



BIMCO
STANDARD CONTAINER LEASE AGREEMENT
CODE NAME: BOXLEASE

PART I

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

Signature (Lessor)	Signature (Lessee)
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PART II
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Subject to the terms and conditions of this Agreement with reference number stated in Box 1, the Lessor named in Box 3 hereby agrees to lease to the Lessee named in Box 4 and the Lessee hereby agrees to lease from the Lessor the Equipment more particularly described in Box 5.	1	(vi) General wear and deterioration at corner fittings;	59
	2	(vii) General deterioration at door gasket and fitting, including loose and corroded fittings or loose fittings arising from normal deterioration of doors;	60
	3		61
	4		62
	5	(viii) Scratches to metal.	63
	6	In addition to the above, Wear and Tear for Reefer Containers shall include but not be limited to:	64
Definitions	7	(i) General deterioration of kazooos, to include age hardening;	65
Depreciated Value means the amount agreed to be paid by the Lessee to the Lessor as replacement for Equipment lost or damaged beyond repair.	8		66
	9	(ii) General electrolytic corrosion from dissimilar metals in contact with each other in an electrolyte such as salt water;	67
	10		68
Direct Interchange 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 Equipment under its own Lease Agreement with the Lessor.	11	(iii) Flooring de-laminations resulting from routine cargo loading and unloading cycles;	69
	12		70
	13	(iv) Failures and/or malfunctions of machinery components although machinery has been maintained according to manufacturer's recommendations;	71
	14		72
Equipment means freight containers as defined by the International Organization for Standardization (ISO) and/or related equipment, such as clip-ons.	15	(v) De-lamination to panels not attributable to any ascertainable impact.	73
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	17		75
	18	1. Duration of the Agreement	76
Franchise means the amount stated in Box 6 which shall be deducted by the Lessor from any estimate of repair costs issued to the Lessee in accordance with Clause 5 (Condition of Equipment on Redelivery).	19	(a) All terms and conditions of this Agreement shall take effect from the date stated in Box 2 and shall remain in force until all Equipment covered by this Agreement has been redelivered.	77
	20		78
	21	(b) The period of lease shall commence on the date stated in Box 7 and shall continue at least until the Earliest Termination Date stated in Box 9 unless otherwise terminated in accordance with Clause 9 (Termination).	79
	22		80
Latent Defect 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.	23		81
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	27	2. Condition of Equipment on Delivery	85
Master Lease 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.	28	(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:	86
	29		87
	30	(i) ISO;	88
Replacement Value means the purchase value of new Equipment of the same type on the date of replacement.	31	(ii) International Convention for Safe Containers (CSC) of 1972 or any amendment thereof;	89
	32		90
Sub-lease 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.	33	(iii) Customs Convention on Containers of 1956 and 1972 or any amendment thereof;	91
	34		92
	35	(iv) Australian Quarantine Regulations in respect of Timber Component Treatment;	93
	36		94
	37	(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 Box 8.	95
Term Lease 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.	38	(b) The Lessor warrants that the Equipment shall be delivered free from all liens and encumbrances.	96
	39		97
	40	(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).	98
	41		99
Wear and Tear 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:	42	(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 Box 8. 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.	100
	43		101
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	48	(i) Corrosion of metal components not due to contact with foreign substances;	106
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	50	(ii) De-lamination or rot of wooden components, such as general deterioration of floor, including expansion, shrinkage or warping;	108
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	53	(iii) Colour fading or adhesion failure of decals;	111
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	55	(iv) Loose or missing parts or marking, except those that are normally removable, in the absence of evidence of accompanying damage;	113
	56		114
	57	(v) General paint failure or fading not due to contamination;	115
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		3. Technical Specifications	117
		If requested by the Lessee the Lessor shall provide the Lessee with the technical specifications for the Equipment.	118
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4. Title to Equipment, Sub-lease and Direct Interchange	124	Value as per Box 13.	191
(a) 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.	125-133	(d) 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 Box 15. 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.	192-203
(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.	134-142	(e) 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 Box 8 and all repairs shall be performed in accordance with the Institute of International Container Lessors (IICL) Repair Manual.	204-209
(c) 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 Box 10 shall be paid by the Lessee to the Lessor.	143-150	6. Pick-ups and Drop-offs	210
(d) 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.	151-160	(a) <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.	211-216
5. Condition of Equipment on Redelivery	161	(b) <u>*Term Lease</u> : The Lessee may pick up Equipment from the place(s) stated in Box 16. Save for the provisions of Clauses 9 (Termination) and 10 (Build-down Period) such Equipment shall remain on hire for at least the period stipulated in Clause 1(b).	217-221
(a) The Equipment shall be redelivered in accordance with the latest edition of UCIRC/RCIRC or as may be otherwise agreed and stated in Box 8, Wear and Tear excepted and unless advised by the Lessor to the contrary in accordance with sub-clause (b), the Equipment shall be deemed to have been redelivered in undamaged condition.	162-168	(c) 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.	222-231
(b) In the event Equipment is redelivered in a damaged condition, the Lessor shall within the number of working days stated in Box 11 provide the Lessee with a detailed estimate of repairs, in an electronic format if so requested by the Lessee.	169-173	(d) 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.	232-243
(i) If the repairs are covered by Franchise in the amount stated in Box 6, the repair costs exceeding the Franchise shall be paid by the Lessee or	174-176	<i>* (a) and (b) are alternatives. Indicate in Box 17 whichever is applicable.</i>	244-245
(ii) If there is no Franchise, the repair costs shall be those based on a repair estimate of each container or	177-179	7. Payment of Rental and Other Charges	246
(iii) If repair costs are covered by a lumpsum per piece of Equipment the amount for each piece of Equipment shall be stated in Box 12 or	180-182	(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 Box 5, as well as any other charges which may be agreed upon and enumerated in Box 18. The Lessee's obligations to pay rental shall cease on the day after redelivery into any of the Lessor's designated depots.	247-254
(iv) In the event that repair costs exceed the Depreciated Value the Lessee shall pay to the Lessor the Depreciated Value as calculated in Box 13.	183-185	(b) An invoice shall be sent to the Lessee's billing address as stated in Box 19, in an electronic format if	255-256
(c) If the Lessee does not respond to the Lessor within the number of working days stated in Box 14 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	186-190		

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so requested by the Lessee.	257	by the Lessee in paying any invoice for rental in	323
(c) Payment shall be made by the Lessee to the Lessor's bank account as stated in Box 20, within the number of working days stated in Box 21 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 Box 22 for each month or part thereof that the payment remains outstanding.	258 259 260 261 262 263 264	accordance with Clause 7 (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 Clause 7(d) (Payment of Rental and Other Charges).	324 325 326 327 328 329
(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 Box 21 after receipt. (See Clause 9(d) (Termination – Lessee's Default)).	265 266 267 268 269 270 271 272 273 274	(e) Insolvency	330
8. Taxes, Fees and Fines	275	(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.	331 332 333 334 335 336 337 338 339
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.	276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291	(ii) If the Lessor terminates this Agreement according to sub-clause (a), the Lessor shall, upon giving the number of days notice stated in Box 26, have the right to re-possess all empty Equipment leased to the Lessee under this Agreement.	340 341 342 343 344
9. Termination	292	(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 Box 27, redeliver all empty Equipment to the nearest Lessor's depot unless otherwise mutually agreed.	345 346 347 348 349 350 351
(a) Either party may terminate this Agreement by giving the other party notice of termination at least the number of days stated in Box 24 prior to the Earliest Termination Date stated in Box 9 or any later date agreed to by the parties.	293 294 295 296 297	10. Build-down Period	352
(b) Early Termination - Notwithstanding the provisions of Clause 1 (Duration of the Agreement), Clause 6(b) (Pick-ups and Drop-offs) and Clause 9(a) (Termination) and by giving the number of days notice stated in Box 24, the Lessee shall have the option of terminating the Agreement on any of the dates stated in Box 23. In such case the hire shall be adjusted in accordance with the appropriate per diem rates stated in Box 23.	298 299 300 301 302 303 304 305 306	(a) The build-down period shall be in proportion to the volume of Equipment leased as per the scale stated in Box 25 and shall commence on the first day of the month following termination of the Agreement as per Clause 1(b) (Duration of the Agreement) or Clause 9(a) (Termination), during which time all the Equipment shall be redelivered to the Lessor.	353 354 355 356 357 358 359
(c) Lessor's Default	307	(b) For Equipment still being used after the build-down period, the Lessor may invoice the per diem rate as per Box 5.	360 361 362
The Lessee may upon giving notice terminate this Agreement with immediate effect for any Equipment:	308 309	11. Maritime Lien	363
(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; or	310 311 312 313 314	(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 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.	364 365 366 367 368 369 370 371 372
(ii) which is shown to have latent defects or Wear and Tear such that it is unsafe or unsuitable for continued use.	315 316 317	(b) The Lessor shall rely solely upon the credit of the Lessee in supplying Equipment under this Agreement.	373 374
Such Equipment shall be returned to the Lessor at any of their depots or as otherwise agreed.	318 319	12. Liabilities and Indemnity	375
(d) Lessee's Default	320	(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.	376 377 378 379
The Lessor may upon giving notice terminate this Agreement with immediate effect in the event of default	321 322	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	380 381 382 383 384 385 386 387

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loss of any Equipment is not determined until after 388
redelivery has taken place, the Lessee shall pay to 389
the Lessor the Depreciated Value of such Equipment 390
but ownership of said Equipment shall remain with the 391
Lessor. 392
Should the Lessee later determine that Equipment 393
previously declared lost has been recovered, the 394
Lessor shall, at the request of the Lessee, reimburse 395
any previously paid Depreciated Value less any rental 396
accrued from the date the equipment was declared 397
lost if the recovery date is within twelve months of the 398
total loss declaration. 399

(b) The Lessee shall defend, indemnify and hold the 400
Lessor harmless for any and all claims, losses, 401
expenses, costs or damages (including without 402
limitation all reasonable expenses in defending any 403
claim or suit or enforcing this indemnity, such as court 404
costs, attorney's fees, and other expenses) arising or 405
alleged to arise directly or indirectly or incidentally out 406
of: 407

(i) any failure of the Lessee to comply with its 408
obligations under this Agreement; 409

(ii) any claim, whether private or governmental, for 410
bodily injury or death to persons (including 411
employees of the Lessor) and for loss of or 412
damage to property, cargo and/or vessels and/or 413
means of transport, arising out of or in connection 414
with the possession, leasing, operation, control 415
or use of the Equipment by the Lessee. 416

(c) The Lessor shall be liable to the Lessee and 417
defend, indemnify and hold the Lessee harmless for 418
any and all claims, losses, expenses, costs or damages 419
(including without limitation all reasonable expenses 420
in defending any claim or suit such as court costs, 421
attorney's fees and other expenses) arising or alleged 422
to arise directly or indirectly or incidentally out of: 423

(i) any failure of the Lessor to comply with its 424
obligations under this Agreement; 425

(ii) any claim, whether private or governmental, for 426
bodily injury or death to persons (including 427
employees of the Lessee) and for loss of or 428
damage to property, cargo and/or vessels and/or 429
means of transport, arising out of or in connection 430
with the ownership, manufacture, design or supply 431
of the Equipment. 432

(d) Each party undertakes to give to the other party 433
immediate notice of claims or actions arising under 434
this Clause, and to assist in the handling of any and 435
alls such claims or actions. 436

13. Insurance 437

(a) The Lessee shall procure and maintain in full force 438
and effect during the term of this Agreement, at its sole 439
cost and expense, the following insurances: 440

(i) Insurance to cover physical loss or damage to the 441
Equipment for not less than the full Depreciated 442
Value stated in Box 13. 443

(ii) General liability insurance to a minimum limit as 444
stated in Box 28 for any one occurrence, to cover 445
third party bodily injury and property damage. 446
Such insurance shall be primary insurance. 447

Any and all deductibles under the terms of the foregoing 448
insurances shall be for the Lessee's account. On 449
request, the Lessee shall provide the Lessor with 450
evidence of the insurances. 451

(b) The Lessor shall procure and maintain in full force 452
and effect during the term of this Agreement, at its sole 453
cost and expense, general liability insurance to a 454

minimum limit as stated in Box 28 for any one 455
occurrence, to cover third party bodily injury and 456
property damage. 457

Any and all deductibles under the terms of the foregoing 458
insurance shall be for the Lessor's account. On 459
request, the Lessors shall provide the Lessee with 460
evidence of the general liability insurance. 461

Should a party fail to procure or maintain any of the 462
required insurance or by act or omission invalidate any 463
such insurance, that party shall indemnify the other 464
party to the extent the other party suffers or incurs loss, 465
damage, liability or expense as a consequence of such 466
failure, act or omission. 467

14. BIMCO Dispute Resolution Clause 468

*** (a)** This Agreement shall be governed by and 469
construed in accordance with English law and any 470
dispute arising out of or in connection with this 471
Agreement shall be referred to arbitration in London 472
in accordance with the Arbitration Act 1996 or any 473
statutory modification or re-enactment thereof save to 474
the extent necessary to give effect to the provisions of 475
this Clause. 476

The arbitration shall be conducted in accordance with 477
the London Maritime Arbitrators Association (LMAA) 478
Terms current at the time when the arbitration 479
proceedings are commenced. 480

The reference shall be to three arbitrators. A party 481
wishing to refer a dispute to arbitration shall appoint 482
its arbitrator and send notice of such appointment in 483
writing to the other party requiring the other party to 484
appoint its own arbitrator within 14 calendar days of 485
that notice and stating that it will appoint its arbitrator 486
as sole arbitrator unless the other party appoints its 487
own arbitrator and gives notice that it has done so 488
within the 14 days specified. If the other party does 489
not appoint its own arbitrator and give notice that it 490
has done so within the 14 days specified, the party 491
referring a dispute to arbitration may, without the 492
requirement of any further prior notice to the other party, 493
appoint its arbitrator as sole arbitrator and shall advise 494
the other party accordingly. The award of a sole 495
arbitrator shall be binding on both parties as if he had 496
been appointed by agreement. 497

Nothing herein shall prevent the parties agreeing in 498
writing to vary these provisions to provide for the 499
appointment of a sole arbitrator. 500

In cases where neither the claim nor any counterclaim 501
exceeds the sum of US\$50,000 (or such other sum as 502
the parties may agree) the arbitration shall be 503
conducted in accordance with the LMAA Small Claims 504
Procedure current at the time when the arbitration 505
proceedings are commenced. 506

*** (b)** This Agreement shall be governed by and 507
construed in accordance with Title 9 of the United 508
States Code and the Maritime Law of the United States 509
and any dispute arising out of or in connection with 510
this Agreement shall be referred to three persons at 511
New York, one to be appointed by each of the parties 512
hereto, and the third by the two so chosen; their 513
decision or that of any two of them shall be final, and 514
for the purposes of enforcing any award, judgement 515
may be entered on an award by any court of competent 516
jurisdiction. The proceedings shall be conducted in 517
accordance with the rules of the Society of Maritime 518
Arbitrators, Inc. 519

In cases where neither the claim nor any counterclaim 520
exceeds the sum of US\$50,000 (or such other sum as 521

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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.	522 523 524 525 526	(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.	566 567 568 569 570 571
* (c) 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.	527 528 529 530 531 532	(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.	572 573 574 575 576
(d) Notwithstanding (a), (b) or (c) 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.	533 534 535 536	(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.	577 578 579 580 581 582
In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the following shall apply:	537 538 539	<i>(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)</i>	583 584
(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.	540 541 542 543 544	(e) If Box 29 in PART I is not appropriately filled in, sub-clause (a) of this Clause shall apply. Sub-clause (d) shall apply in all cases.	585 586 587
(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.	545 546 547 548 549 550 551 552 553 554 555 556 557	* <i>Note: Sub-clauses (a), (b) and (c) are alternatives; indicate alternative agreed in Box 29.</i>	588 589
(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.	558 559 560 561 562	15. Notices	590
(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.	563 564 565	(a) 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.	591 592 593
		(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.	594 595 596 597 598
		16. Entire Agreement	599
		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 Box 2 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.	600 601 602 603 604 605 606

BOXLEASE Standard Container Lease Agreement

ANNEX A

Lessor's Depots
