

**Agreement No. 106-zhd**  
**on Lease of Medium-Tonnage Containers of JSC TransContainer**

Moscow

*October 15, 2007*

Joint-Stock Company 'Centre for the Transport of Goods in Containers TransContainer' (JSC TransContainer), hereinafter referred to as the 'Lessor', represented by Petr Vasilievich Baskakov, Director General, acting under the Articles of Association, on the one part, and Open Joint-Stock Company Russian Railways (RZD), hereinafter referred to as the 'Lessee', represented by Aleksandr Vladimirovich Donkin, Director General of the Center for Corporate Transport Services, a department of RZD, acting under power of attorney No. 288-D of the fifth of April two thousand seven, on the other part, hereinafter collectively referred to as the 'Parties', enter into this Agreement and agree as follows:

**1. Subject Matter of the Agreement**

1.1. The Lessor agrees to lease to the Lessee general-purpose medium-tonnage three- and five-ton containers owned by the Lessor (hereinafter, the 'containers') to transport goods by all means of transport.

1.2. The list of leased containers is described in reports on acceptance of containers into the lease that shall be made part of and incorporated in this Agreement.

**2. Delivery, Acceptance, and Return of Containers**

2.1. The delivery of the containers to the Lessee and the return thereof to the Lessor shall be documented in a report on acceptance into the lease and on return from the lease executed in a form of annexes No.1 and No. 2 to this Agreement.

2.2. In September 2007 the Parties shall carry out an inventory survey, and inspect the technical condition of the containers.

Containers that do not undergo the inventory survey, and containers which technical condition makes them unsuitable for operation shall be returned from the lease, and the Lessor shall not accrue the rent rate for the lease of such containers.

2.3. Containers with the operation time equaling or exceeding 16 years from the manufacturing date shall be returned from the lease to the Lessor.

If upon expiry of the operation time a container is used for transportation of goods, it shall be returned from the lease upon completion of such transportation.

2.4. The Lessee may early return from the lease, and the Lessor, upon a request of the Lessee, agrees to accept from the lease containers with at least one of the following conditions:

- destruction of the framework or the bodywork requiring the replacement of the entire metal covering;
- corrosion of over 80% of the entire covering surface;
- disruption of welding seams by more than 70% with simultaneous wear-and-tear of the covering and the framework of parts of the main frame;
- distortion of the bodywork requiring disassembly of end walls of a container, doors.

The Lessor shall pay expenses associated with loading of such containers at container sites of the Lessee, and transportation thereof to destinations designated by the Lessor.

2.5. Upon early return of containers from the lease in compliance with paragraph 2.4. of this Agreement the Lessee shall prepare a report of GU-23 form and notify the Lessor thereof in writing.

Within 15 (fifteen) days after a notice of early return of containers has been sent to the Lessor, representatives of the Parties on a railway, a branch of RZD, shall develop and sign a report on the technical condition of container(s) in a form of Annex No. 3 to this Agreement, and approve a procedure and destinations for the return of containers from the lease.

### **3. Operation**

3.1. The Lessee shall use the containers only for the intended purpose according to technical standards of operation applicable to a certain type of containers, and in accordance with the Rules for Transportation of Goods by Rail. Goods that are not suitable for transportation in medium-tonnage containers of a certain type and size, or that exceed the container capacity standards.

3.2. The Lessee shall operate the containers. The Lessee may sublease the containers or deliver the containers for operation to third parties without an approval of the Lessor.

3.3. The Lessor shall pay for all types of repair.

3.4. If the Lessee loses the containers, it shall reimburse the Lessor for the price of such containers in the amount of the remaining book value of a container as of the day when the Lessee notifies the Lessor of a lost container.

3.5. The Lessee shall notify the Lessor in writing of an actual loss of containers within 5 (five) business days after the fact of a container loss has been established.

### **4. Rent Rate and Settlement Procedure**

4.1. The rent rate payable for the containers leased under this Agreement shall be indicated in the Price Negotiation Memorandum attached as Annex No. 4 to this Agreement.

The rent rate payable under this Agreement may be changed by consent of the Parties.

4.2. The rent rate accrues on a monthly basis for each calendar day when the Lessee leases a container.

Upon completion of the inventory survey of the containers, the rent rate shall accrue starting from March 1 (first), 2007 in respect to all containers that were not returned from the lease before the survey and based on the survey results.

The rent rate payable for containers that were rejected, and for containers that were declared unsuitable for operation based on the survey results but that were used to transport goods from March 1, 2007 to the survey date shall accrue up to the last day of a month when the last transportation ended.

If the returned containers have an expired operation term (paragraph 2.3. of this Agreement), the applicable rent rate shall stop accruing starting from the day when they were returned from the lease.

Upon early return from the lease of containers mentioned in paragraph 2.4. of this Agreement, the applicable rent rate shall stop accruing starting from the execution date of a corresponding GU-23 form mentioned in paragraph 2.5. of this Agreement.

If a container is lost, the applicable rent rate shall stop accruing starting from the day when the Lessor receives the Lessee's notice of a lost container.

The rent rate payable for all other containers accepted into the lease and returned from the lease shall accrue starting from the execution date of a report on acceptance of the container into the lease to the date indicated in a corresponding report on the return of the container inclusively.

4.3. The Lessor shall prepare a Work-Done Report within 10 (ten) calendar days of a month following the reporting month. The Work-Done Report shall list containers actually leased under this Agreement. The Report with an estimates sheet attached on an electronic carrier and executed in a form of Annex No. 5 to this Agreement, a commercial invoice, and an invoice shall be sent to the Lessee.

The Lessee shall examine the Report and the estimates sheet and sign the Work-Done Report within 5 (after) calendar days after the day of receipt.

If the Lessee has any objections in respect to the Work-Done Report, within 5 (five) calendar days after the day of receipt it shall sign the Report and attach a Protocol of Disagreements thereto indicating the reasons for disagreement and disputable amounts of rent rates under such Report. Thereafter the Parties shall settle the disagreements within one month following the reporting month.

The Lessee shall transfer the undisputable amount to the Lessor's settlement account within 10 (ten) calendar days after the execution date of the Work-Done Report.

The Parties shall reconcile estimated related to this Agreement at least once a quarter and sign reconciliation reports based on the results.

4.4. When containers undergo a repair, the rent rates shall not accrue for the period when a container is in the repair starting from the day when a container is accepted for transportation into repair until the container is returned from the repair according to the stamps of corresponding transportation documents.

## **5. Liability of the Parties**

The Parties shall be liable for failure to perform or undue performance of their obligations under this Agreement in accordance with the laws of the Russian Federation.

## **6. Force Majeure**

6.1. The Parties shall not be liable for failure to perform their obligations in part or in full if such failure is caused by force majeure circumstances including decisions of national authorities, provided that such circumstances directly affected the performance of the terms and conditions of this Agreement. The term of this Agreement shall be extended for the duration period of such circumstances.

6.2. A Party that cannot fulfill its contractual obligations due to force majeure circumstances shall immediately notify the other Party thereof within 10 calendar days after the beginning of the circumstances. Facts described in the notice shall be document supported by competent authorities.

6.3. If the circumstances described in paragraph 6.1. of this Agreement last for over three months, each Party may terminate this Agreement. Thereafter neither Party may demand from the other Party the reimbursement of its expenses incurred after the beginning of the force majeure circumstances.

## **7. Termination**

7.1. This Agreement may be terminated upon the grounds set forth in the laws of the Russian Federation, and this Agreement.

7.2. This Agreement may be unilaterally terminated upon an initiative of the Lessor if it notifies the Lessee in writing thereof at least 20 (twenty) calendar days before the suggested termination date if:

the Lessee keeps the containers in an out-of-repair condition;

the Lessee does not comply with the settlement terms set forth in section 4 of this Agreement for two consecutive months.

7.3. This Agreement may be unilaterally terminated upon an initiative of the Lessee if the Lessee does not agree to the changes in the rent rates, if it notifies the Lessor in writing thereof at least 20 (twenty) calendar days before the suggested termination date.

7.4. This Agreement may be terminated by either Party by sending a writing notice of termination 60 (sixty) calendar days before the suggested termination date.

7.5. Upon termination or expiry of the term of this Agreement the Parties shall prepare a reconciliation report to this Agreement within thirty days.

This Agreement shall be deemed terminated only if the Parties have performed their mutual obligations to return the containers from the lease, carried out final settlements, and signed the reconciliation report.

## **8. Dispute Resolution**

All disputes arising out of this Agreement shall be settled by negotiation between the Parties. If the Parties cannot reach an agreement by negotiation, the disputes shall be submitted to the Moscow Arbitration Court.

### 9. Miscellaneous Conditions

9.1. In all other matters that are not covered by this Agreement the Parties shall be governed by the laws of the Russian Federation.

9.2. This Agreement becomes effective as of March 1 (first), 2007 and remains in effect to December 31 (thirty first), 2007, and to the extent of settlements and the return of the leased containers, until the Parties perform their obligations under this Agreement in full.

9.3. The Parties may extend the term of this Agreement in writing at least 30 (thirty) days before the expiry of the term.

9.4. This Agreement is made and executed in two equally authentic copies, one copy for each Party.

### 10. Address and Bank Details of the Parties

#### The Lessor

**Joint-Stock Company 'Centre for the Transport of Goods in Containers TransContainer' (JSC TransContainer)**

Post address: Moscow, 107174,  
Kalanchevskaya Street 6/2  
Address: Moscow, 107228, Novoryazanskaya Street 12

INN 7708591995, KPP 770801001, OKPO 94421386

Settlement acc. 40702810900000007269

Correspondent acc. 30101810600000000562 with OAO TransCreditBank (Moscow)

BIC 044525562

For and on behalf of the Lessor:

/signature/ P. V. Baskakov

Seal

#### The Lessee

**Open Joint-Stock Company Russian Railways (RZD)**

Post address: Moscow, 107174,  
Kalanchevskaya Street 6/2  
Address: Moscow, 107174, Novaya Basmannaya Street 2

INN 7708503727, KPP 997650001, OKPO 00083262

Settlement acc. 40702810700104183001

Correspondent acc. 30101810600000000562 with OAO TransCreditBank (Moscow), BIC 044525562

For and on behalf of the Lessee:

/signature/ A. V. Donkin

Seal

Annex No. 1  
to Agreement on Lease  
of Medium-Tonnage Containers of JSC TransContainer  
of ***October 15, 2007*** No. ***106-zhd***

REPORT No. \_\_\_\_  
on Acceptance of Containers into Lease  
under Agreement on Lease of Medium-Tonnage Containers of JSC TransContainer  
of \_\_\_\_ No. \_\_\_\_  
(SAMPLE FORM)

Moscow

\_\_\_\_\_, 2007

This Report certifies that JSC TransContainer (hereinafter, the 'Lessor'), represented by Petr Vasilievich Baskakov, Director General, acting under the Articles of Association, in compliance with Agreement on lease of medium-tonnage containers of JSC TransContainer of \_\_\_\_ No. \_\_\_\_ (hereinafter, the 'Agreement'), transferred into lease, and Open Joint-Stock Company Russian Railways (RZD), hereinafter referred to as the 'Lessee', represented by Aleksandr Vladimirovich Donkin, Director General of the Center for Corporate Transport Services, a department of RZD, acting under power of attorney No. 288-D of the fifth of April two thousand seven, accepted into lease the following containers:

Pos. No.	Container Type (3-t or 5-t)	Container Number	Manufacturing Date (Year)	Remaining Book Value (RUB)	Note
1	2	3	4	5	6

This Report is made and executed in 2 copies, one copy for each Party, and shall be made part of and incorporated into the Agreement.

Signatures:

For and on behalf of the Lessor:

\_\_\_\_\_ P. V. Baskakov

For and on behalf of the Lessee:

\_\_\_\_\_ A. V. Donkin

Annex No. 2  
to Agreement on Lease  
of Medium-Tonnage Containers of JSC TransContainer  
of **October 15, 2007** No. **106-zhd**

REPORT No. \_\_\_\_  
on Return of Containers from Lease  
under Agreement on Lease of Medium-Tonnage Containers of JSC TransContainer  
of \_\_\_\_ No. \_\_\_\_  
(SAMPLE FORM)

Moscow

\_\_\_\_\_, 2007

This Report certifies that JSC TransContainer (hereinafter, the 'Lessor'), represented by Petr Vasilievich Baskakov, Director General, acting under the Articles of Association, in compliance with Agreement on lease of medium-tonnage containers of JSC TransContainer of \_\_\_\_ No. \_\_\_\_ (hereinafter, the 'Agreement'), received from lease, and Open Joint-Stock Company Russian Railways (RZD), hereinafter referred to as the 'Lessee', represented by Aleksandr Vladimirovich Donkin, Director General of the Center for Corporate Transport Services, a department of RZD, acting under power of attorney No. 288-D of the fifth of April two thousand seven, returned from lease the following containers:

Pos. No.	Container Type (3-t or 5-t)	Container Number	Manufacturing Date (Year)	Remaining Book Value (RUB)	Date of Return from Lease (dd/mm/yy)	Note
1	2	3	4	5	6	7

This Report is made and executed in 2 copies, one copy for each Party, and shall be made part of and incorporated into the Agreement.

Signatures:

For and on behalf of the Lessor:

\_\_\_\_\_ P. V. Baskakov

For and on behalf of the Lessee:

\_\_\_\_\_ A. V. Donkin

Annex No. 3  
to Agreement on Lease  
of Medium-Tonnage Containers of JSC TransContainer  
of *October 15, 2007* No. *106-zhd*

**REPORT No. \_\_\_\_**  
**on Technical Condition of Container(s)**  
**under Agreement on Lease of Medium-Tonnage Containers of JSC TransContainer**  
**of \_\_\_\_ No. \_\_\_\_**  
**(SAMPLE FORM)**

This Report was executed on \_\_\_\_\_, 200\_\_  
at \_\_\_\_\_ Station of \_\_\_\_\_ Railway of RZD.

Representatives of the Lessee and the Lessor executed this Report upon inspection of the container(s)

Pos. No.	Container Number	Revealed Faults	Reason for a Fault*	Opinion on a Potential for Reconditioning a Container or its Unsuitability for Further Operation
1.				
2.				
3.				

Signatures:

For and on behalf of the Lessor:

\_\_\_\_\_  
(title, full name, signature)

\_\_\_\_\_  
(title, full name, signature)

For and on behalf of the Lessee:

\_\_\_\_\_  
(title, full name, signature)

\_\_\_\_\_  
(title, full name, signature)

\* When stating reasons for a fault, you need to describe the nature and origin of a damage, i.e. whether the damage is new or old, whether it was caused as a result of wear-and-tear, or a mechanical failure, etc. Circumstances supporting the conclusion shall also be described.

Annex No. 4  
to Agreement on Lease  
of Medium-Tonnage Containers of JSC TransContainer  
of ***October 15, 2007*** No. ***106-zhd***

Price Negotiation Memorandum

Joint-Stock Company 'Centre for the Transport of Goods in Containers TransContainer' (JSC TransContainer), hereinafter referred to as the 'Lessor', represented by Petr Vasilievich Baskakov, Director General, acting under the Articles of Association, on the one part, and Open Joint-Stock Company Russian Railways (RZD), hereinafter referred to as the 'Lessee', represented by Aleksandr Vladimirovich Donkin, Director General of the Center for Corporate Transport Services, a department of RZD, acting under power of attorney No. 288-D of the fifth of April two thousand seven, on the other part, hereinafter collectively referred to as the 'Parties', agreed on the following rent rates:

No.	Container Type	Rent Rate (RUB per container (car) a day excluding VAT	Rent Rate (RUB per container (car) a day including VAT
1	3-ton container	7.62	8.99
2	5-ton container	10.33	12.19

For and on behalf of the Lessor:  
/signature/ P. V. Baskakov  
Seal

For and on behalf of the Lessee:  
/signature/ A. V. Donkin  
Seal



Annex No. 5  
to Agreement on Lease  
of Medium-Tonnage Containers of JSC TransContainer  
of **October 15, 2007** No. **106-zhd**

Estimates Sheet for \_\_\_\_\_ 200\_\_\_\_  
to Agreement on Lease of Medium-Tonnage Containers of JSC TransContainer of \_\_\_\_\_ No. \_\_\_\_  
(SAMPLE FORM)

No.	Container No.	Date of Transfer of a Container into Lease	Date of Return of a Container	Number of Container-Days in the Reporting Period	Rent Rate, RUB, excl. VAT	Rental, RUB, excl. VAT	VAT, RUB	Rental, RUB, incl. VAT
3-ton Containers								
		01.03.2007						
Total for 3-ton containers				Σ		Σ	Σ	Σ
5-ton Containers								
Total for 5-ton containers				Σ		Σ	Σ	Σ

Number of Containers

	3-ton	5-ton	Total
As of the beginning of the month			
Returned during the month			
Lost during the month			
As of the end of the month			