

DAMAGE PROTECTION PLAN No. D100

LEASE AGREEMENT No.

This insurance Policy (the "Policy") is taken out this _____ day of _____ 2002, on behalf of: - _____ (Lessee) by Tankspan Leasing Ltd (Lessor) of 50 Churchill Square, Kings Hill, West Malling, Kent, ME19 4YU who represents the Lessee.

All declarations made by Tankspan Leasing Ltd shall be binding on the Assured, which shall be the Lessee of the Tank Container.

Tankspan Leasing Ltd is entitled to claim for the assured and receive indemnifications on behalf of the assured.

NOW IT IS HEREBY AGREED that with effect from the date of this Agreement, the following shall apply:-

Article 1. Amount of Indemnity

In consideration of payment by the Lessee to Lessor of the daily premium of USD*.** per Container for a period of one (1) year, plus Lessee's acceptance of responsibility for the first US\$***.00 of loss or damage per DPP Container, due at off-hire date, the Lessor agrees to provide cover to the extent of and on terms set out below.

Article 2. Cover

The Lessor agrees to indemnify the Lessee for the cost of the repair of accidental damage to any of the Tank Containers leased under the terms of the Lease discovered on the proper return of the Tank Containers to such depots or repair locations which may be specified by Tankspan Leasing Ltd., up to total constructive loss.

a) Except that it is expressly understood and agreed that notwithstanding the foregoing Lessor will not be liable for loss and/or damage caused by:

- i) Fair wear and tear, the costs of which are excluded from this Agreement;
- ii) Replacing missing parts, the costs of which are excluded from this Agreement;
- iii) Costs incurred in repairing any Tank Container returned for the periodic inspection and testing in accordance with the then current repair standard criteria as set forth by the International Tank Container Organisation (ITCO).
- iv) Costs incurred in decontaminating, fumigation, deodorising, gas freeing and/or cleaning the interior of the tank, valves, gaskets and any other components to the satisfaction of a recognised independent surveyor, including cleaning cargo residue from the exterior of the Container and its fittings, the cost of transport to and from a specialist cleaning contractor and the cost of obtaining a certificate of cleanliness;
- v) Costs incurred in repairing ruptures of other damage to the tank, steam channels and any other fixtures or fittings due to over pressurization or vacuum;
- vi) Costs incurred in repairing damage to or the constructive loss of the Tank Container due to the nature of the cargo;
- vii) Costs incurred in repairing damage due to rust, oxidation or rotting.
- ix) Costs relating to indirect loss and/or damage of all kind, public liability, i.e. injury to persons or property damage and financial loss arising from the loss of use;
- x) Costs of extraordinary working hours, i.e. Sundays or holidays that would incur overtime.

b) In order to induce the Insurer into this Agreement, the Lessee has represented the trading areas and types of vessels employed by Lessee. Should the Lessee significantly change its trading pattern or vessel types, the Insurer reserves the right to change the premium payable hereunder in order to

account for conditions in such new trading areas or such changed vessel types. It is expressly understood and agreed that the Lessee will promptly inform Insurers of any such changes. The Lessor should give the Lessee 30 days of such changes in premium.

c) The Lessor will monitor the level of claims made by the Lessee and reserves the right at all times to either terminate the Agreement or to make adjustment to the premium charged based on the level of these claims and shall give the Lessee 30 days notice of termination or change in premium.

Article 3. Duration

The duration of the Agreement will be governed by clause (B) of the above-mentioned Lease Agreement unless terminated for any other reason whatsoever but in any event will be applicable for a maximum period of one (1) year. The Lessor reserves the right to renew or cancel this Damage Insurance Agreement at the termination of one (1) year subject to giving the Lessee 30 days notice. Renewal of the insurance Policy for further periods may be subject to adjustment of premium payments details of which will be confirmed to Lessee at time of renewal or otherwise of this Agreement.

Article 4. Non-Payment

Amounts payable by the Lessee under this Agreement are payable in the same manner and at the same times as the rent is payable according to the terms of the Lease. Amounts payable under this Agreement shall be invoiced at the same time as rent under the Lease Agreement.

If the Lessee fails to pay under the terms of the Agreement, the Underwriters reserve the right to terminate this Agreement given 30 days notice of cancellation.

Article 5. Over-Riding Conditions

Nothing herein contained shall be deemed to over-ride the provisions of Article 4 of the War and Strike clause - Time (attached) which together with the Container Clauses - Time, (also attached) shall be deemed to be an integral part of this Agreement.

Article 6. Captions

The captions of the Paragraphs of this Agreement are for reference and convenience of the parties only and do not define, limit or enlarge the meaning or scope of any of the said Paragraphs.

Article 7. Law of the Agreement

This Agreement shall be made under English Law.