

Comprehensive Projects Tender for the Concession of the New Container Terminal at El Callao Port Terminal – Southern Zone**CIRCULAR LETTER 18**

As provided for in Sub-point 1.4.1 of the Tender Documents of the Comprehensive Projects Tender for the Concession of the New Container Terminal at El Callao Port Terminal – Southern Zone, PROINVERSION Committee for Investment in Infrastructure and Public Utility Projects is pleased to inform that answers have been provided to Inquiries 2, 4, 25 and 35 of the Fourth Round of Inquiries made by the Bidders concerning the Tender Documents and the amendments thereto, same which have the favorable opinion of the National Port Authority (APN).

I. ANSWERS TO THE INQUIRIES REGARDING THE TENDER DOCUMENTS**INQUIRY 2:**

We request once again that the composition and scopes of the maximum and/or minimum values of the National Component referred to in Sub-point 9.1.5 of the Tender Documents, as amended by Circular Letter 1, be determined.

ANSWER:

In that respect the following definition is included:

“Investment in the National Component”

It refers to the amount the Concessionaire shall invest in the purchase of properties and execution of the Works produced in the country during the Concession Term. The said amount may not be less than US\$ 31,250,000 (Thirty One Million Two Hundred and Fifty Thousand US Dollars). For the purpose of application of the formula set forth in Sub-point 9.1.6 of the Tender Documents, the said amount is established in up to US\$62,500,000 (Sixty Two Million Five Hundred Thousand US Dollars), without including administrative expenses and Valued Added Tax (IGV).

Investment in the National Component should be offered by the Short-listed Bidders in Form 1 of Exhibit 6.

INQUIRY 4:

In Circular Letter 001, the Minimum Complementary Investment is defined as an amount:

The Complementary Investment Amount is composed of two elements:

- **Minimum Complementary Investment:** The mandatory investment commitment for the execution of the common works required for the operation of the New Container Terminal at El Callao Port Terminal – Southern Zone. This investment shall comprise the execution of dredging works (access channel and maneuvering area) and the restoration and/or improvement of the southern breakwater of El Callao Port Terminal, pursuant to the requirements to be set forth through a Circular Letter.

Answer to Inquiry 32 of Circular Letter 10 states as follows:

- c. By way of the Minimum Complementary Investment Amount, the Concessionaire shall be bound to deliver one or more Works to the Grantor, as established in the Contract. In the case of the Additional Complementary Investment Amount, as provided for in the Tender Documents and the Contract, these resources shall be administered by a trust, which implies that the resources shall be applied according to the conditions set forth in the respective trust agreement and in the Concession Contract.

This leads us to confusion and we would like to clarify the following:

- 1) The investment amount is determined by the Grantor and will be paid by the Concessionaire.
- 2) The aforesaid works will be executed by the Grantor, which will bear any unforeseen cost.
- 3) In addition, we suggest that the aforementioned dredging works be combined with those required for the construction and that the mobilization expenses be shared by the Concessionaire and the Grantor on a 50/50 basis.

ANSWER:

- 1) In the case of the Minimum Complementary Investment Amount, the Concessionaire shall be bound to deliver to the Grantor the Works included in Appendix 2 of Exhibit 11 attached hereto.

In the case of the Additional Complementary Investment Amount, refer to the amendment established in Paragraph 1) d of Section II of this Circular.

- 2) In case of the Minimum Complementary Investment Amount, the Works shall be executed by the Concessionaire. In the case of the Additional Complementary Investment, the Concessionaire shall transfer the same as possession in trust pursuant to the provisions set forth in the Concession Contract.
- 3) Since the dredging works are included in the Minimum Complementary Investment, it shall be under responsibility of the Concessionaire.

INQUIRY 25:

Does the Trust apply to both the Minimum Complementary Investment and the Additional Complementary Investment? If the answer is negative, we request that both of them be part of the Trust. In such a case, who receives the Minimum Complementary Investment and is any invoice issued for such amount?

ANSWER

Please refer to Answer to Inquiry 4. Any invoice shall be issued, as it is the delivery of a work.

INQUIRY 35:

As regards the answer to Inquiry 11 of Circular Letter 006, referring to the time at which the amount of the compensation will be known, i.e., April 3, 2006, date scheduled for the delivery of the final version of the Contract, we consider that this amount must be known no later than March 17, 2006 (date of the final tender documents), taking into account that this variable is, in many cases, a determining factor in the decision to participate in the tender. Furthermore, given that the short-listing stage starts on March 24, 2006, it is important to know said amount in advance.

ANSWER:

Within the definition of Remuneration, the following is included as the second paragraph:

“The Remuneration amounts to three percent (3%) of the Monthly Gross Incomes obtained by the Concessionaire for the provision of services, from the commencement of the exploitation up to the termination of the Concession, pursuant to the terms set forth in the Concession Contract.”

II. AMENDMENTS TO THE TENDER DOCUMENTS:

1) Definitions:

a. The following text is included as the last paragraph of the definition for Bid Bond:

***“In case that the guarantee is issued by an International Financial Institution, the guarantee is required to be endorsed and confirmed by any of the Banks listed in Appendix 2 of Exhibit 2.*”**

b. The following definition is included:

“Monthly Gross Income

Is the result obtained after deducting the Value Added Tax (VAT) from the total amount of incomes obtained by the CONCESSIONAIRE every month for the provision of the Services.”

- c. The definition of Standard Rate Index is amended and shall be defined based on the following:

“It is the amount expressed in US Dollars per TEU **calculated based on the Standard Services Rate according to the vessel and the cargo, pursuant to Form 3 of Exhibit 6.** It is the Competition Factor.”

- d. The definition of “Complementary Investment Amount” is substituted by “Complementary Investment”, which is defined as follows:

“Complementary Investment

It is the obligation assumed by the CONCESSIONAIRE to execute the Minimum Complementary Investment and to transfer the Additional Complementary Investment as possession in trust, as set forth in the Contract. The amounts corresponding to the Complementary Investment does not include the design, Construction, financing, conservation and exploitation costs for the New Container Terminal – Southern Zone.

The Complementary Investment shall not exempt the CONCESSIONAIRE from complying with other payments, compensations or taxes at its expense, as established by the Applicable Laws and Provisions, the Tender Documents, the Concession Contract and, in general, the Peruvian legal provisions.

The Complementary Investment is divided into two parts:

- Minimum Complementary Investment (ICM): It is the commitment for executing the common works mentioned in **Appendix 2 of Exhibit 11.**
- Additional Complementary Investment (ICA): It is the amount that the Short-listed Bidder offered as a component of its Economic Proposal, pursuant to the terms and conditions indicated in Point 7.2 of the Tender Documents. **The ICA shall be contributed to a trust pursuant to the terms and conditions set forth herein.**

The calculation of the ICA is the exclusive responsibility of the Short-listed Bidder.”

- e. The definition of the Work Official Estimated Budget is amended by a text that reads as follows:

“It is equal to a referential cost of **US\$ 213,500,000 (Two Hundred and Thirteen Millions Five Hundred Thousand US Dollars)** which does not include the **Value Added Tax (VAT)**, to implement and commence the Exploitation of the New Container Terminal **and to implement the works corresponding to the Minimum Complementary Investment.** This budget only applies to the provisions expressly set forth in the Tender Documents.”

- f. The definition of Standard Services is amended, and shall be defined as follows:

“These are the services that the CONCESSIONAIRE will supply to both the vessel and the cargo, for which it will charge the corresponding Rates. These services will be supplied on a mandatory basis to any User requesting them; necessarily complying with the Service and Productivity Levels indicated in Appendix 1 of Exhibit 11 and Exhibit 3 to the Contract.

The Standard Services are itemized in the services specified below:

- **Ship Services: These comprise the use of the Berth at the Terminal.**
- **Cargo Services: These include container loading and unloading services, by the use of the dock gantry crane; as well as the use of the Terminal infrastructure.”**

g. The definition of Special Services is amended to read as follows:

“These are services *other than* the Standard Services that the CONCESSIONAIRE is authorized to provide, *the terms and conditions of which are freely agreed upon by the parties*, and for which the Concessionaire will be entitled to charge a Price. Said services shall be rendered in keeping with the principles established in Article 14.3 of the LSPN, as the case may be. This shall not affect the users’ right to demand Standard Services supply as an alternative.”

2) Point 7.1, Document 1: Sworn Statement of Envelope 2: The second point is eliminated. To that effect, Form 4 of Exhibit 5 duly modified in that sense, is attached hereto.

3) Point 7.2 is amended as per the following:

7.2.1 The Short-listed Bidder shall include in Envelope 3 *its Economic Proposal, through the following documents:*

Form 1 of Exhibit 6, Economic Proposal Form – Rates:

It should include the rates for Standard Services according to the cargo with respect to the containers with 20 and 40 feet cargo, and the National Component Investment submitted by the Short-listed Bidder.

Form 2 of Exhibit 6, Economic Proposal Letter Form – ICA

It should consign the Additional Complementary Investment (ICA) submitted by the Short-listed Bidder.

7.2.2 Each one of the forms indicated shall be submitted in Envelope 3, in individual envelopes duly sealed and clearly marked on their back with the indications “Envelope 3 - Rate” and “Envelope 3 – ICA”, as applicable.

7.2.3 For the preparation of its economic proposal, the Bidder shall take into consideration the provisions set forth in Form 3 of Exhibit 6, Standard Rate Index.

7.2.4 The Economic Proposal shall remain in full force at least sixty (60) days after the Closing Date, even if that Economic Proposal was not awarded the Contract.

The Committee may determine the mandatory extension of the Economic Proposals

7.2.5 For purposes of this Tender, the submission of Envelope 3 by a Short-listed Bidder will be considered an irrevocable Economic Proposal for the purposes of this Tender. An Economic Proposal implies the acceptance by the Short-listed Bidder of all the terms and conditions, without exceptions, included in the Contract and the Presentation Letter for the Economic Proposal.

To that effect, Forms 1, 2 and 3 of Exhibit 6 are attached hereto.

4) Point 9.1 is amended, as follows:

9.1.1 The Committee's Chairman *or the person substituting him*, will start the ceremony to open Envelopes 3 *and to Award the Contract, in the presence of a Notary Public in the place and hour indicated, informing those attending the ceremony the results of the evaluation of Envelopes 2* of Short-listed Bidders.

9.1.2 *Subsequently, Envelopes 3 and "Envelope 3 – Rates" of the Short-listed Bidders whose Technical Proposals were found to be technically acceptable will be opened and their contents read, ensuring that the Proposals meet the Tender Documents' requirements.*

9.1.3 *Next, the ITE will be calculated, as established in Form 3 of Exhibit 6 and the National Component (CN) will be calculated as established in Sub-point 9.1.6. The proposals shall be put in order of the least to the highest ITE obtained, and the following cases may occur:*

a) *If the resulting ITE are different from the pre-established minimum, "Envelope 3 – ICA" of the Short-listed Bidders shall be returned and the scores shall be calculated pursuant to Sub-point 9.1.6. In this case, they shall be assigned an ICA_x equal to cero in the application of the score formula of Sub-point 9.1.6.*

b) *If one or more ITE are equal to the pre-established lower limit, "Envelope 3 – ICA" of those Short-listed Bidders that did not obtain the said ITE, shall be returned. Next, "Envelopes 3 – ICA" of those Short-listed Bidders that obtained a ITE value equal to the minimum limit will be opened and their contents read, ensuring that the*

Proposals meet the Tender Documents' requirements and the scores shall be calculated based on Sub-point 9.1.6.

9.1.4 If any of the Economic Proposals included in Envelopes N° 3 fail to meet the requirements set forth in these Tender Documents, the Committee will disregard such Economic Proposal as a non-valid Economic Proposal.

9.1.5 *Subsequently*, the Committee's Chairman **or the person substituting him**, will announce the valid Economic Proposals submitted in compliance with provisions of **Forms 1 and 2** of Exhibit 6, **when applicable, being its score determined.**

9.1.6 *Scoring of the Economic Proposals made by the Short-listed Bidders shall be carried out according to the following formulas:*

$$\text{Initial Score (Pi)} = (\text{ITE}_{\text{Min}} / \text{ITE}_x) \times 100 + (\text{ICA}_x / \text{ICA}_{\text{Max}})^1 \times 100$$

$$\text{Adjusted Score (Pa)} = \text{Pi} \times (1 + 0.2 \times \text{CN})$$

where:

- *ITE_{Min}* is the minimum Standard Rate Index obtained by the Short-listed Bidders.
- *ITE_x* is the Standard Rate Index obtained by the Short-listed Bidder on being evaluated.
- *ICA_x* is the Additional Complementary Investment submitted by the Short-listed Bidder to be evaluated.
- *ICA_{Max}* is the maximum Additional Complementary Investment submitted by the Short-listed Bidder(s).
- *CN* is the percentage resulting from dividing the Investment in National Component submitted by the Short-listed Bidder on the Work Official Estimated Budget.

The factor that the CN contains, corresponds to a bonus that pursuant to Law 28242 is granted to the proposals presented by the Short-listed Bidders.

The CN does not have any relation with acceptance of the Bidder.

9.1.7 The Committee will **award the Contract** to the Short-listed Bidder who has obtained the highest **Adjusted Score** by the application of the formula indicated in Sub-point 9.1.6.

9.1.8 *In the case of a tie of the Adjusted Scores obtained, as indicated in Sub-point 9.1.6, the following procedure shall be followed:*

¹ If it is not necessary to open "Envelope 3 - ICA" or if the maximum ICA offered is zero, the second sum of the formula $((\text{ICA}_x / \text{ICA}_{\text{Max}})) \times 100$ will be zero.

- a) *If the ITE are higher than the pre-established minimum limit, the Short-listed Bidders that tied will be granted up to two (02) hours to submit a new Economic Proposal, pursuant to Sub-point 7.2.1. If the tie still persists with the ITE higher than the pre-established minimum limit, the Short-listed Bidders that tied will be granted up to an additional two (02) hours to submit a new Economic Proposal. If in spite of this, the tie continues, “Envelope 3 – ICA” will be opened and the Adjusted Store will be recalculated. If a winner is not determined, the Contract will be awarded through a raffle, conducted by the Notary Public during the ongoing ceremony and in compliance with the procedures that the Committee will determine at that time.*

The Short-listed Bidder submitting a new Economic Proposal will do so by delivering a new Envelope 3 which must include: (i) a new Form 1 of Exhibit 6, with the same amount of the Investment in the National Component presented previously; and (ii) a new Form 2 of Exhibit 6; both signed by the respective Legal representative of the Short-listed Bidder.

The new Economic Proposal should imply a lesser ITE than the one obtained previously.

- b) *If the ITE are equal to the pre-established minimum limit and therefore “Envelope – ICA” is opened, the Short-listed Bidders that tied will be granted up to two (2) hours to submit a new ICA Proposal. If the tie still persists, the afore-referred Short-listed Bidders that tied will be granted up to an additional two (2) hours to submit a new ICA Proposal. If in spite of this, the tie continues, the Contract will be awarded through a raffle, conducted by the Notary Public during the ongoing ceremony and in compliance with the procedures that the Committee will determine at that time.*

The Short-listed Bidder submitting a new ICA Proposal will do so by delivering a new “Envelope 3-ICA” which must include a new Form 2 of Exhibit 6, signed by the respective Legal representative of the Short-listed Bidder.

The new ICA Proposal should imply an amount higher than the one previously submitted.

In the event that any Short-listed Bidder does not submit a new Economic Proposal or a new “Envelope 3-ICA”, as the case may be, or the new proposal submitted is invalid, the Economic Proposal or the “Envelope 3-ICA” presented previously will be considered as valid.

In the hypothetical cases mentioned in the afore-referred Paragraphs a) and b), the procedure established in Sub-points 9.1.3 to 9.1.7 shall be applied.

9.1.9 After the Contract Award procedure has concluded, the Notary Public will prepare a document that will be signed by the members of the Committee, the Successful Bidder and other Short-listed Bidders that wish to do so.

5) Sub-point 9.2.2.1 is amended as follows:

“No challenge will be considered as valid, and will have no effect whatsoever, unless within the three (3) Days after the Contract Award, the challenging Bidder delivers to the Committee a joint and several, irrevocable, unconditional, non-excusable, non-dividable and automatic Letter of Guarantee, as shown in Exhibit 7, written on behalf of PROINVERSIÓN. The aforementioned Letter of Guarantee will be issued by a **Banking Entity** or an **International Financial Institution** as described in Exhibit 2 to these **Tender Documents**, for an amount equal to 1% of the **Work Official Estimated Budget**.

In the case of a Letter of Guarantee issued by an International Financial Institution, the Letter of Guarantee must be endorsed and confirmed by any of the Banking Entities detailed in Appendix 2 of Exhibit 2.”

6) Sub-point 10.2.1.5 is included as follows:

The **Successful Bidder** shall deliver the other documents indicated in Clause 3.3 of the Concession Contract.

7) Sub-points 10.2.5 and 11.5 referring to the obligation of the Successful Bidder to pay PROINVERSIÓN the expenses incurred in the process to promote private investors are eliminated.

8) Sub-point 10.3.2 is amended as follows:

“The Committee is empowered but not obliged, if the Successful Bidder fail to comply, to accept the proposal of a different Bidder who receives the second higher store pursuant to **Sub-point 9.1.6** of this Tender Documents. If so, the Committee will inform the Bidder who submitted that proposal, informing the Bidder about the decision to declare him as new Successful Bidder and of the arrangements for the Closing Ceremony as well as the date, time and place where it will be held”.

9) The following is included as the first paragraph of Point 10.4:

“For the effects of signing the Contract, the Ministry of Transport and Communications, pursuant to the provisions set forth in Article 10.2 of the LSPN and Article 48 of its Regulation, shall, by Supreme Decree, approve the Contract. “



- 10) The forms of the Bid Bond (Form 3 of Exhibit 5) and the Challenge Bond (Exhibit 7), referring to "LIBOR" and other precisions of the manner, are amended, in accordance with the documents attached hereto.
- 11) Exhibit 9, Concession Area, and Appendix 1, 2 and 3 of the said Exhibit are amended, pursuant to the documents attached hereto.
- 12) Appendix 1 of Exhibit 11 is amended, in accordance with the documents attached hereto.

Lima, May, 2006

Sergio Bravo Orellana
Chairman
PROINVERSIÓN Committee for Investment
in Infrastructure and Public Utility Projects

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EXHIBIT 5**Form 3: BID BOND****(Reference: Point 7.1 of Tender Documents)**

Lima, , 200....

Messrs

Agencia de Promoción de la Inversión Privada - PROINVERSIÓN

LIMA, PERU

Subject: Bond No

Maturity date:

Dear sirs: ,

This is to certify that at the request of our clients,..... (name of Corporation, hereinafter referred to as "The Concessionaire") we have issued this joint and several, irrevocable, unconditional, and automatic execution Bond without benefit of excussio or division up to the amount of US\$ 5,000,000 (Five Million US Dollars) in favor of PROINVERSION to guarantee the Validity, Effectiveness and Seriousness of the proposals submitted by our client in connection with the terms and conditions set forth in the Tender Documents of the Comprehensive Projects Tender for the Granting in Concession to the Private Sector of the New Container Terminal at El Callao Port Terminal – Southern Zone.

Likewise, we hereby state that we will honor this Bid if our client is awarded the contract by the Committee but fails to meet its obligations at the Closing Date of the abovementioned Tender.

To honor this Bid in your favor, it will suffice to send a notarized request by PROINVERSION Executive Director, at our offices located at [...] (address)

All delays on our part to honor this Bond, will result in interest accruing to you at the LIBOR rate plus a 3% margin. Interest will accrue as from the date of the request to honor until the actual date of payment.

Our obligations pursuant to this Bond will not be affected by any dispute between you and our clients.

This Bond will remain in force from the date of submission of the Economic Proposal until , 200..



The language of this Bond has the same meaning as the language of the Tender Documents.

Yours very truly,

Signature

Name

Bank

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EXHIBIT 5**Form 4: VALIDITY OF THE INFORMATION**

(Reference: Point 7.1 of the Tender Documents)

SWORN STATEMENT

We hereby represent under oath that the information, representations, certifications and generally all documents submitted in Envelope 1 are current as of this date and will remain so until the Closing Date.

Place and date:,, 200...

Organization
Bidder

Name
Bidder's Legal Representative

Signature
Bidder's Legal Representative

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Bidder
Name

Name
Bidder's Legal Representative

Signature
Bidder's Legal Representative

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EXHIBIT 6
Envelope 2: FORM OF LETTER OF ECONOMIC PROPOSAL - ICA

(Reference Point 7.2 of the Tender Documents)

Lima, , 2006

 Messrs:
 Comité de PROINVERSIÓN en
 Proyectos de Infraestructura y en Servicios Públicos
 Agencia de Promoción de la Inversión Privada – PROINVERSIÓN
 Lima, Peru

Bidder:

Pursuant to the provisions set forth in Point 7.2 of the Tender Documents, we are pleased to submit to you our Economic Proposal in accordance with the conditions established for this Tender, under the following terms:

Additional Complementary Investment (ICA):	
Amount in Letters:	[.....] US Dollars
Amount in Numbers	US\$ [.....]

We hereby declare that our Economic Proposal is irrevocable and will remain in force until sixty (60) Days after the Closing Date, undertaking to mandatorily extend it if the Committee so requires.

 Bidder
 Name

 Name
 Bidder's Legal Representative

 Signature
 Bidder's Legal Representative

EXHIBIT 6**Form 3: STANDARD RATE INDEX**
(Reference Point 7.2 of the Tender Documents)

The preparation of the Economic Proposal should consider the following aspects:

1. The Standard Rate Index consists of the following rates:

- Standard Ship Services
- Standard Cargo Services

1.1. Standard Ship Service Rates

The maximum rate shall be US\$ 0.70 (Seventy US Dollar cents) per meter of the Ship Length – hour or fraction of an hour.

It is calculated by the total time that the Ship stays moored to the Dock, as from the hour in which the first warp passes during the Docking operation till the hour in which the last warp leaves during the Undocking operation. The Rate includes Vessel Mooring and Unmooring services. This rate shall be charged to the ship.

1.2. Standard Cargo Service Rates

The maximum rates per 20 and 40 feet container with cargo shall be submitted by the Short-listed Bidder. The maximum rates per empty container and for trans-shipment shall be calculated based on the rates submitted, as indicated in Paragraph 4 of this Exhibit, detailing therein the calculation mechanism of the Standard Rate Index.

The Rate for this concept is applied per container and includes:

- i. Service of unloading and/or loading of the container, using the Dock gantry crane;
- ii. Container traction service between the side of the Ship and the storage area of the Terminal or vice versa in the case of loading;
- iii. Handling service – in the storage area – for the reception of the container from the ship and loading to the means of transport designated by the Consignee or user, or vice versa in loading; and,
- iv. Weighing service.

The containers may remain stored up to forty-eight (48) hours at the Terminal, at the free disposal of the User, from the time the ship has completed unloading or once the container reaches the Terminal yard, as the case maybe. Upon expiry of such term, the Concessionaire may charge an amount of money for the warehousing service, in pursuance of the provisions contained in Article 8.15 of the Contract.

The Concessionaire shall attend every ship with no less than two (2) dock gantry, unless it is not possible due to the characteristics of the loading/unloading of the containers in the ship.

The Users may not demand the Concessionaire to provide, either separately or partially, one or more of the services making up the Standard Services. Nevertheless, the Concessionaire may satisfy the Users' request in this regard, in which case, it shall be considered a Special Service.

The Concessionaire may offer rate discounts and promotions to the Users, as stipulated in the General Regulation on Rates issued by OSITRAN and in Point 2.11 hereof.

This Rate may be charged to the Ship or to the User, pursuant to the contracting terms agreed by both parties in the Maritime Transport Contract ("Liner Terms"), which shall be included in the bill of lading.

2. The Successful Bidder may not apply any charge in addition to the rates for the provision of the Standard Services.
3. The Successful Bidder may freely establish rates for Standard Services, provided that they do not exceed those rates established in its Economic Proposal.

The proportion between the rates for Standard Cargo Services may vary freely, provided that the provisions indicated in the previous paragraph are respected.

4. In order to determine the Standard Rate Index (ITEI) the following table shall be taken into consideration:

		(a)	(b)	(c) = (a) * (b)
		Rate	Weighing Ratio	Partial ITE (US\$ x TEU)
(1)	Depending on the ship	0.7	2.39	1.67
(2)	Full 20' Container	X	0.18	0.18X
(3)	Full 40' Container	Y	0.33	0.165Y
(4)	Empty 20' Container	80%*(X)	0.04	0.032X
(5)	Empty 40' Container	80%*(Y)	0.16	0.064Y
(6)	Transshipment Full 20' Container	80%*(X)	0.06	0.048X
(7)	Transshipment Full 40' Container	80%*(Y)	0.13	0.052Y
(8)	Transshipment Empty 20' Container	80%*(X)	0.03	0.024X
(9)	Transshipment Empty 40' Container	80%*(Y)	0.07	0.028Y

$$\text{STANDARD RATE INDEX} = 1.67 + 0.284X + 0.309Y$$

Where:

X: is the rate for Standard Service depending on the cargo, submitted by the Short-listed Bidder, for a 20 feet container with cargo.

Y: is the rate for Standard Service depending on the cargo, submitted by the Short-listed Bidder, for a 40 feet container with cargo.

5. The Short-listed Bidders shall submit their rates taking into consideration the following maximum limits, as follows:

Maximum rate limit for Standard Cargo Services for a full 20' container: US\$

Maximum rate limit for Standard Cargo Services for a full 40' container: US\$

6. The maximum and minimum limit that the Short-listed Bidders shall take into consideration for the proposals are as follows:

Maximum ITE limit: US\$/TEU

Minimum ITE limit: US\$/TEU

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EXHIBIT 7**FORM OF THE CHALLENGE BOND**
(Reference Point 9.2 of Tender Documents)

Lima, , 2006

Messrs.

Agencia de Promoción de la Inversión Privada - PROINVERSIÓN
LIMA – PERUSubject: Bond N°
Maturity date :

Dear sirs,

This is to certify that at the request of our clients, [...] [name of corporation], hereinafter referred to as "The Concessionaire", we have issued this joint and several, irrevocable, unconditional, and automatic execution Bond without benefit of excussio or division up to the amount of US\$ [...Thousand and 00/100 US Dollars] in favor of PROINVERSION to guarantee our warranted clients the payment of such amount in any of the events described in the fourth paragraph below.

This Bond will remain in force since the date of filing of the challenge until sixty (60) Days alter the Closing Date of the Tender and will be made effective if the challenge filed were declared groundless or inappropriate in a final decision made by PROINVERSION Steering Council.

It is understood that this Bond may be executed by PROINVERSION pursuant to provisions in Article 1898 of the Peruvian Civil Code.

Likewise, It is hereby expressly agreed that to honor this Bond, it will suffice to send a requirement in writing by the Executive Director of PROINVERSION, through notarized letter, to our offices located at the address below stating that the challenge filed against the decision of the Comprehensive Project Tender to the Private Sector of the New Containers Terminal at El Callao Port Terminal - Southern Zone has been declared groundless or inappropriate by PROINVERSION Steering Council or having the Committee made a decision, the letter was not challenged.

We undertake to honor the total amount of the Bond within twenty -four (24) hours as from the date when the corresponding notarized request letter was received.

All delays on our part to honor this Bond will result in interest accruing to you at the LIBOR rate plus a 3% margin. Interest will accrue as from the date of the request to honor the Bond until the actual date of payment.

Yours very truly,



SIGNATURE AND SEAL

NAME OF THE ISSUING BANK
BANK ADDRESS

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EXHIBIT 9**CONCESSION AREA****DESCRIPTION OF THE CONCESSION AREA**

The Concession Area comprises a water area and a land area, which enable the Construction of the New Container Terminal – Southern Zone, as well as auxiliary facilities and the accesses for entry and exit of containerized cargo.

I. TOTAL CONCESSION AREA**BOUNDARIES AND PERIMETER MEASUREMENTS**

- To the North:
With the Pacific Ocean and El Callao Port Terminal, in a broken line of 7 sections:

A-B= 1,050.00m., B-C=60.00m., C-D= 257.64m., D-E= 2.88m., E-F= 7.73m.,
F-G=3.33m., y G-H= 41.65m.
- To the East:

With Av. Manco Capac and INFOCAP, in a broken line of 18 sections:
H-I= 1.82m., I-J= 52.77m., J-K=24.06m., K-L=71.80m., L-M=16.47m., M-
N=99.79m.,
N-O=46.48m., O-P=8.94m., P-Q=6.38m., Q-R=8.94m., R-S=67.26m., S-
T=20.76m.,
T-U=24.59m., U-V=3.91m., V-W=5.83m., W-X=5.95m., X-Y=11.46m. and Y-
Z=83.64m.
- To the South:
With Plaza Grau and the Pacific Ocean, in a broken line of 17 sections:
Z-A1= 9.82m., A1-B1= 11.94m., B1-C1=7.94m., C1-D1=17.95m., D1-
E1=58.55m.,
E1-F1=12.84m., F1-G1=15.85m., G1-H1=17.36m., H1-I1=40.68m., I1-
J1=18.91m.,

J1-K1=29.43m., K1-L1=8.88m., L1-M1=0.32m., M1-N1=21.63m., N1-O1=100.00m.,
O1-P1=317.43m. y P1-Q1=932.17m.

- To the West:
With the Pacific Ocean, in a straight line of one section: Q1-A= 660.00m.

TOTAL CONCESSION AREA

An area of 738,898.59 m² is encompassed within the boundaries and perimeter measurements described above.

PERIMETER

The perimeter length of the land is 4,265.78 m

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II. LAND AREA

BOUNDARIES AND PERIMETER MEASUREMENTS

- To the North:
With Lands of El Callao Port Terminal, in a broken line of 5 sections:
C-D= 257.64m., D-E= 2.88m., E-F= 7.73m., F-G=3.33m., y G-H= 41.65m.
- To the East:
With Av. Manco Capac and INFOCAP, in a broken line of 18 sections:
H-I= 1.82m., I-J= 52.77m., J-K=24.06m., K-L=71.80m., L-M=16.47m., M-N=99.79m.,
N-O=46.48m., O-P=8.94m., P-Q=6.38m., Q-R=8.94m., R-S=67.26m., S-T=20.76m.,
T-U=24.59m., U-V=3.91m., V-W=5.83m., W-X=5.95m., X-Y=11.46m. y Y-Z=83.64m.
- To the South:
With Plaza Grau and the Pacific Ocean, in a broken line of 12 sections:
Z-A1= 9.82m., A1-B1= 11.94m., B1-C1=7.94m., C1-D1=17.95m., D1-E1=58.55m.,
E1-F1=12.84m., F1-G1=15.85m., G1-H1=17.36m., H1-I1=40.68m., I1-J1=18.91m.,
J1-K1=29.43m. y K1-L1=8.88m.
- To the South:
With the Pacific Ocean, in a straight line of one section: L1-C= 294.76m.

LAND AREA

An area of 83,214 m² is encompassed within the boundaries and perimeter measurements described above.

PERIMETER

The perimeter length of the land is 1,419 m.

III. WATER AREA

BOUNDARIES AND PERIMETER MEASUREMENTS

- To the North:
With the Pacific Ocean, in a straight line of one section: A-B=1050.00m.
- To the East:
With Lands of El Callao Port Terminal and the Land Concession Area, in a straight line of one section: B-M1=354.44 m.
- To the South:
With the Pacific Ocean, in a broken line of 4 sections:
M1-N1= 21.63 m., N1-O1=100.00 m., O1-P1=317.43 m. y P1-Q1=932.17 m.
- To the West:
With the Pacific Ocean, in a straight line of one Section Q1-A=660.00m.

WATER AREA

An area of 655,684.53 m² is encompassed within the boundaries and perimeter measurements described above.

PERIMETER

The perimeter length of the land is 3,435.67 m.

The Terminal Project that the Short-listed Bidder may submit in its Technical Proposal, may extend towards the north east within El Callao Port and/or towards the south east away from the southern breakwaters in the amplitude necessary, within the water area of the Concession, complying with the conditions and requirements established in the Tender Documents and in the Contract, and pursuant to its Technical Proposal that it undertakes to develop within the Concession term.

EXHIBIT 9

Appendix 1: PERIMETRIC MAP OF THE CONCESSION AREA OF THE NEW CONTAINER TERMINAL – SOUTHERN ZONE

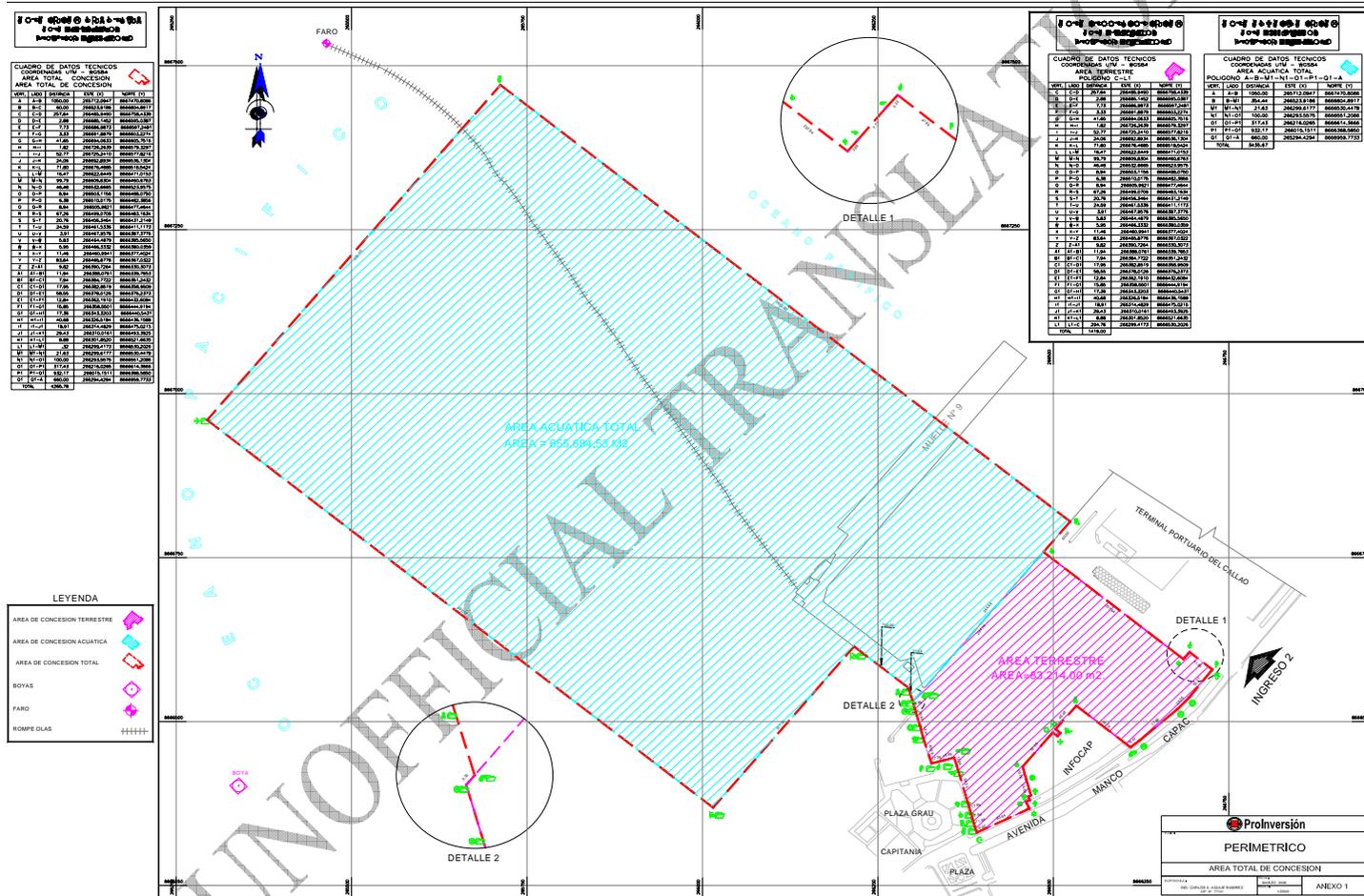


EXHIBIT 9**Appendix 2: LIST OF CONCESSION ASSETS COMPRISED WITHIN THE
LAND AREA**

- 1) Typical Toilet Services
- 2) Floating Equipment Shop
- 3) Former Yatch Club
- 4) Maritime Terminal Training and Supervision Room
- 5) Identification Office (Plaza Grau)
- 6) Former warehouse of Gyoren Agency
- 7) Well TM – 3: Registered as Building 9
- 8) Electric Substation 151
- 9) Topmen Offices
- 10) Electric Substation 7
- 11) Office and Toilet Services of Zone 2
- 12) Office, Toilet Services and Dressing Rooms of Zone 2A
- 13) Office, Toilet Services and Dressing Rooms of Zone 2B
- 14) Headquarter of Scales, Review and Documentation of Scales:
- 15) Electric Substation 8
- 16) Environment Office Store Room
- 17) Typical Toilet Services
- 18) Dock 9
- 19) Dock 10
- 20) Breakwaters

EXHIBIT 11
Appendix 1: MINIMUM REQUIREMENTS FOR THE WORKS AND EQUIPMENT OF THE TECHNICAL PROPOSAL
(Reference to Point 7.1 of the Tender Documents)

The initial minimum Works subject matter hereof shall have the following basic characteristics:

Concept	Minimum Requirement
Number of Berths (Hooking places) Minimum	2
Minimum length of the Dock	600 m
Dock Gantry Cranes (Gantry Crane type) Minimum	4 (*)
Minimum Annual Capacity	600,000 TEU
Minimum Maritime Backup Area	14.5 Ha

(*) The number of gantry cranes shall increase, to at least six (6), as set forth in Paragraph III.- Referring to Equipment, stipulated hereinbelow.

All the Works and Equipment that the Bidder proposes in his Technical Proposal, shall comply with the technical parameters referred to hereinbelow::

I. Capacity of attention of the Ships:

The Terminal shall be designed to attend, during the twenty four (24) hours a day (ordinary days, Sundays and holidays) and at least two ships simultaneously.

The Dock Occupation Rate shall not be higher than seventy percent (70%) of the ratio between the Berth annual total occupation time and the annual total availability time. Its estimation defines the time in which the Concessionaire shall have the new infrastructure and/or additional equipment operative, according to its Technical Proposal.

The Dock occupation Rate shall be calculated from the date the CONCESSIONAIRE starts the exploitation with the two berths until the limit to the maximum capacity offered in its Technical Proposal is implemented.

II. Dock Infrastructure:

The Terminal must be designed with at least two Berths of 300 meters each one and a minimum water depth of 14 meters as compared to the average level of mean low water spring (MLWS). The Dock cementation must be ready to dredge the operation area at 16 meters as compared to MLWS. Upon commencement of the Exploitation, the backup area at the Dock cannot be less than 145,000 m². Dock cementation shall be alternatively made with steel pile, reinforced concrete piles, concrete bins or blocks.

Only in the event that the Exploitation is started with one Berth may the storage area be less than the 145,000 m² stated in the preceding paragraph.

III. Equipment:

The Dock must have at least two (2) new gantry cranes per Berth, with an effective average annual capacity of twenty-five (25) containers per hour and per crane. As demand increases and to be able to comply with the service and productivity levels, more cranes shall be conditioned to increase the Terminal's capacity. The Terminal shall have at least six (6) new gantry cranes within the Concession term. The transfer and yard equipment, equally new, shall maintain, in capacity and yield, the required pace to optimize the logistic chain times. In the Technical File, the CONCESSIONAIRE shall detail the equipment characteristics it commits to acquire.

If Exploitation starts with a Berth, the Dock must be equipped with at least two (2) new gantry cranes and the necessary equipment in the storage area.

Service and Productivity Levels:

The Works that the Bidder proposes to execute in its Technical Proposal shall at least reach the **following service and productivity levels and those set forth in the Concession Contract**.

- **Time for commencement of Unloading:** No more than twenty (20) minutes tolerance, **at an average**, for the commencement of the unloading operations, counted from the moment in which the Ship, already moored, has secured all the necessary authorizations. **The duration of each individual operation may not be more than thirty (30) minutes.**
- **Time for departure of the Ship:** No more than twenty (20) minutes **tolerance, at an average**, for the departure of the Ship, counted from the moment the loading/unloading operations are completed and all the necessary authorizations are obtained. **The duration of each individual operation may not be more than thirty (30) minutes.**
- **Loading or Unloading Operation Performance (Yield of Operation):** An average of no less than twenty-five (25) containers per hour and per Gantry Crane of Dock:

$$Yield\ of\ operation = \frac{NC}{t \times n_g} \geq 30\ containers\ per\ hour$$

Where:

NC: Number of containers loaded or unloaded in the last **three (3) months**.

t: Accumulated operation time corresponding to the last **three (3) months**

n_g : Number of cranes in operation

The performance of each individual operation may not be less than twenty (20) containers per crane and per hour.

“Accumulated operation time” means the addition of all the operating times of each ship attended by the Terminal during such quarterly period. The operation time of each ship is counted as from hooking the first container until unhooking the last container.

In the last three (3) quarters of the first year of exploitation, the performance shall be no less than twenty (20) containers per hour and per Dock Gantry Crane.

- ***Service time to Users for removing the merchandise: In the last three quarters of the first year of exploitation, no more than thirty (30) minutes, at an average, counted from the time in which the User requests its merchandise removal after having paid the received services and the time in which the Terminal makes it available to the User. Once the first twelve (12) months have elapsed from the commencement of the Exploitation, the Terminal shall hand the merchandise to the User within **an average term of no more than twenty (20) minutes. The duration of each individual operation may not be more than forty five (45) minutes and thirty (30) minutes, respectively.*****

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EXHIBIT 11**Appendix 2: MINIMUM COMPLEMENTARY INVESTMENT WORKS****I. DEFINITION**

The Works referring to the Minimum Complementary Investment comprises the following items:

- Dredging of the Access Channel to El Callao Port
- Dredging of the maneuvering area
- Repair of the Breakwater

II. SCOPE OF THE WORKS**2.1. DREDGING OF THE ACCESS CHANNEL TO EL CALLAO PORT****CURRENT SITUATION**

El Callao Port has an external access channel measuring 1000 m in length and 180 m in width, dredged at a depth between -11 m and -12 m, the beginning of which is marked by two (2) buoys and the end by the reefs of the Northern and Southern breakwaters. Inside, the channel extends along 400 m. At the level of the reefs, the channel narrows to around 130 m / 140 m, determining the width of the inlet; presently, the depth of the inlet varies at the axis, between -14 m and -16 m, and at the ends, between -10 m and -12 m.

SCOPE OF THE ACCESS CHANNEL DREDGING

The internal and external access channel must at least be dredged at a -14 m depth, along 1500 m and 400 m, respectively, and with a width of 180 m at the bottom. It has been considered that the natural slope of the dredged sea bottom is 1 vertical, on 5 horizontal.

Based on these parameters, the Concessionaire shall define the volume to be dredged.

2.2. DREDGING OF THE MANEUVERING AREA**CURRENT SITUATION**

This area has a 500-m diameter and depths ranging from -10.5 m to -12 m.

SCOPE OF THE MANEUVERING AREA DREDGING

This area must be dredged at -14 m, with a 600 m diameter. It has been considered that the natural slope is 1 vertical on 5 horizontal.

CONDITIONS OF THE AREA TO BE DREDGED

The soil characteristics and the hydrographic conditions were defined in the PCI-CESEL study, which is available at the DATA ROOM.

The location of the maneuvering Area shall be determined by the Concessionaire according to its operating requirements.

The dumpsite for the dredged material is to be defined in the Environmental Impact Study.

2.3. REHABILITATION OF THE SOUTHERN BREAKWATER IN EL CALLAO PORT

General Information

El Callao Port Southern breakwater was built in the first decades of the past century to protect the port from the swell; it extends in an East-West direction. It was built with a trapezoidal section and a length of 1100 m. This breakwater was built using hand-placed rock elements. In the 1960-1970 decade of the last century, the crest was raised with concrete blocks obtained from the demolition of Dock 8.

The breakwater is cemented on alluvial soil, made up of the debris cone of the Rimac River. The exterior and interior parts are located between -8 m and -6 m, respectively, referred to the average sea level.

Situation of the Southern breakwater

The breakwater has lost its design shape due to the loss of armor elements and middle layers as a result of the swell and has been subject to natural seismic settlements. The crest elevation in some sections is near the sea level and during high tide hours the water enters the port grounds. The access road, which extends along the breakwater, for entering up to the reef beacon and for making repairs, has disappeared.

Minimum repairs required

The repair of the remaining section of the breakwater that is not covered by the Southern terminal will entail recovering the characteristics of the breakwater section to meet at least the following conditions:

- Minimum crest elevation of +4m above average sea level or the elevation that, based upon the studies conducted by the Concessionaire, ensures that waves will not surpass the breakwater during at least all the Concession term.

- The minimum crest width must be 6 m.
- The slope of the rock fill must be at least 1.2 on the seaside and 1:1.5 on the protected side.

The following building system will be adopted (the contractor may propose an alternate procedure to APN, for its approval):

- Transportation and placement of material from land using heavy equipment. Placing of the armor material with a crane.
- Work level between +2.5 m and +3 m above the low tide level of ordinary syzygies.
- The armor rock weight must be defined according to the waves, which return period shall be 30 years.
- The blocks located above the breakwater crest may be reused.
- The repair includes the placing of rock underwater, which guarantees breakwater crest stability. In order to comply with this requirement, it will be necessary to perform a survey on the breakwater, with cross-sections every 5 m, in order to establish the axis of the section that will be adopted for the repair, the rock volume of each layer, and the crest level.

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