



Landlord	Gävle Hamn AB (The Port) Reg. No. 556379-8619, having its registered address at Fredriksskans, 806 47, Gävle e-mail:
Tenant	Yilport Gävle AB (Yilport) Reg.No. 559007-6898, having its registered address at Stalgatan 1, Rosersberg, 19572 e-mail:

1. Background

The concession contract between The Port and Yilport includes that The Port will extend the container terminal capacity by constructing a new container quay east of the existing Container terminal. The existing break bulk quay 24-25, will be adapted for container cranes and the construction of an additional 160 meters quay, berth 22-23. The quay is built, owned and managed by the port. Yilport is responsible for the construction and maintenance of container cranes, rail track for cranes, electrical supply, Container areas etc.

The interfaces between the parties are governed by a concession contract between the parties.

The objective of The Port is to make the port of Gävle more competitive by developing and expanding the Container terminal capacity in the port. The aim of the The Port's investment is for container ships with larger draught to be able to use the port of Gävle and to allow a doubling of container capacity after completion of the project.

Within the area of Port of Gävle, there are today about 150 000m² warehouse, these warehouses are owned by different operators and are located throughout the port area, both at Fredriksskans and Granudden. At present, there is a lack of spare capacity, which limits the possibility of new business. The lead-time for the establishment of new warehouse capacity varies between 6-to 18 months depending on the type of construction and the need for soil processing. Today there are limited areas within the port area to establish new warehouses; the surfaces available at short notice are within the Yilport's concession area. Warehouse capacity is an important

Org nr
556379-8619 GHAB

Telefon 026-17 88 43
E-post info@gavlehamn.se

Fredriksskans
806 47 Gävle
www.gavlehamn.se



prerequisite for operating volumes in both the bulk and container segments, the parties undertake large investments to increase the capacity of the container terminal, in order to fully create higher volumes, Storage capacity is a precondition.

The parties have decided to work together on an establishment of a new warehouse area; there are 2 optional locations for this area and both are located in proximity to container terminal and the existing CFS business in Fredriksskans. The Port is responsible for investing in and constructing of a CFS Warehouse, including connecting rail tracks, adapted for the handling of paper products. The Warehouse is built within the Yilport's current concession area. (**Annex 1**).

Yilport undertakes to rent the Warehouse.

2. The Port's commitments

The Port's commitment is to establish a new warehouse area; the area is located in proximity to the container terminal and the existing CFS business in Fredriksskans. The Port is responsible for investing in and constructing of a CFS Warehouse adapted for handling paper products. The Warehouse is located within the Yilport's concession area.

2.1 Specific

- Building permits and Environmental Permitting
- Choosing the type of design/build contract
- Procurement procedures
- Design
- Setting of "target price"
- Construction management
- Final inspection

3. Yilport's commitments

- Determination of location and surface area size requirements
- Specification for soil and foundation, such as load (Ton/sqm)
- Layout
- Requirements Specification for the installation (e.g. size, ports, traverses, conveyor belts, wiring for Electricity and data, VA, heating, sprinkler systems, taking into account applicable procurement rules) Requirements specification for connecting rail.



4. Implementation of the project

4.1 Implementation time

When Yilport has signed this agreement, The Port will begin the process of selecting a contractor by means of a "Partnering contract". Yilport shall, during the joint design and calculation phase, provide information in accordance with its commitment mentioned above, in order to produce a common and accepted "target cost" for the production phase (construction, testing, and commissioning). During the production phase, The Port may not, without Yilport's written approval, approve any alterations or additions connected with the contract works affecting the cost.

4.2 The procurement procedures/building stage

Yilport shall be given opportunity to comment on the contract documents, and shall be informed promptly of the award decision. During both the planning and production phase, Yilport shall actively participate in meetings (design and construction meetings).

Yilport will participate in the setting up the acceptance testing requirements and be witness to the final testing and commissioning. Costs for the testing phase will be borne by The Port as part of the project scope, but Yilport will strive to deliver resources to the extent possible.

The construction time line shall be mutually agreed and should be carried out in a reasonable time. Delays over 4 months will warrant a review of the commercial implications of the project in respect to the possible solutions as not affect the customer(s) of the port. .

4.3 Final inspection / Handover

The Port shall call Yilport to participate in final inspection. Acceptance tests shall be passed and punch lists shall be agreed on and scheduled for completion as a pre-requisite for handover.

All licences, permits, and warranties including software, hardware, and infrastructure, excluding the assets and rights that The Port has for maintenance as outlined in the concession agreement, shall be turned over to Yilport on the handover.

5. Rental agreement

The rental agreement is to be concluded on conditions set out in **Annex 2** (The "rental agreement").

The rental period starts when the the authority has given final or interim clearance (*Swe: slutbesked*) and the handover as stated in 4.3 has been completed.

The interface with regard to the tenant's and the landlord's commitments are the same as in the concession contract.

Annexes shall be added to the rental agreement where inter alia the object of the rental is specified.



The rent shall be based on the final investment expenditure of implementation of the project, consisting of

- i) the development cost (building permits, procurement procedures, design) and setting of "target price", with a maximum of SEK 2,5 million.
- ii) Construction management cost and final inspection cost, with a maximum of SEK 1,5 million.
- iii) the total constructing cost (the contract price, adjusted with regard to additions and deductions) for the total works (the contract works together with any alterations and additions).
- iv) the investments in railway tracks shall be taken by the port and not affect the rent.

With regard to the calculation of the rent, see **Annexes 3 and 4**.

Yilport's current assessment is that the prerequisite for signing the rental agreement is that the final investment expenditure does not exceed SEK 125 million.

6. Termination of the agreement.

Yilport shall sign the rental agreements within one week after the contractor and The Port has approved the "target cost". Yilport may however at any time before signing, cancel this agreement with immediate effect. Cancellation shall be made in writing. Yilport shall, in the event of a cancellation, or if the rental agreement is not signed within the specified period, compensate The Port for reasonable actual and declared external costs incurred in connection with procurement procedures, design and setting of "target price", with a maximum of SEK 2,5 million.

7. Necessary financial framework

The Port is not bound by this agreement if the City Council of Gävle, when the "target cost" of the project is determined, has not yet approved a financial framework that allows the investment in the CFS warehouse. The Port shall inform Yilport immediately in writing as soon as it is clear that City Council of Gävle has not given or will not give an approval, and at the latest within one week after that the "target cost" is determined.

In the event of non-approval, The Port shall compensate Yilport for reasonable actual and declared external costs incurred by Yilport in complying with its commitments, mentioned above under the heading "Yilport's commitments"



8. Waiver

No consent or waiver, express or implied, by either party of any breach or default of the other party in performing its obligations under this agreement shall be deemed or construed to be a consent or waiver of any other breach or default by the other party of the same or any other obligation hereunder. Any failure by one party to complain of any act or failure to act of the other party or to declare that other party in default shall not constitute a waiver by the first party of its rights under this agreement. No waiver of any rights under this agreement shall be effective unless in writing and signed by the party purporting to give the same.

9. Notice and language

Any notice, request, consent and other communication to be given by a party under this agreement (hereinafter called a "Notice") shall be in the English language and deemed to be valid and effective if personally served on the other party or sent by registered prepaid airmail or by e-mail to the following addresses: #

A Notice shall be deemed to have been given:

- a. in the case of personal service: at the time of service;
- b. in the case of prepaid registered mail: at the latest five days after the date of mailing;
- c. in the case of e-mail: on the date a receipt-acknowledged e-mail is sent.

Changes of address are to be notified as set out in this provision.

This agreement shall be construed in accordance with and be governed by the laws of Sweden
Waiver

If any provision of this agreement or part thereof is held invalid, this shall not affect the remaining provisions of the agreement, unless the obligations of a party hereto without the invalid part of the agreement are or will become unreasonably onerous.

10. Amendments

In order to be binding, any amendments and supplements to this agreement must be agreed in writing and signed by both parties.



11. Disputes

Any dispute, controversy or claim arising out of or in connection with this agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of a sole arbitrator.

The arbitration proceedings shall be carried out in Stockholm.

This contract has been executed in two copies of which the parties have taken one each.

Gävle den 23/8 2018

Gävle Hamn AB

Fredrik Svanbom
(CEO)

Yilport Gävle AB

Eryn Dinyovszky

Örjan Larsson
(Chairman)