

LETTER OF INTENT

This Letter of Intent (this “**LOI**”), dated as of November 13, 2015, by and between APM Terminals Pacific LLC (“**APMT**”) and the City of Los Angeles, a municipal corporation acting by and through its Executive Director (“**City**”) and CMA CGM S.A. (“**CMA CGM**”) (APMT, the City and CMA CGM, individually, a “**Party**,” and collectively, the “**Parties**”).

The Parties are engaging in discussions regarding the deployment of the CMA CGM Benjamin Franklin (the “**Vessel**”) to APMT’s Pier 400 terminal on December 26, 2015 (the “**Vessel Call**”), and in connection therewith desire to set forth basic principles and understandings with respect to the Vessel Call.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the Parties agree as follows:

1. Vessel Call. In the event that CMA CGM arranges the Vessel to call a terminal located in the San Pedro Bay on or around December 26, 2015, CMA CGM will arrange for the Vessel to call APMT’s Pier 400 terminal on December 26, 2015. Such option shall be exercised by CMA CGM not later than 26 November 2015.
2. Rates. As an incentive to CMA CGM to complete the Vessel Call, APMT will provide a one-time credit to CMA CGM for the Vessel Call equivalent to a \$75 per container reduction for each container operated by CMA CGM or its affiliates, transported on the Vessel and being transported on a bill of lading issued by CMA CGM or its affiliates. Sections 10, 12, and 13 of the terminal services agreement covering the “Yangtze Service”, dated as of April 11, 2015, by and between CMA CGM and APMT, are hereby incorporated by reference into this LOI in their entirety and all of their terms and conditions apply unless expressly stated otherwise by this LOI.
3. Operational Support. The City and APMT will support and coordinate with CMA CGM with respect to operational arrangements necessary and appropriate with respect to the Vessel Call namely a maximum of 14,000 moves with an estimated time of departure no later than December 30, 2015 at 2000 hours, provided the Vessel arrives at the terminal at 0600 hours on December 26, 2015. The 0600 hours arrival conforms to the desired tidal conditions to commence cargo discharge. Upon vessel mooring, APMT will take the lead to manage an efficient Regulatory clearance process with the appropriate Government agencies. If the vessel arrives after 0600 hours, contingency planning will be coordinated with all appropriate parties.
4. Media. The Media and events surrounding the Vessel Call shall be driven by CMA CGM communications department which shall coordinate actions with the City and APMT. Any communications on or relating to the vessel call shall be made in coordination and with the prior approval of CMA CGM communication department.

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5. Confidentiality. The existence of this LOI, the terms hereof and any communications regarding it constitute confidential information and shall not be disclosed to any third parties without the prior consent of all of the Parties and subject to applicable law.
6. Non-Binding. With the exception of Sections 1, 2, 3 and 4, this LOI is a non-binding term letter of intent, and not an offer or a draft agreement. This LOI is designed to set out the Parties' mutual understandings and serve as a basis for agreeing to a definitive agreement, and with the exception of Sections 1, 2, 3 and 4, nothing contained herein shall be (i) binding upon either Party, (ii) construed as creating any legally binding rights or obligations, which rights and obligations shall arise only if, as and when definitive documentation in form and substance acceptable to each Party, in its sole discretion, is negotiated, executed and delivered, (iii) construed as amending or modifying any agreements currently in effect between either Party or any third parties, (iv) construed as an offer, or (v) construed as imposing on either Party any obligation to negotiate any agreement or any amendment or modification to any existing agreement.
7. Governing Law. This LOI will be governed by and construed in accordance with the laws of the State of California, without regard to the principles of conflict of laws thereof.
8. Counterparts. This LOI may be signed by facsimile or other electronic method (such as e-mail) and in one or more counterparts, each of which shall be deemed an original but all of which shall be deemed to constitute a single instrument. Signatures of the parties transmitted by facsimile, PDF or other electronic file shall be deemed to be their original signatures for all purposes and the exchange of copies of this LOI and of signature pages by facsimile transmission, PDF or other electronic file shall constitute effective execution and delivery of this LOI as to the Parties and may be used in lieu of the original LOI for all purposes.

IN WITNESS WHEREOF, the parties have executed this LOI as of the day and year first above written.

APM TERMINALS PACIFIC LLC

By: _____

Name: _____

Title: _____

Steven M. Trombley
Steven M. Trombley
President + CEO

THE CITY OF LOS ANGELES, by its Executive Director

By: _____

Name: _____

Title: _____

Eugene D. Seruka
Eugene D. Seruka
Executive Director, Port of Los Angeles

CMA CGM S.A.

By: _____

Name: _____

Title: _____

Olivier Nivoix
Olivier NIVOIX
VP NORTH AMERICA LINE HO.