

INTERNATIONAL REQUEST FOR BIDS 01/2019

INTERNATIONAL TENDER No 01/2019

**CONCESSION TO PROVIDE PUBLIC SERVICES FOR OPERATION, MAINTENANCE AND
MAKING OF INVESTMENTS REQUIRED FOR EXPLOITATION OF THE HIGHWAY SYSTEM
CALLED THE PIRACICABA-PANORAMA LOT II**

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INTRODUCTION

The State of São Paulo, in its capacity as the GRANTING AUTHORITY, through the São Paulo State Public Transport Services Regulatory Agency (ARTESP), an autonomous agency under a special regime associated with the São Paulo State Government, makes public under this International Request-For-Bids 01/2019, the criteria and conditions for selection and concession for the provision of public services for expansion, operation, maintenance and application of investments required for the exploitation of the highway system comprised of highway segments and access roads that comprise the PIRACICABA-PANORAMA LOT.

The TENDER is open to Brazilian or foreign companies either individually or jointly as consortia, and the decision criteria shall be the highest FIXED CONCESSION FEE value to be paid for the CONCESSION by the CONCESSIONAIRE to the GRANTING AUTHORITY, in accordance with regulations established in this REQUEST-FOR-BIDS and corresponding ANNEXES. The CONCESSION TERM shall be thirty (30) years as of the date of signature of the INITIAL TRANSFER TERM which marks the transfer of control of the EXISTING SYSTEM to the CONCESSIONAIRE.

The International Tender shall begin, on delivery of envelopes on November 28, 2019, at 9 am at Rua XV de Novembro, 275, Centro, São Paulo/SP (at the B3 headquarters).

Envelopes containing the documentation required to participate in the TENDER shall be delivered by the interested parties during a PUBLIC SESSION held on November 28, 2019, from 9 am to 11 am, in accordance with the rules of this REQUEST-FOR-BIDS which, together with its ANNEXES, shall be made available in digital form and free of charge, from July 25, 2019 to the date of the holding of the PUBLIC SESSION for delivery of the envelopes, on the ARTESP website and at www.artesp.sp.gov.br.

To access the Data Room with studies and documents on the Lot, at the website https://www7.idealsvdr.com/v3/lote_piracicaba-panorama/ interested parties should send an email to SPRoadInvestors@ifc.org. The email should contain the name, company and email addresses of all those desiring access to the platform. Users shall receive confirmation by email for registration within one (1) business day following receipt of the request.

The REQUEST-FOR-BIDS and its ANNEXES hereto can also be obtained from ARTESP's address at Rua Iguatemi, 105 - Itaim Bibi, São Paulo – São Paulo State, Brazil ZIP Code 01451 – 011, from July 25, 2019 until the day immediately prior to the date of the holding of the PUBLIC SESSION for delivery of envelopes, from Monday to Friday between 10am and 5.30pm, by presentation of a hard disk with sufficient capacity for all digital files to be copied, or may also be sent by mail, through courier services with expenses paid, and, to this end, contact must be made by telephone 00 55 11 3465-2365 or by email to novasconcessoes@artesp.sp.gov.br, under the heading "*Novas Concessões / acesso ao edital*" [New Concessions/access to the Call for Proposals] with the address and name of the recipient.

ARTESP shall not be held responsible for any text or content of calls for bids, annexes or documents obtained or viewed in any form or location other than stated above.

A – AUTHORIZATION FOR CONTRACTING

The State Privatization Program Steering Council (CDPED) established under Law N° 9.361, of July 5, 1996, authorized launching of technical studies for the CONCESSION at its 223rd Ordinary Meeting, held on March 27, 2018, approved its development, as recorded in the minutes of the 22nd Extraordinary Meeting, held on August 17, 2018 and, after deeper discussion, approved its disclosure to the public through Public Hearings and Public

Consultation, as discussed and agreed at the Extraordinary Meeting of CDPED, held on February 12, 2019.

After analysis of all contributions received at the Public Hearings and Public Consultations, the adjustments required were carried out and relevant contributions included in the final documents and publication of this REQUEST-FOR-BIDS authorized by the Steering Committee of ARTESP at its 1st Extraordinary Meeting held on July 23, 2019.

The CONCESSION was definitively approved by the Steering Committee of the State Privatization Program on June 24, 2019, within the scope of its 27th Extraordinary Meeting. By means of Decree No 64.334, of July 19, 2019, the ONEROUS CONCESSION of public services for exploitation of highways and transport infrastructure of the new lot of the São-Paulo highway system was authorized and the CONCESSION Regulations and the minimum requirements for the tender and delegation of public services hereunder approved.

B – PRIOR NOTICE

Notice of opening of this International Tender was published in the Official Gazette (DOE/SP) of July 24, 2019, in major Brazilian newspapers such as Folha de São Paulo, O Estado de São Paulo, Valor Econômico, in the regional newspapers Jornal da Cidade de Bauru, Gazeta de Limeira, Jornal da Manhã (Marília), Jornal de Piracicaba, Jornal da Cidade de Rio Claro, Primeira Página (São Carlos), O Imparcial (Presidente Prudente); in the July 25, 2019 edition of the Jornal de Assis; in the July 26, 2019 edition of the Jornal Impacto (Adamantina); and in the international newspaper Financial Times of July 26, 2019. The entire content of the CALL FOR BIDS as disclosed on the ARTESP website shall also be translated into English and made available for general public access on ARTESP's website and on the website www.artesp.sp.gov.br.

In order to enhance transparency and publicity for the CONCESSION, in addition to public hearings and consultation, national and international public meetings were also held. These were open to market and sector agents to enable a deeper and clearer understanding of the main issues of the model.

C – PUBLIC HEARING

ARTESP held a series of public hearings on March 11, 12, 13 and 27, 2019, in the municipalities of São Paulo, Bauru, Rio Claro, Osvaldo Cruz, Rancharia and Marília, in compliance with Article 39 of Federal Law 8.666/1993 and Article 29 of the State Law 10.177/1998, to present the project to the public and interested parties, with access to all relevant information and clarification, thereby ensuring the right to manifest in accordance with Public Hearing Regulations, as disclosed by that Agency.

Public hearings were announced in the Official Gazette (DOE/SP) edition of February 16, 2019, and March 1, 2019 and also digitally on the ARTESP website www.artesp.sp.gov.br, in the Estado de São Paulo Newspaper of February 18, 2019, page B4, which has large readership throughout the State and in regional newspapers. Audio recordings of the Public Hearings are available of the website www.artesp.sp.gov.br.

D - PUBLIC CONSULTATION

The draft REQUEST-FOR-BIDS, agreement and other ANNEXES hereto were submitted to Public Consultation and made available for access from February 19 to March 31 on the ARTESP website www.artesp.sp.gov.br.

The notice of Public Consultation was published in the DOE/SP, on February 16, 2019, and on March 1, 2019, on the ARTESP website and in the Estado de São Paulo newspaper on February 18, 2019 Page B4 and on February 21, Page B14; in the Folha de São Paulo newspaper on February 18, 2019 Page A19, and on February 21 on Page A25. In Agora on February 18, 2019 Page A6, and February 21, Page A14; Valor Econômico, of February 18, 2019, Page E2; and of February 21, 2019, Page E4, of regional readership, and in Jornal de Assis, of February 18, 2019, Page 6/, and of February 22, 2019, Page 3; in Jornal da Cidade (Bauru), of February 19, 2019, Page 4, and of February 21, 2019, Page 8; Gazeta de Limeira, of February 19, 2019, Page 3, and of February 21, 2019, Page 10; Jornal Impacto (Andradina), of February 22, 2019, Page 13; Jornal Comércio de Jahu, of February 19, 2019, Page 4, and of February 22, 2019, Page 4; Jornal da Cidade (Rio Claro), of February 19, 2019, Pag.B4/B5; Jornal da Manhã (Marília), of February 19, 2019, Page 3, and February 21, 2019, Page 3; Jornal O Imparcial (Presidente Prudente), of February 19, 2019, Page 4/A, and February 22, 2019, Page 4/A; Jornal de Piracicaba, of February 19, 2019, Page 7, of February 21, 2019, Page 7; Jornal Primeira Página (São Carlos), of February 20, 2019, Page C7, and of February 22, 2019, Page C7; Jornal Acontece (Rio Claro), of February 21, 2019, Page B6, of local readership.

During the Public Consultation period, ARTESP received a number of contributions, queries and suggestions relating to the drafts made available, having benefitted from interaction with the public through this channel to improve the final documents. All contributions were examined and those pertinent to the TENDER, AGREEMENT and ANNEXES incorporated hereto.

E– APPLICABLE LEGISLATION

This TENDER is governed by rules stated in this REQUEST-FOR-BIDS and its ANNEXES, as well as by the Federal Laws 8.987/1995, 9.074/1995 and 8.666/93, State Laws 7.835/1992, 6.544/1989 and 10.177/ 1998, and State Enabling Law 914/2002 and State Decree 6.529 / 34 and other standards governing the matter.

F – ANNEXES and APPENDICES

The following documents comprise the ANNEXES to this REQUEST-FOR-BIDS:

Annex I	Concession Regulations
Annex II	Road System
Annex III	Draft of Concession Agreement and Annexes to the Agreement
Annex IV	Functional Projects of the Road Concession Network
Annex V	Share Capital Payment Schedule
Annex VI	Technical conditions compatible with the Initial Investment and required for the signature of the Agreement
Annex VII	Price Proposal
Annex VIII	Bid Bond
Annex IX	Term of Acceptance of Conditions of the Request-For-Bids
Annex X	Notice and Acknowledgement Agreement of the State Court of Auditors
Annex XI	Accreditation Letter
Annex XII	Declaration of Compliance with Article 1 of State Law 10.218/99

Annex XIII	Declaration of Compliance before the Ministry of Labor and Awareness of Inset 33 of Article 7 of the Federal Constitution
Annex XIV	Declaration of non-existence of bankruptcy procedures
Annex XV	Declaration of Non-Existence of Impeding Fact
Annex XVI	Declaration of financial capacity
Annex XVII	Declaration of compliance with provisions of Article 117, sole paragraph, of the São Paulo State Constitution
Annex XVIII	Declaration of Compliance with provisions of State Law 12.799/ 08 and Federal Law 12.846/12
Annex XIX	Declaration of Compliance with provisions of Article 1 State Decree 5.3047/08
Annex XX	Templates for Statements and Letters of Financial Capacity and Financing Proposals
Annex XXI	Declaration of Commitment to Contract Performance Guarantee
Annex XXII	Procedures Manual, to be provided on the ARTESP website
Annex XXIII	Technical and Economic-Financial Feasibility Study (TFFS)

The following documents are ANNEXES to the CONTRACT:

Annex 1	Regulations of the CONCESSION
Annex 2	Road System
Annex 3	Performance Indicators for services provided and Discounts for Delay or Lack of Implementation of the Work
Annex 4	Tariff Structure
Annex 5	Services Correspondent to Operational Functions
Annex 6	Services Correspondent to Conservation Functions
Annex 7	Services Correspondent to Expansion Functions
Annex 8	Guidelines for the Direct Agreement
Annex 9	REQUEST FOR BIDS
Annex 10	Conditions for returning the Road System
Annex 11	Penalties
Annex 12	Functional Projects of the Road Concession Network
Annex 13	Share Capital Payment Schedule
Annex 14	INVESTMENT PLAN (ORIGINAL INVESTMENT PLAN to be submitted by the CONCESSIONAIRE as a condition for signing of the CONTRACT and other plans, as issued or presented and duly approved by ARTESP).
Annex 15	INSURANCE PLAN AND POLICY (delivered by the CONCESSIONAIRE and duly approved by ARTESP).
Annex 16	GUARANTEE PLANS AND PERFORMANCE BOND (delivered by the CONCESSIONAIRE and duly approved by ARTESP).
Annex 17	SPC Documents
Annex 18	Regulation of the Transition of Road System
Annex 19	Initial Term of Transfer and Remaining System Transfer Term
Annex 20	Conditions and Schedule for payment of the FIXED CONCESSION FEE and VARIABLE CONCESSION FEE
Annex 21	Technical and Economic-Financial Feasibility Study (TFFS)

Annex 22	Exchange Protection Mechanism
Annex 23	Glossary of the Annexes

APPENDICES:

A.1	Rectigraphic
A.2	Registry of Special and Current Works of Art
A.3	Interferences
B	Registry of Environmental Liabilities
C	Sheets for Performance Indicators
D	Accounts Management Agreement
E	Access Registration
F	Discount for Frequent Users
G	Functioning of DELEGATED RESERVE ACCOUNTS
H	Digital Systems
I	Service Levels
J	Procedure for Presentation, Review, and Approval of Projects, Start and Receipt of Work
K	Geometric Adaptations

G – DEFINITIONS

For the purposes of this REQUEST-FOR-BIDS and AGREEMENT, unless expressly otherwise stated, the terms, phrases and expressions listed below, when used in this REQUEST-FOR-BIDS or AGREEMENT and its ANNEXES and written in capital letters or beginning with a capital letter, without prejudice to other definitions, shall be understood and interpreted in accordance with the following meanings:

Access	Every non-accidental interruption of the RIGHT-OF-WAY, which necessarily implies obtaining previous authorization from ARTESP.
IPCA/IBGE or IPCA	Extended National Consumer Price Index, released by the Brazilian Institute of Geography and Statistics (IBGE), used to correct the values of the KILOMETER TARIFFS, according to rules established in the AGREEMENT, or in another agreement that may replace it upon termination hereof.
Accredited Broker	A brokerage company accredited by the Central Bank of Brazil and by the Securities and Exchange Commission, duly authorized to operate in B3 (Brasil, Bolsa, Balcão) and contracted by the BIDDER(s) to represent him (them) before B3 in all acts relating to the TENDER, in accordance with the B3 Procedures Manual that comprises ANNEX 22 hereof.
Accredited Representative	Individuals authorized to represent the BIDDERS in all documents and events relating to the TENDER, except those before B3.
Adequate Service	Service, the performance of which meets regularity, continuity, efficiency, safety, updating, generality and courtesy criteria, within best-quality parameters, utilizing all means and resources during execution and meeting all standards and procedures established in the AGREEMENT, by the GRANTING AUTHORITY and by ARTESP, under the terms of current legislation and regulations, especially observing article 6 of Federal Law 8.987 of February, 13, 1995, and article 17 of State Law 7.835 of May 8, 1992.

Ancillary Revenues	Alternative, complementary or accessory revenues, stemming from execution of accessory activities, management and inspection of COMPLEMENTARY SERVICES or of associated projects.
Annexes	Set of documents that are an integral part of the CALL FOR BIDS and of the AGREEMENT, as listed.
Annual Notification	Notification sent by ARTESP to the DEPOSITORY BANK to determine transfer of the sums available in the RESERVE GRANT ACCOUNTS, disciplined by APPENDIX G.
Arbitration Tribunal	Arbitration tribunal for resolving disputes submitted for arbitration, under the terms of Clause fifty-three.
ARTESP Board of Directors	Final decision-making level of ARTESP, members and roles of which are defined in the State Enabling Law 914/2002 and in the Bylaws of ARTESP.
ARTESP or Contracting Party	Regulating Agency of Delegated Public Transport Services of the State of São Paulo, created by the Enabling Law 914, of January 22, 2002, which appears in this AGREEMENT in the capacity of CONTRACTING PARTY.
B3	B3 S.A – Brasil, Bolsa e Balcão, located in the municipality of São Paulo, State of São Paulo, at Rua XV de Novembro n. 275 responsible for provision of specialized technical assistance and operational support services relating to procedures necessary for holding of the tender.
Bid Bond or Guarantee of Execution	Guarantee of Compliance with the proposal, to be presented by BIDDERS, under the terms of this REQUEST FOR BIDS.
Bidder	Separate company or companies, funds and/or entities joined together under a CONSORTIUM taking part in the TENDER.
Brazilian Traffic Code	Federal Law 9.503/97, of September 23, 1997, and its respective amendments and regulations.
CADE	Administrative Council for Economic Defense.

CDPED	São Paulo State Privatization Program Steering Council.
Centralizing Account or Bank Account Bank Escrow	A restricted movement bank account in the name of the CONCESSIONAIRE, disciplined by Appendix D
CETESB	São Paulo State Environment Company.
Coefficient of Performance Services (CSP) of of	Coefficient calculated by measurement of PERFORMANCE INDICATORS, detailed in ANNEX 3 of the AGREEMENT, to monitor the quality of services provided by the CONCESSIONAIRE.
Commercial Operation of Toll Stations	Activation of TOLL STATIONS implemented in the HIGHWAY SYSTEM by the CONCESSIONAIRE, for purposes of charging TOLL FEES, which is conditioned to rules established in ANNEX 4 of the AGREEMENT, on implementation of the intensive initial program –INITIAL INTENSIVE PROGRAM (PII), described in ANNEX 5 and 6 of the AGREEMENT, and upon compliance with obligations provided for in the AGREEMENT and in ANNEX 4.
Committee for Return	Committee created by the CONTRACTING PARTY to monitor adoption of measures by the CONCESSIONAIRE prior to returning and/or transferring the HIGHWAY SYSTEM, as established in ANNEX 10 of the AGREEMENT.
Compensation Notice	Notification sent by ARTESP to the DEPOSITORY BANK to determine compensation referent to the exchange protection mechanism, disciplined in ANNEX 22 of the CONTRACT.
Complementary Services	Services considered convenient, but not essential, targeted at maintaining ADEQUATE SERVICE levels throughout the HIGHWAY SYSTEM, under the terms of the AGREEMENT.
Concession Adjustment Account	A bank account in the name of the GRANTING AUTHORITY, in accordance with identification foreseen in the Accounts Management Contract, in which sums stemming from DISCOUNTS FOR DELAY OR NON EXECUTION OF WORK and application of QUALITY AND PERFORMANCE INDICATORS shall be deposited.
Concession Agreement or Agreement	Concession Agreement for provision of public operation and maintenance services, and making of investments required for exploitation of the HIGHWAY SYSTEM comprised of the LOT and its ACCESSES, at its own cost and risk, through tariffs paid by users, under terms and conditions hereby agreed upon.

Concession Fee Reserve Account 1	A bank account with restricted movement, disciplined by Appendix G
Concession Fee Reserve Accounts	Bank accounts with restricted movement, disciplined by Appendix G
Concession Fee Reserve Accounts 2	A bank account with restricted movement, disciplined by Appendix G
Concession Law	Federal Law 8.987/95 and respective amendments and regulation.
Concession Term	The period of thirty (30) years, counted as from the Date of TERM OF TRANSFER OF THE EXISTING SYSTEM, launched on the date of signing of the INITIAL TRANSFER TERM.
Consolidated Inspection Report	Report that compiles all the INITIAL INSPECTION REPORTS of the respective stretch, that shall be submitted for assessment and approval of ARTESP, in the form and within the deadline foreseen in ANNEX 18 of the AGREEMENT.
Consortium	Association of companies, funds or entities for the purpose of taking part in the TENDER and, if declared the winner, founder of a SPECIAL PURPOSE COMPANY, under the Brazilian law.
Contracted Party or Concessionaire	SPECIAL PURPOSE COMPANY set up by the WINNING BIDDER, which signs this AGREEMENT with ARTESP.
Control	For purposes foreseen herein, "Control" is exercised by an individual or group of persons, individual or legal, or by a group of persons bound by a voting agreement, or under common control, directly or indirectly, alone or collectively, that: (a) is the holder of rights that permanently ensure a majority of votes in corporate resolutions and the power to elect a majority of administrators or managers of another company, investment fund or supplementary pension entity, as the case may be; and (b) effectively uses its power to direct corporate activities and guide the functioning of others, investment fund or supplementary pension entities.
Controlling Block	Group of shareholders of the SPECIAL PURPOSE COMPANY which has CONTROL of the company.

CREA	Regional Engineering and Agronomy Council of the respective Brazilian State.
Date of Signing of the AGREEMENT	Date of Signing of the AGREEMENT. i.e., >>>>
Declaration of Public Utility	Decree enacted by the Head of the São Paulo State Executive Branch declaring areas required to execute the purpose of this CONCESSION to be of public utility, for purposes of expropriation and administrative right-of-way.
Delegated Public Services or Delegated Services	Services to be provided by the CONCESSIONAIRE comprising those correspondent to operational functions of exploration, management, expansion, operation and maintenance activities.
Demobilization Plan	Document to be prepared by the CONCESSIONAIRE and submitted for approval of ARTESP, providing for decommissioning of the HIGHWAY SYSTEM at the end of the CONCESSION period, with a view to enabling reversion of REVERTIBLE ASSETS, and assure adequate and continued provision of services.
Depository Bank	FINANCIAL INSTITUTION, authorized to provide custodial financial services for the PARTIES, under the terms of the AGREEMENT and its ANNEXES.
DER/SP	São Paulo State Highway Department
Direct Agreement or Three-Party Agreement	An agreement signed by a fiduciary agent representing the FINANCIERS, the CONTRACTING PARTY and the CONCESSIONAIRE that disciplines the relationship between the three parties, with a view to full execution of the CONTRACT and preservation of the interests of the FINANCIERS
Discount for Delay or Non-execution of Work	The rate to be applied on the annual calculation of TARIFF REVENUE OWED FOR DELAY OR NON-EXECUTION OF CONSTRUCTION PHASES foreseen in the PHYSICAL-EXECUTIVE SCHEDULE and in the PHYSICAL-FINANCIAL SCHEDULES and agreed between the CONCESSIONAIRE and ARTESP in investment plans, in accordance with regulations in ANNEX 3.
DOE/SP	São Paulo State Official Gazette.
Economic Group	For the purposes of the AGREEMENT, the CONCESSIONAIRE'S ECONOMIC GROUP includes affiliates, controlled companies or investors, under the terms of article 1.097 and subsequent articles of the Civil Code, and article 278 of Federal Law 6.404/76. Also considered part of the Economic Group are companies or investment funds with officers, managers or shareholders (with more than a 10% stake) or legal representatives in

	common, as well as those that are economically or financially supported by another company or investment fund. Finally, companies or investment funds subject to the same global structure, including overall sharing of knowledge, governance and corporate policy are also classified herein as economic group.
Economic-Financial Qualification	Documentation required, attesting to financial-economic capacity to sign contracts with the PUBLIC ADMINISTRATION.
Environmental Crime Law	Federal Law 9.605/98 and respective amendments and regulation.
Environmental License for Installation, Installation License or LI	Environmental License that authorizes the implantation of the venture or activity in accordance with specifications in the approved plans, programs and projects, including environmental control measures and other conditioning factors.
Environmental License to Operate, Operating License or LO	Environmental License authorizing the activity or venture, after verification of effective compliance with items in previous licenses – PRIOR LICENSE and INSTALLATION LICENSE – with measures for environmental control and conditioning factors required for operation.
Estimated Value of the Contract	Sum of estimates foreseen in the TFFS, which includes the FIXED CONCESSION FEE, in accordance with Clause 7.1 of the AGREEMENT.
Executive Project	Set of elements necessary and sufficient for complete execution of the works, in accordance with the detailed description presented in ANNEX 7 and APPENDIX J.
Existing System	All highways sections stated in ANNEX 2 of the AGREEMENT and graphically represented in images presented in APPENDIX A1, the roadway segments of which shall be transferred to the CONCESSIONAIRE, upon signing of the INITIAL TRANSFER TERM.
Extraordinary Review	Review of the AGREEMENT, at the request of the CONCESSIONAIRE, or by official act of the GRANTING AUTHORITY, through mediation of ARTESP, with a view to adapting it to changes, alterations or conditions that may influence fulfillment of the contract, under terms of the AGREEMENT, and restore its economic-financial balance, applicable only in exceptional circumstances foreseen in the AGREEMENT, in which it is not possible to address the issue at headquarters during an ORDINARY REVIEW.
Financial Institution	Any institution authorized by the Central Bank of Brazil, or analogous body in the case of a foreign institution, principally or accessorially engaged in gathering, intermediation or investing of own or third-party financial resources, in domestic or foreign currency, and custody of third-party resources.

Financiers or Lenders	Commercial banks, development banks, multilateral agencies, export credit agencies, trustees, fund managers or other entities that grant loans to the CONCESSIONAIRE or represent creditors thereto.
Fiscal and Labor Law Compliance	Attribute stemming from presentation and acceptance of the documentation necessary to demonstrate fiscal and labor qualification for contracting with the PUBLIC ADMINISTRATION.
Fixed Concession Fee	Amount offered in the PRICE PROPOSAL presented by the CONCESSIONAIRE during the bidding process, to be paid to the GRANTING AUTHORITY in accordance with regulations foreseen in this AGREEMENT and in the REQUEST-FOR-BIDS.
Free Flow	Collecting systems by means of gantry gates (without TOLL STATIONS), that do not require deceleration of vehicles for charging of a TOLL FEE, equivalent to the Coverage Area of the Gates, of a sum proportional to the distance effectively covered by the USER.
Frequent User Discount (DFU or DUF)	A special modality of Tariff Tolls applicable for users considered frequent customers, as provided for in the terms of ANNEX 4 of the AGREEMENT and APPENDIX F.
Functional Project	Set of elements which, without limiting or rejecting other risks assigned to the CONCESSIONAIRE, allow characterization of the work, service or group of works and services which comprise the venture, so that their main characteristics and desired performance are perfectly defined, making it possible to estimate their cost and the time required to execute them, in accordance with the detailed description presented in ANNEX 7 and APPENDIX J.
Grantee	BIDDER to whom the purpose of the TENDER is delegated, under terms of applicable legislation and of the REQUEST FOR BIDS.
Granting Authority	The State of São Paulo.
Gross Revenue	Sum of GROSS ACCESSORY REVENUE and GROSS TARIFF REVENUE, before deducing taxes on Revenue.
Gross Tariff Revenue	Comprises the summation of TARIFF REVENUE charged of the USERS, calculated based on the KILOMETER TARIFF, along the STRETCH COVERED BY THE TOLL, and on the multiplying factor for each vehicle type, without applying the QUALITY AND PERFORMANCE INDICATOR (IQD) and the DEDUCTIONS FOR DELAY OR FAILURE TO MAKE INVESTMENTS (DA), as established in ANNEX 4 of the AGREEMENT.

Guarantee	Guarantee of faithful compliance with obligations of the CONCESSION AGREEMENT, to be maintained by the CONCESSIONAIRE on behalf of ARTESP and the GRANTING AUTHORITY, of sums and terms defined in the Thirty-Second Clause and in ANNEX 16 of the AGREEMENT.
Guarantee Plan	Document submitted by the CONCESSIONAIRE as a condition for signing of the AGREEMENT, containing the list of all guarantees that must be provided by CONCESSIONAIRE, and to ensure, unconditionally, compliance with obligations undertaken within the scope of the AGREEMENT, and which may be liable for review, in accordance with terms of the AGREEMENT.
Highway	Section encompassed by the LOT
Highway System or Road System	The highway network delegated to the CONCESSIONAIRE, comprised of the EXISTING SYSTEM, and REMAINING SYSTEM, as described in ANNEX 2, including all the component elements of the RIGHT OF WAY, and also ACCESSES and loops, buildings, lands, pavement, shoulder, special engineering works, possible new works, and investments effected by the CONCESSIONAIRE within the scope of the AGREEMENT, and any other elements and areas with operational and administrative installations relating to the CONCESSION.
Independent Rapporteur	Individual or legal entity, with no connection to the CONCESSIONAIRE and its RELATED PARTIES, chosen by ARTESP, after submission of a triple list by the CONCESSIONAIRE, which has not received from them any form of remuneration in the 12 (twelve) months prior to performance of activities under this AGREEMENT and its ANNEXES and that, at the CONCESSIONAIRE's expense, shall be responsible for drafting surveys and reports on the HIGHWAY SYSTEM, under circumstances foreseen in the AGREEMENT, in order to present a Technical Report regarding possible disagreements and/or inconsistencies among the PARTIES, to inform ARTESP's decision.
Infraction Notice	Document containing contractual or regulatory penalties arising from irregularities identified during inspections of the HIGHWAY SYSTEM. ARTESP shall refer it to the CONCESSIONAIRE, under the terms of this AGREEMENT and its ANNEXES, especially ANNEX 11.
Initial Adaptation Program - IAP or PAI	Set of investments and interventions to be carried out by the CONCESSIONAIRE, necessary for adaptation of the REMAINING SYSTEM and in compliance with regulations established in ANNEXES 5 and 6 of the AGREEMENT
Initial Inspection Report	Reports that shall be produced by the CONCESSIONAIRE or RAPPORTEUR, within deadlines established in ANNEX 18 of the AGREEMENT, relating to conditions and possible liabilities and irregularities of the REMAINING SYSTEM.
Initial Intensive Program - PII or IIP	Set of initial investments and interventions to be carried out by the CONCESSIONAIRE, as especially described in ANNEXES 5 and 6 of the AGREEMENT, delivery of which comprises one of the conditions for start of charging of the TOLL FEE from USERS of the HIGHWAY SYSTEM
Initial Transfer Term	Document signed by the PARTIES which enables transfer, by the GRANTING AUTHORITY and through ARTESP, of control of the EXISTING SYSTEM and/or REMAINING SYSTEM to the CONCESSIONAIRE, as of the signing of which the CONCESSION TERM begins.

Inspection Fee	Amount corresponding to three percent (3%) of monthly GROSS REVENUE collected by the CONCESSIONAIRE to be paid, monthly, to ARTESP for performance of its duties.
Inspection Term	Document containing records of any occurrences identified during any inspections of the HIGHWAY SYSTEM, which ARTESP shall refer to the CONCESSIONAIRE, under the terms of the AGREEMENT.
Insurance Plan	Document containing a listing of all compulsory insurance policies, under terms of the AGREEMENT and its ANNEXES, which shall remain valid and in effect throughout the entire CONCESSION PERIOD and may be liable for review, in accordance with terms of the AGREEMENT.
Interferences	Overhead, surface or underground urban facilities of public or private utilities, which may interfere or suffer direct or indirect interference, from activities under the responsibility of the Concessionaire.
Inventory	Inventory of assets, investments and construction work to be maintained by the CONCESSIONAIRE over the Concession Period, which shall be conducted by means of georeferenced video recordings, as specified in ANNEX 6 of the AGREEMENT.
Investment Plan	Document prepared jointly by the CONCESSIONAIRE and ARTESP, after ORDINARY REVIEWS and EXTRAORDINARY REVIEWS, whereby the investments to be made by the CONCESSIONAIRE in subsequent years shall be established. Each INVESTMENT PLAN shall contain a PHYSICAL-FINANCIAL SCHEDULE, detailing the development expected for each investment.
Kilometer Tariff or Kilometric Rate	Tariff corresponding to the amount charged from simple and two axle vehicles, per kilometers for dual-lanes, at "barrier" type Toll gates, on bi-directional highways, by Manual and Automatic Charging Systems, under rules laid down in ANNEX 4, the value of which shall be calculated individually for each TOLL STATION that comprises the HIGHWAY SYSTEM.
Legal Qualification	Documentation required for proof of qualification for contracting with the PUBLIC ADMINISTRATION.
Lot	Lot consisting of roadway sections forming part of the HIGHWAY SYSTEM, as defined in ANNEX 2.
Main Financier	Investor, commercial bank, development bank, multilateral agency, exporting credit agency, trustee, fund manager or other isolated entity, union or quota holder that detains immediate rights of the CONCESSION, under the terms of Article 28-A of Act 8.987/1995.
Non Delegated Services	Those for which the PUBLIC AUTHORITIES are exclusively responsible, not encompassed in the purpose of this CONCESSION, such as: I. Uniformed, preemptive and punitive traffic policing; II. Enforcement and issuing of fines for infractions relating to: a. Vehicle;

	<ul style="list-style-type: none"> b. Documentation; c. Driver; d. Rules for circulation, parking and stopping; e. Excessive weight. <p>III. Issue of concessions, under the law, referring to:</p> <ul style="list-style-type: none"> a. Public road transportation services - international, interstate, and intercity; b. Public transport services - urban, intercity, suburban, metropolitan or municipal; c. Transport service for rural workers or people in cargo vehicles; d. Organization of events on the highway; e. Special and hazardous cargo transport services.
Notification	Notification sent by ARTESP to the DEPOSITORY BANK on the START DATE DUF and in subsequent ORDINARY REVIEWS to determine transfer of sums referent to the VARIABLE GRANT of the CENTRALIZING BANK ACCOUNT to RESERVE GRANT ACCOUNT 1, disciplined by APPENDIX G.
Onerous Concession or Concession	Legal relationship established by delegation of the public services described in the preamble of this AGREEMENT, by the GRANTING AUTHORITY, through ARTESP, to the SPECIAL PURPOSE COMPANY, a private company set up by the WINNING BIDDER, for operation, in its own name, at its own cost and risk, through a tariff paid by the USER.
Ordinary Review	Review of the AGREEMENT, carried out every four (4) years, the scope of which includes adapting the PERFORMANCE INDICATORS, INVESTMENT PLAN, INSURANCE PLAN, GUARANTEE PLAN, and any conditions in the CONCESSION to changes perceived during this period, with a view to restoring its economic-financial balance, as provided for in Clause 24 of the AGREEMENT.
Original Investment Plan (OIP or POI)	Document submitted by CONCESSIONAIRE, as a condition for signing of the AGREEMENT, comprised of works and investment defined and detailed in ANNEX 21 of the AGREEMENT, which shall be reviewed at each four (4) year period. The ORIGINAL INVESTMENT PLAN shall contain the PHYSICAL-EXECUTIVE SCHEDULE, which shall be prepared according to the specifications in ANNEX 21.
Owed Tariff Revenue	Sum of GROSS TARIFF REVENUE, calculated based on the KILOMETER TARIFF applied to each vehicle type, applying the QUALITY AND PERFORMANCE INDEX (IQD) and the DISCOUNTS DUE TO DELAY OR FAILURE TO MAKE INVESTMENTS (DA).
Parties	ARTESP and CONCESSIONAIRE.
Performance Assessment Report – PAS (IQD)	Report containing the CONCESSIONAIRE's PERFORMANCE ASSESSMENT referring to purpose of the AGREEMENT, which shall be periodically prepared by ARTESP and delivered to CONCESSIONAIRE under the terms of rules established in the AGREEMENT and ANNEX 3.
Performance Indicators	Set of parameters to measure the quality of services, that assist in determining the Service Provision Coefficient, under the terms of ANNEX 3 of the CONCESSION AGREEMENT.

Physical-Executive Schedule	SCHEDULE included in the ORIGINAL INVESTMENT PLAN, to be presented by the WINNING BIDDER as a condition for signing the AGREEMENT, containing details, with initial, intermediary and final milestones for each investment, considering the initial and final deadlines for completing the works defined therein, based on TFFS, the AGREEMENT and ANNEX 7 thereto.
Physical-Financial Schedule	Physical and financial schedule containing the details of the investments included in the events of the ORDINARY and EXTRAORDINARY REVIEWS and which will include the corresponding INVESTMENT PLANS.
PIC	Set of complementary investments and interventions to be carried out by the CONCESSIONAIRE, as especially described in ANNEXES 5 and 6 of the AGREEMENT.
Policy for Transactions with Related Parties	Document drafted and approved by administrative bodies of the CONCESSIONAIRE, that shall comprise rules and conditions for the conduct of transactions between the CONCESSIONAIRE and RELATED PARTIES, under the terms of this AGREEMENT.
Price Proposal	Proposal establishing the amount of the FIXED CONCESSION FEE for exploitation of the purposes of the CONCESSION, as established in the REQUEST-FOR-BIDS.
Prior Environmental License, Previous License, or LP	Environmental License granted in the preliminary planning phase of the venture or activity, approving its location and concept, attesting to its environmental feasibility and establishing basic requisites and conditions to be met in subsequent implementation phases.
Procedures Manual	Document prepared by B3 (Brasil, Bolsa Balcão) containing guidance, rules, and templates of documents for procedures of posting a PROPOSAL GUARANTEE, operational procedures, and all other procedures pertinent to conduct of the competitive bidding process.
Public Administration	Bodies or entities of the direct and indirect Public Administration, at the federal, state, municipal or Federal-District level.
Public Business	Potential assets or ACCESSORY REVENUE sources identified by ARTESP, by the GRANTING AUTHORITY or by the CONCESSIONAIRE that could be exploited by means of contractual or corporate structures, or even through corporation-law and/or capital-market tools, proposal of which includes participation of the GRANTING AUTHORITY, providing for clear rules on the activities and responsibilities of public and private players, in addition to sharing of risks involved and of estimated revenues.
Public Consultation	A stage of the TENDER when the draft REQUEST-FOR-BIDS, the AGREEMENT and other ANNEXES is disclosed, and when suggestions of are received from interested parties.

Public Hearing	The initial stage of the bidding process referring to the International TENDER, under terms of article 39 of Law 8.666/93, held during the the period of March 11, 12 and 13, 2019, in order to make this CONCESSION model public, clarify doubts and gather inputs for drafting of this REQUEST-FOR-BIDS.
Public Session	A public meeting for receipt of envelopes and execution of other actions pertinent to the TENDER.
Qualification Documents	Documents to be submitted by Bidder in the Qualifying Envelope, related to Legal Qualification, Tax and Labor Compliance, Technical Qualification and Economic-Financial Qualification.
Qualified Subcontracting	A possibility granted to BIDDERS, for demonstration of technical conditions compatible with investments, the execution of which require proof of technical qualification before ARTESP, or for demonstration of technical capacity compatible with operation of the HIGHWAY SYSTEM, through signing of a contract with an entity that possesses the technical qualification required for the venture, in accordance with requirements laid down in ANNEX 6 of the CALL FOR BIDS.
Qualifying Conditions	Documents and respective conditions presented by participants in International Tender 01/2019, relating to Legal Qualification, Tax and Labor Compliance, Technical Qualification, and Economic-Financial Qualification, under the REQUEST-FOR-BIDS.
Quality and Performance Index	Index comprising the PERFORMANCE COEFFICIENT OF SERVICES PROVIDED (CSP) appraised in accordance with regulations and intervals established in ANNEX 3 of the AGREEMENT.
Quarterly Performance Assessment of the CSP	Report containing the quarterly results of the Coefficient of Services Provided of the CONCESSIONAIRE that shall be prepared by ARTESP and delivered to the CONCESSIONAIRE, under terms of the regulations established in the AGREEMENT and in ANNEX 3.
Related Parties	With respect to the CONCESSIONAIRE, any person in its ECONOMIC GROUP, as well as those considered under current accounting standards.
Remaining System	The highway network encompassed by CONCESSION AGREEMENT 008/CR/1998 and the other highway segments and ACCESS roads indicated in ANNEX 2 and APPENDIX A 1, which shall compulsorily become part of the HIGHWAY SYSTEM, upon signing of the REMAINING SYSTEM TRANSFER TERM.
Request For Bids or Call for Proposals	This call for proposals or International REQUEST FOR BIDS 01/2019 and all its ANNEXES

Request for Transfer of Control	Request made by the CONCESSIONAIRE, subject to prior approval by ARTESP, for the TRANSFER OF CONTROL of the SPC, except in cases foreseen in a three-party agreement, should one be signed.
Revertible Assets	Assets tied to the CONCESSION, listed in ANNEX 10 of the AGREEMENT, indispensable for provision of services, which shall be reversed and/or returned to the GRANTING AUTHORITY, upon termination of this AGREEMENT, in order to guarantee continued service provision.
Right-of-Way or Domain Range	According to the definition in ANNEX I of Federal Law 9.503/1997 (BRAZILIAN TRAFFIC CODE), these are the surfaces adjacent to rural roads, delimited by specific law and under the responsibility of the relevant traffic agency or entity with circumscription over the road.
Session Director	The B3 Representative who shall conduct the PUBLIC PRICE PROPOSAL SESSION, on behalf of the SPECIAL TENDER COMMITTEE, in accordance with the terms of the REQUEST FOR BIDS.
Share Capital payment Schedule	Schedule for paying up of the SPC's Corporate Stock, proportionally to the necessary investments, as presented in ANNEX 13 of the AGREEMENT.
SPAs	Access Roads highlighted in ANNEX 2.
Special Cargoes	Cargoes with dimensions above the limits established by the National Traffic Council (CONTRAN), which require special traffic authorization, under terms and conditions established by CONTRAN.
Special Purpose Company SPC [SPE]	A joint-stock company established under Brazilian law, for the specific purpose of provision of the public services that are the purpose of this CONCESSION.
Special Tender Committee (STC)	Committee responsible for receipt, examination and judgment of all tender-related documents, and also for conducting procedures relating to the TENDER.
STATE CADIN	Registry of Information on Outstanding Credits of State-level Bodies and Entities, instituted by State Law 12.799/2008 and brought into effect by State Decree 53.455/2008, where names of individuals and corporate entities with debts to bodies and entities of the STATE Administration are listed.
Subcontractor	Third party contracted at the expense and risk of the CONCESSIONAIRE for execution of services related to the CONCESSION.

Successor	A CONCESSIONAIRE, winner of a concluded TENDER, the full or partial purpose of which is the HIGHWAY SYSTEM comprised of the LOT, or body or entity of the PUBLIC ADMINISTRATION that is successor of the CONTRACTED PARTY.
Tariff Revenues	Revenues stemming solely from charging of TOLL FEES, paid entirely by USERS of the highway.
Technical Board	Commission set up under the AGREEMENT to solve any technical divergences submitted during the CONCESSION TERM.
Technical Qualification	Documentation required, attesting to technical capacity to sign contracts with the PUBLIC ADMINISTRATION.
Technician Responsible	Individual indicated to take responsibility for expansion, operation and maintenance services, to be carried out by the SPECIAL PURPOSE COMPANY, through a direct or indirect link, in this case, through a third party contracted, when possible, by means of QUALIFIED SUBCONTRACTING.
Tender	INTERNATIONAL TENDER 01/2019 organized by ARTESP for contracting of this CONCESSION.
Tender and Administrative Contract Law or Law 8.666/93	Federal Law 8.666/93 and respective amendments and regulation.
Term of Definitive Lien or Term of Lien of REVERSIBLE ASSETS	Document containing a listing of REVERSIBLE ASSETS of the AGREEMENT, adding those preexisting to those newly established, acquired or in any manner modified by the CONCESSIONAIRE, to be prepared by the PARTIES upon the occasion of signing of the INITIAL TERM OF TRANSFER and updated in accordance with an INVENTORY kept by the CONCESSIONAIRE.
Term of Transfer of the Remaining System	Document signed by the PARTIES that formalizes the transition of the highway network corresponding to the scope of Contract 008/CR/1998, and other highway and ACCESS road segments described in ANNEX 18, enabling the CONCESSIONAIRE to begin operations on that stretch and to effect charges at the corresponding TOLL STATIONS, provided that the conditions established in the AGREEMENT are fulfilled.
TFFS (EVTE)	Technical and Economic-Financial Feasibility Study that presents contractual amounts and years for investments that shall be part of the ORIGINAL INVESTMENT PLAN, and which shall serve as a basis for designing the PHYSICAL-EXECUTIVE SCHEDULE to be presented by the CONCESSIONAIRE and its effects, under the terms of this AGREEMENT.
Toll Coverage Stretch	Stretch of a highway considered when calculating the KILOMETER TARIFF of the respective TOLL STATION.

Toll Fee, Rate or Tariff	Tariffs charged from USERS by the CONCESSIONAIRE, under the terms of the AGREEMENT, and especially ANNEX 4, and under regulations established by ARTESP.
Toll Stations	Area comprising the approach, charging booths, with or without physical barriers, as well as any other equipment and systems used in the TOLL FEE charging and billing activity.
Transfer of Control	Any alteration in corporate structure implying change to direct or indirect CONTROL of the CONCESSIONAIRE, subject to Federal Law 6.404/76.
Transfer of the Highway System	Direct whole or partial transfer of the HIGHWAY SYSTEM, from the CONCESSIONAIRE to a successor, in response to the purpose of a concluded tender, or relating to a CONCESSION transfer procedure.
Unbalancing Event	Event, act or fact, which gives rise to the economic-financial unbalance of the AGREEMENT, in accordance with Clauses 20 and 21 thereof, and which leads to restructuring, corresponding to effectively proven losses suffered by the CONCESSIONAIRE or by the GRANTING AUTHORITY.
Users	Any individual or corporate entity that uses DELEGATED PUBLIC SERVICES.
Variable Concession Fee	Amount to be paid to the GRANTING AUTHORITY, according to the provisions of ANNEX 20, calculated at nine percent (9%) of the GROSS REVENUE, as of the thirteenth (13 th) month counted as of signing of the INITIAL TRANSFER FEE as the price of the CONCESSION, as established in the AGREEMENT, where the percentage due may vary according to the mechanism described in ANNEX 22 of the AGREEMENT.
Winning Bidder	The Bidder declared winner for having presented the best classified proposal, compliant with all the conditions of the REQUEST-FOR-BIDS, to which the TENDER was awarded.

CHAPTER I – GENERAL PROVISIONS

1. PURPOSE

1.1. The purpose of this REQUEST-FOR-BIDS is to select the most advantageous proposal for the CONCESSION to provide public services for operation, management, expansion, upkeep and realization of the investments required for operation of the HIGHWAY SYSTEM comprised of the highway segments and access roads described in ANNEX 2 hereto all of which comprise the PIRACICABA-PANORAMA LOT, including:

- i. Preparation of the required projects, obtaining of approval and environmental licenses as well as the conduct of works and investments to enable

operation of the HIGHWAY NETWORK which shall be specified in the ORIGINAL INVESTMENT PLAN and shall be prepared by the WINNING BIDDER based upon rules established in the AGREEMENT, specifically ANNEXES 6, 7 and 21;

- ii. Execution, management and supervision of DELEGATED PUBLIC SERVICES, to be mandatorily provided without interruption by the CONCESSIONAIRE throughout the CONCESSION TERM, consisting of operation, upkeep, expansion, performance, and maintenance functions, as described in the AGREEMENT and its ANNEXES;
- iii. Support for execution of UNDELEGATED SERVICES, which are the responsibility of the GRANTING AUTHORITY, not included in the purpose of the CONCESSION under the AGREEMENT and this REQUEST-FOR-BIDS;
- iv. Management and supervision of SUPPLEMENTARY SERVICES, considered convenient but not essential for maintenance of ADEQUATE SERVICES on the entire granted stretch, to be provided directly by the CONCESSIONAIRE or third parties contracted by it;
- v. Acquisition, investment and management of all funding required for implementation of the CONCESSION;
- vi. Supply of goods needed to provide the Services for purposes of the CONCESSION;
- vii. Preventive and corrective maintenance of the CONCESSION assets, including the right of way in order to maintain these as fully operational and in a condition compliant with provisions of the CONCESSION AGREEMENT;

- 1.2. The specifications of the aforementioned purposes are detailed in the CONCESSION AGREEMENT and its respective ANNEXES.

2. EFFECTIVENESS AND TERM

- 2.1. The term of the concession is thirty (30) years, counted as of signature of the INITIAL TERM OF TRANSFER, in accordance with the draft CONCESSION AGREEMENT.

3. ESTIMATED CONCESSION AMOUNT

- 3.1. The estimated value of the AGREEMENT is of thirteen billion, six hundred and seventy-five million, four hundred, three thousand and forty-four reais and twenty-one centavos (R\$13,675,403,644.21) on the base date of March 2019, corresponding to the sum total of the FIXED CONCESSION FEE and investment foreseen in the AGREEMENT.
- 3.2. The estimated value of the AGREEMENT is merely a reference estimate, and shall not be used by the BIDDER for any purpose or by a Contracted Party to support financial recovery claims.

4. CLARIFICATION AND CHALLENGES TO THE REQUEST-FOR-BIDS

- 4.1. Interested parties may submit, within fifteen (15) days prior to the date set for the PUBLIC HEARING, requests for clarifications and information on the TENDER.
- i. Requests for information should be written in (Brazilian) Portuguese and may be submitted by e-mail to novasconcessoes@artesp.sp.gov.br, under the heading "*Novas Concessões | Pedidos de Esclarecimentos*" [New Concessions | Request for Clarification] on the PIRACICABA-PANORAMA LOT; or (ii) protocolled at ARTESP's address, at Rua Iguatemi, - Itaim Bibi, São Paulo, Brazil, by 05:30 pm on November 2019, for the attention of the SPECIAL TENDER COMMITTEE, together with a digital media containing the file in Excel and/ or Word and PDF format with the queries laid out in accordance with the format defined and displayed on the ARTESP website (www.artesp.sp.gov.br), with identification data of the interested party, including email address.
 - ii. Responses to queries shall be sent by e-mail, within seven (7) days prior to the date set for the PUBLIC HEARING for opening of the bidding documents and disclosed to all interested parties on ARTESP's website (www.artesp.sp.gov.br) and shall not identify the person responsible for the clarification request.
 - iii. Clarifications, amendments or significant communications shall become an integral part of this REQUEST-FOR-BIDS.
 - iv. If there are no requests for clarification, it shall be assumed that the information provided in this REQUEST-FOR-BIDS, AGREEMENT and ANNEXES are sufficient to enable preparation of the PRICE PROPOSAL and presentation of qualification documents and, consequently, for participation in the TENDER. Accordingly, subsequent inquiries shall not be accepted.
- 4.1.1. At the discretion of the SPECIAL TENDER COMMITTEE, periodic responses may be published under the same rules described in item 4.1 hereof, for the clarification requests submitted by interested parties during the entire period running from publication of this REQUEST FOR BID to the date specified in item 4.1 "ii".
- 4.2. Any citizen has the right to contest this REQUEST-FOR-BIDS, with any challenge being presented in the format for clarification request described in paragraph 4.1 of this REQUEST-FOR-BIDS, within five (5) business days prior to the date of opening of the envelopes, and the STC shall decide upon, and respond to, any challenge within three (3) business days.
- 4.3. All correspondence, requests for clarification, challenges or any other documents relating to the TENDER, whether hard copies or digital, shall be considered delivered on the date of receipt by the recipient, unless delivery takes place after seventeen thirty hours (5.30pm Brasília Time) even if that correspondence is in digital format.
- 4.4. Correspondence delivered after seventeen thirty hours (5.30pm Brasília Time) will be considered delivered, for all purposes, including for the verification of timeliness, on the next business day.
- 4.5. Only those expressing interest via email sent to novasconcessoes@artesp.sp.gov.br, under the heading "*Cadastro de*

Interessado – [file of interested party] PIRACICABA – PANORAMA LOT” with proper identification of (i) name/ company name; (ii) nationality / country headquartered; (iii) profession / business purpose; (iv) identification (RG) and Individual Tax Payer Number (CPF)/ Corporate Tax Payer Number (CNPJ); address; (vi) telephone and e-mail contact, will secure the guarantee that they:

- i. shall be notified directly via e-mail, of TENDER acts;
- ii. shall be notified directly via e-mail of any clarification provided with respect to this REQUEST-FOR-BIDS;
- iii. shall receive a copy of the administrative act reporting any amendment to this REQUEST-FOR-BIDS, if applicable; and
- iv. shall receive, via e-mail any other communication containing important information relevant to the TENDER.

4.6. ARTESP may, at its own initiative or as a consequence of responses drawn up during requests for clarification or challenges, modify this REQUEST FOR BIDS, at any time, by means of errata, published in the Official Gazette [DOE].

4.7. In the event that an alteration to the REQUEST FOR BIDS unquestionably affects the wording of a PROPOSAL, under the terms of article 21, paragraph 4th of Federal Law 866/93, ARTESP shall alter the date of the public session for receipt of ENVELOPES foreseen in the preamble of the REQUEST FOR BIDS, informing BIDDERS by means of publication in the Official Gazette [DOE]. In such a case, terms for TECHNICAL VISITS and requests for clarification shall also be extended.

5. TECHNICAL VISIT

5.1. Parties interested in conducting a technical visit for purposes of on-site verification of the conditions, nature and measurement of materials and equipment necessary for execution of the CONCESSION AGREEMENT must, by September 27, 2019, submit by email to novasconcessoes@artesp.sp.gov.br, with the heading “*Visita técnica*” [Technical Visit] PIRICICABA – PANORAMA LOT”, documentation in PDF format, containing the appointment and qualification of representative of the company interested in making the visit. ARTESP shall also be provided with a copy of the document proving the representation relationship between the company and its representative designated to participate in the technical visit.

5.2. The representation relationship will remain confidential until the date of receipt of the envelopes.

5.3. Upon receipt of the email by ARTESP and fulfillment of the requirements necessary indicated in this REQUEST-FOR-BIDS, an e-mail shall be forwarded to the interested parties to schedule a date and time for the technical visit which shall be monitored by members of ARTESP and/ or the DER and /or DERSA.

5.3.1. Irrespective of the holding of any technical visit, an interested party shall declare that it is aware of the condition of the HIGHWAY SYSTEM and is fully capable of preparing the surveys required, on which to base its PRICE PROPOSAL.

- 5.3.2. The aim of the technical visit is solely to enable interested parties to obtain technical inputs that they deem pertinent, and thus neither ARTESP nor the GRANTING AUTHORITY shall be held responsible for insufficiency of data gathered on the occasion of the technical visit.
- 5.4. Under current law and regulations, in addition to a technical visit, an interested party may carry out technical inspections, surveys and relevant analyses, at its own risk and expense, to obtain full knowledge of the conditions of the EXISTING SYSTEM, in order to assess all aspects necessary for establishing its PRICE PROPOSAL.
- 5.4.1. BIDDERS shall not subsequently claim lack of knowledge of the technical condition of the HIGHWAY SYSTEM of the PIRICICABA – PANORAMA LOT as justification for any losses, discrepancies, difficulty in execution or request for compensation of any nature.
- 5.5. Each interested party may make as many technical visits as deemed by them necessary, always accompanied by representatives of ARETSP, DER or DERSA when in a place of restricted public access. To this end, representatives designated by the interested parties shall report at the location, on the date and at the hour appointed, in accordance with the request filed hereunder.
- 5.6. As many representatives as the interested party deems necessary shall be permitted to participate in the TECHNICAL VISIT, and these shall be listed in the request, respecting possible difficulties of a technical nature, duly justified by ARTESP.
- 5.7. During the technical visit, each interested party shall ensure he is accompanied by technical staff and specialists with sufficient knowledge to gather any information deemed necessary, as demands for additional information shall not be accepted by ARTESP or DER. Any request for clarifications must be submitted in writing by the interested party or BIDDER, in the form and within the deadline set forth in item 4 hereof.
- 5.8. Holding of a technical visit shall not constitute a condition for participation in this TENDER.
- 5.9. ARTESP shall consider PROPOSALS to have been presented and as having been drafted with full knowledge of the conditions for provision of services and of the HIGHWAY SYSTEM. The BIDDER shall not plead lack of knowledge as an impeditive factor for correct drafting of the PRICE PROPOSAL or of full compliance herewith; request changes in price, deadlines, or conditions hereof; nor allege losses or claim benefits, by pleading lack of data or information.
- 5.10. At the end of the technical visit, the interested party shall be provided with a technical visit certificate, which shall be included in the content of the qualification-documents envelope.
- 5.11. A BIDDER who decides not to conduct an optional technical visit shall present a declaration affirming that he is aware of the possibility of conducting the technical visit and learning all about the HIGHWAY SYSTEM, but that, while aware of the risks and consequences, opted to draft his PRICE PROPOSAL without

conducting the offered technical visit, under the terms of item 13.50 inset xiii hereof.

6. JUDGMENT CRITERIA – FIXED CONCESSION FEE

- 6.1. For the preparation of the PRICE PROPOSAL and drafting of offers, BIDDERS shall consider that, for delegation of public services and the operation of the object of the CONCESSION, the CONCESSIONAIRE shall pay the GRANTING AUTHORITY the FIXED FEE and the VARIABLE CONCESSION FEE.
- 6.2. The Judgment Criteria for this BIDDING PROCESS is the highest FIXED CONCESSION FEE offered, and the winner shall be the BIDDER that, subject to the procedures and standards described in this REQUEST-FOR-BIDS, offers the highest FIXED CONCESSION FEE, to be paid by the WINNING BIDDER as a condition for the signature of this AGREEMENT considering the minimum amount of fifteen million, forty-one thousand and thirty-three reais and two centavos (R\$ 15,049,433.02) on the base date of March/2019.
- 6.3. The criteria for signing of this AGREEMENT is payment of the first installment of the FIXED CONCESSION FEE offered by the WINNING BIDDER, considering the minimum amount stated in Paragraph 6.2 and the premium stated in its PRICE PROPOSAL.
 - 6.3.1. The VARIABLE CONCESSION FEE shall be paid as provided for in this AGREEMENT and shall not be included in the PRICE PROPOSAL.
- 6.4. As a prior condition to signing of the AGREEMENT, the GRANTEE shall open a DELEGATED RESERVE ACCOUNT and contract a DEPOSITARY BANK.
 - 6.4.1. The GRANTING AUTHORITY shall take all necessary measures to enable opening of the RESERVE GRANTING ACCOUNT on behalf of the GRANTING AUTHORITY, by the GRANTEE.
 - 6.4.2. All costs arising from contracting of the DEPOSITARY BANK shall be borne by the GRANTEE and, after execution of the AGREEMENT, by the CONCESSIONAIRE.
 - 6.4.3. Under the terms of Appendix G of the AGREEMENT, if any situation should lead to delay or make unfeasible the opening of the DELEGATED RESERVE ACCOUNT on behalf of the GRANTING AUTHORITY, the GRANTEE shall be enabled, if duly motivated and authorized by ARTESP, to effect the opening of said DELEGATED RESERVE ACCOUNTS on behalf of the CONCESSIONAIRE. This condition shall be provisional, and the CONCESSIONAIRE shall, within the scope of the AGREEMENT, arrange for immediate transfer of ownership of the DELEGATED RESERVE ACCOUNTS to the GRANTING AUTHORITY, as soon as possible and once having resolved the condition that justified said situation.

7. FEE REVENUE AND ANCILLARY REVENUE

- 7.1. For preparation of the PRICE PROPOSAL and drafting of offers, BIDDERS shall consider that the CONCESSIONAIRE shall have the right to collect TOLL

FEES from USERS of the HIGHWAY SYSTEM, observing principles of equity and affordability, as defined in the draft AGREEMENT, particularly ANNEX 4 – Fee Structure.

- 7.2. The value of the KILOMETER TARIFF to be charged from USERS of the Manual Collection Operational System is fourteen reais and ninety-one cents I (R\$14.91) per 100 km, for bidirectional dual-lane roads, and ten reais and sixty-five cents (R\$ 10.65) per 100 km, for bidirectional, single-lane roads, In either case, the base date is March 2019, adjusted annually, under the terms of the CONCESSION AGREEMENT and its ANNEX 4.

- 7.2.1. The value of the TOLL FEE to be charged from USERS at TOLL STATIONS does not necessarily correspond to the value of TOLL FEES OWED and may reflect rebates permitted pursuant to regulations established in the AGREEMENT, specifically in its ANNEX 4.

- 7.3. In addition to revenues from TOLL FEES, the REMUNERATION of the CONCESSIONAIRE may include ANCILLARY REVENUES, obtained in accordance with the relevant legislation, by means and within limits set out in contractual regulations of the CONCESSION.
- 7.4. Revenues from toll fees and ancillary revenue earned by the CONCESSIONAIRE in accordance with contractual conditions shall be considered for purposes of calculation of sums owed under the VARIABLE CONCESSION FEE, and for payment of inspection activities performed by ARTESP within the scope of the CONCESSION, as established in the rules of the AGREEMENT.
- 7.5. Information, studies, research, investigations, surveys, projects, spreadsheets and other documents or data relating to the HIGHWAY SYSTEM and its operation provided by ARTESP were performed and obtained for the sole purpose of serving as a reference for calculation of the financial feasibility of the CONCESSION. Such documents or data shall not, on behalf of BIDDERS or any future Concessionaire, represent any binding commitment or responsibility upon the part of ARTESP or of the GRANTING AUTHORITY.

CHAPTER II – TENDER REGULATIONS

8. CONDITIONS FOR PARTICIPATION

- 8.1. Any Brazilian or international entity may participate in the TENDER, either individually or grouped as a CONSORTIUM, provided that its nature and purpose are compatible with participation in the TENDER and that it fully complies with all terms and conditions of this REQUEST-FOR-BIDS.
- 8.2. Participation of BIDDERS in the bidding process is conditional upon signing of a brokerage contract with ACCREDITED BROKER, in accordance with the terms of the B3 PROCEDURES MANUAL, which constitutes ANNEX 23 of this REQUEST-FOR-BIDS.
- 8.3. No entity, individually or as part of a consortium, may participate in the TENDER, if:

- 8.3.1. currently under penalty of temporary suspension from participation in tenders or banned from contracting with the direct or indirect Administration of the State of São Paulo, as a consequence of article 87, inset III, and article 88 of Federal Law 8.666/1993, or article 7 of Federal Law 10.520/2002;
 - 8.3.2. declared ineligible to contract with the PUBLIC ADMINISTRATION of any member of the federation, as a consequence of article 87, inset IV of Federal Law 8.666/1993;
 - 8.3.3. sentenced in a final appeal to a penalty of disqualification owing to environmental crimes, as provided for in Article 10 of Law 9.605, of February 2, 1998;
 - 8.3.4. declared bankrupt;
 - 8.3.5. included in the registries referred to in articles 22 and 23 of Federal Law 12.846/13 and article 5 of State Decree 60.106/2014.
 - 8.3.6. forbidden by the Plenary of CADE to participate in tenders held by the PUBLIC ADMINISTRATION, owing to an offense against the economic order, under the terms of article 38, inset II, of Federal Law 12.529/2011;
 - 8.3.7. forbidden to contract with the PUBLIC ADMINISTRATION owing to restrictive sanctions on rights resulting from an administrative environmental offense, under the terms of article 72 paragraph 8, inset V of Federal Law 9.605/1998;
 - 8.3.8. forbidden to contract with the Public Authorities owing to condemnation for an act of administrative maleficence, under the terms of article 12 of Federal Law 8.429/1992;
 - 8.3.9. declared ineligible to contract with the PUBLIC ADMINISTRATION by the Plenary of the Court of Auditors of the State of São Paulo, under the terms of article 108 of State Enabling Law 709/1993; and
 - 8.3.10. temporarily suspended, banned or declared ineligible to bid or contract with the PUBLIC ADMINISTRATION for disobedience to the Law of Access to Information, under the terms of article 33, insets IV and V of Federal Law 12.527/2011, and article 74, insets IV and V of State Decree 58.052/2012.
- 8.4. Any person who, in the past six (6) months, counted as of publication hereof, was an employee or manager of the contracting body/entity responsible for the TENDER, may not participate directly or indirectly in the TENDER; and any person who, in the previous six (6) months counted as of publication hereof, was an employee or manager of the body responsible for management or monitoring of the AGREEMENT may not participate directly or indirectly in execution of the AGREEMENT, under the terms of article 9, inset III and §3, of Federal Law 8.666/1993.
- 8.4.1. For purposes of item 8.3.1, indirect interest shall be regarded as the

existence of any documents that assign a relationship of a legal, technical, commercial or business nature between the entity and the BIDDER, or any company in the BIDDER'S FINANCIAL GROUP.

8.4.2. For purposes of item 8.4 hereof, ARTESP, the Secretariat of Government and the Secretariat of Logistics and Transport of the State of São Paulo shall be considered the responsible/contracting body/entity for the TENDER and for management and monitoring of the AGREEMENT.

8.5. Foreign companies or entities that do not operate in Brazil, shall meet the QUALIFICATION REQUIREMENTS, to the extent possible, by means of equivalent documents, certified at a Consulate General of Brazil in the country of origin and translated by a sworn translator, and shall have a legal representative in Brazil, with express powers to receive summonses and respond both administratively and judicially.

8.5.1 Foreign companies from countries signatories of the Apostille Convention Abolishing the Requirement of Legalization for Foreign Public Documents, adopted in Brazil through Federal Decree 8.660/2016, may substitute the requirement for authentication at the respective consulate referred to in item 8.5 above, by attaching the apostille mentioned in articles 3 and 4 of that Convention. The documentation and its respective apostille shall be translated by a certified translator.

8.5.1.1. Qualification documents equivalent to those requested in this REQUEST- FOR-BIDS must be submitted in a form that enables clear identification of their validity, enforceability and effectiveness. The BIDDER shall be responsible for indicating the requirement of the REQUEST-FOR-BIDS to which the document corresponds.

8.5.1.2. In the event that there are no documents equivalent to those required under this REQUEST-FOR-BIDS a statement to that effect shall be submitted by the BIDDER.

8.6. BIDDERS are responsible for analyzing the conditions of the respective purpose of the TENDER, as well as all data and information on the CONCESSION, and examination of all instructions, conditions, requirements, laws, decrees, standards, specifications and regulations applicable to competitive bidding processes relating to the CONCESSION and shall bear their respective costs and expenses.

8.7. Participation of a given company and/or entity in more than one CONSORTIUM, or individually, or as a member of a CONSORTIUM is not permitted.

8.7.1. The limitation provided for in item 8.8 applies also to companies belonging to the same FINANCIAL GROUP as the BIDDER.

8.8. In the case of a CONSORTIUM the following rules shall be observed, without prejudice to others in the REQUEST FOR BIDS and in pertinent legislation.

8.8.1. Disqualification of a BID or of a consortium member shall automatically result in disqualification of the BID and ineligibility of the CONSORTIUM;

8.8.2 There is no upper limit to the number of participants that may comprise a CONSORTIUM;

- 8.8.3. Inclusion, substitution, removal or exclusion of any consortium member, any change in the proportion of quotas of a consortium, or replacement of a consortium corporate leader is not permitted prior to signature of the CONCESSION AGREEMENT. After that time, rules of the AGREEMENT shall be observed regarding any change in the SPC's ownership structure.
- 8.8.4 Consortium members shall be jointly and severally liable for the activities of the Consortium in this TENDER, up until the signature of the CONCESSION AGREEMENT.
- 8.8.5 A CONSORTIUM may be formed exclusively of foreign companies or entities, without participation of Brazilian entities.
- 8.8.6. In a CONSORTIUM of Brazilian or foreign companies and/or entities, leadership must be exercised by a Brazilian company or entity, under the terms of article 33 paragraph 1 of Federal Law 8.666/1993.
- 8.9. Participation in this TENDER shall entail full and unconditional acceptance of all terms, conditions and provisions of this REQUEST-FOR-BIDS, as well as the Draft CONCESSION AGREEMENT, its ANNEXES and other provisions applicable to the TENDER, and ignorance shall not be considered an impeditive element for correct drafting of the PRICE PROPOSAL or full compliance with the AGREEMENT.
- 8.10. BIDDERS shall bare all costs relating to preparation and presentation of their PRICE PROPOSALS and participation in the TENDER, and neither the GRANTING AUTHORITY nor under any circumstances, shall ARTESP be held responsible for such costs, regardless of the procedures followed in the TENDER or its outcome.

9. GENERAL PROCEDURE

- 9.1. Each BIDDER shall be responsible, at its own cost and risk, for conducting of surveys and studies and for development of projects upon which to base presentation of PROPOSALS.
- 9.2. Any inconsistencies that may exist regarding application of this REQUEST-FOR- BIDS, for the purposes of interpretation of the relevant TENDERING procedure standards, shall be resolved in accordance with the following criteria and in the following order:
- i. REQUEST-FOR-BIDS;
 - ii. ANNEXES to the REQUEST-FOR-BIDS
 - iii. CONCESSION AGREEMENT
 - iv. ANNEXES to the AGREEMENT.
- 9.3. The TENDER shall be processed and decided in reverse order, starting with examination of the PRICE PROPOSAL, classification of the PRICE PROPOSALS, processing of offers, if such there be and subsequently, examination of the BID BOND and QUALIFICATION documents.

- 9.4. The bidding shall be processed and judged by the SPECIAL TENDER COMMITTEE, with support from B3 to assist with conducting of the TENDER and performance of related activities.
- 9.5. The PRICE PROPOSAL shall be examined before the BID BOND and QUALIFICATION documents.
- 9.6. In the classification stage, PRICE PROPOSALS shall be ranked observing the criterion of highest value offered for the FIXED CONCESSION FEE, in accordance with the provisions of ANNEX VII.
- 9.7. Upon conclusion of the classification phase, a reverse ranking of PRICE PROPOSALS shall be disclosed, indicating which may be declared the winning bid.
- 9.8. If any BIDDER(S) has/have submitted a PRICE PROPOSAL of a value equivalent to, or up to fifteen million reais (R\$15.000.000,00) lower than the highest PRICE PROPOSAL, an offer phase shall be conducted among such BIDDERS.
- 9.8.1. In the event that a minimum of two (2) BIDDERS for the Offer Stage is not reached under the criteria set forth in this item, the BIDDER who submitted the highest PRICE PROPOSAL up to that point shall be declared the winner
- 9.9. Once any possible offer stage has been concluded, the PRICE PROPOSAL that meets all the requirements of this REQUEST-FOR-BIDS offering the highest amount for the FIXED CONCESSION FEE to be paid as a condition for signature of the AGREEMENT, shall be declared the winner.
- 9.10. The BID BOND of the BIDDER best classified during the offer phase shall be examined, after disclosure of the best PRICE PROPOSAL. Failure to comply with the requirements of the REQUEST-FOR-BIDS regarding presentation of BID BONDS, shall result in disqualification of the BIDDER.
- 9.11. The qualification phase shall comprise examination of the QUALIFICATION DOCUMENTS of the BIDDER best classified during the offer stage and that has presented a valid BID BOND, to verify compliance with conditions set forth in the REQUEST FOR BIDS.
- 9.12. The SPECIAL TENDER COMMITTEE may, at any stage of the TENDER, conduct due diligence to clarify or supplement procedural rules, and also;
- 9.12.1. At any time, request that BIDDERS present clarifications on the BID BOND, PRICE PROPOSAL, offers, and/or QUALIFICATION DOCUMENTS presented, to correct errors, compensate for insufficiencies or even to correct formal aspects, provided that such missing elements can be presented within no more than three (3) business days, under penalty of disqualification or exclusion of the BIDDER.
- 9.12.2. With prior approval from ARTESP's BOARD OF DIRECTORS, extend deadlines referred to in the REQUEST-FOR-BIDS, if in the public

interest, resulting from an Act of God or force majeure, without affording BIDDERS the right to compensation or reimbursement of costs and expenses of any kind.

9.13. Errors of content in documentation, reflecting factual or legal circumstances prevailing on the date of submission of the PRICE PROPOSAL, shall be deemed subject to correction within the period specified in item 9.12.1.

9.14. In respect for the principle of instrumentality of forms, and as a means of enhancing competition during bidding, formal errors or inconsistencies shall not obstruct classification or qualification of any BIDDER, if they can be effectively overcome through measures foreseen in item 9.12.

9.15. During the decision phase, beginning on the date of opening of the envelopes containing BIDDERS' PRICE PROPOSALS and ending upon conclusion of the offer phase, the use of communication devices by ACCREDITED REPRESENTATIVES shall be prohibited.

9.16. During this entire procedure, the International Finance Corporation (IFC) and its consultants, and consultants of B3, may provide support in the procedure, as requested by the TENDER COMMITTEE.

10. PRESENTATION OF THE BID BOND, PRICE PROPOSAL, AND QUALIFICATION DOCUMENTS

10.1. It shall be incumbent upon each BIDDER to conduct, on his own behalf and at his own risk; surveys and studies, and to prepare drafts for presentation of PRICE PROPOSALS.

10.2. The BID BOND, PRICE PROPOSAL and QUALIFICATION documents required under this TENDER process must be submitted in three (3) separate, opaque, sealed envelopes, signed at the seal, with the following identification:

10.2.1. The envelopes shall be delivered together at the time indicated by the SPECIAL TENDER COMMITTEE.

Presentation of the Envelopes

i. ENVELOPE A – BID BOND:

ENVELOPE A – BID BOND

Request for Bids nº [•] – Concession for provision of public operation and maintenance services, and making of investments required for exploitation of the HIGHWAY SYSTEM comprised of the LOT [•]

[CORPORATE NAME OR CONSORTIUM, INDICATING LEADING COMPANY]

[NAME OF ACCREDITED BROKER]

ii. **ENVELOPE B – PRICE PROPOSAL:**

ENVELOPE B – PRICE PROPOSAL

Request for Bids nº [•] – Concession for provision of public operation and maintenance services, and making of investments required for exploitation of the HIGHWAY SYSTEM comprised of the LOT [•]

[CORPORATE NAME OR CONSORTIUM, INDICATING LEADING COMPANY]

[NAME OF ACCREDITED BROKER]

iii. **ENVELOPE C – QUALIFICATION DOCUMENTS:**

ENVELOPE C – QUALIFICATION DOCUMENTS

Request for Bids nº [•] – Concession for provision of public operation and maintenance services, and making of investments required for exploitation of the HIGHWAY SYSTEM comprised of the LOT [•]

[CORPORATE NAME OR CONSORTIUM, INDICATING LEADING COMPANY]

[NAME OF ACCREDITED BROKER]

- 10.3. All envelopes presented under the TENDER and the contents thereof, having been opened during the public session, may be initialed by the BIDDERS' accredited representatives present at the session, if they so desire.
- 10.4. Only envelopes and qualifying documentation delivered directly to the SPECIAL TENDER COMMITTEE shall be accepted. No other form of document delivery, such as by mail, shall be accepted.
- 10.5. Accreditation of BIDDER's representatives shall not constitute a condition for receipt of envelopes.
- 10.6. The act of receiving and opening envelopes may be witnessed by any individual. However, only representatives of BIDDERS duly accredited in accordance with this REQUEST-FOR-BIDS may participate in the Public Hearing, interference by assistants or any other persons being forbidden.

- 10.7. The contents of the three (3) envelopes shall be submitted in two (2) copies, containing an opening statement, table of contents, and closing statement for the entire documentation of each envelope, whereas one may be in the form a simple copy.
- 10.8. Pages shall be numbered sequentially, including separating sheets, catalogs, designs or the like, if any, (irrespective of whether there is more than one volume per envelope) from the opening statement to the closing statement, so that the numbering of the last sheet of the last volume reflects the total number of pages in each envelope.
- 10.9. The reverse side of pages should not be numbered under any circumstances, and the inscription "blank" should be included if there is no content.

Form of presentation of documents

- 10.10. Documents shall be submitted in their original format or as copies authenticated by a Public Notary, or a copy accompanied by the original for authentication by a member of the COMMITTEE.
- 10.10.1. The BID BOND shall be submitted in its original draft, observing specific rules on receipt of public securities laid down in the PROCEDURES MANUAL.
- 10.10.2. Documents obtained via Internet are excepted from the rule foreseen in item 10.10 hereof and may be presented without any authentication, provided that, when relevant, they are accompanied by a verification code that enables verification of authenticity.
- 10.11. All documentation submitted by BIDDERS in printed form should be accompanied by an authentic digital copy, on a magnetic file, as standard PDF files (Adobe Acrobat).
- 10.11.1. Presentation in the form of magnetic files, as indicated in the previous item shall consist of a specific CD-ROM/DVD or PEN-DRIVE for the documentation of each envelope and of each notebook, and will integrate the contents of the respective envelope.
- 10.11.2. CD's-ROM / DVD's or PEN-DRIVE (S) shall be labeled with the BIDDER's name and address, number and object of the REQUEST-FOR-BIDS and their contents.
- 10.11.3. In the event of any discrepancy between the printed and digital documents, the printed text shall prevail. Documents in PDF prevail over all editable media.
- 10.11.3.1. In the event of any discrepancy between numbers and their expression in words, figures expressed in words shall prevail.
- 10.12. All documents and certificates presented for this TENDER shall be submitted within their respective validity period.

- 10.12.1. Any document submitted after its expiration date shall be considered undelivered, and the BIDDER liable for the consequences.
- 10.12.2. Excepting in cases when documents are not subject to periodic renewal, when applicable, documents that have no deadline set out in the body of the text, in law or in this REQUEST-FOR-BIDS, shall be considered valid if issued within one hundred and eighty (180) days of the actual delivery of said documents and proposals.
- 10.13. All documents containing sums expressed in foreign currency, when so permitted in the REQUEST-FOR-BIDS, shall have such sums translated into local currency (reais - R\$), by applying the selling exchange rate (PTAX) as disclosed by the Central Bank of Brazil on the date immediately preceding the date of publication of this REQUEST FOR BIDS.
- 10.14. The use of the templates in the REQUEST-FOR-BIDS is recommended for purposes of standardization, each applying to the content of the respective envelope
- 10.15. Lack of any of the declarations required of the BIDDER under this REQUEST FOR BIDS can be overcome by a formal written document, of equal content from the BIDDER, delivered during the public session, once expressly registered in the minutes or under a measure conducted by the SPECIAL TENDER COMMITTEE, in accordance with item 9.2 hereof.
- 10.16. The PRICE PROPOSAL and QUALIFICATION DOCUMENTS and other documents required for presentation in this TENDER shall be presented in clear language, with no amendments, corrections or comments.
- 10.17. In the case of a document consisting of a copy of the Official Gazette or a newspaper, it must be printed a form that is easy to read, with identification of the date, section and page number of the edition in which it was published.
- 10.18. At the end of each PUBLIC SESSION, the documentation presented in the Envelopes shall be countersigned by no less than two members of the STC. ACCREDITED REPRESENTATIVES may also countersign the documents.
- 10.19. Detailed minutes shall be kept of all public sessions for receipt and opening of envelopes. These shall be signed by members of STC, and may also be signed by the accredited representative of the BIDDERS.
- 10.19.1. The STC may, at its sole discretion, close the public session after receipt and/or opening of envelopes, conducting examination of the PRICE PROPOSALS and documentation during the session itself or immediately thereafter and, to this end, may rely upon technical assistance. The STC's decisions shall always be well grounded and in writing, and shall be attached to the record of the tender process.
- 10.19.2. Unopened envelopes may be withdrawn by the interested parties, within a period of thirty (30) days after signing of the AGREEMENT. If not withdrawn within said thirty (30) day period, they shall be destroyed, without warning or notification.

10.20. Correction of formal defects in documents submitted by BIDDERS shall be accepted, if they can be corrected within three (3) business days, as established in item 9.12.1, with no effect on the bidding process, in compliance with the principle of instrumentality of forms.

10.21. Alteration of the content of any of the ENVELOPES shall result in disqualification of the BIDDER.

Content of Price Proposals

10.22. Only PRICE PROPOSALS covering the entire purpose of this TENDER, including those presented during a possible offer phase, shall be considered, and the amount offered shall be paid by the WINNING BIDDER as a condition for signing the AGREEMENT.

10.23. State Decree 52.658/08 waives requirement of authentication of signatures on powers of attorney, declarations and opening or closing terms, provided the signatory of the document in question presents a copy of his identity card.

10.24. The PRICE PROPOSALS, including those presented in the offer phase, shall be valid for one hundred and eighty (180) days as of the date of their receipt and, within this period, all conditions shall remain valid and may be extended if the parties agree to do so.

Documentation to be presented by foreign Bidders

10.25. In order to participate in the TENDER, under the terms of applicable legislation, foreign BIDDERS must be represented by a legally-accredited person domiciled in Brazil, with express powers, by public or private power of attorney, with signature attested by a public notary or other competent entity in accordance with legislation applicable to documents, to receive summonses and respond administratively and judicially in Brazil and represent the bidder throughout all phases of the process, and such conditions must be expressly stated on documents presented during accreditation.

10.26. Documents from foreign BIDDERS shall be presented as follows:

- i. The PRICE PROPOSALS and all correspondence, information and communications relating to the TENDER procedures shall be written in Brazilian Portuguese, the official language of this TENDER, with amounts expressed in national currency (Brazilian Real).
 - a. All documentation submitted by foreign BIDDERS shall be understood and interpreted in accordance with said language.
- ii. Documents of foreign origin submitted in other languages shall be certified by a public notary in the country of origin, authenticated by the Brazilian Consulate General in the country of origin or (in circumstances described in 8.5.1) accompanied by an apostille, and a certified translation into Portuguese by an official translator registered with any Board of Trade of Brazil, except in the case of catalogs, publications, manuals, technical bulletins or similar items.
 - a. Qualification Documents of foreign origin presented in other

languages not accompanied by a sworn translation into Brazilian Portuguese shall not be considered for purposes of assessment or decision.

10.26.1. In the event that any of the BIDDERS points out a material inconsistency between the document in the original language and the translation, the COMMITTEE shall take measures necessary to check the effective content of the document. A BIDDER proven to have presented a divergent translation with the aim of securing any advantage shall be disqualified, without prejudice to execution of the BID BOND and application of civil, criminal and administrative sanctions.

10.26.2. If an inconsistency between a document in the original language and its translation is detected, the original text shall prevail.

11. ENVELOPE A - BID BOND

11.1. To ensure compliance with the obligation to sign the future contract instrument and other obligations assumed as a consequence of participation in the TENDER, the BIDDER shall unconditionally provide a BID BOND amounting to no less than one hundred and thirty-six million, seven hundred and fifty-four thousand and thirty-six reais and forty-four centavos (R\$ 136.754.036,44) on the base date of March 2019, valid for one hundred and eighty (180) days counted as of the date scheduled for the PUBLIC HEARING, observing items 11.2.1 and 11.5 of this REQUEST- FOR-BIDS.

11.1.1. In the case of a consortium, the BID BOND may be posted by a single corporate entity that is a member thereof, or divided by consortium members.

11.2. The BID BOND may, at the BIDDER's discretion, be effected by the following means:

- i. Security deposit in cash;
- ii. Public Debt Securities;
- iii. Insurance
- iv. Bank
Guarantee

11.2.1. When formalization of the BID BOND is effected by means of documents, such instruments shall not contemplate exclusion of sole responsibility or impede automatic and unconditional execution by ARTESP in the hypotheses described herein as justifying execution. Requirements laid down in the B3 Procedures Manual that comprises Annex 22 of this REQUEST-FOR-BIDS shall also be observed.

11.2.2. The BID BOND shall be posted for the benefit of ARTESP.

11.2.3. It is the sole responsibility of BIDDERS to prove adequacy of the BID BOND posted for purposes of this TENDER, and BIDDERS shall submit documentation to this end, on pain of said bond being ruled ineffective, and other applicable consequences, including the possible disqualification of the BIDDER.

11.3. The BID BOND posted in national currency must be deposited with Banco

do Brasil, branch 1897-X, account number 500.188-9, in the name of ARTESP, CNPJ/MF.05.051.955/0001-91, in up to twenty-four (24) hours prior to the date established for receipt of documents and proposals, with presentation of proof of deposit, or as bank draft from a FINANCIAL INSTITUTION, on pain of the bond being ruled ineffective.

- 11.3.1. When the BID BOND is posted in Public Debt Securities, these shall be assessed at the nominal value thereof, unburdened by an unenforceability, inalienability, non-transfer or compulsory purchase clause. Only Public Debt Securities listed in the MANUAL OF PROCEDURES shall be accepted, and these must be issued in book-entry form through registration in a centralized settlement and custodial system authorized by the Central Bank of Brazil, accompanied by evidence of current validity in terms of liquidity and value.
- 11.3.2. A BID BOND provided in the form of an insurance guarantee must be issued by an insurance company authorized to operate in Brazil, under terms of current legislation at the time of its presentation and shall be evidenced by presentation of a guarantee-insurance policy, accompanied by proof of payment of the premium, where appropriate, and also: (i) an Operational Certificate of Good Standing issued by Brazil's Superintendence of Private Insurance (SUSEP) on behalf of the insurer that issues the policy, and such policy must be in accordance with the provisions of SUSEP Circular 477/2013 and contain the provisions established in the B3 PROCEDURE MANUAL, and shall not include any clause exempting the BIDDER or the Insurer, excepting those resulting from legal or regulatory demands; (ii) an Administrators Certificate issued by SUSEP on behalf of the administrator signees of the policy; (iii) representation documents of the signatory administrators of the policy; and (iv) corporate documents enabling verification of the insurer's form of representation.
 - 11.3.2.1. In the event that a BID BOND presented in the form of an insurance-guarantee includes any clause contrary to the provisions of this REQUEST-FOR-BIDS, including limiting clauses or disclaimers of responsibility, the BIDDER must submit a statement countersigned by the insurance company, affirming the inapplicability of such clauses and the validity of the insurance guarantee for all circumstances foreseen in this REQUEST-FOR-BIDS.
 - 11.3.2.2. If the BIDDER opts for the insurance guarantee modality, the special conditions model and the private conditions model, presented in ANNEX XXII shall be observed. Non-observance of this model shall be accepted only in relation to duly-demonstrated and justified adaptations for compliance with legal or regulatory demands. If the provisions foreseen in the special conditions of the model are reproduced merely in the private considerations of the policy, the model foreseen in ANNEX XXII shall not be considered non-observance.
- 11.3.3. A BID BOND submitted in the form of a Bank Guarantee shall be issued by a commercial, investment and/or multiple bank, authorized to operate in Brazil, in accordance with Brazilian legislation and the regulations governing the financial system,

respecting ANNEX XXII hereof, and shall be accompanied by evidence of representation powers of the person responsible for signing the document.

11.3.3.1. It shall not be necessary to submit evidence of representation powers of signatories of bank or insurance guarantees, when the institutions stated above hold valid registration as a guarantee issuer at the B3.

11.3.3.2. Banking institutions that are issuers of bank guarantees shall possess the EMVIA system, so that B3 can verify the authenticity of the instrument.

11.4. The BID BOND of the WINNING BIDDER shall be returned after the signature of the CONCESSION AGREEMENT and presentation of the guarantee of compliance with contractual obligations – PERFORMANCE GUARANTEE AGREEMENT.

11.4.1. If validity of the BID BOND expires prior to submission of the PERFORMANCE GUARANTEE of the AGREEMENT, then the WINNING BIDDER shall pledge to arrange for its renewal.

11.5. The BID BOND of other BIDDERS shall be returned within fifteen (15) days as of the date of signing of the CONCESSION AGREEMENT by the winner of the tender.

11.6. If the agreement is not signed, the BID BOND shall be returned within forty-five (45) days as of the date of formalization of the closing of the TENDER, excepting in cases which entail its implementation.

11.7. If the events described in items 11.4, 11.5 and 11.6 extend beyond the one hundred and eighty (180) day validity of the BID BOND, foreseen in item 11.1, BIDDERS interested in continuity of the TENDER must, prior to expiry of their BID BOND, at their own expense, present documentation corroborating its renewal. Any BIDDER that fails to prove renewal of the BID BOND when so requested shall be excluded from the TENDER, however, the penalties foreseen in item 11.9 shall not be applied to such a BIDDER.

11.7.1. Maintenance of BIDDER qualification is conditional upon regular renewal of the respective BID BOND, pursuant to item 11.7.

11.7.2. The value of the BID BOND shall be readjusted by the IPCA rate for the period between the DOCUMENT DELIVERY DATE and the latest rate officially disclosed prior to renewal of the BID BOND.

11.8. Any BIDDER who engages in any of the practices listed below shall be liable for a fine of the full value foreseen in item 11.1, following a regular administrative proceeding as foreseen in State Law 10.177/98:

i. request withdrawal of his PRICE PROPOSAL prior to its expiry date;

ii. fails to present a letter from a FINANCIAL INSTITUTION on the feasibility of his PRICE PROPOSAL, when said PRICE PROPOSAL is declared the winner during the offer phase;

iii. knowingly presents a false document or information, or omits relevant information for purposes of this TENDER, these being related to qualification conditions, conditions for participation in the TENDER and presentation of the COMMERCIAL PROPOSAL, under the terms of this REQUEST FOR BIDS;

iv. as WINNING BIDDER, fails to comply with conditions or to present documents required for contracting, within the foreseen deadlines;

v. as WINNING BIDDER, fails to effect payment of remuneration to B3 or reimbursement of ARTESP, in accordance with the terms and deadlines foreseen in this REQUEST FOR BIDS and in the B3 MANUAL OF PROCEDURES;

vi. fails to maintain the BID BOND under the conditions defined herein;

vii. as WINNING BIDDER, fails to effect the FIXED CONCESSION FEE, under the terms of item 6.3;

viii. as WINNING BIDDER, refuses to sign the CONCESSION AGREEMENT within the period provided when called upon, either owing to failure to comply with pre-contractual arrangements or withdrawal;

ix. engages in activities intended to frustrate the objectives of the competitive bidding process or induce its delay;

x. proves ineligible to sign a contract with ARTESP;

11.8.1. The BID BOND shall also ensure payment, following a regular administrative procedure foreseen in Federal Law 10.177/98, of fines, penalties and compensation owed by the BIDDER to the GRANTING AUTHORITY stemming from total or partial default on the part of BIDDERS with respect to obligations assumed as a consequence of their participation in the TENDER and, in such a case, said value shall be opportunely arbitrated in accordance with the damages caused and the seriousness of the BIDDER's conduct, observing as the maximum value the sum of the BID BOND established in item 11.1.

11.9. A BID BOND provided under any of the procedures set out in the REQUEST-FOR- BIDS herein, shall be unconditional and may not contain any clause exempting any liability incurred by the BIDDER and/or its issuers regarding participation in this TENDER, excepting those expressly foreseen in current law or regulations, especially SUSEP Circular 477/2013, and shall comply with regulations established in the PROCEDURES MANUAL.

11.10. The BID BOND shall encompass all events occurring during the term of the guarantee, even if the disaster is reported by ARTESP after expiry of the final term of guarantee, as foreseen in article 12, paragraph 4 of SUSEP Circular 477/2013, excepting when there is an incontestable contrary determination

contained in law or regulations.

11.11. ARTESP shall be appointed sole beneficiary of the instruments that formalize the BID BOND, which can be executed in any of the circumstances described in this REQUEST-FOR-BIDS.

11.11.1. No change shall be permitted in the terms and conditions of the BID BOND submitted to ARTESP, excepting with its express prior consent at the time of renewal or for restoration of economic value or feasibility.

11.11.2. A BIDDER that fails to present or does not have a BID BOND acceptable to the SPECIAL TENDER COMMITTEE shall be disqualified and its PRICE PROPOSAL considered invalid.

12. ENVELOPE B - PRICE PROPOSAL

Price Proposal

12.1. The PRICE PROPOSAL shall be submitted in accordance with item 10.2 of this REQUEST-FOR-BIDS, in Envelope B, and shall observe the following conditions:

12.2. The PRICE PROPOSAL shall be formalized by the value of the FIXED CONCESSION FEE to be paid by the WINNING BIDDER as a condition for signature of this AGREEMENT, in Reais (R\$) to a maximum of two decimal places.

12.3. The PRICE PROPOSAL shall conform to the template included in ANNEX VII of this REQUEST-FOR-BIDS. There being any discrepancy between the numeric value and its written form, the latter shall prevail.

12.4. The BIDDER shall be aware that the PRICE PROPOSAL, insofar as it refers to the FIXED CONCESSION FEE:

- i. is irrevocable, irreversible and unconditional;
- ii. shall not be lower than the minimum amount of the FIXED CONCESSION FEE stated in the REQUEST-FOR-BIDS, on pain of declassification;
- iii. shall be valid for a minimum 180 (one hundred and eighty) days as of the date of delivery of BID BOND, PRICE PROPOSAL and QUALIFICATION DOCUMENT Envelopes;
- iv. shall consider (i) the condition of the HIGHWAY SYSTEM; (ii) all investments, costs, expenses and taxes necessary for operation of the CONCESSION, subject to the conditions and rules established in the CONCESSION AGREEMENT and respective ANNEXES;
- v. shall take into account all the risks assumed by the Concessionaire during the CONCESSION term, in accordance with rules foreseen in the AGREEMENT;

- vi. shall consider a CONCESSION term of thirty (30) years, counted as of signature of the INITIAL TRANSFER AGREEMENT by the PARTIES;
- vii. shall consider all the investments necessary for full compliance of the CONCESSION AGREEMENT, foreseen as a contractual obligation of the CONCESSIONAIRE, in accordance with the REQUEST FOR BIDS, the draft AGREEMENT and its respective ANNEXES.
- viii. should consider the capital stock payment schedule of the SPC, included in ANNEX V of this REQUEST-FOR-BIDS;
- ix. shall consider the amounts necessary for payment of management fees and other charges related to the AGREEMENT, including payment due to the financial institution responsible for managing the specific CENTRALIZING ACCOUNT with restricted movement, and organize the flow of funds through the accounting system, and also the DELEGATED RESERVE ACCOUNTS, in accordance with rules established under the AGREEMENT and under the terms of Annex 4 and relevant Appendices;
- x. shall consider the deductions applicable to the TOLL FEE paid by USERS, especially application of QUALITY AND PERFORMANCE INDICES, the DISCOUNT FOR DELAY OR NON-EXECUTION OF WORK and FREQUENT USER DISCOUNT;
- xi. shall consider own funding to be contributed toward the SPC by the BIDDER, as well as paying up of capital;
- xii. shall consider financing to be contracted by the CONCESSIONAIRE, both short and long term, if applicable, identifying the main feature(s) of the transaction(s), such as interest rates, currency, grace periods, amortization, maturities, commissions and guarantees;
- xiii. shall consider the limit available for the issue of guarantees, where applicable, indicating the main characteristics, such as modality, amounts, grace periods and amortization, maturity, interest rates, currency and placement area, commissions and guarantees; and
- xiv. may consider, at its own risk, possible tax benefits already established when submitting the proposals, such as the Special Regime for Infrastructure Development Incentives (REIDI), governed by Law 11,488, of June 15, 2007 and, in the latter case, consideration of REIDI shall be expressed in the proposal, and any failure to obtain the benefit will not lead to economic-financial rebalancing of the AGREEMENT.

12.5. PRICE PROPOSALS shall be presented on the base date of March 2019, and at the time of payment of the FIXED CONCESSION FEE such sums shall be duly updated through application of the IPCA/IBGE index.

Letter from a financial institution or financial advisor attesting to economic-financial feasibility of the Price Proposal

12.6. The BIDDER shall present, together with its PRICE PROPOSAL, a letter from a foreign or domestic FINANCIAL INSTITUTION that assists the BIDDER on the financial drafting of the CONCESSION and aims to advise the BIDDER if deemed the winner of the competitive bidding process, declaring, in accordance with the model in ANNEX VII, that it;

- i. Has examined the REQUEST-FOR-BIDS, the AGREEMENT, and respective ANNEXES as well as studies and surveys conducted by the BIDDER for the preparation of its PRICE PROPOSAL;
- ii. Considers that the PRICE PROPOSAL is financially feasible.
- iii. Considers it feasible to obtain the financing necessary, or financial structuring with own capital, necessary to meet the obligations of the possible future Concessionaire, with amounts and under conditions considered by the BIDDER during formulation of its PRICE PROPOSAL.

12.6.1. The FINANCIAL INSTITUTION or financial advisor, while expressing the intention of advising the BIDDER in the event it is declared winner of the TENDER, is not required by ARTESP or the GRANTING AUTHORITY to allocate funding to the BIDDER or the SPC. Similarly, the BIDDER undertakes no obligation before ARTESP or the GRANTING AUTHORITY to request or obtain financing from the FINANCIAL INSTITUTION signatory of the letter or to maintain any link with the financial advisor.

12.7. The FINANCIAL INSTITUTION or financial advisor mentioned in item 12.6 hereof cannot be a BIDDER, nor can it be the CONTROLLER, SUBSIDIARY or AFFILIATE of a BIDDER. Neither can it be subject to liquidation, intervention or a Temporary Special Administration Regime (RAET).

12.8. If the letter required in item 12.1 is undersigned by a financial advisor, the BIDDER must unequivocally prove the financial advisor's experience with financial structuring of ventures in the field of infrastructure, under a project finance modality or other form of long-term funding, involving no less than one billion reais (R\$1.000.000.000,00) of investments, by means of affidavits, declarations and other documents issued by financial-advisory customers.

12.9. The declaration mentioned in item 12.6 does not excuse the GRANTING AUTHORITY from examining the economic-financial feasibility of the PRICE PROPOSAL.

12.10. The declaration mentioned in item 12.6 shall be presented in the original, duly signed by the legal representative of the financial institution or financial advisor, accompanied by documents corroborating the powers of the legal representative, there being no need to authenticate the signature.

Other pertinent declarations and documents that shall accompany the Price Proposal presented in Envelope B

12.11. Together with the documentation that comprises Envelope B, BIDDERS shall submit the following documents:

- i. A declaration that the BIDDER agrees to make all investments and other interventions needed to enable the operation, management and maintenance of the HIGHWAY SYSTEM, as well as an undertaking to bear the expenses, liens, charges, spending and financial obligations referred to in the AGREEMENT;
- ii. A letter from Independent Auditors registered with the Regional Accounting Council, stating that they have analyzed the projections, studies and surveys conducted by the BIDDER in support of the offered FIXED CONCESSION FEE, and attesting to its adequacy from a tax and accounting standpoint.

13. ENVELOPE C – QUALIFICATION CONDITIONS

13.1. The BIDDER shall submit documentation attesting to its Legal, Tax, Labor, Financial and Technical Qualifications under this REQUEST-FOR-BIDS.

13.2. In the case of a CONSORTIUM, each consortium member must individually meet the Legal, Tax, Labor, Financial Qualification requirements, excepting under the provisions of item 13.24 of the REQUEST-FOR-BIDS.

13.3. In the case of a CONSORTIUM, the Technical Qualification requirements shall be met, either by one of the consortium members individually, or by summation of affidavits, where applicable.

13.4. BIDDERS shall be disqualified if, on the date of delivery of the documents, they:

- i. fail to fulfill the conditions established in this REQUEST FOR BIDS;
- ii. fail to comply with the conditions for participation foreseen in item 8 hereof;
- iii. present false or invalid documents at the time of the session for receipt of envelopes, without prejudice to application of the administrative, civil and criminal penalties.

A – LEGAL QUALIFICATION

13.5. The following documents must be submitted by each Individual BIDDER or each Company component of a CONSORTIUM:

- 13.5.1. The articles of incorporation, bylaws or consolidated founding documents in effect in their latest amended version, filed with the Board of Trade or competent notary authority. If the latest amendment to the bylaws/articles of incorporation do not match the provisions of the bylaws/articles of incorporation in force, earlier amendments containing such provisions must also be submitted;

13.5.2. Proof of election/appointment of BIDDERS' serving Officers filed with a Board of Trade or competent notary and, in the case of joint stock companies, the respective press publications;

13.5.3. Authorization decree, in the case of a foreign company or entity operating in Brazil, acts of registration or authorization to operate issued by a competent body when the activity so requires;

13.5.4. If the BIDDER is an investment fund, it shall present the following documents:

- i. evidence of registration of the investment fund with the Securities and Exchange Commission (CVM), created by Federal Law 6.385/76.
- ii. articles of incorporation with the latest amendment filed with the competent body;
- iii. regulation and amendments, if any, duly recorded with the Registry of Deeds and Documents;
- iv. evidence of registration of the fund administrator and investment-fund manager, if such there be, before the Securities and Exchange Commission;
- v. proof of election of the representatives of the administrator;
- vi. evidence that the investment fund is duly authorized by its shareholders to participate in the competitive bidding process, by means of authorization stemming from the fund's investment policy, as described in its regulations, and that its administrator can represent it in all acts and for all effects of the TENDER assuming, on behalf of the investment fund, all obligations and rights stemming therefrom;
- vii. evidence that the Administrator and the Fund are not under judicial liquidation proceedings, by means of presentation of a certificate issued by the court registry office(s) at the jurisdiction of its head offices; or under extrajudicial liquidation, through presentation of a certificate obtained from the website of the Central Bank of Brazil;

13.5.5. If the BIDDER is a public or private pension entity, it shall present the minutes of the election of the current board, its current bylaws, evidence of express and specific authorization regarding its establishment and operation issued by a competent supervisory body, and a declaration/certificate attesting that the plans and benefits it administers are not under liquidation or intervention by a regulatory agency;

13.5.6. If the BIDDER is a FINANCIAL INSTITUTION, it must also submit evidence of express and specific authorization of its establishment and operation, issued by the regulatory agency for its sector, and evidence of registration of the election of its administrator.

13.6. The BIDDER shall submit the drafts of documents it intends to register for incorporation of the SPC, in accordance with the conditions established in this REQUEST-FOR-BIDS.

13.7. The drafts of the SPC incorporation documents shall reflect the structure of

the company to be effectively incorporated, and shall not be modified, except with prior written consent of ARTESP.

13.7.1. In the case of a CONSORTIUM, the shareholding structure of the SPC shall reflect the participation of each consortium member in the public or private commitment to the incorporation of the CONSORTIUM.

13.8. Consortium members must pledge a public or private commitment to the incorporation of the CONSORTIUM, signed by all members, including at least the following information:

- i. the name of the CONSORTIUM;
- ii. qualification of the consortium members;
- iii. organization and objectives of the CONSORTIUM, namely, the participation of consortium companies in this TENDER and, if declared the winner, establishment of a Specific Purpose Company (SPC), under Brazilian law, in the form of a joint -stock company with headquarters and administration in Brazil – State of São Paulo.
- iv. composition of the CONSORTIUM, stating the percentage holdings of each member of its component companies;
- v. designation of the leading company of the CONSORTIUM;
- vi. a commitment that consortium members shall respond individually and severally for all requirements of the call for proposals and actions taken by the CONSORTIUM, up until signature of the CONCESSION AGREEMENT and that, as future stockholders in the SPC, for all acts of the SPC carried out during execution of the AGREEMENT, until the final date of paying-up of the minimum capital stock of the SPC, as required in the AGREEMENT;
- vii. period of validity established until setting up of the SPC;
- viii. power of attorney granting the lead company express, irreversible and irrevocable powers to act as sole legal representative of the CONSORTIUM before the Special Tender Committee and ARTESP, with full powers to receive notices, citations and summonses on issues relating to the TENDER or to the AGREEMENT, and to agree to conditions, make commitments, appeal or withdraw an appeal, and commit to sign on behalf of the CONSORTIUM, any papers or documents relating to the purpose of the TENDER.

13.9. In the case of a CONSORTIUM, the declarations required in the REQUEST-FOR-BIDS shall be signed by the leading company on behalf of the CONSORTIUM, observing the provisions of inset (viii) of the previous item.

13.10. Inclusion/exclusion or replacement of (a) member(s) of any CONSORTIUM shall not be permitted prior to the date of incorporation of the SPC.

13.11. There is no limit on the number of members to comprise a CONSORTIUM.

13.12. BIDDERS, and all component companies of the CONSORTIUM, shall present an organizational chart indicating the control structure, demonstrating situations that characterize power of control, down to the individual level.

13.13. BIDDERS established as investment funds, for compliance with the provision of item 13.15, shall consider the existence of majority shareholders or of the body and respective members with power to influence or alter the bylaws of the fund, holders of powers analogous to those mentioned in Federal Law 6.404/1976, for the purposes of identification of the controlling shareholder.

B – COMPLIANCE WITH TAX AND LABOR STANDARDS

13.14. The documents listed below must be submitted by each Individual BIDDER or each CONSORTIUM Member:

- i. Corporate Taxpayer Number (CNPJ/MF);
- ii. State and Municipal Taxpayer Registration, if any, relative to the domicile or headquarters of the BIDDER pertaining to its field of activity and compatible with purposes hereof;
- iii. Clearance certificate of debts relating to sums payable as Federal Tax Credit or Executable Federal Debt;
- iv. Tax Clearance Certificate before the State Treasury or registry of current public debt at the domicile or headquarters of the BIDDER;
- v. Tax Clearance Certificate before Municipal Financial Authorities at the domicile or headquarters of the BIDDER, pertinent to its field of activity and compatible with its contractual purposes;
- vi. Clearance Certificate before the Federal Severance Pay Fund (FGTS); and
- vii. Evidence of non-default on debts before the Labor Court by means of a Clearance Certificate of Labor Obligations (CNDT) under terms of Heading VII - A of Brazil's Consolidated Labor Laws (CLT).

13.15. All the above-listed certificates must be within their validity period.

13.16. In the event that an expiration date is not stated on certificates submitted, only those issued within 180 (one hundred eighty) days prior to the date of submission shall be accepted, unless another term is specified in this REQUEST-FOR-BIDS.

13.17. If any certificate submitted in accordance with item 13.14 hereof indicates outstanding debt or fails to state the current debt status, then evidence of settlement and/or certificates that indicate the updated status of ongoing court and/or administrative procedures, dated no more than ninety (90) days prior to the final date for receipt of the envelopes, shall also be submitted.

13.18. Vouchers of requests for clearance certificates shall not be accepted.

C – ECONOMIC-FINANCIAL QUALIFICATION

13.19. The documents listed below must be submitted by the Individual BIDDER or each Corporate CONSORTIUM Member:

i. In the case of a Corporate Entity, a Certificate of Request for Bankruptcy and Judicial/Extrajudicial Accommodation with Creditors, issued by the Court Assignment Office of the Court District (Civil Courts) of the town where the company has its head offices, accompanied by a document showing a listing of court assignees in the town where company has its head offices, dated no more than one hundred and eighty (180) days prior to the date of its delivery;

ii. In the case of Simple Society, a certificate issued by the Civil Court Assignment Office of the Court District where the company is headquartered, relating to a Foreclosure Clearance Certificate, dated no more than one hundred and eighty (180) days prior to the date of its delivery.

iii. Balance sheet and financial statements for the previous financial year, as required and presented in accordance with the law, or opening balance sheet for BIDDERS who started activities in the current year. Substitution by trial balance or interim financial statements shall in no case be permitted. The following shall be considered chargeable under the law:

a. Limited companies shall present only balance sheets approved by the general assembly of shareholders;

b. Closed joint-stock companies shall present approved and published balance sheets; and

c. Open joint-stock companies shall present balance sheets approved, published and audited by an independent auditor.

iv. For foreign companies, the balance sheet and financial statements referent to the previous financial year shall be provided as required and presented in accordance with the Law in the country of origin or, for BIDDERS who started activities in the current year the opening balance sheet, substitution of which by trial balances or interim financial statements not being in any case permitted; accompanied by the analyses of Independent Auditors. Companies must submit their financial statements (balance sheet and earnings statement) attested to by an accountant registered with a competent professional entity, if the audit is not required under the Law in the countries of origin.

13.20. In the event that it is party to any lawsuit(s) described in items (i) and (ii) above, then the BIDDER shall submit an updated statement indicating the status of the proceedings.

13.21. The Bidder shall prove, by means of the balance sheet mentioned in item

13.19 insets (iii) and (iv) that, on the date scheduled for delivery of envelopes foreseen in the preamble hereof, his net worth was of no less than five hundred and fifty-five million, eight thousand, one hundred and eleven reais and thirty-eight centavos (R\$ 555.008.111,38) on the base date of March 2019, observing the specific rules of items 13.25 to 13.27 for open or closed supplementary pension entities and investment funds.

13.22. If the BIDDER is undergoing judicial or extrajudicial recovery, it shall provide evidence of receipt of the judicial recovery plan or approval of the extrajudicial recovery plan, as applicable.

13.23. Accounting records shall be signed by the administrators and by legally accredited accountants, and BIDDERS shall present the necessary documents so that the STC can verify this situation.

13.24. If the bidder or CONSORTIUM member is a subsidiary/branch it shall present the consolidated balance sheet of its parent company.

13.25. The net worth to be considered for Financial Qualification of a CONSORTIUM member shall be obtained by summation of the net worth of each consortium member, in the proportion of his respective shareholdings. The qualification requirements shall be considered fulfilled in any of the following situations:

i. When the minimum net worth foreseen in item 13.21. hereof is reached by summation of the outcome of multiplication of the net worth of each consortium member by its respective percentage shareholdings held in the CONSORTIUM; or

ii. When the net worth of all consortium members is equal to or greater than their percentage shareholdings, multiplied by the value of the minimum net worth foreseen in item 13.21 hereof.

13.26. In the case of an open or closed supplementary pension entity, evidence of assets, considering the prevailing legal rules shall correspond to the summation of accounts of Actuarial, Fund and Reserve Liabilities.

13.27. For equity investment funds, the level demanded in item 13.21 for purposes of economic-financial qualification can be demonstrated (i) by means of the net worth of the investment fund, reported in its balance sheet or stated in the latest Quarterly Report submitted to the Securities and Exchange Commission; (ii) by means of the total paid-up capital of the investment fund stated in the latest Quarterly Report submitted to the Securities and Exchange Commission; and/or by means of proof of investment commitments signed after submission of the latest Quarterly Report to the Securities and Exchange Commission.

13.28. Sums expressed in foreign currency by the BIDDERS shall be converted, for purposes of demonstrating net worth, into Brazilian Reais (R\$) by application of the selling commercial foreign-exchange rate reported by the Central Bank of Brazil (PTAX800), corresponding to the closing date of year-end stated in the balance sheet.

D – TECHNICAL QUALIFICATION

13.29. For the purposes of demonstrating of technical qualification, BIDDERS, as individuals or CONSORTIA must demonstrate aptitude to perform pertinent activities with characteristics, quantities and deadlines compatible with the purposes of the TENDER, by means of presentation of certificate(s) of technical capacity, on behalf of the BIDDER or a linked professional, duly registered with the competent professional entity, as the case may be, issued by corporate entities under public or private law or by a regulatory and/or inspection body, with evidence of experience over no less than twelve (12) months of responsibility for management/administration of infrastructure assets, of a value of no less than two hundred and sixty million reais (R\$260,000,000.00), that have generated annual operational revenues of no less than one hundred and thirteen million reais (R\$113.000.000,00).

13.29.1. For the evidence demanded in item 13.29 hereof, a summation of affidavits shall be accepted, provided that one such affidavit demonstrates participation as the party responsible for management/administration of infrastructure assets worth no less than one hundred and thirty million reais (R\$130.000.000,00) and that have generated annual revenues of no less than fifty-six million, five hundred thousand reais (R\$56.500,000,00).

13.29.2. For the evidence demanded in item 13.29 hereof, when in the name of a professional linked to the bidder, the provisions of item 13.36 shall be observed.

13.30. For the purposes of item 13.29, (i) the individual directly responsible for management/administration of the infrastructure asset; (ii) a consortium member with holdings of no less than ten percent (10%) in the consortium responsible for management/administration of the infrastructure asset; (iii) a stockholder of the company responsible, with holdings of no less than ten percent (10%); or (iv) who, in any other manner, is a participant in the management/administration of the infrastructure asset, in a position conferring decision-making powers over management/administration of the infrastructure asset, shall be considered the person responsible;

13.31. For the purposes of item 13.29, an infrastructure asset shall be considered a component, for example, of systems for (i) communication, (ii) transport and logistics, (iii) energy, (iv) fuel production, distribution or refining; (v) basic sanitation; (vi) housing; or (vii) provision of public services.

13.32. As the proof of qualification required in item 13.29, documents such as contracts, letters or declarations of financial institutions, regulatory agencies or of a granting authority, as the case may be, audited financial statements of ventures carried out or other documents that demonstrate the required experience, shall be acceptable as equivalent attestations.

13.33. It is recommended, for purposes of standardization, that the affidavits and certificates of capacity, or others, contain, or are accompanied by, at least the following information:

- i. the purpose;
- ii. characteristics of the activities and services performed;

- iii. total value of the project and percentage participation of the BIDDER;
- iv. the start and end dates for deployment of activities and services;
- v. start and end dates of the company's participation in a CONSORTIUM, when the certificate has been issued on behalf of a CONSORTIUM;
- vi. a description of the activities carried out in a CONSORTIUM when the certificate has been issued on behalf of a CONSORTIUM;
- vii. location of activities and services performed;
- viii. corporate name of the issuer; and
- ix. name and identification of the signatory.

13.34. The certificates may refer to ongoing agreements, provided that the quantitative and technical characteristics of their content are consistent with the purposes of this TENDER.

13.35. The documents and certificates shall be issued by public or private entities that have contracted the attested services, on letter-head paper of the declaring party, identifying its legal representative and contact information for the SPECIAL TENDER COMMITTEE, and shall be duly registered by agencies that regulate the exercise of such professions and with the councils that regulate the exercise of said respective professions, when the activity so requires.

13.36. Technical responsibility certificates shall be accepted only if the qualified person is linked to the BIDDER on the envelope-delivery date or, in the case of subcontracting of activities, if the qualified professional has ties to the subcontracted company.

13.37. Evidence of the employment relationship may be effected by means of Articles of Association, registration on a professional work card, employee work card, employment contract, or technical assistance contract.

13.38. Evidence of the employment relationship may also be provided by means of a letter of intent or contract signed between the BIDDER and the qualified professional indicating that, in the event that the BIDDER is declared winner, the professional pledges to assume the obligation to participate in the CONCESSION through one of the forms of relationship stated in item 13.37. In the case of subcontracting of activities, evidence of the tie, to be presented upon signing of the contract, may be provided by means of a contract or letter of intent signed by the subcontracted company and the qualified professional, assuming a pledge to participate in the CONCESSION, under one of the forms of ties indicated in item 13.37, prior to start of the investment to which the evidence refers.

13.39. It is not forbidden for the qualified professional to maintain a relationship

with more than one Bidder.

- 13.40. The professional holding the affidavit of technical qualification presented by the BIDDER or by the subcontracted company may be substituted during the CONCESSION period, observing the rules foreseen in the AGREEMENT.
- 13.41. The prior experience required hereunder may be proven by means of certificates issued on behalf of the controlling company, subsidiary, affiliate and/or companies directly or indirectly under common control of the BIDDER, and of the offices of a foreign company with a Brazilian subsidiary, provided that its circumstances (be it a company, a subsidiary, affiliate and/or company under common direct or indirect control) are duly demonstrated and valid, as of a date prior to publication of this REQUEST-FOR-BIDS.
- 13.42. In the case of the previous item, the BIDDER shall prove that the company holding the affidavit is not subject to any of the restrictions to participation in the TENDER foreseen in item 8 hereof, and consultations of the registers indicated in item 13.50.3 "a" shall be conducted and the Clearance Certificates mentioned in item 13.19 presented.
- 13.43. In the case of changes in corporate structure and mergers, incorporation or spin-off of companies, the certificates shall only be considered if accompanied by clear and uncontestable documented proof of a definitive transfer of technical qualifications.
- 13.44. Certificates that do not originate from the corporate restructuring events described above shall not be considered valid.
- 13.45. The accuracy of the information contained in these statements may be confirmed through due diligence. If the accuracy of technical qualification information on technical professionals cannot be demonstrated, the BIDDER shall be disqualified from the competitive bidding process and subject to penalties provided for in this REQUEST - FOR-BIDS.
- 13.46. If the minimum content foreseen in item 13.33 is not present in the respective affidavit(s), the missing information can be attested through other documents, including, as the case may be, a declaration by the BIDDER, it being up to the STC to deem pertinent the need for examination of such technical qualifications, or to conduct due diligence to verify the accuracy of the information.
- 13.47. The evidence of Technical Qualification required can be effected by means of certificates issued on behalf of the BIDDER, or declaration by the BIDDER in the case of its own ventures, but must be accompanied by documents necessary to prove their accuracy.
- 13.48. The BIDDER shall present clear and unequivocal data relating to the

affidavits presented and, furthermore, for possible complementation of the required information, shall attach other corroborative documentation, such as copies of the contract alluded to in the affidavit; service orders and/or other pertinent documents.

13.49. Under no circumstances shall the documents listed in item 13.48 replace the need for the affidavit.

E – DECLARATIONS

13.50. The following documents must be submitted by the BIDDER, on letterhead paper and signed by its legal representative, together with the other QUALIFICATION DOCUMENTS:

i. A declaration from the Ministry of Labor certifying compliance with the provisions of Article 7, item XXXIII of the Federal Constitution, in accordance with the template in ANNEX 13 of this REQUEST-FOR-BIDS;

ii. A declaration, in accordance with the template in ANNEX 14 of this REQUEST-FOR-BIDS, that the BIDDER is not facing (a) bankruptcy; (b) judicial or extrajudicial recovery; (c) insolvency; (d) temporary special administration; or (e) intervention;

iii. A declaration of no impediment to participation of the BIDDER, in accordance with the model in ANNEX 15 of this REQUEST-FOR-BIDS; attesting that the BIDDER:

a. has not been declared ineligible at any level of the Federation, is not banned from bidding or contracting with the PUBLIC ADMINISTRATION or listed on the National Listing of Punished Companies (CNEP) or the National Listing of Ineligible and Suspended Companies (CEIS) both at the federal level, or on the state-level State Listing of Punished Companies (CEEP) instituted under the terms of Article 5 of State Decree 60.106/2014.

b. is not serving a penalty of temporary suspension from contracting with the Direct or Indirect Public Administration of the State of São Paulo.

c. pledges to report occurrence of any supervening circumstances relating to the object of this declaration; and

d. has not been condemned by an appeal court to the penalty of interdiction of rights owing to the commitment of environmental crimes, as disciplined in article 10 of Federal Law 9.605/1998.

iv. A declaration, that no Officer or Manager of the BIDDER has not been convicted of any of the crimes and/or misdemeanors provided for in Article 1 of State Law 10218/ 99, in accordance with the template in ANNEX 12 of the REQUEST-FOR-BIDS;

- v. A declaration of compliance, with the rules relating to workplace health and safety, in accordance with Article 117, sole paragraph, of the State of São Paulo Constitution, in accordance with the template in ANNEX 17 of this REQUEST-FOR-BIDS;
- vi. A declaration of Awareness that any record(s) in the Registration of Unsettled Debt with State Bodies or Entities (State CADIN) (State Law 12.799/08), the National Register of Ineligible or Suspended Companies (CEIS) (Federal Law 12.846/12), the National Register of Punished Companies (CNEP) and the São Paulo State Register of Punished Companies, shall block contracting with ARTESP, in accordance with the model in Annex 18 of this REQUEST-FOR-BIDS;
- vii. A declaration, in accordance with the template stated in ANNEX 9 of this REQUEST-FOR-BIDS, that the BIDDER a) accepts all the conditions of the REQUEST-FOR-BIDS; b) is fully aware of the operation and maintenance services that are the purpose of this CONCESSION; c) is fully aware of the status of the HIGHWAY SYSTEM, the conditions of the highway included in the scope of the CONCESSION AGREEMENT, as well as the nature and complexity of the necessary services and investments; d) is responsible for the accuracy of all information contained in the documents and proposal presented and; e) has received all elements of this REQUEST-FOR-BIDS, is aware of all the information and conditions for fulfillment of the obligations under this TENDER and considers the information received for preparation of its proposal to be sufficient;
- viii. A declaration, in accordance with the template in ANNEX 9 of this REQUEST-FOR-BIDS, that, in the execution of the tendered services, only exotic forestry products or by-products, or products and by-products listed in Article 1 of State Decree 53.047/08, acquired from corporate entities registered with CADMADEIRA shall be used;
- ix. A declaration of financial capacity, in accordance with ANNEX 16 of this REQUEST-FOR-BIDS, whereby the BIDDER must state that it has, or is able to obtain, sufficient funds to meet its obligations for contribution of own funds or obtain third-party funds to achieve the purposes of the CONCESSION, including the obligation to meet the SPC's paid-up capital requirement, amounting to no less than one hundred and eleven million, one thousand, six hundred and twenty-two reais and thirty-eight centavos (R\$111.001.622,38) on the base date of March 2019, up to the date of signature of the CONCESSION AGREEMENT, in the event of being declared winner of this TENDER;
- x. A declaration of commitment to contract PERFORMANCE GUARANTEES in accordance with the template presented in ANNEX 21 of this REQUEST-FOR-BIDS observing the minimum amounts presented, which the BIDDER, if declared winner of the competitive bidding process, agrees, unconditionally to contract, without clauses providing any exemption of liability, the aforementioned guarantee as a condition for signing the CONCESSION AGREEMENT;

- xi. A declaration that the BIDDER shall provide the funds required to cover all obligations pertaining to its responsibilities, if declared winner of the competitive bidding process, in accordance with Templates of Declarations and Letters of Financial Capacity and Funding Propositions in Annex 20. This declaration is mandatory for all types of finance structure proposed by the bidder and shall imply raising the funding required and/or contribution of own funds, as a prerequisite to signing of the CONCESSION AGREEMENT. Aside from this Bidder Declaration, the bidder shall provide a Declaration from a Financial Institution, in accordance with a Financial Institution Letter template, stating its Commitment to Provide Financing, in the event that the financial structure includes a Bridging Loan from a Financial Institution, as provided for in Annex 20. The Declaration of the Financial Institution shall only be required in the event that the financial structure model in the bidder's proposal entails a bridge loan;
- xii. A declaration that, upon signature of the AGREEMENT, he will comply with the prerequisites stated in ANNEX 6 of this REQUEST-FOR-BIDS by any of the means stated therein, in accordance with the model in ANNEX 6-B.
- xiii. A certificate of an optional TECHNICAL VISIT, under the terms of item 5.10 of the CALL-FOR-BIDS, or, alternatively, a declaration under the terms of item 5.11 of this CALL FOR BIDS that he opted to draft the proposal without conducting the optional TECHNICAL VISIT and affirming that he has knowledge of the local conditions for fulfilment of the obligations that are the object of this CONCESSION.

13.51. All statements in the previous item shall be presented individually, by each BIDDER or CONSORTIUM member, excepting the declarations in item 13.50, insets (vi) to (xiii) which, in the case of participation in a CONSORTIUM, may be issued by the CONSORTIUM itself, through its leading member.

14. TENDER PROCEDURE

- 14.1. This TENDER shall be conducted and judged by the regularly-instituted SPECIAL TENDER COMMITTEE (STC) in accordance with the rules, procedures and deadlines set forth in this REQUEST-FOR- BIDS and in the act that established it.
- 14.2. At the appointed date and time, the PUBLIC HEARING for opening of the TENDER shall be conducted as follows: (i) delivery of the BIDDER's envelopes (ii) delivery of the Brokerage Agreement between the BROKER and the BIDDER and the ACCREDITED BROKER'S documents, (iii) delivery of the commitment to pay B3 remuneration, (iv) delivery of documents for accreditation of the BIDDER'S legal representatives by the ACCREDITED BROKER; (v) opening of Envelopes A and B of all BIDDERS; (vi) classification of PRICE PROPOSALS; (vii) processing, of the offer phase, if such there be; (viii) initialing of all documents in Envelopes A and B; (ix) examination of documents contained in Envelope B of all BIDDERS; (x) search on the National Listing of Punished Companies (CNEP) and National Listing of Ineligible and Suspended Companies (CEIS) both at the federal level, and the state-level State Listing of Punished Companies (CEEP); and

(xi) examination of the BID BOND of the BIDDER that has presented the PRICE PROPOSAL deemed the winner.

- 14.3. Next, the SPECIAL TENDER COMMITTEE shall open a period for filing of appeals referent to (i) documents in Envelope B; (ii) classification of the PRICE PROPOSAL and (iii) assessment of the BID BOND of the BIDDER that has presented the PRICE PROPOSAL deemed the winner, unless the other BIDDERS expressly declare that they have no interest in an appeal.

14.3.1. The BID BOND of other BIDDERS shall be remain in custody together with the documents of Envelopes A and B.

- 14.4. In the event that the BIDDER that presented the PRICE PROPOSAL deemed winner is disqualified or excluded, the BID BOND of the BIDDER classified in second place shall be examined. If the second BIDDER is not approved, the procedure will be repeated successively with the other bidders, by order of classification of their PRICE PROPOSALS.

- 14.5. If no appeals are filed, or if such appeals are filed, after they have been examined and assessed, a session shall be held for opening of Envelope C of the BIDDER that presented the PRICE PROPOSAL deemed winner.

- 14.6. Upon conclusion of its assessment, the SPECIAL TENDER COMMITTEE shall disclose the outcome, stating which BIDDERS that are disqualified and opening a period for filing of appeals.

- 14.7. If no appeals are filed, or, if filed, once they have been duly appraised and decided, the outcome of the TENDER will be published.

A. Delivery of Envelopes

- 14.8. Envelopes A, B and C referred to herein, containing the BID BOND, the PRICE PROPOSAL and QUALIFICATION DOCUMENTS respectively, shall be delivered directly and in person to the SPECIAL TENDER COMMITTEE, on the date, hour and place, and in the form stipulated in this CALL FOR BIDS and in the published notice, in the presence of no less than three (3) members of the SPECIAL TENDER COMMITTEE.

14.8.1. Upon opening of the Public Session, the bearers shall have a period of fifteen (15) minutes in which to deliver the envelopes to the SPECIAL TENDER COMMITTEE.

14.8.2. After the declaration of closing of the receipt of envelopes by the SPECIAL TENDER COMMITTEE, observing the tolerance foreseen in item 14.8.1., no other envelope shall be received, there being no right to appeal.

B. Accreditation of representatives and accredited brokers

- 14.9. After receipt of the envelopes, accreditation of BIDDERS' representatives by the SPECIAL TENDER COMMITTEE shall proceed, in accordance with the procedure established in paragraph 14.2 above, beginning with presentation of identification documents and evidence of their status as legal representatives, which shall be effected through the presentation of:

- i. Articles of Incorporation, duly registered with the board of trade, in the case of simple and limited liability companies;
- ii. Bylaws duly registered with the board of trade, in the case of joint-stock companies, accompanied by (a) the minutes of the assembly of stockholders that elected the current board, duly registered with the board of trade, in the case of companies that have no board of administration; or (b) the minutes of the meeting of the board of administration that elected the current board, duly registered with the board of trade, in the case of companies that have a board of administration, together with the minutes of the meeting of stockholders for election of the board of administration that elected the current board, duly registered with the board of trade;
- iii. In the case of investment funds, the documents indicated in item 13.5.4, insets (i) to (v);
- iv. In the case of a CONSORTIUM, representation shall be made by the leading company, and shall include the Articles of Incorporation, Articles of Association or equivalent documentation of consortium members and any power of attorney bestowed upon the leading company;
- v. In the event of representation by power of attorney, a Power of Attorney Instrument evidencing powers to perform all acts in the competitive bidding process, including the filing or withdrawal of appeals, accompanied by the document(s) demonstrating the powers of the grantor(s) to (i) on behalf of the BIDDER, carry out actions referent to the TENDER; (II) receive summonses and represent the BIDDER administratively and judicially; and (iii) sign agreements and waive rights. In the case of a CONSORTIUM, the power of attorney shall be granted by the leading company and shall be accompanied by powers of attorney bestowed upon the leading company by consortium members.
- vi. In the case of a foreign company, a power of attorney for a legal representative in Brazil, with express powers to receive and respond to summons administratively or judicially, accompanied by document(s) evidencing powers of the grantor(s) to: (i) perform, on behalf of the BIDDER, all acts referent to in the TENDER; (ii) to receive summonses and represent the BIDDER administratively and judicially; and (iii) sign agreements and waive rights.

14.9.1 Each BIDDER may have up to two (2) accredited representatives who shall be responsible for representation, attendance and monitoring of all PUBLIC SESSIONS that take place during the course of the bidding process.

14.10. Each accredited representative can represent only one BIDDER.

14.11. Accreditation shall serve for representation of the BIDDERS at the public session for opening of ENVELOPES and all other acts of this TENDER, including signing of documents and declarations required under this CALL FOR BIDS.

- 14.12. Any BIDDER who fails to meet the requirements for accreditation of its representative shall be prevented from making representations at PUBLIC SESSIONS during the course of the bidding process, there being, however, no impediment to participation of the BIDDER in the tender process.
- 14.13. During any session and at any time, including during the initial PUBLIC SESSION, BIDDERS may accredit representative, observing the quantitative limit and other aforementioned documents, and substitute or withdraw accreditation granted in another session.
- 14.14. Accreditation of the BIDDER's representative shall not constitute a condition for delivery of envelopes.
- 14.15. ACCREDITED BROKERS shall represent the BIDDERS at the B3.
- 14.16. Each ACCREDITED BROKER may only represent one (1) BIDDER and any BIDDER may only be represented by, and participate in the TENDER, through representation of one (1) ACCREDITED BROKER.
- 14.17. All communication between the GRANTING AUTHORITY or SPECIAL TENDER COMMITTEE on the one hand, and the BIDDERS on the other, shall be through their accredited representatives.

C. Search of the National Register of Punished Companies (CNEP) and the National Registry of Ineligible and Suspended Companies (CEIS) both of the Federal Government, and the State Registry of Punished Companies (CEEP) of the STATE

- 14.18. The COMMITTEE shall, following accreditation, consult the National Register of Punished Companies (CNEP) and the National Register of Ineligible and Suspended Companies (CEIS) both of the Federal Government, instituted under the terms of article 22 and 23 of Federal Law 12.846/2013, and the State Registry of Punished Companies (CEEP) of the State of São Paulo instituted under the terms of article 5 of State Decree 60.106/2014, with respect to all BIDDERS. Participation is forbidden to companies punished with ineligibility to bid or contract with the PUBLIC ADMINISTRATION, under article 87, inset IV, and article 88 of Federal Law 8.666/1993, and other sanctions banning their contracting with the PUBLIC ADMINISTRATION.
- 14.19. Likewise, the COMMITTEE shall consult the website www.esancoes.sp.gov.br, in relation to all BIDDERS, participation being forbidden to companies punished with a ban on contracting with the PUBLIC ADMINISTRATION of the State of São Paulo or ineligible to bid or contract with the PUBLIC ADMINISTRATION, under articles 87, insets III and IV, respectively, and article 88, all of Federal Law 8.666/1993, or banned from bidding or contracting with the State of São Paulo, as foreseen in Article 7 of Federal Law 10.520/2002.

D. Verification and Classification of Price Proposals and analysis of the Bid Bond of the Bidder whose Price Proposal is declared the winner

- 14.20. The PRICE PROPOSALS of all BIDDERS, other documents included in Envelope B, and the BID BOND of the BIDDER that presented the PRICE PROPOSAL declared the winner, shall be checked by the SPECIAL TENDER COMMITTEE for compliance with the form and conditions established in this REQUEST- FOR-BIDS.

- 14.21. The documentation included in Envelopes A and B shall be countersigned by members of the SPECIAL TENDER COMMITTEE and optionally by ACCREDITED REPRESENTATIVES present at the SESSION, after classification of the PRICE PROPOSALS and holding of the offer stage, if such there be.
- 14.22. Any BIDDER that fails to meet the minimum requirements for submission of the PRICE PROPOSAL, under the terms of this REQUEST-FOR-BIDS, shall be disqualified.
- 14.23. A BIDDER that has presented the PRICE PROPOSAL deemed winning and that fails to fulfill the minimum requirements presented in the BID BOND as provided for in the terms of this REQUEST-FOR-BIDS, shall be disqualified.
- 14.24. A ranking of the qualifying PRICE PROPOSALS in descending order shall be disclosed, considering the value of the FIXED CONCESSION FEE offered by BIDDERS.
- 14.25. The highest ranked PRICE PROPOSAL shall be one that meets all requirements and states the highest amount for the FIXED FEE to be paid by the WINNING BIDDER as a condition for signing of the AGREEMENT.
- 14.26. The bidding phase will proceed among BIDDERS who have offered a PRICE PROPOSAL equal to or fifteen million reais (R\$15.000.000,00) lower than the highest PRICE PROPOSAL.
- 14.26.1. If a minimum number of 2 (two) BIDDERS is not reached for the offer phase using the criteria established in this item, the BIDDER that has hitherto submitted the highest PRICE PROPOSAL shall be declared the winner.
- 14.27. If the circumstances described in item 14.26 occur, the offer phase will begin, with presentation of successive offers, as provided for in the PROCEDURE MANUAL.
- 14.28. The CHAIR OF THE SESSION may establish the maximum time between offers.
- 14.29. Each offer shall be higher than the sum bid previously by the BIDDER, also considering that:
- i. it should respect the minimum interval between offers established at four million reais (R\$ 4.000.000,00);
 - ii. it will alter the ranking of BIDDER(S) in the TENDER.
- 14.30. If no BIDDER enters any new offer within the deadline established by the CHAIR of the SESSION, the winner of the TENDER shall be the BIDDER that offered the best bid up to that point.
- 14.31. In the event that the offer stage opens and there are no further offers, the BIDDER that offered the highest PRICE PROPOSAL shall be declared

the winner.

- 14.32. In the event that, after the offer stage has occurred, the BIDDER whose PRICE PROPOSAL is deemed the winner shall ratify his proposal, in accordance with the model in ANNEX VII, which may be signed by the ACCREDITED REPRESENTATIVE, and shall also present a new letter from a FINANCIAL INSTITUTION or financial advisory attesting to the feasibility of the PRICE PROPOSAL,
- 14.32.1. Ratification of the letter from the FINANCIAL INSTITUTION or financial advisory on feasibility of the PRICE PROPOSAL shall be presented by the BIDDER whose PRICE PROPOSAL is declared the winner, by 6 pm on the business day following the end of the offer phase.
- 14.32.2. There is no need for the ratification mentioned in item 14.32.1 in situations where the offer is within the limit of feasibility, if such is indicated in the letter of the financial institution or financial advisory.
- 14.32.3. Failure to present, within the stipulated deadline, the ratification letter of the FINANCIAL INSTITUTION or financial advisory on feasibility of the PRICE PROPOSAL, by the BIDDER classified as winner in the offer stage, shall result in disqualification and execution by ARTESP of the BID BOND presented by that BIDDER.
- 14.32.4. The SPECIAL TENDER COMMITTEE may, if delay by the BIDDER is duly justified, extend the deadline foreseen in item 14.32.1.
- 14.33. The BID BOND of the BIDDER whose PRICE PROPOSAL is classified as the winner shall be analyzed by the SPECIAL TENDER COMMITTEE which shall grant a period of five (5) business days for filing of appeals to the ranking of PRICE PROPOSALS, of the offer phase (if such there be), and examination of the BID BOND of the BIDDER classified as winner, said period being counted as of the drafting of the minutes of the PUBLIC SESSION or of the summons thereto, unless all BIDDERS expressly waive their right to appeal.

E. Verification of Legal, Tax, Labor and Economic-Financial Qualification Documents

- 14.34. Having concluded classification of the PRICE PROPOSALS and possible processing of the offer stage and analysis of the BID BOND of the BIDDER classified as winner, including decision on any possible appeals, verification of the QUALIFICATION DOCUMENTS of the BIDDER classified as winner shall be conducted.
- 14.35. The SPECIAL TENDER COMMITTEE in a PUBLIC SESSION, shall open the Envelope C submitted by the BIDDER classified as winner, preserving Envelope C of all other bidders unopened.
- 14.36. Envelope C documentation shall be countersigned by the members of the SPECIAL TENDER COMMITTEE and, optionally, by accredited BIDDERS present at the PUBLIC SESSION, and then analyzed by the

SPECIAL TENDER COMMITTEE.

- 14.37. BIDDER Qualification shall comply with objective criteria set forth in this REQUEST-FOR-BIDS, and BIDDERS presenting a BID BOND or QUALIFICATION DOCUMENTS that fail to comply with the provisions of hereof and current legislation, shall be disqualified.
- 14.38. Once analysis of the BID BOND and QUALIFICATION DOCUMENTS presented by the BIDDER whose PRICE PROPOSAL is classified as the winner has been concluded, and if these fulfill all the QUALIFICATION requirements established in this REQUEST-FOR-BIDS and in current legislation, the BIDDER shall be declared the winner of the bidding process.
- 14.39. If the BIDDER whose PRICE PROPOSAL was declared winner fails to fully or adequately comply with all the Qualification conditions and the requirements of this REQUEST-FOR-BIDS, then the BID BOND and Envelope C presented by the second highest ranked BIDDER shall be assessed and, if found noncompliant, this procedure shall be successively repeated with other bidders, observing the ranking of PRICE PROPOSALS.
- 14.40. Disqualification of any member of a consortium shall entail disqualification of the CONSORTIUM.

F. Publication of the result of the TENDER

- 14.41. The result of the TENDER shall be published in the Official Gazette (DOE/SP) and disclosed on the ARTESP website and at www.artesp.gov.br.

15. APPROVAL AND AWARD

- 15.1 Once the results of the bidding process and the period for filing appeals has expired, the SPECIAL TENDER COMMITTEE shall submit the TENDER process to the ARTESP BOARD OF DIRECTORS for approval and award.
- 15.2. The act of approval of the TENDER, its award, and summons of the WINNING BIDDER to comply with pre-contractual requirements, shall be published in the Official Gazette of the State of São Paulo (DOE).

16. CONTRACTING

- 16.1. The AGREEMENT resulting from this TENDER shall be signed between ARTESP and the SPECIFIC PURPOSE COMPANY formed by the WINNING BIDDER and stockholders of the CONCESSIONAIRE, corresponding to the individual BIDDERS or CONSORTIUM members.
- 16.2. The WINNING BIDDER shall be summoned by notice published in the DOE/ SP, to adopt the necessary measures for signing of the CONCESSION AGREEMENT within a thirty (30) day period, renewable at the discretion of ARTESP.

- 16.3. In compliance with provisions of Normative Instruction 02/2016 and of São Paulo State Court of Auditors Resolution 03/2017, the SPECIAL PURPOSE COMPANY shall sign, along with the contractual instrument, a Term of Acknowledgement and Notification, in accordance with ANNEX X of this REQUEST-FOR-BIDS.
- 16.4. In compliance with Article 6 of State Law 12.799/08, signing of the CONCESSION AGREEMENT is contingent upon absence of any record in the name of the SPC, the WINNING BIDDER or, in the case of a, CONSORTIUM, any of its members, in the STATE CADIN. Any record of debts with CEIS shall also impede signature of the CONCESSION AGREEMENT.
- 16.5. Prior to the date for signing the CONCESSION AGREEMENT, and within the indicated period, the WINNING BIDDER shall:
- i. Within the previous seven (7) business days, have organized the SPC under the exact terms of the draft presented by the BIDDER during phase of analysis of the Qualification Documents, with a corresponding certificate from the São Paulo State Board of Trade (JUCESP) and the National Register of Corporate Entities (CNPJ);
 - ii. Shall pay up the capital stock of the SPC in national currency, of the minimum amount stated in Annex V of this REQUEST-FOR-BIDS;
 - iii. Within the previous seven (7) business days, for BIDDERS established as investment funds, in compliance with provisions in inset (iii), (c), consider the existence of majority shareholders, or the body and its respective members with power to influence changes to bylaws of the fund, or holders of powers analogous to those mentioned in Federal Law 6.404/76, for purposes of identification of the controller;
 - iv. Have effected the deposit of the down payment of the FIXED CONCESSION FEE, in the DELEGATED RESERVE ACCOUNT 1, managed by the DEPOSITARY BANK already contracted, duly updated by the IPCA/IBGE rate, equivalent to the value offered in its PRICE PROPOSAL, either in its own name or as an established SPC;
 - v. Within the previous seven (7) business days, demonstrate that it has unconditionally posted GUARANTEES, in the terms, form and amount required in the CONCESSION AGREEMENT, and in accordance with declarations presented during the TENDER;
 - vi. Within the previous seven (7) business days, present an ORIGINAL INVESTMENT PLAN, in accordance with guidelines presented in the CONCESSION AGREEMENT and specifically in ANNEXES 3, 6, 7, 19 and 21, detailing the works and investments presented therein, which shall contain a PHYSICAL AND EXECUTIVE SCHEDULE, including percentage forecasts for the physical advance of each investment over six-monthly periods, regardless of the sum allocated annually to each work project;

- vii. Within the previous seven (7) business days, present an INSURANCE and GUARANTEE PLAN, compatible with the ORIGINAL INVESTMENT PLAN submitted, under the terms of the draft CONCESSION AGREEMENT and respective ANNEXES 15 and 16, encompassing the presentation of coverage and insured amounts to be contracted, and observing the effective coverage periods presented in such PLANS;
- viii. Within the previous seven (7) business days, present a Letter from an insurance, reinsurance or insurance brokerage institution or guarantors that advise the BIDDER on drafting of an INSURANCE PLAN and GUARANTEE PLAN, declaring that it carried out analysis and attesting to adequacy of such PLANS;
- ix. Within the previous seven (7) business days, present insurance policies required to cover risks relating to the first year of the CONCESSION, in accordance with programming presented in the INSURANCE PLAN;
- x. Within the previous seven (7) business days, through its own efforts or those of the SPC created to be the Concessionaire's controller, if the option provided for in item 18.3.5.1 is used, demonstrate that adequate funding is available to cover the commitments assumed up to the twenty-fourth (24th) month of the CONCESSION, by presentation of a letter with content equivalent to that provided for in ANNEX XX;
- xi. Within the previous seven (7) business days, evidence shall be presented to ARTESP of technical experience in activities required in items 1.4 and 1.5 of Annex VI-A, by the WINNING BIDDER or by a third party to be contracted prior to signing of the contract, as the case may be, observing the provisions of Annex VI-A, by presentation of an original signed copy of the contract for provision of services, or an authenticated copy thereof, and of the corresponding affidavit of technical experience, or corroborative documentation, under the terms authorized in said ANNEX;
- xii. Within the previous seven (7) business days, have evidenced payment to B3, as set forth in Annex XXIII – PROCEDURES MANUAL of the sum of three hundred and eighteen thousand, seven hundred and sixty-nine reais and sixty-eight centavos (R\$318.769,68) and refund ARTESP the sum of seventy-seven thousand, seven hundred and eighty-seven reais and ten centavos (R\$ 77.787,10) as authorized in Article 21 of Federal Law 8.987, of February 13, 1995;
- xiii. Within the previous seven (7) business days, demonstrate payment of one million, one hundred and forty-eight thousand, one hundred and ninety-six united-states dollars and eleven cents (US\$ 1.148.196,11), at the exchange rate published by the Central Bank of Brazil on the day prior to actual payment, directly to the International Finance Corporation (IFC), in charge of conducting studies that supported preparation of this NOTICE, under the terms

of article 21 of Federal Law n. 8.987/1995, in a bank account to be previously indicated;

xiv. In the case of an investment fund that has availed itself of the facility foreseen in item 13.27, insets (ii) and (iii), it shall demonstrate that the Investment Commitment(s) signed by its stockholders and the Fund are paid up, until attaining the sum of paid-up capital stock foreseen in item 13.21;

xv. Contract a DEPOSITARY BANK for the purpose of administrating the RESERVE GRANT ACCOUNTS, observed in the provision of item 6.4; and

xvi. Appoint an agent to serve as its representative during the CONCESSION period.

16.6. Failure of the GRANTEE to comply with the summons for execution of, or refusal to sign, the CONCESSION AGREEMENT within the stipulated timeframe shall subject the offender to execution of the BID BOND, without prejudice to other legal penalties.

16.7. Overrunning the validity period of the PRICE PROPOSAL or of the BID BOND shall not prevent signing of the AGREEMENT, if the WINNING BIDDER remains interested in doing so.

16.8. In the event of impediment, failure or refusal to appear by the GRANTEE within the stipulated timeframe, ARTESP may contact the remaining bidders, according to their ranking, to verify compliance with qualification requirements and their acceptance of the Business Plan, to sign the CONCESSION AGREEMENT, under the same timeframe and conditions as the WINNING BID, or may cancel the TENDER.

16.9. Upon signature of the CONCESSION AGREEMENT, the CONCESSIONAIRE pledges to maintain, throughout its implementation, the conditions of eligibility and qualification required in this TENDER that are necessary for assuming and continuity of service provision, under the terms of Article 27 of Federal Law 8.987/1995.

16.9.1. At the WINNING BIDDER's own risk and under its responsibility, even prior to signature of the Agreement, ARTESP may authorize access to the HIGHWAY SYSTEM and to any related information for start of preparation of planning.

17. ADMINISTRATIVE APPEALS

17.1. Any administrative appeals shall be grounded on a motion addressed to the SPECIAL TENDER COMMITTEE, within five (5) business days counted as of publication of the respective decision, observing the sequence and other provisions set forth in Federal Law 8.666 of June 21, 1993, and the regulations set forth in this REQUEST-FOR-BIDS.

17.2. Appeals shall be filed in a timely fashion at ARTESP headquarters address at Rua Iguatemi 105, São Paulo SP, on business days from 8:30am to 12:30pm, and from 1:30pm to 5:30pm.

- 17.3. The COMMITTEE, under the terms of article 109, paragraph 3 of Federal Law 8.666/1993, shall reveal the appeal to the other BIDDERS, who may challenge it within a period of five (5) business days, counted as of notification by the SPECIAL TENDER COMMITTEE.
- 17.4. Acceptance of the administrative appeal, or official reconsideration at the discretion of the SPECIAL TENDER COMMITTEE, resulting in a situation unfavorable to some of the BIDDERS, shall reopen the appeals phase solely for the new issue raised.
- 17.5. The SPECIAL TENDER COMMITTEE shall receive only duly grounded administrative appeals, filed observing the requisites foreseen in this item.

18. ORGANIZATION OF THE SPECIFIC PURPOSE COMPANY

- 18.1. The WINNING BIDDER shall organize as a SPC, in accordance with rules established in this REQUEST-FOR-BIDS and the CONCESSION AGREEMENT.
- 18.2. Minutes relating to the organization of the SPECIFIC PURPOSE COMPANY to be presented by the BIDDER to ARTESP and registered with the Board of Trade shall observe, at minimum, the following:
- i. Draft articles of incorporation and any shareholders' agreements;
 - ii. Composition of its management bodies;
 - iii. The CONCESSIONAIRE'S organizational structure, down to the first hierarchical level below the Executive Board, including the ombudsman and customer-service functions;
 - iv. Composition of capital stock, identifying the interest of each corporate consortium member for the TENDER.
- 18.3. The Concessionaire shall be a SPECIFIC PURPOSE COMPANY, to be established by the WINNING BIDDER of the TENDER within the period stipulated in this REQUEST-FOR-BIDS, in the form of a joint-stock company, organized under Brazilian law, for the sole purpose of providing services and making the investments that are the purpose of the CONCESSION.
- 18.3.1. Within two (2) years of signing of the INITIAL TRANSFER TERM, the SPC shall register with the Brazilian Securities and Exchange Commission (CVM) as a publicly traded company authorized to issue securities on regulated markets at least under Category B, as foreseen in Article 2, inset II of CVM Instruction 480, of December 7, 2009, and shall maintain this condition until the end of the CONCESSION period.
- 18.3.2. The provision in item 18.3.1 does not impose upon the CONCESSIONAIRE an obligation to hold an initial public offering, and it may opt for other possible forms of financing structure.

- 18.3.3. It is incumbent upon the SPC to perform all contractual obligations assigned to it under the CONCESSION AGREEMENT and it may subcontract third parties, at its own responsibility.
- 18.3.4. The SPC shall have headquarters and legal venue in the State of São Paulo.
- 18.3.5. In the event that the WINNING BIDDER is an individual BIDDER, prior to signature of the Agreement and in order to meet the requirements of item 18.3, it shall amend its articles of incorporation or bylaws, or create a wholly-owned subsidiary to serve as a CONTRACTED PARTY, maintaining the shareholding structure prevailing prior to founding of the company.
- 18.3.5.1. The WINNING BIDDER may set up a specific purpose company as its subsidiary, for the purpose of serving as sole controller of the SPC to be contracted.
- 18.3.6. The SPC shall adopt corporate governance standards and accounting and standardized financial statements, in accordance with accounting practices adopted in Brazil, based on Federal Law 6.404/76, on rules issued by the Federal Accounting Council (CFC), and on interpretations, guidelines and pronouncements of the Committee of Accounting Pronouncements (CPC), particularly ICPC Technical Interpretation 01 on concession agreements (aligned with International Accounting Standard - IFRIC 12).
- 18.3.7. The minimum capital stock of the CONCESSIONAIRE shall be compliant with the sum set forth in the AGREEMENT.
- 18.3.8. The CONCESSIONAIRE shall not, during the CONCESSION TERM, reduce its capital stock below the minimum amount established in the AGREEMENT, without ARTESP's prior and express permission.
- 18.4. Participation of non-national capital in the CONCESSIONAIRE must comply with current Brazilian legislation.
- 18.5. The CONCESSIONAIRE shall not, during the entire CONCESSION TERM transfer control of the company, without ARTESP's prior and express permission.
- 18.6. The CONCESSIONAIRE shall be bound by the provisions of the CONCESSION AGREEMENT, by the call for TENDER, documentation and proposals submitted and the respective contractual documents, and also by industry legislation and regulations, in all issues relating to deployment of the purpose of the AGREEMENT and performance of delegated services.

- 18.7. The Articles of Incorporation of the CONCESSIONAIRE shall:
- i. forbid amendment of the CONCESSIONAIRE'S business purpose, except to include activities involving exploitation of ACCESSORY REVENUES;;
 - ii. submit to ARTESP for prior authorization issues described in the CONCESSION AGREEMENT;
 - iii. respect the decision-making authority of an intervener appointed by ARTESP, in the event of intervention;
 - iv. forbid contracting-out of obligations guaranteed by rights originating from this CONCESSION at levels that compromise the operation and continuity of services under this CONCESSION;
 - v. harmonize the financial year of the CONCESSIONAIRE with the calendar year;
 - vi. adapt to provisions of the draft DIRECT AGREEMENT, mentioned in Annex VIII of the AGREEMENT, if wishing to avail itself of the right to sign it.

19. PENALTIES

- 19.1. Any BIDDER causing a delay in the competitive bidding process, that fails to maintain the PRICE PROPOSAL or makes a false declaration, though guaranteed the right to prior and full defense, may be declared ineligible to bid or sign contracts with the PUBLIC ADMINISTRATION or be banned from bidding or contracting with the Government for a period of five (5) years or while the motives for the penalty remain outstanding, or until it has rectified the situation with the authority that imposed the penalty, in accordance with paragraph 12 of Article 40 of Law 6.544/89, without prejudice to execution of the BID BOND.
- 19.2. Refusal to sign the CONCESSION AGREEMENT, within the period stipulated, without justification acceptable to ARTESP, shall result in temporary suspension from participating in bidding and assuming contract with the Government for a period of twenty-four (24) months, application of a penalty of one percent (1%) of the AGREEMENT value, and possible execution of the BID BOND of the WINNING BIDDER company or, in the case of a CONSORTIUM, of all its member companies.
- 19.3. Practice of other activities provided for in Section 11.8 shall also result in a penalty of the same amount specified in item 19.2, with possible execution of the BID BOND to ensure receipt of the penalty amount.
- 19.4. Any BIDDER committing unlawful activities with intent to frustrate the objectives of the TENDER, or lacking eligibility to assume a contract with the PUBLIC ADMINISTRATION owing to unlawful activities, shall be subject to the sanctions provided for in Article 87, insets III and IV of Law 8.666/93, reinforced by Article 88 of Law 8.666/93, ensured the right of appeal and full defense.

20. FINAL PROVISIONS

- 20.1. The disciplinary norms of this TENDER shall be interpreted so as to enhance competition in the competitive bidding process, respecting equality of opportunity among BIDDERS, provided the public interest, the purposes and the security of contracting are not compromised.
- 20.2. All documentation provided by the GRANTING AUTHORITY and by ARTESP to BIDDERS shall be used solely for purposes of drafting their PRICE PROPOSALS, their total or partial presentation, disclosure or use for any purpose other than those expressed in this TENDER being forbidden, on pain of sanction for improper use of said documents.
- 20.3. The GRANTING AUTHORITY and ARTESP may at any time revoke, postpone or even cancel this TENDER, under provisions of Federal Law 8.666/93, with no right whatsoever to compensation or reimbursement of expenses.
- 20.4. If in its interest, without affording participants grounds for any claim or compensation, the GRANTING AUTHORITY may:
- 20.4.1. Postpone the PUBLIC SESSION for receiving Envelopes A, B and C, and the opening thereof; and/or
 - 20.4.2. Amend the REQUEST-FOR-BIDS, establishing new deadlines for holding the TENDER, in accordance with specific legislation; and/or
 - 20.4.3. Once the PUBLIC HEARING has been scheduled, the SPECIAL BID COMMITTEE may deem it necessary to conduct a more detailed assessment of all documents received.
- 20.5. Cancellation of the TENDER shall imply termination of the AGREEMENT, without generating any obligation on the part of the GRANTING AUTHORITY or of ARTESP, unless otherwise provided for under a provision of this AGREEMENT.
- 20.6. At any time, in accordance with the phase of the TENDER, the STC may disqualify a BIDDER if it becomes aware of facts or circumstances discrediting its eligibility or impairing its financial, technical, productive or administrative capacity, without affording the BIDDER any right whatsoever to compensation or reimbursement of expenses.
- 20.7. The BIDDER pledges to notify ARTESP, at any time, of any supervening event or circumstance impeding conditions of licensing or qualification, or which represents a violation of the conditions for participation foreseen in this CALL FOR BIDS, immediately upon its occurrence.
- 20.8. Settlement of any dispute arising from this TENDER, if not resolved at the administrative level, shall be referred to the competent Venue of the Court District of the capital of the State of São Paulo.

São Paulo, July 24, 2019.

São Paulo State Public Transport Services Regulatory Agency – ARTESP