

RECEIVED

07 AUG 21 PM 4:18

OFFICE OF THE SECRETARY
FEDERAL MARITIME COMM

Original Title Page

MSC/COSCO SPACE CHARTER AGREEMENT

A Space Charter Agreement

FMC Agreement No. 012013



Expiration Date: None

TABLE OF CONTENTS

<u>Article Title</u>		<u>Page No.</u>
ARTICLE 1	FULL NAME OF THE AGREEMENT	1
ARTICLE 2	PURPOSE OF THE AGREEMENT	1
ARTICLE 3	PARTIES TO THE AGREEMENT	1
ARTICLE 4	GEOGRAPHIC SCOPE OF THE AGREEMENT	1
ARTICLE 5	AGREEMENT AUTHORITY	2
ARTICLE 6	OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY	3
ARTICLE 7	MEMBERSHIP AND READMISSION	4
ARTICLE 8	VOTING	4
ARTICLE 9	DURATION AND TERMINATION OF AGREEMENT	4
ARTICLE 10	APPLICABLE LAW AND DISPUTES	5
ARTICLE 11	NON-ASSIGNMENT	6
ARTICLE 12	NOTICES	6
ARTICLE 13	ENFORCEABILITY	6
SIGNATURE PAGE		

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is the MSC/COSCO Space Charter Agreement (the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to authorize MSC to charter space to COSCO on its vessels in the Trade (as hereinafter defined) and to authorize the Parties to enter into cooperative working arrangements with respect to the chartering of such space.

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter referred to individually as a "Party" or jointly as the "Parties") are:

1. Mediterranean Shipping Co. S.A. ("MSC")
40, Av. Eugene Pittard
1206 Geneva
Switzerland
2. COSCO Container Lines Company, Limited ("COSCO")
378, Da Ming Road (East)
Shanghai 200080
People's Republic of China

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement covers the trade between ports on the U.S. Atlantic Coast (Boston, MA to Miami, FL range) and ports in Italy and Spain (the "Trade").

ARTICLE 5: AGREEMENT AUTHORITY

5.1 MSC shall charter, on a used/unused basis, space for 200 TEUs or 2200 tonnes (whichever is used first) per vessel voyage leg to COSCO on each weekly sailing of MSC's vessels in the Trade on such terms and conditions (including slot charter hire) as the Parties may from time to time agree. Such space shall include the use of up to ten (10) reefer plugs. Subject to space availability, COSCO may purchase additional slots from MSC on such terms and conditions as the Parties may from time to time agree. MSC shall be entitled to use any slots not used by COSCO without compensation to COSCO, but COSCO's full slot allocation shall always be available to it at every port at which it is entitled to load cargo.

5.2 COSCO shall be entitled to load cargo at/for the following ports of call: Valencia, Naples, La Spezia, New York, Norfolk, Charleston. In the event MSC's vessels call at ports other than the foregoing, COSCO shall not have the right to load and/or discharge cargo at those other ports unless otherwise agreed in writing. MSC shall give COSCO not less than fifteen (15) days advance written notice of any permanent change in the geographic scope or rotation of its service and, in the event of such a change, the Parties shall meet to agree on any necessary amendments to this Agreement.

5.3 COSCO shall not sub-charter any of the space made available to it hereunder to any third party ocean common carrier without the prior consent of MSC.

5.4 The Parties are authorized to discuss and agree upon the joint and/or individual negotiation of appropriate contracts with terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo.

5.5 Nothing in this Agreement shall be construed as creating a partnership, association, joint venture or joint service. Each Party shall utilize and maintain its own marketing and sales organizations, issue its own bills of lading, collect its own freight and settle its own claims with respect to cargo moving under its bills of lading.

5.6 The Parties are authorized to discuss and agree upon any and all technical and operational matters described in 46 C.F.R. §535.408(b) such as procedures for allocating space, forecasting, stevedoring and terminal operations, out-of-gauge, dangerous and hazardous cargoes, recordkeeping, responsibility for loss, damage or injury (including provisions of bills of lading relating to same), the interchange of information and data regarding all matters within the scope of this Agreement, terms and conditions for force majeure relief, insurance, guarantees, indemnification, responsibility for vessel delays and/or schedule corrections, and compliance with customs, safety, security, documentation, and other regulatory requirements.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND
DELEGATIONS OF AUTHORITY

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

- (i) Any authorized officer of each of the Parties; and
- (ii) Legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP AND READMISSION

Membership is limited to the Parties hereto except that additional ocean common carriers may be admitted or readmitted by unanimous consent of the Parties and by amendment of the Agreement pursuant to the Shipping Act of 1984, as amended.

ARTICLE 8: VOTING

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

ARTICLE 9: DURATION AND TERMINATION OF AGREEMENT

9.1 This Agreement shall become effective on the date it is effective under the Shipping Act of 1984, as amended, shall commence on September 1, 2007 or such other date as may be agreed by the Parties, and shall continue in effect indefinitely.

9.2 Any Party may give three (3) months written notice of termination provided that such notice will not be effective before eighteen (18) months after the commencement date of this Agreement.

9.3 MSC may terminate this Agreement with immediate effect if COSCO is in default of payment of an undisputed invoice more than 30 days after the invoice payment date as agreed by the Parties.

9.4 If at any time during the term of this Agreement a Party is dissolved, or becomes insolvent or fails to pay its debts as they become due, or becomes subject to any form of insolvency, liquidation or bankruptcy procedure or takes any action in furtherance of the same (other than for the purpose of a consolidation, reconstruction

or amalgamation previously approved in writing by the other Party), the other Party may give notice to the affected Party terminating with immediate effect or suspending for such period as the other Party, in its sole discretion deems appropriate, this Agreement or any part thereof.

9.5 In case the ownership or shareholding of a Party is modified in a way altering the relevant Party's financial control or its material ownership, the other Party, if it judges in good faith that such modification is likely to jeopardize the Agreement's implementation and performance and/or to be likely to prejudice the cohesion and or viability of this Agreement, shall be entitled to terminate the Agreement on one (1) months prior written notice which notice must be given within three (3) months of the judging Party being advised of the change of ownership or shareholding.

9.6 Any termination of this Agreement shall be without prejudice to the accrued rights and obligations of the Parties hereunder and to any right and obligation hereunder expressed to survive such termination.

ARTICLE 10: APPLICABLE LAW AND DISPUTES

10.1 Any dispute or matter arising out of or under this Agreement shall be governed by and construed in accordance with the laws of England and the Parties hereby submit to the exclusive jurisdiction of the High Court in London.

10.2 Notwithstanding Article 10.1, any dispute where the claim or counterclaim does not exceed US\$100,000 shall be referred to arbitration under the LMAA Small Claims Procedure.

10.3 Either Party may at any time call for mediation of a dispute under the auspices of the LMAA. Unless agreed such mediation shall not otherwise interfere with or affect anything else including the time bars and Court procedure. If a Party calls for mediation and such is refused, the Party calling for mediation shall be entitled to bring that refusal to the attention of the Court.

10.4 Nothing herein shall relieve the Parties of their obligations to comply with the U.S. Shipping Act of 1984, as amended, and all applicable laws and regulations of the countries in the Trade.

ARTICLE 11: NON-ASSIGNMENT

A Party shall not assign its rights or delegate its duties under this Agreement to any other person or entity without the prior written consent of the other Party.

ARTICLE 12: NOTICES

All notices pertaining to the Agreement, except as the Parties may otherwise provide, shall be sent by facsimile transmission and confirmed by first class mail, postpaid to the addresses set forth in Article 3 hereof.

ARTICLE 13: ENFORCEABILITY

If at any time during the performance of the Agreement, any provision hereof shall be held to be invalid, illegal or unenforceable, the remainder of the Agreement shall not be affected thereby and shall be valid and be enforceable to the full extent permitted by law.

MSC/COSCO Space Charter Agreement
FMC Agreement No.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed
by their duly authorized representatives as of this 22 day of August, 2007.

MEDITERRANEAN SHIPPING CO. S.A.

By: _____

Name: P. Formisano

Title: Director

COSCO CONTAINER LINES COMPANY
LIMITED

By: _____

Name: Fu cheng Qiu

Title: