



CCR GENERAL CONDITIONS Contract n°LC-03102/001

ARTICLE 1. SUBJECT MATTER

- 1.1 The LESSOR hires to the LESSEE, subject to the general conditions hereinafter and to the special conditions attached hereto, the specified container(s) hereinafter referred to as 'the equipment'.
1.2 The LESSOR warrants that the equipment:
- is in good condition of maintenance, sealing, fit to transport the products specified in the special conditions, is in conformity with the delivery conditions, and subject to performance by the LESSEE and LESSOR of their respective obligations, is in conformity with applicable provisions of international transport regulations in force.
- corresponds to the specifications set forth in the special conditions attached hereto.

ARTICLE 2. DELIVERY

- 2.1 - The equipment is delivered to the LESSEE at the place and date agreed upon by the parties.
2.2 - Provided that the LESSOR observes and complies with his obligations under Article 1, use of the equipment by the LESSEE shall be deemed acceptance thereof, and such equipment shall be deemed to have been received in good condition and fit for the intended transport.
2.3 - The LESSEE shall be under an obligation:
- to state, under his liability, any reservations to the transport undertaking which shall deliver the equipment to him in the event that the equipment is not in normal operating condition when delivered because of damages occurring during transport; to send to the LESSOR, no later than ten days following effective receipt of the equipment, a return-receipted registered letter notifying the LESSOR of the date of receipt and containing any and all reservations.
2.4 - For each delivery, the LESSOR shall issue a 'release number' to the LESSEE.
No equipment may be delivered to the LESSEE without a release number to be notified to the LESSOR's depot.
2.5 - The LESSOR shall be entitled to replace any defective equipment by other equipment which shall be delivered to the LESSEE subject to and in accordance with contractually agreed conditions.

ARTICLE 3. USE

- 3.1 - The LESSEE undertakes, throughout the term of the lease, to use the equipment in accordance with its intended purpose and with all due care.
3.2 - In particular, LESSEE undertakes, in all circumstances, under his personal and sole responsibility:
- to use the leased equipment exclusively for the transport of the products for which the equipment is registered or for such products as may be set forth in the special conditions appended hereto, which list shall be exhaustive.
- to make no change whatsoever in any part whatsoever of the equipment, to refrain from removing the ownership plates and to refrain from changing the markings.
- to refrain from exceeding load limits, and to comply with the proper loading and unloading conditions for the leased equipment and for the product transported.
- to observe, at all times and in all places, the transport provisions and regulations of the countries through which the leased equipment is transported, and to pay all rights, duties, taxes or penalties which may be due in respect of the equipment and in respect of such provisions.
- to refrain from sub-letting the equipment and/or lending it to any third party unless express approval in writing has been granted by the LESSOR.
- to notify the LESSOR, by the fastest means, followed by written confirmation in each case, of any abnormality or defect in the equipment capable of having an adverse effect on the proper preservation of the equipment or of the goods transported.
3.3 The LESSOR reserves the right to have the leased equipment inspected at any time; the LESSEE shall not be entitled to compensation in connection with any such inspection.

ARTICLE 4. MAINTENANCE

- 4.1 - The LESSEE undertakes to present and submit the equipment to periodical maintenance checks required by regulations in force. The equipment shall be presented within the time periods provided by such regulations, in accordance with a schedule drawn up in agreement between the parties and to a specialized workshop designated by the LESSOR.
4.2 - The LESSEE shall perform or cause to be performed, at its sole initiative, the cleaning, degassing and neutralizing works on the equipment throughout the period in which it is operated.
4.3 - The LESSEE undertakes to immediately notify the LESSOR of any abnormality observed in the operation of the equipment or any damage, so that any and all useful measures may be taken in cooperation.
4.4 - All maintenance works are performed at the LESSOR's initiative, with the LESSEE undertaking to make available the equipment for carrying out of such works at a date to be determined and in the place indicated by the LESSOR. For these works, the provisions of sections 5.5 below and of Article 2 above shall normally be applied upon the arrival of the equipment in the workshops designated by the LESSOR, and then upon redelivery to the LESSEE in such place as he shall designate.
4.5 - The costs related to the above-mentioned maintenance works shall be borne as follows:
4.5/1 - by the LESSOR, for the work arising from normal wear of the equipment and required for its proper utilization and preservation, as well as the work imposed by regulations in force.
4.5/2 - by the LESSEE, for all other repair works, maintenance works including but not limited to cleaning, degassing and neutralizing when the equipment is sent for repair works, overhauling or delivered to the LESSOR.
4.6 - The transport costs arising from shipment of the equipment to and from workshops shall be borne by the LESSEE.

ARTICLE 5. REDELIVERY

- 5.1 - The lease shall terminate in the place and on the date agreed upon by the parties, subject to the following provisions:
5.2 - The equipment shall be returned with all shipping costs paid by the LESSEE, totally empty, in the same condition as when delivered, except for normal wear, and accompanied by a certificate of cleaning issued by an independent body approved by the LESSOR.
5.3 - Before any return of containers, the LESSEE is required to obtain from the LESSOR or from the LESSOR's authorized representatives, an authorization number ('redelivery number') which shall be communicated to the depot provided for the return which will be unable to accept the equipment without such number. The authorization number shall be given only after the LESSEE informs the LESSOR of the last product transported in such equipment.
5.4 - If, for any cause whatsoever for which it may be held liable, the LESSEE is definitely unable to return any containers, LESSEE shall pay the LESSOR as compensation, a sum equal to the current cost of building such a container with the same capacity and the same characteristics, at the time of payment, less depreciation computed on the basis of 7% (seven percent) per year of service; such depreciation shall not exceed 70 percent, and no depreciation shall be allowed for the first year. The rent shall continue to be due and payable up to the date of payment.
5.5/1 - When the container is returned, an inspection is performed by the depot. The LESSOR shall have (thirty) 30 days following the effective receipt of the equipment in which to notify the LESSEE of any and all reservations, with full particulars; after this (thirty) (30) days notice, in the absence of such notification, the equipment shall be deemed to have been returned in good condition, provided that the LESSEE shall have complied with the terms and conditions of section 5.3 above.
5.5/2 - The LESSOR shall be required to state, under LESSOR's liability, any reservations to the last transport undertaking which shall deliver the equipment to him, in the event that the equipment is not in normal operating condition when delivered because of damages occurring during transport.
5.6 - The LESSEE shall bear the cost of any internal/external cleaning work that may be required at the time of return.

ARTICLE 6. TERM

- The term of the lease shall be specified in the special conditions. The lease shall be extended by tacit renewal by periods of no less than three months each, whatever the initial term may have been, unless the parties agree to a different period, except if notice of termination is sent by either party to the other by registered letter at least one month prior to the expiry date in the case of a lease equal to or less than one year, or at least three months prior to the expiry date in the case of a lease longer than one year.

ARTICLE 7. RENT

- 7.1 - The amount of the rent is set forth in the special conditions.
7.2 - The rent is invoiced monthly. In the event of late payment, partial payment or non-payment, the LESSOR reserves the right to apply the provisions of Article 13.
7.3 - The rent shall begin to be due upon the date the equipment is delivered. In the event that delivery is delayed at the LESSEE's request, the rent shall be due from the date on which the equipment would ordinarily have been delivered to LESSEE, unless otherwise provided in the special conditions attached hereto.
7.4 - The rent shall continue to be due until the date the equipment is effectively returned to the LESSOR, in accordance with the conditions set forth in Article 5. Similarly, the rent shall continue to run until the completion of any and all work as specified in the sections 5.6.
7.5 - The rent shall continue to be due during workshop works as set forth in Article 4, sections 4.1 and 4.4.
7.6 - The rent shall continue to be due during the time the equipment is out of service because of damage.
7.7 - The rent shall not be due if the LESSEE can prove that the equipment is out of service for a reason covered by one of the exemption clauses set forth in section 9.1/2.
7.8 - If the equipment shall require changes or refitting of a value equal to or greater than one month's rent, because of new demands by any official body which are not attributable to the LESSOR, then the LESSOR shall be entitled to request a corresponding adjustment in the rent.

ARTICLE 8. OWNERSHIP

- 8.1 - Throughout the term of the lease, the leased equipment shall remain the exclusive property of the LESSOR. The LESSEE is prohibited from selling, transferring, assigning or conveying the equipment; from pledging or mortgaging it; from pawning it; from sub-letting it, or from disposing of it in any way whatsoever. Similarly, if any third party should make any claim on the said equipment by any procedure whatsoever, the LESSEE undertakes to immediately inform the LESSOR in writing thereof so as to enable him to protect his interests. The LESSEE shall be held liable to the LESSOR for any damage resulting from a failure or delay in providing such information.
In general, the LESSEE shall on all occasions, by all means and at his own expense, protect the LESSOR's exclusive ownership rights to the leased container throughout the term of the lease. Accordingly, the LESSEE, on pain of liability for any and all damages, shall claim no ownership rights whatsoever in respect of the said container, nor shall he grant or assign any right in rem in respect to it.
8.2 - Upon delivery of the equipment, the LESSEE shall have legal care and custody over them.
In particular, the LESSEE shall be liable in the event that the leased equipment enters a country which is not a party to the Customs Convention of 8 July 1965 on the International Transport of Goods under cover of TIR Carnets, or in the event of discrimination based on the place of origin, of last export, of entry, of exit or of destination, or on any consideration relating to the ownership of the leased equipment.
In the event of requisition, confiscation, seizure, sequestration or embargo applied to the leased containers for any reason whatsoever, the LESSEE undertakes to immediately notify the LESSOR of such occurrence, and no later than eight days thereafter; to make any and all protests against such requisition, confiscation, seizure, sequestration or embargo; and to take all measures to ensure knowledge and recognition of the ownership of the seized equipment by LESSEE shall take all measures required, at his expense, to obtain its release. The LESSOR shall be exonerated from any and all liability in respect of any damage caused to the LESSEE arising from such decisions, whether they arise from French or foreign, de jure or de facto authority, or from any other legal person or individual. In the event that the equipment cannot be restituted within three months following notice by the LESSOR to the LESSEE by registered letter to return the equipment, and if insurance does not cover the cause of the loss or the equipment, then the LESSEE shall directly compensate the LESSOR in accordance with the conditions set forth in Article 5.4. Rent shall be payable by the LESSEE throughout this period, until full and definitive compensation shall have been paid to the LESSOR.

ARTICLE 9. LIABILITY

- 9.1 - DAMAGE TO THE EQUIPMENT
9.1/1 - The LESSEE shall compensate for any and all loss, average or damage suffered by the leased equipment, except as provided in sections 9.1/2 and 9.2 below.
9.1/2 - The LESSEE may not be exonerated from its obligation to compensate unless it can prove that the loss, average or damage is attributable to:
- an inherent defect in the equipment,
- a fault of the LESSOR, its employees, agents or assignees.
9.2 - The loss, average or damage for which the LESSEE shall compensate the LESSOR under Article 9.1/1 above, includes physical repair costs, transport and storage costs, and indemnification for loss in value and loss of use.
9.3 - In the event of damage to the equipment during the term of the lease, the LESSEE undertakes:
- to notify the LESSOR in writing as soon as he has knowledge of such damage and no later than (3) three working days thereafter.
- to take all due action in due time (e.g. joint or official accident reports) to preserve the LESSOR's rights and remedies against any liable third party, and to provide necessary and cooperation to enable LESSOR to bring any proceedings as may be required.
- to take all due action available to it to limit damage to the equipment.
9.4 - DAMAGE TO THIRD PARTIES
9.4/1 - The LESSEE shall compensate for any damage caused to third parties by the leased equipment.
9.4/2 - The LESSEE may not be exonerated from its obligation to compensate unless it can prove that the damage caused to third parties is attributable to:
- an inherent defect in the equipment,
- a fault of the LESSOR, its employees, agents or assignees.
9.4/3 - The LESSEE guarantees and saves the LESSOR harmless against all claims which may arise in this respect.
9.5 DAMAGE TO GOODS
The LESSEE shall make it its business to deal with any loss, average or damage suffered by the transported goods. In particular, it is the LESSEE's responsibility to make any and all claims against transporter or third parties liable for such loss, average or damage. Accordingly, the LESSEE guarantees and saves the LESSOR harmless against any claims which may be made by third parties in this connection, except in the event that the LESSEE formally proves that the damage is attributable to an inherent defect in the equipment, or a fault or other occurrence attributable to the LESSOR, its employees and agents or assignees.

ARTICLE 10. INSURANCE

- The LESSEE shall take out any and all insurance required to provide cover for his liability as set forth in Articles 5.4 and 9. The insurance policy and the insurance policy for civil liability shall include a waiver of recourse against the LESSOR except in respect of the exclusions set forth in sections 9.1/2, 9.4/2 and 9.5. In addition, the policy for damages shall include a provision enabling the LESSOR to receive direct payment of compensation for any claim. The LESSEE shall be required to prove the existence and content of this policy at all times.

ARTICLE 11. PAYMENT

- Rent invoices and all other amounts invoiced to the LESSEE under the contract shall be payable (30) thirty days from the date of invoice by bank transfer to the LESSOR's account.

ARTICLE 12. TAXES AND DUTIES

- Any taxes, duties or other charges required by non-French authorities shall be borne by the LESSEE. The LESSEE is solely liable for declarations and payments of duties and taxes related to the movement of goods (including but not limited to customs duties, tolls and other fees); the LESSOR expressly reserves the right to claim full compensation from the LESSEE for any and all damages suffered, if such items are charged to the LESSOR. The LESSEE, if established outside of France, undertakes to use the containers outside of France; any use in France shall be limited exclusively to the scope of international transport; otherwise, the LESSEE shall notify the LESSOR in advance and shall pay French value added tax on the rent amounts. The LESSEE, if established in France, shall pay value added tax unless the containers are intended for use in export and import operations taxes via the tax on transported goods. The LESSEE shall prove that the French tax authorities have exempted such items from payment of value added tax. The LESSEE shall be liable for any penalties which may be claimed from the LESSOR in the event of failure to abide by this undertaking.

ARTICLE 13. CANCELLATION

- In the event of failure by the LESSEE to perform any of obligations, of tardy payment or of failure to pay any rent installment or any other sum payable hereunder, upon due date therefore the LESSOR may, after (10) ten days' notice by registered letter, remaining unremedied cure, cancel the lease automatically, without judicial formality. In this case, the LESSOR will retake possession of the equipment; the LESSEE shall be bound to pay transport costs to the place specified for their return, and shall pay all rent installments payable until the expiry of the agreed period, which payment shall be in compensation for damages if required, and without prejudice to the LESSEE's liability for the condition of the equipment, as set forth in Article 5.
After (ten days') notice remaining unremedied cure, or in the event of bankruptcy, winding-up, liquidation of assets or insolvency of the LESSEE, or in the event of merger, sale or assignment of his company or goodwill, the leasing contract shall be cancelled and the LESSEE shall be bound to immediately return the equipment in conformity with the conditions provided in Article 5.
If the LESSOR considers it necessary to take legal action in order to retake possession of the containers, it is expressly agreed that the judge des référés (judge having the power to make a provisional ruling which is immediately enforceable, but which does not affect the subsequent determination on the merits of the case - translator's note) of the Commercial Court for the district in which the LESSOR is domiciled shall have jurisdiction, and that the LESSOR may seek and obtain court orders enforceable even pending appeal, authorizing him to retake possession of his containers, with the use of public force if required benefit exclusive to LESSOR. In addition, in respect of compensation for damages, it is expressly agreed that the total amount of the rent for the entire contractual lease period, less any installments already paid, shall immediately fall due.

ARTICLE 14. DISPUTES

- This contract is based essentially upon the full good faith and desire for mutual comprehension between the parties, so as to jointly apply and perform all the provisions to which they agree herein. The parties accordingly undertake to seek an amicable settlement of any difficulties which may arise in connection herewith, if despite their mutual best efforts, the parties should be unable to reach by amicable means a final settlement of any dispute relative to the performance hereof, they agree to submit their dispute to the exclusive jurisdiction of the LESSOR's legal domicile, even of third party claims or multiple defendants and the LESSEE acknowledges that such jurisdiction has been agreed for the exclusive benefit of the LESSOR. This contract is governed by French law.

CCR CONTAINERS SAS

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