procedures.
- 11.9. The Owner shall not be responsible for compliance with sanitary programmes unless the Owner has specifically undertaken to the Charterer to do so, and the Owner shall not be responsible for maintaining humidity levels within reefer Containers. Where the Master has accepted on board a Vessel a reefer Container whose actual temperature is in conflict with its designated temperature as set out in the reefer loading list, the Charterer shall indemnify the Owner against any Losses which are thereby incurred.
- 11.10. The Owner shall be liable for all claims for death and/or personal injury, unless and to the extent caused by the act, neglect or the breach of this Charter Party by the Charterer, including its agents, servants and all others for whom the Charterer is responsible under this Charter Party.
- 11.11. Quantum for total or constructive loss of Containers
- a. Notwithstanding anything to the contrary in this Charter Party, in the event that the Owner is liable under the terms of this Charter Party for the total loss or constructive total loss of a Container (where the cost of repairs and cleaning up to redelivery are higher than the Container's depreciated replacement value, as calculated below), the Owner shall (subject to Clause 11.11.c) pay to the Charterer an amount equal to the depreciated replacement value of such Container.
 - b. For owned Containers:

The depreciated replacement value of a Container which is owned by the Charterer is its initial replacement value as set out below and depreciated at a rate of 5% per annum from the date of manufacture of the Container to a maximum depreciation of 40% (i.e. a minimum residual value of 60 per cent. of the initial value).

Replacement values per Container type:

20' Dry	\$ 2,500
20' OT	\$ 3,900
20' Flat	\$ 5,500
40' Dry	\$ 4,200

40' Dry HC	\$ 4,300
40' Flat	\$ 10,000
40' OT	\$ 6,200
20' Reefer	\$ 15,000
40' Reefer	\$ 20,000
40' Reefer HC	\$ 20,000

These values may be adjusted by agreement between the Parties which shall not be unreasonably withheld or delayed.

c. For leased Containers:

The depreciated replacement value of a Container which is leased by the Charterer from a third party (including a leasing company or another shipping line) shall be as agreed between the Charterer and its lessor, save that the maximum liability of the Owner to the Charterer shall in any case never be higher than the open market replacement values of the Container in question.

12. **CARGO CLAIMS**

- 12.1. The issuer of the contract of carriage or the deemed contract of carriage shall process all cargo claims arising thereunder.
- 12.2. Without prejudice to the Charterer's rights arising under or out of this Charter Party (including claims for or relating to General Average and/or salvage contribution by Charterer), the Charterer undertakes that no claim or allegation shall be made against the Owner or any servant, agent or sub-contractor of the Owner by any person whomsoever other than the Charterer which imposes or seeks to impose upon the Owner or any such servant, agent or sub-contractor or any Vessel owned or operated by them, any liability whatsoever in connection with the Goods and Containers the subject of this Charter Party (even if such liability arises wholly or in part by reason of the act, neglect or default of the Owner or of such servant, agent or sub-contractor) and in the event of any such claim or allegation nevertheless being made, the Charterer shall indemnify the Owner and such servant, agent or sub-contractor against all consequences whatsoever thereof. If requested to do so by the Owner, the Charterer shall, if possible, take over the handling and conduct of all such claims and litigation on behalf of the Owner without prejudice to the Charterer's right of indemnity.
- 12.3. The Charterer shall not make any claim or allegation against any servant, agent or sub-contractor of the Owner, which imposes or attempts to impose on such servant, agent or sub-contractor any liability whatsoever in connection with the Goods and Containers the subject of this Charter Party (even if such liability arises wholly or in part by reason of the act, neglect or default of the Owner or of such servant, agent or sub-contractor), and, in the event of any such claim or allegation nevertheless being made, the provisions of Clause 12.2 hereof shall apply as if such claim or allegation had been made by a person other than the Charterer.
- 12.4. Notwithstanding Clause 12.3, in circumstances where liability arises from or out of an act or omission of any servant, agent or sub-contractor of the Owner undertaken with intent to cause Losses or recklessly and with knowledge that Losses would likely result; or any action taken by any servant, agent or sub-contractor of the Owner outside the scope of any actual or ostensible authority (whether express or implied), the Charterer may proceed against such servant, agent or sub-contractor and the provisions of Clause 12.3 above will not apply.
- 12.5. Without prejudice to Clause 12.1, the Owner authorises and empowers the Charterer to act as the Owner's agent and/or trustee to provide for the Owner as against other persons

the benefit of any immunities, exemptions or liberties regarding the Goods and Containers the subject of this Charter Party or their carriage but, for the avoidance of doubt, the Charterer shall have no authority to enter into any contracts imposing any obligations upon the Owner in connection with the Goods and Containers or their carriage.

- 12.6. Clauses 12.1 and 12.2 above do not apply to or preclude any claim made by the Owner in respect of any property on board the Vessel for General Average contribution in accordance with the York Antwerp Rules 1994.
- 12.7. If the Owner is not the actual owner of the Vessel, the provisions of this Clause 12 shall apply to the actual owner of the Vessel, its servants, agents and sub-contractors in the same manner as they apply to the Owner, its servants, agents and sub-contractors.
- 12.8. In respect of contracts of carriage issued by the Owner as Principal Carrier, the above Clauses 12.2, 12.3, 12.4, 12.5 and 12.6 shall apply *mutatis mutandis* in respect of claims by the Charterer in relation to or in connection with the Goods and Containers carried by the Owner as Principal Carrier.

13. **BILLS OF LADING, ETC.**

- 13.1. The Charterer shall issue or be deemed to have issued bills of lading and other contracts of carriage in its own regular forms for Goods occupying the Slots hereby chartered. All such contracts shall contain (subject to Clause 11.5.e) the Clause Paramount incorporating the Hague Rules, or the Hague Rules as amended by the Brussels Protocol 1968, for the sea transportation period, the New Jason Clause, the Both-to-Blame Collision Clause and a full Circular Indemnity Clause (or Himalaya Clause) in favour of the Owner.
- 13.2. Such contracts shall provide for General Average to be adjusted and settled at any port or place at the option of the Owner according to the York-Antwerp Rules 1994. All such contracts shall state that the rules governing responsibility and provision for General Average apply to Containers and Goods loaded either on deck or under deck.
- 13.3. It is hereby agreed that no such contracts of carriage will be issued by the Charterer (or any sub-charterer) containing terms intended to create a contractual relationship between cargo interests and the Master or Owner respectively. The Charterer undertakes, represents and warrants that all bills of lading issued by the Charterer shall be signed by the Charterer as carrier.
- 13.4. In the event that the Charterer sub-charters any slots, the Charterer shall ensure that the above terms are incorporated into any contract of carriage issued by the sub-charterer and hereby indemnifies the Owner against all Losses incurred as a result of the sub-charterer's failure to do so.

14. **SALVAGE**

The Charterer shall be entitled to a percentage of all salvage and assistance to other vessels equal to the Charterer's allocated share of capacity on the Vessel, 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 or replacing equipment damaged or lost in the salvage. The Charterer shall be bound by and shall cooperate with all measures taken by the Owner in order to secure payment of salvage and to fix its amount.

15. **STOWAWAYS, CONTRABAND AND DRUGS**

Any Losses reasonably incurred in respect of illegal substances, contraband, drugs and/or stowaways shall be for the Owner's account unless it can be proven that the:

- 15.1. illegal substances, contraband and/or drugs were; and/or

15.2. means by which the stowaway gained access to the Vessel was by hiding

in the Charterer's Goods and/or Containers prior to loading, in which case all such Losses in respect of those illegal substances, contraband, drugs and/or stowaways shall be for the Charterer's account, except to the extent that such Losses have arisen as a result of unlawful conduct by the master, officers or crew and/or breach of this Charter Party.

16. **DECK CARRIAGE**

Goods and Containers may be carried on deck and shall contribute to General Average whether carried on or under deck. Goods not in Containers and Goods stowed on flat racks may be carried on deck only with the prior approval of the Charterer.

17. **TIME LIMITS AND LIMITATIONS**

17.1. All claims brought by one Party against the other in relation to cargo claims arising out of Goods and Containers including for damage or delay to Goods and Containers, and cargo recourse claims pursuant to this Charter Party shall be time barred and extinguished absolutely 24 months after discharge of the Goods from the Vessel or 30 months in the event of any claim which is originally brought against the claiming Party by any other person(s) in respect of such Goods under or subject to the United Nations Convention on the carriage of Goods by Sea 1878, signed at Hamburg on 31 March 1978 (the "**Hamburg Rules**"), unless arbitration has been commenced in accordance with Clause 25 hereof before the end of this period.

For all other purposes under this Charter Party any other claims shall be time barred and extinguished absolutely within 6 years from breach unless arbitration has been commenced in accordance with Clause 25.

Without prejudice to the foregoing, the Parties may agree to extend this deadline for the commencement of arbitration.

17.2. Nothing in this Charter Party shall prejudice or deprive the Owner or the Charterer of their rights of limitation or exclusion under any applicable law including but not limited to any applicable package and tonnage limitations.

17.3. Notwithstanding anything in this Charter Party to the contrary, in no event shall a Party be liable for any indirect loss or loss of profits including, without limitation, loss or anticipated loss of product, business interruption, loss or anticipated loss of revenue, loss of use of any equipment (including the Vessel) or loss of any contract or other business opportunity.

18. **GENERAL AVERAGE AND SALVAGE**

18.1. Any General Average arising in relation to any Vessel shall be settled according to the York Antwerp Rules 1994. Charter hire and Vessel Provider's remuneration, including slot payments or freight, are not to contribute to General Average.

18.2. In the event of any General Average incident the Parties shall discuss with each other, and the owner of the relevant vessel if not a Party, with a view to finding a mutually agreeable way to avoid any formal declaration of General Average by absorbing the General Average expenses and sacrifices. In case of any General Average where the total estimated amounts allowable in general average do not exceed USD1,000,000, and provided that General Average is not declared, the Parties undertake to absorb the estimated contributions as would be due from cargo interests in General Average in a ratio equivalent to their proportions of full Containers on the Vessel in question.

18.3. Any payment made by a Party under Clause 18.2 shall be for the exclusive purpose of avoiding an official declaration of General Average and shall always be made without prejudice to any claims for the reimbursement of such sum.

- 18.4. In the event of salvage, the Owner shall provide interim security to the salvors for contributions from all salvaged property interests. Such security shall be:
- a. for the purposes of avoiding salvors' exercising a lien over the salvaged property;
 - b. without prejudice to the Owner's rights; and
 - c. on terms materially identical to the ISU2 terms as published by the International Salvage Union.
- 18.5. In the event of interim salvage security being provided by the Owner as aforesaid, the Charterer shall promptly and no later than 14 days after the Owner's written request, provide counter security in like terms (*mutatis mutandis*) to the Owner for contributions due from the Charterer and its customers. For these purposes, each Party agrees that security in the form of an undertaking from the relevant Party shall be sufficient and no Party will require a bank guarantee, insurer's undertaking, cash deposit or any other form of third party assurance.
- 18.6. Notwithstanding any claim by salvors or declaration of General Average or collection of security in that regard, any Party may, at its discretion, choose to pay the salvage and/or General Average contributions due from any or all of that Party's customers and/or cargo interests whether on a final or without prejudice basis. In such event such Party shall:
- a. be liable for:
 - (i) in the case of General Average, provision of a General Average bond in that respect, without security or cash deposit;
 - (ii) in the case of salvage, provision of security acceptable to salvors; and
 - (iii) in both cases, payment of such contribution in due course; and
 - b. collect copies of commercial invoices, or other proof of cargo value, which shall be to the reasonable satisfaction of the General Average adjuster if one is appointed, in respect of their customers and/or cargo interests and provide that to the General Average adjuster upon his request.
- 18.7. In the event that General Average is declared, either the actual owners or the Owner will seek the appointment of a reputable General Average adjuster and each Party shall ensure that the adjuster is provided with a copy of the complete manifests for that Party's cargo on board and full contact details of the Party's agent at the relevant port(s) of discharge.
- 18.8. Unless or before the General Average adjuster and, if relevant, salvors, have confirmed that cargo is fully secured for contributions in General Average and, if relevant, salvage, no Party shall deliver the goods to the consignees thereof, either at the port of refuge, discharge, destination or elsewhere, until it has obtained:
- a. an Average Bond;
 - b. a cargo underwriter's guarantee form or a cash deposit;
 - c. a copy of the commercial invoice value, alternatively a truly signed value declaration; and
 - d. if relevant, salvage security satisfactory to salvors.
- 18.9. Should the goods nevertheless leave the custody of the Parties or their agents without provision of said documents and/or security, the Parties undertake to provide such security or securities satisfactory to the Average Adjuster and, if relevant, salvors, and

to pay the proportion of any General Average, special charges and salvage or other costs as may be due from that cargo, but without any requirement of notice or service of any claims on the cargo owner or contributing property interest, and as may reasonably be determined by the General Average adjuster or pursuant to a salvage award or agreement in respect of salvage.

18.10. Each Party shall individually arrange guarantees in respect of contributions arising from Containers operated by it whether owned by or leased by such Party.

18.11. Contributions in respect of the value of bunkers on board at the time of the General Average incident will be the responsibility of the Owner.

19. **THIRD PARTY RIGHTS**

Where any servant, agent or sub-contractor of the Owner is identified in Clauses 12.2 and 12.3, and where the actual owner of the Vessel, its servants, agents and sub-contractors are identified in Clause 12.7, such Clauses shall be enforceable by them to the fullest extent permitted by law and subject to the other terms and conditions of this Charter Party, but their consent shall not be required for any variation, waiver or revision of this Charter Party. Save as aforesaid, a person who is not a party to this Charter Party shall have no right to enforce its terms.

20. **COMPLIANCE WITH LAWS**

20.1. The Parties shall comply with all applicable laws, rules, regulations, directives and orders issued by any authorities having jurisdiction in relation to this Charter Party, including, to the extent applicable, anti-bribery laws and regulations.

20.2. Each Party shall indemnify and hold the other Party harmless against any losses to the extent incurred as a result of any breach by the indemnifying Party of applicable economic sanctions laws and regulations including, without limitation, where these are incorporated within United Nations resolutions, European Union regulations, Swiss ordinances and US federal laws and regulations (the "**Sanctions Laws**").

20.3. Each Party warrants that neither it nor any of its affiliates, directors, officers, employees or agents is identified on the U.S. Treasury Department's list of specially Designated Nationals and Blocked Persons (the SDN List), or the Swiss, European Union or other sanctions lists. The SDN list can be accessed via following link: <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>.

20.4. The Owner covenants that none of its Vessels is identified or otherwise targeted, or owned and/or operated, by any person identified or otherwise targeted by the Sanctions Laws. Each Party covenants that no interest in its cargo and/or Containers carried on any Vessel is identified or otherwise targeted by the Sanctions Laws.

21. **CONFIDENTIALITY**

21.1. The Parties agree to preserve confidentiality in respect of this Charter Party and anything relating hereto (including the Joint Working Procedures) save to the extent that disclosure of any terms or all of this Charter Party is required under the applicable laws or regulations (including in the reasonable opinion of a Party under stock exchange regulations) of any state, legitimate authority (judicial or otherwise) or international body or as is necessary to obtain advice from a Party's professional advisers.

21.2. The Parties shall keep confidential all awards and all materials relating to arbitration proceedings under the terms of this Charter Party, and all other documents produced by another Party in the proceedings not otherwise in the public domain, save to the extent that disclosure may be required of a Party by applicable law or regulation, to protect or pursue a legal right or to enforce or challenge an award in bona fide legal proceedings before a court or other competent judicial authority.

22. **NOTICES**

Communication of all written notices required pursuant to this Charter Party shall be as per the Main Agreement.

23. **VARIATION, WAIVER AND FURTHER AGREEMENTS**

23.1. Subject to Clause 18.2, no variation or waiver of any of the provisions of this Charter Party and no agreement concluded pursuant to any of the provisions of this Charter Party shall be binding unless it is in writing by duly authorised representatives of all Parties.

23.2. The Joint Working Procedures shall be updated from time to time as may be necessary to reflect amendments which are agreed by duly authorised representatives of the Parties in writing, orally or by any other means. For the avoidance of doubt, the Parties shall be contractually bound by any amendments so agreed by their duly authorised representatives.

24. **CONFLICT OF TERMS**

In the event of any conflict between the terms of this Charter Party and the terms of the Joint Working Procedures, the terms of this Charter Party shall prevail.

25. **NO AGENCY OR PARTNERSHIP**

Nothing in this Charter Party shall give rise to nor shall be construed as constituting a partnership for any purpose or to any extent. No Party shall be construed or constituted as agent of the other unless expressly stated or constituted as such by the terms of this Charter Party.

26. **ASSIGNMENT**

26.1. Subject to Clause 21.2, no Party may assign or transfer its rights or obligations under this Charter Party either in part or in full to any third party without the prior written consent of all Parties (which consent may be withheld or delayed for any reason), save that no consent shall be required for the subrogation of an insured claim to an insurer.

26.2. A Party may assign its rights under this Charter Party to an Affiliate without the approval of another Party provided that, if the assignee ceases to be an Affiliate of the relevant contracting Party, the assignee shall, within 10 Working Days of so ceasing, assign its rights under this Charter Party to the contracting Party or an Affiliate of the contracting party.

27. **SEVERANCE**

If any provision(s) of this Charter Party is held to be invalid, illegal or unenforceable in any jurisdiction in which this Charter Party is operational, such provisions shall cease to have effect between the Parties but only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

28. **GOVERNING LAW**

This Charter Party its validity, existence or termination, and/or any matter or dispute arising out of or on in connection with this Charter Party, shall be governed by and construed in accordance with the laws of England and Wales.

29. **ARBITRATION**

29.1. Any matter or dispute arising out of or in connection with this Charter Party, including any question regarding its existence, validity or termination, shall be referred to and

finally resolved by arbitration in accordance with the Arbitration Act 1996 together with the LMAA (London Maritime Arbitrators Association) terms, save where the amount in dispute is less than USD 100,000, in which case the LMAA Small Claim Procedure shall apply.

29.2. The Parties agree to appoint a sole arbitrator, having appropriate commercial and consortia experience, within 21 days of any Party seeking an appointment. If any Party should so request, a panel of three arbitrators shall be appointed. Should there be no agreement on such appointment within 21 days, the LMAA President will appoint a sole arbitrator (or a panel of three arbitrators, as appropriate) at the request of any Party.

30. **MEDIATION**

30.1. Notwithstanding Clause 25, the Parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Charter Party.

**Schedule 5
Common Terminal Charges**

Cost	Common Terminal Charge	Slot User	Vessel Provider
Overtime / Guarantee / Stand-by Time			
When required by the Pro Forma Schedule	X		
When caused by a Force Majeure Event	X		
When not caused by a Force Majeure Event or required by the Pro Forma Schedule			X
Shiftings of containers (including hatchcover moves)			
When requested by the Slot User		X	
When not requested by the Slot User			X
Extra Lashing Costs			
When requested by the Slot User (including for out of gauge cargo)		X	
When not requested by the Slot User			X
Load / discharge of gear boxes			X
Stand-by for bad cones			X
Dockage			X

Schedule 6 Slot Cost Calculation

Voyage Hours	1008	<i>target hours</i>	1008			Max Service Speed	
Days:	42.00	1008	<i>port +pilot hours</i>	268	Sea Buffer	Total Slack/Spare Hrs	
		0	<i>remaining sea</i>	750	Port Buffer	Slack on Round Voyage %	
			<i>Avg speed</i>	17.88 kn	Slack Sea Hrs	111.5	14.9%
			<i>rounding Margin</i>	0	Slack Port Hrs	0.0	0.0%
			<i>Sea Max</i>	268			

No. Vessels	6							
RV p.a. Vessel	8.69	Port Costs						
Fuel Cons Sea		FO / Day		Tokyo				
Fuel Cons River		FO / Day		Kobe				
Fuel Cons Port / Waiting		FO / Day		Pusan				
Fuel Cons Aux NB		FO / Day		Shanghai				
				Yantian				
				Hong Kong				
				Brisbane				
				Auckland				
				Lyttelton				
				Napier				
				Tauranga				

Fuel Costs LSFO █████ USD / mton

=> **As per Platt's Oilgram HKG Quote**

RV p. Vessel	mtons	USD	
Fuel Cons Sea			
Fuel Cons River			
Fuel Cons Port / Waiting			
Fuel Cons Aux (IFO)			
Total Fuel			72.1%
Port Costs			10.0%
TIC			17.9%
Total VSL RV			
Less BNE Settlement			← REMOVED
Total balance			
Total System p.a.			
Total balance			

Vessel	TIC Day	TIC p.a.	TDWCC	Capacity SB 11ts	Capacity NB 11ts	Slots RV	Slots p.a. RV
Average Capacity							
Average Capacity							
Average Capacity							
Average Capacity							
Average Capacity							
Average Capacity							

Slot Cost/Leg \$	████
Slot Fee/RV \$	████
Management Fee	████
Total Slot Fee \$	████

Bunker Price Element one way \$	████
RTrip \$	████

Brisbane Settlement to be REMOVED