

LEASE TERMS

1. Leasing

Execution of this agreement shall constitute conclusive evidence that Lessee has inspected and approved the Containers listed in Appendices attached hereto and any appendices subsequently added and found them to be complete, in good working order and condition suitable for dry storage; a condition described as wind and watertight. The failure by the Lessee to note any damage, defect or deterioration to any Container shall not relieve the Lessee or any obligation or liability under the Lease, including liability for any repairs to the Container or for damage or loss to the Container or to the persons or property of others. The Lessee shall not use or allow to be used the Containers for any purpose other than storage. The Containers shall not be used to store any items of an illegal, explosive, highly inflammable or other hazardous nature.

2. Rent

The rent described in Paragraph 4 of the Lease shall be due for each Container from and including the rent commencement date and including the day the Container is returned to 888 pursuant to the terms of the Lease and in accordance with Paragraph 3 below.

3. Return

If the Lessee returns the Containers pursuant to paragraph 6 of the Lease.

(i) At the time of return of each Container the Lessee's local agent shall sign 888's equipment interchange receipt evidencing the condition of the Container. For the purpose of this sub-paragraph the driver of the vehicle instructed by the Lessee to return the Container shall be deemed to be the Lessee's local agent.

(ii) The Lessee shall continue to pay rent until each Container has been returned to an 888 appointed depot in the same condition as when received by the Lessee, normal wear excepted and each Container shall be in any event fully serviceable and in good operating condition. Excessive rusting shall not be deemed normal wear.

(iii) Rent for each Container shall cease to accrue on the day after the day of its return to 888.

(iv) (a) Any Container returned to 888 in a damaged or altered condition, normal wear and the alterations made at the start of the term as set out in the appendices excepted, shall be restored to a serviceable and good operating condition which complies with Paragraph 3 (ii) above and the cost of the damages assessed in accordance with an estimate prepared by the repairer appointed by 888 shall be paid promptly by the Lessee to 888. 888's local agent shall inform the Lessee of all such damage and give the Lessee the opportunity to inspect the damage and agree to pay the estimated cost of repairs for the Lessee's account.

If the Lessee does not, within five working days of that date of notification of the damage, inspect the Containers and approve the estimated cost of repairs then such approval shall be deemed to have been given and 888's local agent shall proceed to restore the Containers to serviceable and good operating condition and shall invoice the estimated cost of the repairs to the Lessee who shall promptly pay all such costs.

(b) 888 or 888's local agent shall in its sole discretion determine whether it is feasible to repair a damaged or altered Container. If a Container is damaged or altered and 888 determines that it is not feasible to repair such Container, or if a Container is destroyed, lost or stolen Lessee shall forthwith make full settlement of such loss by submitting to 888 proof of loss satisfactory to 888 and by paying 888 the replacement value of the Container, as set forth in Paragraph 3 (iv)(a) above. The Container shall be deemed to have remained on hire to the Lessee and rent due from the date of return until the Container is restored to good and serviceable condition.

4. Termination

The Lease shall terminate immediately if the Lessee is in material breach of any of the Lease terms or fails to rectify any other breach within 28 days of receipt of notice from 888 requiring it to do so. The Lease shall terminate immediately if the Lessee becomes unable to pay its debts as they fall due or if any steps are taken with a view to the administration, winding up or bankruptcy of the Lessee or the appointment of a receiver over the whole or any part of its assets.

5. Payment

Payment for rent and all other charges due to 888 under the terms of the Lease shall be made in accordance with the payment instructions on 888's invoice and statement. Interest at 4% over the base rate of HSBC Bank Plc will be payable on all amounts due under this Lease Agreement more than 7 days overdue.

6. Limitation of Liability

Except to the extent provided by law 888 shall have no liability to the Lessee for any loss or damage that may occur in connection with its or occupation of the Container, whether arising from the state and condition of the Containers or otherwise.

7 Jurisdiction

The Lease shall be governed by the laws of England as to all matters including, but not limited to, validity, construction and performance. 888 and Lessee hereby irrevocably submit themselves and their respective successors, sub-lessees and assigns to the non-exclusive jurisdiction of the courts of England for the purpose of any action, suit or other proceeding arising out of or relating to this Lease or any of the Containers.