

FORM OF ORDER

CONCESSION CONTRACT

CONTRACT No. 19-36

REDEVELOPMENT OF PORT OF KETCHIKAN BERTHS I, II, III, IV AND OTHER INFRASTRUCTURE WITHIN THE CITY

CITY OF KETCHIKAN CONCESSION FOR THE CONSTRUCTION, FINANCE AND OPERATION OF BERTHS I, II, III & IV WITHIN THE CITY OF KETCHIKAN

The undersigned Proponent (the "Proponent") hereby unconditionally and irrevocably offers to enter into a Concession Agreement in the form identified in the RFP:

1. **Proponent:** The Prospective Concessionaire will be the Proponent identified below, provided that, prior to the execution of the Agreement pursuant to paragraph 4 below the Proponent may create a subsidiary owned as described in section 6(i) hereof (the "**Subsidiary**") to be the Concessionaire, in which event the Subsidiary shall carry out all of the obligations of the Concessionaire under the Agreement from and after such execution.
2. **Price:** The amount of Fee that the Proponent proposes to make to the City equal to:
 - a. Payments associated with Parts 3 and 4 of the Project:

At the Time of Financial Closing pursuant to Section 6.2.1 of the RFP will be a Lump Sum of (i) US\$40,000,000 (forty million United States dollars) under a 20-year concession (with 10-year extension option), or (ii) US\$45,000,000 (forty-five million United States dollars) under a 30-year concession
 - b. An Annual Lease Payments of:
 - i. Series 2016 Bond Debt Service corresponding to each year, plus
 - ii. Berth IV Lease Payments corresponding to each year, plus
 - iii. Fee payment of (i) US\$0.50 per passenger (fifty cents United States dollars) (minimum \$400,000 (four hundred thousand United States dollars)) under a 20-year concession, or (ii) US\$1.25 per passenger (one dollar and twenty-five cents United States dollars) (minimum \$800,000 (eight hundred thousand United States dollars)) under a 30-year concession, subject to US CPI escalation.

Effectively, the Proponent proposes to assume the City's annual bond debt service and annual lease payment obligation for Berth IV and pays a variable concession fee based on passenger volume.

3. **Unconditional Offer:** This offer will be unconditional and irrevocable until 5:00 p.m. AKST on 17 January 2021 unless extended by mutual consent of both the City and the Proponent (the "**Termination Time**"). If the City does not give written notice to the Proponent on or prior to the Termination Time that the City is prepared to enter into the Agreement, this offer shall terminate at the Termination Time and the

Bid Security (as hereinafter defined) shall be returned to the Proponent as soon as practicable.

4. **Agreement Execution:** If at any time prior to the Termination Time the City gives written notice to the Proponent, at the address specified below, that the City is prepared to enter into the Agreement with the Proponent, the Proponent will, within five Business Days of its receipt of such notice, enter into the Agreement and deliver to the City the Cash Deposit and/or the Closing LOC in the amount set forth in Section 6.II of the RFP.
5. **Letter of Credit:** This offer is secured by one or more letters of credit as specified in Section 6.II of the RFP.
6. **Proponent Authorization:** The Proponent represents and warrants that: (i) it is, and the Subsidiary will be, wholly owned, directly or indirectly, by the Persons disclosed and no Person has a controlling interest in the Proponent except as disclosed; (ii) it has full power and authority to make this offer and it, or the Subsidiary, will have full power and authority to execute and deliver the Agreement pursuant to the terms hereof; (iii) such actions do not and will not violate the terms of any of the Proponent's or the Subsidiary's organizational documents or any agreement binding upon it or the terms of any applicable Law; (iv) no further consent to this offer or to the execution of the Agreement pursuant to the terms hereof is required to be obtained from any other Person or Governmental Authority; and (v) this offer constitutes, and the Agreement, if executed pursuant to the terms hereof, will constitute duly authorized, valid and legally binding obligations of the Proponent, or the Subsidiary, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or transfers, or other laws affecting creditor's rights generally and subject to general principles of equity (regardless of whether in law or in equity).

AUTHORIZED SIGNATURE OF PROPONENT*

PROPONENT CONTACT

Name: Mehmet Kutman
Title and Organization:
Chairman, Global Ports Holding Plc.
Address: 3rd Floor, 34 Brook Street
London – UK W1K 5DN
Telephone: + 44 203 911 2315
Email: mehmetk@global.com.tr

AUTHORIZED SIGNATURE OF PROPONENT*

PROPONENT CONTACT

Name: Mark Pfeffer
Title and Organization:
CEO, Conrac Solutions
Address: 425 G Street, Suite 650
Anchorage, AK 99501
Telephone: (907) 317-5030
Email: MPfeffer@conracsolutions.com

***IMPORTANT:** For all signatories for the Proponent, please include (with the Form of Offer) evidence of the signatory's authority to sign on behalf of the Proponent. This will not count toward any page count limitation.