

**BIMCO  
STANDARD CONTAINER LEASE AGREEMENT  
CODE NAME: BOXLEASE**

1. Reference Number		BIMCO STANDARD CONTAINER LEASE AGREEMENT CODE NAME: BOXLEASE		
2. Effective date of agreement <a href="#">(Cl. 1(a))</a>		4. Lessee (Name and full style address)		
3. Lessor (Name and full style address)		5. Equipment <a href="#">(Cl. 7(a), Cl. 10(b))</a>		
Type	Quantity	Depreciation Value	Per diem rate	Per diem after build-down period
6. Franchise (state amount) <a href="#">(Cl. 5(b)(i))</a>		7. Commencement date of lease <a href="#">(Cl. 1(b))</a>		8. Alternative to UCIRC/RCIRC <a href="#">(Cl. 2(a), 2(d), 5(a), 5(e))</a>
9. Earliest termination date <a href="#">(Cl. 1(b), Cl. 9(a))</a>		10. Direct Interchange fee <a href="#">(Cl. 4(c))</a>		11. No. of days notice for repairs <a href="#">(Cl. 5(b))</a>
12. Equipment Lumpsum (per item) <a href="#">(Cl. 5(b)(iii))</a>		13. Depreciated Value <a href="#">(Cl. 5(b)(iv), 5(c), Cl. 13(a)(i))</a>		14. Estimate response time (days) <a href="#">(Cl. 5(c))</a>
15. Notice of objection (days) <a href="#">(Cl. 5(d))</a>		16. Pick-up locations <a href="#">(Cl. 6(b))</a>		17. Lease Type (state Master/Short or Term Lease) <a href="#">(Cl. 6)</a>
18. Other charges <a href="#">(Cl. 7(a))</a>		19. Lessee's billing address <a href="#">(Cl. 7(b))</a>		20. Lessor's bank account <a href="#">(Cl. 7(c))</a>
21. No. of days for payment <a href="#">(Cl. 7(c), 7(d))</a>		22. Interest rate <a href="#">(Cl. 7(c))</a>		23. Early termination dates and per diems <a href="#">(Cl. 9(b))</a>
24. Notice of termination (days) <a href="#">(Cl. 9(a), 9(b))</a>				Date
25. Build-down period scale <a href="#">(Cl. 10(a))</a>				Per Diem
26. Repossession notice (days) <a href="#">(Cl. 9(e)(ii))</a>		27. Empty equipment redelivery (state number of days within) <a href="#">(Cl. 9(e)(iii))</a>		
28. Minimum limit of general liability insurance <a href="#">(Cl. 13(a)(ii), 13(b))</a>		29. Dispute Resolution <a href="#">(Cl. 14)</a> (state <a href="#">14(a)</a> , <a href="#">14(b)</a> or <a href="#">14(c)</a> ; if <a href="#">14(c)</a> agreed then state place of arbitration)		
30. Additional clauses agreed)				

It is agreed that this Contract shall be performed subject to the terms and conditions of PART I, including additional clauses if any agreed and stated in Box 30 and of PART II as well as Appendix A attached hereto. In the event of a conflict of conditions, the provisions of PART I and Appendix A shall prevail over those of PART II to the extent of such conflict but no further.

Signatory (Lessor)	Signature (Lessee)
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## PART II

### BOXLEASE Standard Container Lease Agreement

<p>Subject to the terms and conditions of this Agreement with reference number stated in <a href="#">Box 1</a>, the Lessor named in <a href="#">Box 3</a> hereby agrees to lease to the Lessee named in <a href="#">Box 4</a> and the Lessee hereby agrees to lease from the Lessor the Equipment more particularly described in <a href="#">Box 5</a>.</p> <p><b>Definitions</b></p> <p><b>Depreciated Value</b> means the amount agreed to be paid by the Lessee to the Lessor as replacement for Equipment lost or damaged beyond repair.</p> <p><b>Direct Interchange</b> means the transfer of leased Equipment between two parties both having a Lease Agreement with the same Lessor whereby at the time of transfer the receiving party assumes the responsibility for such transferred</p> <p><b>Equipment</b> under its own Lease Agreement with the Lessor. Equipment means freight containers as defined by the International Organization for Standardization (ISO) and/or related equipment, such as clip-ons.</p> <p><b>Franchise</b> means the amount stated in <a href="#">Box 6</a> which shall be deducted by the Lessor from any estimate of repair costs issued to the Lessee in accordance with <a href="#">Clause 5</a> (Condition of Equipment on Redelivery).</p> <p><b>Latent Defect</b> means any defect that is not, or was not, apparent at the time of on-hire of the Equipment, arising from any event occurring before on-hire, including but not limited to, design, material, manufacture, workmanship, modification or maintenance.</p> <p><b>Master Lease</b> means a lease agreement between Lessor and Lessee whereby Equipment is leased at fixed rates and conditions, but with a variable term and quantity and variable delivery/re-delivery depots.</p> <p><b>Replacement Value</b> means the purchase value of new Equipment of the same type on the date of replacement.</p> <p><b>Sub-lease</b> means a contract by which the Lessee gives the use of Equipment to a third party for a specified period of time, but whereby the Lessee remains responsible for the Equipment under the terms and conditions of its Lease Agreement with the Lessor.</p> <p><b>Term Lease</b> means a lease agreement between Lessor and Lessee whereby Equipment is leased at fixed rates and conditions with a predetermined delivery schedule and for a fixed period of time.</p> <p><b>Wear and Tear</b> means the unavoidable loss or deterioration in value or damage sustained to the Equipment in the course of continued normal use and which may affect the cosmetic appearance of the Equipment and by accumulation or degree may eventually affect the integrity of the Equipment. Wear and Tear shall include, but not be limited to:</p> <ul style="list-style-type: none"> <li>(i) Corrosion of metal components not due to contact with foreign substances;</li> <li>(ii) De-lamination or rot of wooden components, such as general deterioration of floor, including expansion, shrinkage or warping;</li> <li>(iii) Colour fading or adhesion failure of decals;</li> <li>(iv) Loose or missing parts or marking, except those that are normally removable, in the absence of evidence of accompanying damage;</li> <li>(v) General paint failure or fading not due to contamination;</li> </ul>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p> <p>32</p> <p>33</p> <p>34</p> <p>35</p> <p>36</p> <p>37</p> <p>38</p> <p>39</p> <p>40</p> <p>41</p> <p>42</p> <p>43</p> <p>44</p> <p>45</p> <p>46</p> <p>47</p> <p>48</p> <p>49</p> <p>50</p> <p>51</p> <p>52</p> <p>53</p> <p>54</p> <p>55</p> <p>56</p> <p>57</p> <p>58</p>	<ul style="list-style-type: none"> <li>(vi) General wear and deterioration at corner fittings;</li> <li>(vii) General deterioration at door gasket and fitting, including loose and corroded fittings or loose fittings arising from normal deterioration of doors;</li> <li>(viii) Scratches to metal.</li> </ul> <p>In addition to the above, Wear and Tear for Reefer Containers shall include but not be limited to:</p> <ul style="list-style-type: none"> <li>(i) General deterioration of kazooks, to include age hardening;</li> <li>(ii) General electrolytic corrosion from dissimilar metals in contact with each other in an electrolyte such as salt water;</li> <li>(iii) Flooring de-laminations resulting from routine cargo loading and unloading cycles;</li> <li>(iv) Failures and/or malfunctions of machinery components although machinery has been maintained according to manufacturer's recommendations;</li> <li>(v) De-lamination to panels not attributable to any ascertainable impact.</li> </ul> <p><b>1. Duration of the Agreement</b></p> <p>(a) All terms and conditions of this Agreement shall take effect from the date stated in <a href="#">Box 2</a> and shall remain in force until all Equipment covered by this Agreement has been redelivered.</p> <p>(b) The period of lease shall commence on the date stated in <a href="#">Box 7</a> and shall continue at least until the Earliest Termination Date stated in <a href="#">Box 9</a> unless otherwise terminated in accordance with <a href="#">Clause 9</a> (Termination).</p> <p><b>2. Condition of Equipment on Delivery</b></p> <p>(a) The Lessor warrants that at the time of delivery the Equipment shall be in a good and serviceable condition and shall have been designed, manufactured, Tested and maintained in compliance with the Standards detailed hereinafter:</p> <ul style="list-style-type: none"> <li>(i) ISO;</li> <li>(ii) International Convention for Safe Containers (CSC) of 1972 or any amendment thereof;</li> <li>(iii) Customs Convention on Containers of 1956 and 1972 or any amendment thereof;</li> <li>(iv) Australian Quarantine Regulations in respect of Timber Component Treatment;</li> <li>(v) The latest edition of the Unified Container Inspection and Repair Criteria/Refrigerated Container Inspection and Repair Criteria (UCIRC/RCIRC) or as may otherwise be agreed in <a href="#">Box 8</a>.</li> </ul> <p>(b) The Lessor warrants that the Equipment shall be delivered free from all liens and encumbrances.</p> <p>(c) The Lessor warrants that the period of validity of the CSC Safety Approval Plate is 30 months from the date of on-hire, unless the Equipment is CSC controlled under an Approved Continuous Examination Programme (ACEP).</p> <p>(d) The Lessee may appoint a surveyor to inspect any Equipment prior to on-hire. The Lessor shall make the Equipment available for such inspection. The surveyor shall apply the standards set out in the latest edition of UCIRC/RCIRC or as may otherwise be agreed and Stated in <a href="#">Box 8</a>. The surveyor's report of the condition of the Equipment at on-hire shall be prima facie evidence of the condition of the Equipment taken on hire.</p>	<p>59</p> <p>60</p> <p>61</p> <p>62</p> <p>63</p> <p>64</p> <p>65</p> <p>66</p> <p>67</p> <p>68</p> <p>69</p> <p>70</p> <p>71</p> <p>72</p> <p>73</p> <p>74</p> <p>75</p> <p>76</p> <p>77</p> <p>78</p> <p>79</p> <p>80</p> <p>81</p> <p>82</p> <p>83</p> <p>84</p> <p>85</p> <p>86</p> <p>87</p> <p>88</p> <p>89</p> <p>90</p> <p>91</p> <p>92</p> <p>93</p> <p>94</p> <p>95</p> <p>96</p> <p>97</p> <p>98</p> <p>99</p> <p>100</p> <p>101</p> <p>102</p> <p>103</p> <p>104</p> <p>105</p> <p>106</p> <p>107</p> <p>108</p> <p>109</p> <p>110</p> <p>111</p> <p>112</p> <p>113</p> <p>114</p> <p>115</p> <p>116</p> <p>117</p> <p>118</p> <p>119</p>
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## PART II

### BOXLEASE Standard Container Lease Agreement

	<b>3. Technical Specifications</b>	120			
	If requested by the Lessee the Lessor shall provide the Lessee with the technical specifications for the Equipment.	121 122 123			182 183 184 185
	<b>4. Title to Equipment, Sub-lease and Direct Interchange</b>	124			
	<b>(a)</b> The Equipment shall at all times remain the property of the Lessor, and the Lessee shall acquire no title to Equipment by virtue of paying rents, costs of transportation or repairs, registration or licensing fees, Taxes (property excise or any other governmental fees or charges) or any other expenses or charges related to or assessed against such Equipment or its operation during the period of this Agreement.	125 126 127 128 129 130 131 132 133			186 187 188 189 190 191
Co	<b>(b)</b> The Lessee shall not, without the Lessor's prior written consent, which shall not be unreasonably withheld, assign any right or interest in or to this Agreement or the Equipment. The Lessee may sub-Lease or interchange Equipment to a company which is directly or indirectly associated with the Lessee. In Case of such assignment or sub-lease, the Lessee shall remain responsible for all obligations in accordance with this Agreement.	134 135 136 137 138 139 140 141 142			192 193 194 195 196 197 198 199 200 201 202 203
	<b>(c)</b> The Lessee may transfer Equipment to a third Party in a Direct Interchange, but only with the Lessor's written consent, which shall not be unreasonably withheld. When the third party has confirmed to the Lessor its agreement to such a transfer, the Lessee's obligations to pay rental shall cease and a Direct Interchange fee as stated in <a href="#">Box 10</a> shall be paid by the Lessee to the Lessor.	143 144 145 146 147 148 149 150			204 205 206 207 208 209
	<b>(d)</b> The Equipment shall have the Lessor's serial numbers and other identifying marks affixed thereto, which shall not be obliterated, altered, concealed or otherwise changed or hidden from view by the Lessee so as to prevent or block access to such numbers or marks without prior written agreement from the Lessor. The Lessee has the option to have its own company logo applied on the Equipment provided that same is to be removed for the Lessee's account upon redelivery of the Equipment.	151 152 153 154 155 156 157 158 159 160			210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231
Printed by BIMCO's idea	<b>5. Condition of Equipment on Redelivery</b>	161			
	<b>(a)</b> The Equipment shall be redelivered in accordance With the latest edition of UCIRC/RCIRC or as may be otherwise agreed and stated in <a href="#">Box 8</a> , Wear and Tear excepted and unless advised by the Lessor to the contrary in accordance with <a href="#">sub-clause (b)</a> , the Equipment shall be deemed to have been redelivered in undamaged condition.	162 163 164 165 166 167 168			232 233 234 235 236 237 238 239 240 241 242 243 244
	<b>(b)</b> In the event Equipment is redelivered in a damaged condition, the Lessor shall within the number of working days stated in <a href="#">Box 11</a> provide the Lessee with a detailed estimate of repairs, in an electronic format if so requested by the Lessee.	169 170 171 172 173			
	<b>(i)</b> If the repairs are covered by Franchise in the amount stated in <a href="#">Box 6</a> , the repair costs exceeding the Franchise shall be paid by the Lessee or	174 175 176			
	<b>(ii)</b> If there is no Franchise, the repair costs shall be those based on a repair estimate of each container or	177 178 179			
	<b>(iii)</b> If repair costs are covered by a lumpsum per piece of Equipment the amount for each piece of	180 181			
	Equipment shall be stated in <a href="#">Box 12</a> or				182
	<b>(iv)</b> In the event that repair costs exceed the Depreciated Value the Lessee shall pay to the Lessor the Depreciated Value as calculated in <a href="#">Box 13</a> .				183 184 185
	<b>(c)</b> If the Lessee does not respond to the Lessor Within the number of working days stated in <a href="#">Box 14</a> of receiving the detailed estimate of repairs, the Lessee shall pay for the said repairs, for the amount specified in the estimate, which shall not exceed the Depreciated Value as per <a href="#">Box 13</a> .				186 187 188 189 190 191
	<b>(d)</b> If the Lessee disagrees with the estimate of repair Costs or disagrees that any item therein should be for the Lessee's account, the Lessee shall detail his objections by notice to the Lessor within the period stated in <a href="#">Box 15</a> . In the event of a continuing dispute the parties shall within 10 days of the date of that notice appoint a joint surveyor who shall survey the Equipment and review the estimate of repairs. The Lessor and Lessee agree to be bound by the decision of the joint surveyor as to the extent of the repairs payable by the Lessee and the reasonable cost thereof and to share the cost of the survey.				192 193 194 195 196 197 198 199 200 201 202 203
	<b>(e)</b> All damages shall be defined in accordance with the latest Inspection and Repair Criteria as per UCIRC/RCIRC or as may otherwise be agreed in accordance with <a href="#">Box 8</a> and all repairs shall be performed in accordance with the Institute of International Container Lessors (IICL) Repair Manual.				204 205 206 207 208 209
	<b>6. Pick-ups and Drop-offs</b>	210			
	<b>(a)</b> <u>*Master/Short Term Lease:</u> The Lessee may pick up Equipment from any of the Lessor's depots as may From time to time be mutually agreed. The Lessor shall not unreasonably withhold Equipment from the Lessee and shall use his best endeavours to fulfil the requirements of the Lessee.	211 212 213 214 215 216			210 211 212 213 214 215 216
	<b>(b)</b> <u>*Term Lease:</u> The Lessee may pick up Equipment From the place(s) stated in <a href="#">Box 16</a> . Save for the provisions of <a href="#">Clauses 9</a> (Termination) and 10 (Build-Down Period) such Equipment shall remain on hire for at least the period stipulated in <a href="#">Clause 1(b)</a> .	217 218 219 220 221			217 218 219 220 221
	<b>(c)</b> Subject to the terms of this Agreement, the Lessee may redeliver any of the Equipment, to any of the Lessor's depots designated in Annex A, which may contain permissible redelivery quota and drop-off charges, or as may from time to time be mutually agreed. Redelivery shall end this Agreement only insofar as it relates to the redelivered Equipment. The Lessor shall confirm in writing to the Lessee the off-hire date and off-hire depot within 24 hours after the physical return of the Equipment.	222 223 224 225 226 227 228 229 230 231			222 223 224 225 226 227 228 229 230 231
	<b>(d)</b> Unless a depot closure is due to circumstances beyond the control of the Lessor, which could not have Been avoided through the exercise of due diligence, the Lessor shall give the Lessee not less than 60 days notice of any change to the list of depots or availability of any depot stated in Annex A. Such change or availability Shall only be accepted subject to the approval of the Lessee, which shall not be unreasonably withheld. If, for any reason whatsoever, the depot is closed the Lessor shall offer the Lessee the same number of drop-offs at an adequate, alternative depot within the same trading range.	232 233 234 235 236 237 238 239 240 241 242 243			232 233 234 235 236 237 238 239 240 241 242 243
	<i>* (a) and (b) are alternatives. Indicate in <a href="#">Box 17</a></i>	181			244

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	<i>whichever is applicable.</i>	245		307
	<b>7. Payment of Rental and Other Charges</b>	246	<b>(c) Lessor's Default</b>	308
	(a) In consideration for leasing the Equipment from the Lessor, the Lessee shall, as from the pick-up date, be liable to pay to the Lessor, as rent, the per diem leasing rate specified in <a href="#">Box 5</a> , as well as any other charges which may be agreed upon and enumerated in <a href="#">Box 18</a> . The Lessee's obligations to pay rental shall cease on the day after redelivery into any of the Lessor's designated depots.	247 248 249 250 251 252 253 254	The Lessee may upon giving notice terminate this Agreement with immediate effect for any Equipment:	309
CoP	(b) An invoice shall be sent to the Lessee's billing address as stated in <a href="#">Box 19</a> , in an electronic format if so requested by the Lessee.	255 256 257	(i) the use of which shall have been curtailed or obstructed by any legislation or regulation of any Government or statutory body of any country where the Lessee wishes to use said Equipment;	310 311 312 313 314
	(c) Payment shall be made by the Lessee to the Lessor's bank account as stated in <a href="#">Box 20</a> , within the number of working days stated in <a href="#">Box 21</a> of the date of the Lessor's invoice. Any delay in payment shall entitle the Lessor to charge the Lessee interest at the rate stated in <a href="#">Box 22</a> for each month or part thereof that the payment remains outstanding.	258 259 260 261 262 263 264	(ii) which is shown to have latent defects or Wear and Tear such that it is unsafe or unsuitable for continued use. Such Equipment shall be returned to the Lessor at any of their depots or as otherwise agreed.	315 316 317 318 319
	(d) The Lessee shall give written notice to the Lessor of any disputed items on the Lessor's invoice. The Lessor shall reconcile disputed items by either providing supporting documents for such items or by issuing an appropriate adjustment of the invoice. Notification of disputed items shall not prejudice the obligation of the Lessee to pay the undisputed portion of any invoice within the number of days stated in <a href="#">Box 21</a> after receipt. (See <a href="#">Clause 9(d)</a> (Termination – Lessee's Default)).	265 266 267 268 269 270 271 272 273 274	<b>(d) Lessee's Default</b> The Lessor may upon giving notice terminate this Agreement with immediate effect in the event of default by the Lessee in paying any invoice for rental in accordance with <a href="#">Clause 7</a> (Payment of Rental and Other Charges) for sixty (60) days after it has become due to the Lessor or, in the event of disputed items, sixty (60) days after reconciliation of the invoice by the Lessor in accordance with <a href="#">Clause 7(d)</a> (Payment of Rental and Other Charges).	320 321 322 323 324 325 326 327 328 329
	<b>8. Taxes, Fees and Fines</b> The Lessee shall pay all taxes, dues and charges levied on or against the Equipment arising out of or in connection with the use of the Equipment. Upon the return of any Equipment to the Lessor, and provided it is a permissible return under the conditions of this Lease Agreement, the Lessor shall indemnify the Lessee from any import duties or taxes whatsoever that may be imposed from the time the Equipment was returned to the Lessor. The Lessee shall, to the best of its ability, and at the Lessor's request, assist the Lessor to avoid any import duties or taxes by co-operating to the fullest extent in requesting extension of the same as local regulations permit. The Lessor shall pay all taxes, dues and charges levied on or against the Equipment arising out of or in connection with the ownership of the Equipment.	275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291	<b>(e) Insolvency</b> (i) Both the Lessee and the Lessor shall be entitled to terminate this Agreement in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver is appointed, or if the other party suspends payment, ceases to carry on business or makes any special arrangement with their creditors.	330 331 332 333 334 335 336 337 338 339
Printed by BIMCO's idea	<b>9. Termination</b> (a) Either party may terminate this Agreement by giving the other party notice of termination at least the number of days stated in <a href="#">Box 24</a> prior to the Earliest Termination Date stated in <a href="#">Box 9</a> or any later date agreed to by the parties. (b) <b>Early Termination</b> - Notwithstanding the provisions of <a href="#">Clause 1</a> (Duration of the Agreement), <a href="#">Clause 6(b)</a> (Pick-ups and Drop-offs) and <a href="#">Clause 9(a)</a> (Termination) and by giving the number of days notice stated in <a href="#">Box 24</a> , the Lessee shall have the option of terminating the Agreement on any of the dates stated in <a href="#">Box 23</a> . In such case the hire shall be adjusted in accordance with the appropriate per diem rates stated in <a href="#">Box 23</a> .	292 293 294 295 296 297 298 299 300 301 302 303 304 305 306	(ii) If the Lessor terminates this Agreement according to <a href="#">sub-clause (i)</a> , the Lessor shall, upon giving the number of days notice stated in <a href="#">Box 26</a> , have the right to re-possess all empty Equipment leased to the Lessee under this Agreement.	340 341 342 343 344
			(iii) The Lessee must, upon receipt of the notice from the Lessor, immediately insofar as he is able to do so, notify the Lessor of the exact location of all Equipment leased to it under this Agreement and, within the number of days stated in <a href="#">Box 27</a> , redeliver all empty Equipment to the nearest Lessor's depot unless otherwise mutually agreed.	345 346 347 348 349 350 351
			<b>10. Build-down Period</b> (a) The build-down period shall be in proportion to the volume of Equipment leased as per the scale stated in <a href="#">Box 25</a> and shall commence on the first day of the month following termination of the Agreement as per <a href="#">Clause 1(b)</a> (Duration of the Agreement) or <a href="#">Clause 9(a)</a> (Termination), during which time all the Equipment shall be redelivered to the Lessor.	352 353 354 355 356 357 358 359
			(b) For Equipment still being used after the build-down period, the Lessor may invoice the per diem rate as per <a href="#">Box 5</a> .	360 361 362
			<b>11. Maritime Lien</b> (a) The Equipment is supplied for the purpose of intermodal operations in international trade and may be used for the carriage of lawful goods by sea as well as in inland transport including the handling at terminals and inland depots and freight stations. The Equipment	363 364 365 366 367 368

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	is not designated for use on any particular Vessel and consequently no maritime lien securing the obligations under this Agreement may be attached to any Vessel connected in any way with the Lessee.	369 370 371 372		
	(b) The Lessor shall rely solely upon the credit of the Lessee in supplying Equipment under this Agreement.	373 374		
	<b>12. Liabilities and Indemnity</b>	375		
	(a) The Lessee shall be liable to the Lessor for the actual or constructive total loss of, or damage, Wear and Tear excepted, to any Equipment occurring during the period of this Agreement.	376 377 378		
Co	The Lessee shall immediately notify the Lessor in writing of any actual or constructive total loss of any Equipment and upon such notice the Lessee's obligations to pay rental shall cease. In the event that such actual or constructive total loss occurs, the Lessee shall pay to the Lessor the Depreciated Value of such Equipment, which transfers the ownership of said Equipment to the Lessee. If actual or constructive total loss of any Equipment is not determined until after redelivery has taken place, the Lessee shall pay to the Lessor the Depreciated Value of such Equipment but ownership of said Equipment shall remain with the Lessor.	379 380 381 382 383 384 385 386 387 388 389 390 391 392		
	Should the Lessee later determine that Equipment previously declared lost has been recovered, the Lessor shall, at the request of the Lessee, reimburse any previously paid Depreciated Value less any rental accrued from the date the equipment was declared lost if the recovery date is within twelve months of the total loss declaration.	393 394 395 396 397 398 399		
	(b) The Lessee shall defend, indemnify and hold the Lessor harmless for any and all claims, losses, expenses, costs or damages (including without limitation all reasonable expenses in defending any claim or suit or enforcing this indemnity, such as court costs, attorney's fees, and other expenses) arising or alleged to arise directly or indirectly or incidentally out of:	400 401 402 403 404 405 406 407		
Printed by BIMCO's idea	(i) any failure of the Lessee to comply with its obligations under this Agreement;	408 409		
	(ii) any claim, whether private or governmental, for bodily injury or death to persons (including employees of the Lessor) and for loss of or damage to property, cargo and/or vessels and/or means of transport, arising out of or in connection with the possession, leasing, operation, control or use of the Equipment by the Lessee.	410 411 412 413 414 415 416		
	(c) The Lessor shall be liable to the Lessee and defend, indemnify and hold the Lessee harmless for any and all claims, losses, expenses, costs or damages (including without limitation all reasonable expenses in defending any claim or suit such as court costs, attorney's fees and other expenses) arising or alleged to arise directly or indirectly or incidentally out of:	417 418 419 420 421 422 423		
	(i) any failure of the Lessor to comply with its obligations under this Agreement;	424 425		
	(ii) any claim, whether private or governmental, for bodily injury or death to persons (including employees of the Lessee) and for loss of or damage to property, cargo and/or vessels and/or means of transport, arising out of or in connection with the ownership, manufacture, design or supply	426 427 428 429 430 431		
	of the Equipment.			432
	(d) Each party undertakes to give to the other party immediate notice of claims or actions arising under this Clause, and to assist in the handling of any and all such claims or actions.			433 434 435 436
	<b>13. Insurance</b>			437
	(a) The Lessee shall procure and maintain in full force and effect during the term of this Agreement, at its sole cost and expense, the following insurances:			438 439 440
	(i) Insurance to cover physical loss or damage to the Equipment for not less than the full Depreciated Value stated in <a href="#">Box 13</a> .			441 442 443
	(ii) General liability insurance to a minimum limit as stated in <a href="#">Box 28</a> for any one occurrence, to cover third party bodily injury and property damage.			444 445 446
	Such insurance shall be primary insurance.			447
	Any and all deductibles under the terms of the foregoing insurances shall be for the Lessee's account. On request, the Lessee shall provide the Lessor with evidence of the insurances.			448 449 450 451
	(b) The Lessor shall procure and maintain in full force and effect during the term of this Agreement, at its sole cost and expense, general liability insurance to a minimum limit as stated in <a href="#">Box 28</a> for any one occurrence, to cover third party bodily injury and property damage.			452 453 454 455 456 457
	Any and all deductibles under the terms of the foregoing insurance shall be for the Lessor's account. On request, the Lessors shall provide the Lessee with evidence of the general liability insurance.			458 459 460 461
	Should a party fail to procure or maintain any of the required insurance or by act or omission invalidate any such insurance, that party shall indemnify the other party to the extent the other party suffers or incurs loss, damage, liability or expense as a consequence of such failure, act or omission.			462 463 464 465 466 467
	<b>14. BIMCO Dispute Resolution Clause</b>			468
	*(a) This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.			469 470 471 472 473 474 475 476
	The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.			477 478 479 480
	The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party,			481 482 483 484 485 486 487 488 489 490 491 492 493

## PART II

### BOXLEASE Standard Container Lease Agreement

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appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.	494	(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.	558
Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.	495	(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.	559
In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.	496	(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.	560
* <b>(b)</b> This Agreement shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Agreement shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.	497	(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.	561
In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.	498	(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.	562
* <b>(c)</b> This Agreement shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Agreement shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.	499	<i>(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)</i>	563
* <b>(d)</b> Notwithstanding <a href="#">(a)</a> , <a href="#">(b)</a> or <a href="#">(c)</a> above, 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.	500	<b>(e)</b> If <a href="#">Box 29</a> in PART I is not appropriately filled in, sub-clause <a href="#">(a)</a> of this Clause shall apply. <a href="#">Sub-clause (a)</a> shall apply in all cases.	564
In the case of a dispute in respect of which arbitration has been commenced under <a href="#">(d)</a> , <a href="#">(b)</a> or <a href="#">(c)</a> above, the following shall apply:	501	* Note: <a href="#">Sub-clauses (a)</a> , <a href="#">(b)</a> and <a href="#">(c)</a> are alternatives; indicate alternative agreed in <a href="#">Box 29</a> .	565
(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.	502		566
(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.	503		567
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	527	<b>15. Notices</b>	591
	528	<b>(a)</b> All notices given by either party or their agents to the other party or their agents in accordance with the provisions of this Agreement shall be in writing.	592
	529	<b>(b)</b> For the purposes of this Agreement, "in writing" shall mean any method of legible communication. A notice may be given by any effective means including, but not limited to, cable, telex, fax, e-mail, registered or recorded mail, or by personal service.	593
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	537	<b>16. Entire Agreement</b>	601
	538	This Agreement constitutes the entire agreement between the Parties and no promise, undertaking, representation, warranty or statement by either party prior to the date of this Agreement stated in <a href="#">Box 2</a> shall affect the Agreement. Any modification of this Agreement shall not be of any effect unless in writing signed by or on behalf of the Parties.	602
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**BOXLEASE Standard Container Lease Agreement**

**ANNEX A**

**Lessor's Depots**

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