Regulations for a short-term lease of berths owned or possessed by the Freeport of Riga Authority

- The present Regulations prescribe the procedure for short-term lease of berths (hereinafter - the Berth) owned by the Freeport of Riga Authority (hereinafter - the Authority), the procedure for calculating the rent and certain provisions to be included in the lease agreement (hereinafter - the Regulations).
- The berth specialization is published on the Authority's website <u>www.rop.lv</u>, in the section "For Clients and Investors"/ "Laws and Regulations".
- 3. Access to the Berth and its options are determined in compliance with the options to use the adjacent property from the water area side and/or land side.
- 4. The Authority is entitled to lease the Berth for a short term for a period not exceeding 1 year (hereinafter the Lease term).
- 5. The minimal unit of the Lease term, for which the rent shall be calculated, as well as the minimal Lease term, is a day or 24 hours (twenty four) hours, which shall be counted from 12.00 to 12.00 of the next day, taking into account that the beginning and end of the Lease term can be only on the working days.
- 6. The Berth rental fee for one calendar day shall be determined in compliance with the following formula:

(Am+NīN+Ap+Adm)/365, where

Am – berth depreciation in one calendar year;

 $N\bar{i}N$ – real estate tax for the specific calendar year;

Ap – insurance payment (policy which is valid at the moment of leasing);

Adm – maintenance and administrative costs, which are calculated on the basis of the budget approved by the Freeport Board for the calendar year, proportionally allocating the administrative costs of the Authority to the total operational costs of the Authority.

7. In addition to the rent, the merchant shall pay the rent for the plot of land adjacent to the Berth in compliance with the formula:

 $(Kvm*10\%*M^{2}*(100\%+Adm))/365*5$, where

Kvm – cadastral value of one square meter;

M²_- number of leased square meters;

Adm – maintenance and administrative costs, which are calculated on the basis of the budget approved by the Freeport Board for the calendar year, proportionally allocating the administrative costs of the Authority to the total operational costs of the Authority.

- 8. The Authority shall lease the Berth to a merchant, who complies with the requirements specified in Section 18, Paragraph one of the Law on Ports, and has submitted to the Authority an application regarding the Berth lease, which is executed in accordance with the Annex attached to the Regulations.
- 9. The Authority shall enter into an agreement with the merchant (s), who are interested in renting the Berth within the relevant calendar year (hereinafter the Berth lease agreement) for each calendar year. At the request of a merchant with whom a Berth lease agreement has been concluded and who has received the appropriate category permit for polluting activities, issued by the State Environmental Service, the Authority shall lease the Berth for a specific period exceeding the one specified in Paragraph 5.
- 10. A merchant who has entered into a Berth lease agreement with the Authority may apply for a specific period not later than 3 (three) working days before the expected date of the Berth use by submitting an application to the Authority's Port Community System https://oks.rop.lv, section the "Berth reservation".
- 11. Provision of access to the Berth shall be determined for each berth separately (from the water area side/land side). The Authority shall not guarantee the merchant's access to the berth from the land side, if access to the Berth from the land side requires crossing the territory in the possession/use of another person in this case the merchant shall be obliged to come to the agreement with the possessor / user of the adjacent territory.
- 12. During the use of the Berth, the merchant being a serious and careful operator, shall be obliged to take care of the Berth, maintain it in compliance with the requirements of laws regulating the operation of structures, as well as shall comply with the following requirements of the "Regulations on the Freeport of Riga berth technical operation" published on the Authority's website <u>www.rop.lv</u>, section "For Clients and Investors":

- 12.1.1. to prevent depth changes at the Berth;
- 12.1.2. to ensure that the loads on the Berth and the surfaces of the adjacent territory, specified in the Berth passport, shall not be exceeded;
- 12.1.3. if as a result of the activity of the merchant the structure of a Berth or a part thereof (surface cover, bollard, fender, etc.) is damaged, then the merchant shall ensure the prevention of the damage at its own expense in compliance with the Lessor's instructions and term.
- 13. The lease agreement shall specify:
 - 13.1. the subject of the lease agreement;
 - 13.2. the lessor and the lessee, indicating personal identification data;
 - 13.3. the term of the lease agreement;

13.4. the amount of the rent and other related payments, the term and procedure for payment, interest on arrears, as well as the procedure for review of the rent;

13.5. rights and obligations of the parties;

13.6. liability of the parties for non-performance of the agreement;

13.7. the conditions for termination of the agreement, including the unilateral right to withdraw from the lease agreement;

- 13.8. dispute settlement procedures;
- 13.9. other provisions.
- 14. The Berth shall be transferred for use to a merchant, with whom a Berth lease agreement has been entered into, by a handover-acceptance certificate, in which the visual condition of the Berth shall be described. In accordance with the procedure provided for in this paragraph, the Authority shall hand over the Berth to the merchant after the receiving the rent in the form of prepayment on the first day of the specific rent term from 10:00 to 12:00.
- 15. If the merchant has made the Berth reservation and paid the Berth rent, but has not accepted the Berth for use by a handover-acceptance certificate due to circumstances beyond the Authority's control, the merchant shall have no right to use the Berth and the Authority shall not be obliged to repay the received rent.
- 16. The Regulations shall enter into force on August 27, 2020.

Annex The Freeport of Riga Authority 12, Kalpaka boulevard, Riga, LV-1012

Application for berth rent	
Riga	20
Name	
Single registration No	
· · · · ·	
Legal address	
Contact person	, phone
e-mail	·
$\hfill\square$ I agree to receive the answer and other documents electronically to t	
accordance with Section 9, Paragraph two of the Law on Notification) and undertake to inform about e-mail changes	
about e-man enanges	
Please lease a berth (-s)	
Trease rease a bertin (-s)	
(berth number in accordance with the Annex 2 to the Cabinet Regulations No. 77 of Febr	ruary 4, 2020 "Regulations of the Freeport of
Riga", published on the website www.rop.lv, in the section "For Clients and Investors" application registration)	/ "Laws and Regulations" on the day of the
by entering into a short-term lease agreement in compliance wit	th the Regulations for a short-
term lease of berths owned or possessed by the Freeport of Riga	
Purpose of use of the berth (s)	
The following documents are attached to the application (check with x	<u>;);</u>
\Box A copy of a valid permit for the polluting activity of the releva	ant actor will issued by the State
Environmental Service on pages.	ant category issued by the State
Confirmation of good reputation and stable financial position on	_ pages.
\Box A document certifying the authorization to represent the lessee, i	
whose right of representation does not follow from the Articles agreement, constitution, by-laws) on pages;	s of Association (partnership
□ pages,	on
pages;	
(other documents)	

(position, signature, transcript of signature)

¹ if the one is provided before the application registration day