



SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

**ANNEX XXXII – GUIDELINES FOR TRIPARTITE AGREEMENT**

## SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

### GUIDELINES APPLYING TO THE TRIPARTITE AGREEMENT

The attached draft is merely referential, provided that its sole purpose is to steer discussions between the Parties concerning the scope and the procedure for the exercise of the Creditors' rights, whereas, if necessary, it may be adjusted prior to its execution, subject to the prior approval of the Granting Authority. Execution of the Tripartite Agreement by the Creditors is optional and implies the prior authorization by the Granting Authority as to how Creditors shall exercise the rights established herein, under the terms established in Federal Law no. 8.987/1995.

The Tripartite Agreement does not change or amend any obligations of the Concessionaire towards the Granting Authority and SIMA, as established in the Concession Contract.

Shareholders are defined as any individuals or legal entities holding a direct interest in the Concessionaire, while Creditors are defined as the group of agents and financiers listed in the Financing Documents, including the transaction guarantors and sureties.

The Agent is defined as the representative of the group of Creditors, such as the leading or coordinating bank, or a third party designated by the financiers, including a trustee, to deal with the Concessionaire, and effectively exercising the rights and obligations granted thereto under this Agreement.

Alert Events are events triggering a notification obligation between the Granting Authority and the Agent, resulting from a default with the Concession Contract and/or the Financing Contract.

A Cure Period shall be established by written notice to the Concessionaire, which is a time period afforded by the Granting Authority or the Agent to remedy defaults identified with any terms of the Concession Contract or the Financing Documents, as the case may be.

If the Concessionaire fails to remedy any default described in the Alert Events during the Cure Period, the Agent, representing the Creditors, shall be entitled to exercise the rights established in the Tripartite Agreement. In this case, an Exercise Period shall be established, being the period during which the Agent may, in its capacity as the Creditors' representative, exercise rights granted to them. In case of default with any obligations arising out of the Financing Documents, subject to any applicable cure periods, the Creditors may exercise the rights established under the Agreement while the default persists. In this case, the Exercise Period shall be open-ended.

Subject to the requirements established in the concessions law (Federal Law no. 8.987/1995), execution of the Tripartite Agreement shall also constitute an acceptance, by the Granting Authority, of guarantees offered by the Concessionaire to Creditors, whereas no additional or complementary consent shall be required.

The following are examples of Alert Events, notwithstanding any others eventually referenced in the Tripartite Agreement: (I) failure, by the Concessionaire, to perform the financial obligations undertaken with the Creditors, or any other obligation that might entail the early maturity or acceleration of the debt, and the enforcement of warranties established in the Financing Contracts; (II) establishment, by the Granting Authority, of a proceeding seeking formal cancellation of the Concession, and (III) establishment, by the Granting Authority, of a proceeding seeking legal intervention in the Concession.

The Tripartite Agreement shall regulate the following rights, which may be exercised in any order determined by the Creditors, provided that the exercise of such rights is merely an option granted to Creditors during the Exercise Period: (I) to remedy obligations that the Concessionaire is late in delivering to the Granting Authority, (II) to temporarily assume management of the Concessionaire in order to promote its financial restructuring and, afterwards, revert execution of activities associated with the Concession Contract back to the Concessionaire ("**Temporary Management**"); (III) to assume the controlling interest of the Concessionaire, upon the conditional ownership of shares or any other form of guarantee admissible, according to the terms of

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article 27-A, §3, of Federal Law no. 8.987/1995, in order to promote the financial restructuring of the Concessionaire and to ensure continuity of services provided (“**Assumption of Control**”); (IV) in the events referenced in the Tripartite Agreement, to arrange for the transfer of rights of the Concessionaire arising out of the Concession Contract to a third party (“**Transfer of Concession**”), and (V) to exercise any other prerogatives established in the Financing Documents, including acceleration of the debt and the resulting execution of guarantees offered by the Concessionaire within the scope of the Financing Documents.

During the Cure Period and the Exercise Period, no decisions concerning the cancellation or intervention into the Concession shall be effective, provided that, at the discretion of the Granting Authority, the respective administrative proceedings may be suspended. If the Concessionaire’s default is remedied during the Cure Period or the Exercise Period, or if the Transfer of the Concession is approved, the respective administrative proceedings shall be terminated. The collection of any monetary penalties applied against the Concessionaire shall also remain suspended during the Cure Period and the Exercise Period, whereas corresponding amounts shall be paid upon expiration of the respective period.

During the Exercise Period, any discounts associated with the Performance Indicators (ID) shall also remain suspended, so that all the amounts deposited into the Centralizer Bank Account, after payment of taxes, of the Variable Grant and the Inspection Cost, shall be available for the restructuring of the Concessionaire. At any rate, the respective Indicators shall continue to be assessed – with the estimation of the respective credit due to the Granting Authority – so that, following expiration of the Exercise Period, the discounts due, which were suspended from being transferred to the Granting Authority, shall be paid by the Concessionaire. In the event that the Concession is cancelled before settlement of discounts payable during the Exercise Period, the amount owed in favor of the Granting Authority shall be deducted from the indemnification due to the Concessionaire.

Exercise of rights shall also cause the entirety of the Compensation earned by the Concessionaire to be deposited into the Centralizer Bank Account, subject to the delivery of a bank statement to the Granting Authority and the Agent on a monthly basis.

Exercise of rights of Temporary Management and Assumption of Control shall entail a Restructuring Plan to be devised, to be produced by the Creditors to the Concessionaire and the Granting Authority.

The following are the guidelines to devise the Restructuring Plan: (I) detailed description of all restructuring methods to be employed; (II) establishment of the economic viability of the Restructuring Plan; (III) production of financial statements for the latest financial year and statements prepared specifically to support the Restructuring Plan, in strict compliance with corporate laws and accounting rules applying thereto; (IV) stipulation of the time needed for the complete execution of the Restructuring Plan; and (V) possibility that the Temporary Management might be converted into Assumption of Control, or even of enforcement of the Transfer of the Concession, upon the occurrence of events provided for under the Restructuring Plan. The Restructuring Plan may not compromise the operation of the Zoo, the Botanic Garden or the Farm, whereas any changes to the Investment Timetable shall only be approved to the extent that they are shown to be crucial to the implementation of the Restructuring Plan.

Exercise of Temporary Management shall not render the Agent, the Creditors or the Temporary Manager liable for any taxes, charges, burdens, sanctions, obligations or commitments undertaken by the Concessionaire with the Granting Authority, or with any third parties or the employees of the Concessionaire, which shall remain liable for all such charges, burdens, sanctions, obligations or commitments.

The Agent shall, during the course of the Assumption of Control, exercise in full all rights arising out of the conditional ownership of the Concessionaire’s shares, or any other form of warranty, such as: (I) accessing all the Concessionaire’s information associated with the Concession Contract in light of devising the Restructuring Plan, and (II) elect or remove members of the Concessionaire’s management, when such rights are incumbent upon shareholders.

The Granting Authority may interrupt the Temporary Management and the Assumption of Control if it is found, with the establishment of appropriate administrative proceedings, that the Restructuring Plan is being infringed.

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The Tripartite Agreement shall establish that the Granting Authority must consent to the exercise of the right to the Transfer of the Concession, which shall be restricted to confirming the requirements of technical qualification, financial condition, and legal, tax and labor compliance of the Assignee that shall receive the transfer of rights emerging from the Concession Contract, as established in article 27, §1, of Federal Law no. 8.987/1995.

In this case, the indication of the proposed Assignee shall include: (I) its name and address; (II) unless the proposed Assignee is a publicly-traded entity, names of shareholders of the proposed Assignee and the capital interest held by each shareholder; (III) how the Creditors intend to finance the proposed Assignee and the extent to which the corresponding financing has been committed (relevant extent); (IV) copies of the most recent financial statements of the proposed Assignee, and (V) copy of current tax and corporate documents of the proposed Assignee, corroborating its incorporation and management.

Upon the Transfer of the Concession, the form of payment of any amounts due to the Granting Authority, which have been defaulted by the Concessionaire, shall also be determined.

On the occasion of the Transfer of the Concession, no additional payment or new grant shall be due to the Granting Authority, by the Assignee, in exchange for the right to receive the transfer of the Concession, notwithstanding the Assignee's duty to pay any grant installments past due or falling due, as established in the Concession Contract.

In case of Transfer of the Concession, the Concession Contract shall remain effective, so that no indemnification is to be paid to the Concessionaire, by the Granting Authority, on account of any investments that have yet to be repaid by the Concessionaire (Assignor).

The terms and conditions under which the Assignee shall assume the Concessionaire's obligations toward the Creditors, as well as any payment to be made the Concessionaire by the Assignee, shall be adjusted privately among the Agent, the Concessionaire and the Assignee.

In the event of Transfer of the Concession, the Granting Authority shall execute a new Tripartite Agreement with the Agent representing the Assignee's creditors, upon an expression of interest in doing so.

Neither Party may assign or transfer any of its rights or obligations established in the Tripartite Agreement without the prior written consent of the other Parties. However, the Agent may assign or transfer its rights and obligations to the succeeding Agent, as long as this is done in accordance with the Financing Documents and subject to the preservation of all the conditions that justified the prior approval by the Granting Authority.

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**ANNEX XXXII – TRIPARTITE AGREEMENT**

INTERNATIONAL BIDDING PROCESS no. 02/2020

The State of São Paulo, in its capacity as the GRANTING AUTHORITY, through its SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT, enrolled with the CNPJ/ME under no. [●], headquartered at Rua [●] represented herein by [●], the bearer of identification document no. [●] and CPF Taxpayer Registration no. [●], hereinafter referred to simply as SIMA, or Granting Authority;

[●], in its capacity as Agent and representative of the Creditors of the Concessionaire listed in the Financing Documents, according to the mandate granted by the respective entities, and

[●], the special purpose company awarded the subject of International Bidding Process no. 02/2020, hereinafter referred to simply as the Concessionaire;

**WHEREAS** SIMA, upon delegation of powers by the State of São Paulo, and [●], the special purpose vehicle, executed on [●], Concession Contract no. [●]/[●], under which the former is qualified as the Granting Authority and the latter as Concessionaire, in view of the exploitation of the ZOO, the BOTANIC GARDEN and the FARM, which shall include management, environmental education, leisure, entertainment, cultural and ecotourism activities, along with all associated services.

**WHEREAS** investments to be made by the Concessionaire, in order to perform the subject of the Concession Contract, shall be enabled by financing and guarantees, secured with financial institutions, in the amounts and as referenced in the Financing Documents comprising this agreement as Appendices hereto;

**WHEREAS** the Creditors have appointed the Agent to act on their behalf, representing them and exercising their rights and obligations established under this Agreement;

**WHEREAS** the by-laws of the Concessionaire are consistent with the provisions hereof, whereas its shareholders are bound to respect, and take any action needed to fulfill, the obligations covenanted herein;

**WHEREAS**, according to the terms of Clause 39.7 of the Concession Contract, the Creditors were granted the option to execute this Agreement, to regulate the relationship among the Concessionaire, the Creditors, represented by the Agent, and the Granting Authority.

**WHEREAS**, for the purposes of the Concession Contract, this Agreement falls under the definition of a Tripartite Agreement, as referenced herein;

**WHEREAS** the Granting Authority, the Concessionaire and the Creditors share a mutual interest in the execution and completion of the works and services in view of the operation, conservation, maintenance and perfection of investments needed to exploit the ZOO, the BOTANIC GARDEN and the FARM;

They have resolved to execute this Agreement, to be governed by the following terms and conditions.

**1. OBJECT**

- 1.1. The object of this Agreement consists of the rights and duties to be assigned to the Parties upon the occurrence of an Alert Event, as described hereunder, and the stipulation of the terms and conditions under which, in any such event, the Concession shall be assigned, and the controlling interest of the Concessionaire shall be transferred, and the assumption of control and temporary management of the Concessionaire shall take place, according to the provisions of articles 27 and 27-A of Federal Law no. 8.987, dated February 13, 1995.

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### 2. DEFINITIONS

- 2.1. The terms capitalized or written in uppercase letters in this Agreement, unless otherwise expressly stated, and notwithstanding any other definitions in the Concession Contract, shall be construed and understood as defined hereunder:

**Temporary Management:** exercise, by the Creditors, without transferring ownership of the shares, of the appropriate powers to restructure the Concessionaire's corporate activities.

**Agent:** the representative of the group of Creditors, such as the leading or coordinating bank, or a third party designated by the Creditors, including a trustee, to deal with the Granting Authority, and effectively exercise the rights and obligations granted thereto under this Agreement.

**Assumption of Control:** acquisition of the controlling interest in the Concessionaire, according to the requirements established in article 116 of Federal Law no. 6.404/1976, based on the conditional ownership of the shares of the Concessionaire by the Creditors.

**Compliance with the Notification by the Granting Authority:** implementation of one of the actions proposed to the Agent, as established in Clause 15 of this Agreement, which is sufficient to end the Exercise Period.

**Assignee:** Special Purpose Company designated by the Agent, to which the Concession is to be transferred, upon the Granting Authority's approval, which shall be restricted to the requirements referenced in this Agreement.

**Creditors:** group of agents and financiers, including the sureties and guarantors of the operations, as listed in the Financing Contracts and Documents, represented herein by the Agent.

**Granting Authority:** The State of São Paulo, represented by the STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT.

**Concession:** Concession of the use of a public asset, in view of the exploitation of the ZOO, the BOTANIC GARDEN and the FARM, according to the terms of Concession Contract no. [●]/[●].

**Concessionaire:** Special Purpose Company specified in the preamble, which is named as the Contracted Party under the Concession Contract executed with SIMA.

**Centralizer Bank Account:** bank account no. [●], held by the Concessionaire with the Bank [●], at branch no. [●], according to the provisions of ANNEX XXIV of the Concession Contract.

**Concession Contract:** Concession Contract no. [●]/[●], executed between SIMA and the special purpose company awarded the object of International Bidding Process no. 02/2020.

**Financing Contracts:** Instruments executed by the Concessionaire with the Creditors to set up the operation to secure funds to perform the obligations assumed under the Concession Contract, which are an integral part of the Financing Documents and this Agreement, as an Appendix hereto.

**Exercise Period Expiration Date:** expiration date of the Exercise Period granted the Agent so that it may take the actions permitted to it, according to Clause 9 of this Agreement, to implement the financial restructuring and ensure the continuity of services to be provided.

**Settlement Date:** the date when all obligations established in the Financing Documents have been met and executed, fully and irrevocably, as attested by the Agent, in as capacity as the Creditors' representative.

**Concession Transfer Date:** the date when the Zoo, the Botanic Garden and the Farm, which are the objects of this Concession, shall be transferred to the Assignee.



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**Financing Documents:** documents presented in the Appendix to this Agreement, envisaging the contracting of financing, including the respective guarantees, to be offered by the Concessionaire, which, if defaulted, shall accelerate the payment of the debt or entail its early termination, constituting an Alert Event.

**Alert Event:** events referenced in Clause 8 of this Agreement, which shall trigger an obligation on the Granting Authority's part to notify the Agent, as well as an obligation on the Agent's part to notify the Granting Authority, according to the type of Alert Event identified.

**Notification of Alert:** communication to be issued by the Granting Authority or the Agent, as the case may be, upon the occurrence of an Alert Event, as established in Clause 8 of this Agreement.

**Notification of Alert to the Concessionaire:** communication to be issued by Granting Authority or the Agent to the Concessionaire, as the case may be, the receipt of which by the Concessionaire shall start the Cure Period.

**Notification by the Granting Authority:** communication to be issued by the Granting Authority to the Agent, following the expiration of the Cure Period afforded the Concessionaire, the receipt of which shall start the Exercise Period.

**Notification of Temporary Management:** notification sent by the Agent to the Granting Authority to communicate the exercise of Temporary Management.

**Notification of Assumption of Control:** notification sent by the Agent to the Granting Authority to communicate the exercise of Assumption of Control.

**Notification by the Agent:** communication to be issued by the Agent to the Granting Authority, following the expiration of the Cure Period afforded the Concessionaire, to communicate the exercise of the rights established in this Agreement.

**Parties:** the Granting Authority, the Agent and the Concessionaire.

**Cure Period:** term of 30 days granted by the Granting Authority or the Agent, as the case may be, upon the delivery of a notification to the Concessionaire, for the latter to remedy any defaults identified with this Agreement, the Concession Contract or the Financing Documents, as established in Clause 9.4 herein below. The term of 30 (thirty) days shall not be applied if another term is expressly established in the Concession Contract, or in the Financing Documents, for the remedying of specific Alert Events, in which case the Cure Period shall be the same as established in the Concession Contract, or in the Financing Documents, as the case may be.

**Exercise Period:** period starting on the date when the Agent receives the Notification from the Granting Authority, which shall have the duration stipulated in Clause 9.5 of this Agreement, ending upon the occurrence of the earliest of the following four events: (I) Exercise Period Expiration Date; (II) Compliance with the Notification by the Granting Authority; (III) termination of the Concession Contract; or (IV) termination of the Financing Contract. When the Alert Event is restricted solely to defaults with the Financing Documents, the Exercise Period shall remain effective until the Concessionaire has performed all of its respective obligations.

**Restructuring Plan:** plan describing actions proposed to remedy defaults identified and to allow for the regular performance of the Concession Contract in the events of Temporary Management and Assumption of Control.

**Report on Regulatory Status:** report issued by the Granting Authority, on a yearly basis, in favor of the Agent, to ensure the full transparency of the regulatory status of the Concessionaire, with the minimum contents as established in Clause 7.6 of this Agreement.

**SIMA:** Secretariat for Infrastructure and Environment.

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**Request for Transfer of Concession:** request made by the Agent to the Granting Authority to procure its approval for the Transfer of the Concession.

**Request for Transfer of Controlling Interest:** request made by the Agent to the Granting Authority to procure its approval for the Transfer of Controlling Interest.

**Transfer or Assignment of the Concession:** agreement executed between the Granting Authority and the Assignee, to regulate the Transfer of the Concession.

**Transfer of Controlling Interest:** change of the Concessionaire's controlling interest, according to the requirements established in article 116 of Federal Law no. 6.404/1976, as a result of the execution of the guarantees held by the Creditors of the Concessionaire.

**Transfer of Concession or Assignment:** amendment of the Concession Contract, in view of the replacement of the contracted party and the assumption, by the Assignee, of all the rights and obligations assigned to the Concessionaire within the scope of the Concession.

### 3. INTERPRETATION

- 3.1. In case of conflict, ambiguity or inconsistency between the terms of the Concession Contract and this Agreement, the terms of this agreement shall prevail.

### 4. APPOINTMENT, COMPENSATION AND REPLACEMENT OF AGENT

- 4.1. The Concessionaire and its Creditors, as freely adjusted, shall be liable for paying the Agent's compensation in consideration for the performance of the duties established in this Agreement, whereas no expense may be charged from the Granting Authority in connection therewith.
- 4.2. The Concessionaire acknowledges that it has freely appointed the Agent specified in this Agreement, jointly with its Creditors.
- 4.3. The Concessionaire may arrange for any financier with whom it comes to contract after the execution of this Agreement to also be represented by the Agent before the Granting Authority, thereby amending the Financing Documents to include the respective contractual instruments.
- 4.4. The provision in Clause 4.3 is not an obligation to be executed by the Concessionaire, provided that the new financiers may choose whether or not to join this Agreement.
- 4.5. The Agent shall notify the Granting Authority of its replacement as the representative of the Creditors by another agent performing the same duty, asking that a new Tripartite Agreement be executed, or an amendment hereto, it being stipulated that the Agent shall remain liable until such replacement is concluded.
- 4.6. The Granting Authority hereby agrees, unless the replacement agent is found to be impeded from contracting with public authorities, to execute a new Tripartite Agreement, whose terms shall be essentially the same as this Agreement's, notwithstanding any adjustments proposed by the new agent and approved by the Granting Authority.
- 4.7. Until the replacement of the Agent is formalized, any communication issued by the Granting Authority to the Agent appointed hereunder, especially the Notification by the Granting Authority, shall be deemed valid and effective.



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### **5. NO EFFECT ON THE CONCESSION CONTRACT**

- 5.1. None of the Clauses of this Agreement amend or change any obligations of the Concessionaire established in the Concession Contract.

### **6. CONSENT TO THE CONTRACTING OF FINANCING ARRANGEMENTS AND GUARANTEES, AND GUARANTEES OFFERED.**

- 6.1. Notwithstanding any provision to the contrary in the Concession Contract, the Granting Authority confirms the receipt of the Financing Documents listed in the Appendix and consents to the contracting thereof, with the guarantees provided by the Concessionaire to the Creditors, as well as the conditions under which they may be executed, recognizing that no violation of the Concession Contract shall result.

### **7. INFORMATION EXCHANGED BY THE PARTIES**

- 7.1. The Concessionaire shall inform the Agent, every six months, about the execution of its obligations under the Concession Contract, communicating any failures and defaults identified, whether or not they are sufficient to constitute an Alert Event, as established in Clause 8 of this Annex.
- 7.2. The Agent may confirm, at any time, with the Granting Authority if the information provided by the Concessionaire is true, and request any additional information about the Concession that it deems appropriate, at the request of the Creditors, which the Granting Authority is capable of providing.
- 7.3. The Granting Authority undertakes to, at the request of the Agent, hold at least 1 (one) meeting every year to exchange information and produce a joint assessment of the Concessionaire's performance concerning the provision of the public services that are the object of the Concession Contract.
- 7.4. The Concessionaire hereby grants: (I) the Agent the right to access all the information associated with the Concession, which was furnished by the Concessionaire to the Granting Authority, or procured by the latter while carrying out its legal duties; and (II) the Granting Authority permission to remit to the Agent all the information about the Concession received from the Concessionaire, or procured by the Granting Authority while carrying out its legal duties.
- 7.5. To enable the compliance with the terms of this Agreement, the Concessionaire expressly consents to the sharing of its banking information with the Parties, whereas this shall not constitute a violation of bank secrecy, as ensured under Complementary Federal Law no. 105, dated January 10, 2001.
- 7.6. Every year, the Granting Authority shall deliver the Report on Regulatory Status to the Agent, which shall include the following information, as well as any other information that the Granting Authority finds appropriate:
- I. any financial-economic imbalance found in the Concession, through the date when the Report on Regulatory Status of the Concessionaire is issued, favoring either the Concessionaire or the Granting Authority; and
  - II. a list of the fines applied against the Concessionaire by the Granting Authority during the course of the performance of the Concession Contract, as a result of administrative proceedings closed by such date, detailing the amounts effectively paid to the Granting Authority and all payments pending by the Concessionaire, duly indexed.

### **8. ALERT EVENTS**

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8.1. The following shall constitute Alert Events:

- I. failure, by the Concessionaire, to adhere to any obligation or set of obligations under the Concession Contract that may, consequently, result in the execution of the guarantees provided by the Concessionaire within the scope of the Concession Contract, as long as at least one of the following conditions is met:
  - a. they shall represent, jointly or individually, (an) infringing conduct(s) subject to the application of (a) fine(s) equivalent to or higher than R\$ [●];
  - b. they shall represent more than [●] notifications issued, subject to severe and extremely severe penalties, as established in Annex XXXI<sup>1</sup>;
  - c. the party shall be in default with the payment of any fines applied and/or amounts due to the Granting Authority.
- II. establishment of administrative proceedings seeking cancellation of the Concession;
- III. establishment of administrative proceedings seeking legal intervention in the Concession;
- IV. failure, by the Concessionaire, to satisfy the financial obligations incurred with the Creditors, or any other obligations, which might entail the acceleration of the debt or the advanced maturity of its debts, according to the terms of the Financing Documents.

## 9. NOTIFICATIONS BETWEEN THE PARTIES AND THE EFFECTS THEREOF

- 9.1. The Granting Authority shall, within a period of 5 (five) days, deliver the Notification of Alert to the Agent whenever it learns of the occurrence of any of the Alert Events established in Clause 8.1, items (a), (b) and (c), and, alternately, the Agent shall be obligated to deliver the notification to the Granting Authority, whenever it learns of the occurrence of any of the Alert Events established in Clause 8.1, item (d).
- 9.2. The Notification of Alert shall include the following mandatory information:
  - I. a full description of the Alert Event;
  - II. the contractual obligations infringed or not performed by the Concessionaire, according to the terms of the Concession Contract or the Financing Documents; and
  - III. an itemization of all amounts due by the Concessionaire to the Granting Authority or the Creditors, as the case may be, as well as those falling due on the date of the Notification of Alert, in addition to all amounts payable, but not yet due, by the Concessionaire to the Granting Authority or the Creditors, along with a description of the nature of the obligation of the Concessionaire in regards to the payment of such amounts, as established in the Clauses of the Concession Contract and the Financing Documents.
- 9.3. Any update to the terms of the notification, or the occurrence of another Alert Event, shall entail issuance of a new Notification of Alert.
- 9.4. Upon the occurrence of one or more Alert Events, the Agent or the Granting Authority shall deliver the

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<sup>1</sup> Since there is no contractual penalty statutory order provided for in Annex XXXI, the parties to the Tripartite Agreement are advised to set forth criterion to gauge Alert Events suited to the concept set forth in the draft.

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Notification of Alert to the Concessionaire, copying the third party to this Agreement, so that the Concessionaire may, within a period of 30 (thirty) days, counted as of the date of delivery of the first notification, remedy the Alert Events notified, thereby triggering the Cure Period.

9.4.1. The Granting Authority may, with the consent of the Agent, at the request of the Concessionaire or at the request of the Agent, extend the Cure Period, if it believes that the period of 30 (thirty) days is insufficient to remedy the Alert Events described in the notification.

9.4.2. The period of 30 (thirty) days referenced in this item shall not be applied if another term is expressly established in the Concession Contract, or in the Financing Documents, to remedy specific defaults, in which case the Cure Period shall be the same as established in the Concession Contract, or in the Financing Documents, as the case may be.

9.5. If the Concessionaire has failed to remedy all defaults identified in the Alert Event within the respective Cure Periods, the Agent shall be allowed to take the following actions, representing the Creditors:

- I. to comply, on its own behalf, with the obligations with the Granting Authority defaulted by the Concessionaire;
- II. to temporarily assume the management of the Concessionaire to promote its financial restructuring and, afterward, revert the execution of the activities associated with the Concession Contract back to the Concessionaire ("**Temporary Management**");
- III. to assume, provided it has the conditional ownership of the shares, the controlling interest of the Concessionaire, as established in article 27-A of Federal Law no. 8.987, dated February 13, 1995, to promote the financial restructuring of the Concessionaire and ensure the ongoing provision of the services ("**Assumption of Control**");
- IV. to exercise its option to transfer the rights of the Concessionaire resulting from the Concession Contract to any third party(ies) indicated by it, in the events referenced in Clause 14 hereunder ("**Transfer of Concession**"); and
- V. to exercise its prerogatives established in the Financing Documents, including the acceleration of the debt and the resulting execution of the guarantees offered by the Concessionaire.

9.6. The Agent shall be entitled to exercise the rights established in Clause 9.5 above, thereby triggering the Exercise Period, in the following situations:

- I. at any time, in the event that the Concessionaire defaults with the obligations established in the Financing Documents and the Concessionaire remains in default upon the expiration of the Cure Period, following the delivery of prior written notice to the Granting Authority and the Concessionaire; or
- II. within 30 (thirty) days, in the event that the Concessionaire defaults with the obligations established in the Concession Contract and the Concessionaire remains in default upon the expiration of the Cure Period, counted as of the date of receipt of the Notification from the Granting Authority, notifying the Agent of the expiration of the Cure Period.

9.6.1. The period of 30 (thirty) days referenced in this Clause shall be extended for an additional 30 (thirty) days, upon a simple request made by the Agent to the Granting Authority, as long as it is presented before the expiration of the original term. New extensions shall be subject to the Granting Authority's prior approval.

9.7. The rights granted in Clause 9.5 constitute an option granted the Agent, whereas the failure to exercise it shall not entail the application of any punishment against the Agent or the Creditors.

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- 9.8. To comply, on its own behalf, with all obligations incumbent upon the Concessionaire, as established in the Concession Contract, the Agent may, at its sole discretion, execute or arrange for the execution of any act required of the Concessionaire, or even remedy any violation or omission on the part of the Concessionaire.
- 9.9. For the purposes referenced in Clause 9.8, the Agent may hire third parties to execute the obligations incumbent upon the Concessionaire. If, however, the activity demands any form of technical qualification, as required in the Auction Notice, the Agent shall previously corroborate, to the Granting Authority, that the contracted party possesses the necessary qualification.
- 9.10. Proper compliance with an obligation assigned to the Concessionaire, by the Agent or on its behalf, shall be acknowledged by the Granting Authority as if executed by the Concessionaire itself, and so the obligation shall be deemed settled, and the Concessionaire discharged.
- 9.11. The exercise, by the Agent, of the option referenced in Clause 9.8 shall not be construed as an assumption, by the Agent, or any person acting on its behalf, of any other obligations, even ancillary obligations, attributed to the Concessionaire under the Concession Contract.
- 9.12. During the Cure Period and the Exercise Period, no decisions concerning the cancellation or intervention into the Concession shall be effective; however, the respective administrative proceedings shall not be automatically suspended, but may, at the discretion of the Granting Authority, be suspended or move on to the evidentiary phase and the due process.
- 9.13. If the default by the Concessionaire is remedied during the Cure Period or the Exercise Period, or, alternately, if the Transfer of the Concession is approved, the respective administrative proceedings shall be terminated.
- 9.14. The collection of monetary penalties applied against the Concessionaire shall also be suspended during the Cure Period and the Exercise Period, whereas the respective amounts shall be paid upon the expiration of the respective period.
- 9.15. During the Exercise Period, all discounts associated with the Performance Indicators (ID) shall also remain suspended, so that all the amounts deposited into the Centralizer Bank Account, after the payment of taxes, of the Variable Grant and the Inspection Costs, shall be available for the restructuring of the Concessionaire.
- 9.15.1. The above-mentioned Indicators shall continue to be assessed – with the estimation of the respective credit due the Granting Authority – so that, following the expiration of the Exercise Period, the discounts due, which were suspended from being transferred to the Granting Authority, shall be paid by the Concessionaire. In the event that the Concession is cancelled before the settlement of the discounts payable during the Exercise Period, the amount owed in favor of the Granting Authority shall be deducted from the indemnification due the Concessionaire.
- 9.16. The investigation of the circumstances that resulted in the default by the Concessionaire, including any causes of termination of judicialization and culpability, shall be done through the appropriate administrative proceedings.
- 9.17. The Agent shall notify the Granting Authority, concurrently with the Notification of Alert issued by it, or afterward, of any decision concerning the acceleration of any debts or the exercise of any execution measures referenced in the Financing Documents, as soon as the decision is made.
- 9.18. The Agent shall notify the Granting Authority immediately upon learning that any Alert Event has ceased to exist, as a result of the compliance with the obligation that motivated the issuance of the Notification

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of Alert by the Agent.

- 9.19. The receipt by the Granting Authority of the Notification of Alert issued by the Agent, in the events when the Alert Event does not represent a default with the Concession Contract, but refers solely to obligations adjusted between the Concessionaire and its Creditors, shall not bind the Granting Authority to perform any action, save for those referenced in this Agreement.
- 9.20. As from the Exercise Period Expiration Date, the actions in view of the collection of the amounts referenced in Clause 9.15 and the penalties applied by the Granting Authority, and the actions to seek the cancellation or declaration of intervention in the Concession, may be resumed. However, the expiration of the Exercise Period shall not imply an automatic cancellation or intervention, the merits of which shall be examined during the course of the appropriate administrative proceedings.
- 9.20.1. Upon the occurrence of two or more Exercise Periods simultaneously, the condition established in Clause 9.20 shall be deemed met as soon as any one of the Exercise Periods reaches the Exercise Period Expiration Date.
- 9.21. During the Cure Period and the Exercise Period, the Granting Authority shall not suspend any contractual obligations assigned to it under the Concession Contract.

### **10. TEMPORARY MANAGEMENT**

- 10.1. The start of the Temporary Management by the Agent or by a third party appointed by the Creditors shall be conditioned exclusively to the corroboration that the Creditors meet the requirements in terms of the good standing with all their tax, legal and labor duties, exactly as stipulated in the Auction Notice for International Bidding Process no. 02/2020.
- 10.2. The Financing Documents may stipulate the following powers, for the purposes of the Temporary Management, without prejudice to any other powers established:
- I. the option to call a general meeting, at any time, and name the members of the board of directors to be elected by the shareholders of the Concessionaire, with the consequential removal of the former members;
  - II. the option to call a general meeting, at any time, and name the members of the audit committee to be elected by the shareholders of the Concessionaire, with the consequential removal of the former members;
  - III. the power to veto any proposal put to vote by the shareholders, which, in the Creditors' opinion, might compromise the restructuring process.
- 10.3. No denial of the Temporary Management by the Granting Authority as a result of a failure to meet the criteria established in Clause 10 shall preclude the delivery of a new Notification of Temporary Management, as long as the failure has been remedied.
- 10.4. The Agent shall, within no more than [●] days after the start of the Temporary Management, produce and submit the Restructuring Plan to the Granting Authority, including a stipulation of the powers that may be exercised by the Agent, the term of duration of the Restructuring Plan and the actions proposed to remedy the defaults identified, in order to resume the regular performance of the Concession Contract, which shall be consistent with the Notification that triggered the start of the Exercise Period.
- 10.4.1. The Restructuring Plan to be prepared by the Agent/Creditors must include the following elements:

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- I. appointment of the manager responsible for conducting the Temporary Management process;
- II. detailed description of the restructuring methods to be employed, which may include the following, without prejudice to any other applicable methods:
  - a. granting of special timeframes and conditions for the settlement of the obligations overdue or falling due under the Financing Contracts and, subject to the terms of the applicable laws, under the Concession Contract;
  - b. replacement of all or part of the administrators of the Concessionaire, or modification of its administrative bodies;
  - c. granting the Creditors the right to elect the administrators separately and the power to veto any matters specified under the Restructuring Plan;
  - d. increasing the capital stock as needed for the financial recovery of the Concessionaire;
  - e. amending the existing employment contracts, in view of cutting salaries, changing career plans, compensation of overtime worked and reduced work shifts, subject to the execution of collective bargaining agreements or collective labor agreements by the Concessionaire with the appropriate workers' unions, within the limits allowed under the current labor laws;
  - f. delivery of payments in kind or novation of debts, which may or may not involve the offering of a personal or a third-party guarantee;
  - g. partial sale of the assets, subject to the legal and contractual provisions applying to the Reversible Assets;
  - h. equalization of the financial charges levying on debts of any kind, as of the date when the Granting Authority authorizes the Temporary Management, without prejudice to the provisions of the laws specifically applying to the matter;
  - i. issuance of debt instruments or securities.
  - j. hiring, at the expenses of the Concessionaire, specialized companies or professionals to support the Temporary Manager during the course of the latter's duties, as needed;
  - k. a proposal to renegotiate, with the Granting Authority and the Creditors, the form of compliance with the original obligations established under the Concession Contract and the existing financing arrangements.
- III. corroboration of the economic viability of the Restructuring Plan, which shall not compromise the provision of services that is the object of the Concession, whereas any changes affecting the Additional Investments to be made shall only be authorized to the extent that they are shown to be crucial to the implementation of the Restructuring Plan.
- IV. the financial statements issued for the latest financial year and the financial statements produced with the specific purpose of supporting the Restructuring Plan, prepared in strict compliance with the corporate laws governing the matter;
- V. the time needed to allow for the complete execution of the Restructuring Plan, which shall not exceed 12 (twelve) months, unless the Granting Authority authorizes otherwise, when the circumstances of the case require and render this solution appropriate and convenient;
- VI. other arrangements deemed necessary for the financial and operational recovery of the



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Concessionaire, such as corporate restructurings, sale of the controlling interest in the Concessionaire, as a result of the execution of guarantees or otherwise; transfer of the Concession, among others, subject to the procurement of the Granting Authority's authorization for any acts requiring it.

10.5. The Restructuring Plan shall be delivered to the Concessionaire and the Granting Authority within 30 (thirty) days, after which the latter shall:

- I. approve the Restructuring Plan, in which case the period established in the Restructuring Plan for the execution phase shall begin; or
- II. reject the Restructuring Plan.

10.5.1. If the Restructuring Plan is rejected by the Granting Authority, the Agent shall have the right to submit a new Restructuring Plan within a period of 60 (sixty) days, as well as the right to execute the guarantees established in the Financing Documents. In case of a new rejection, the Agent shall retain the right to execute the guarantees.

10.6. Upon rejection of the Restructuring Plan, the Creditors may also opt for the Transfer of the Concession, in addition to designating a potential Assignee to the Granting Authority for the latter to appraise its approval.

10.7. The Temporary Management authorized as established in this Clause shall not impute any liability upon the Agent, the Creditors or the Temporary Manager for any taxes, charges, burdens, sanctions, obligations or commitments owed by the Concessionaire to any other parties, including the Granting Authority or its employees.

10.8. The Temporary Management shall not render Agent or the Creditors personally liable for the obligations owed by the Concessionaire within the scope of the Concession.

10.9. The Agent may eventually request the conversion of the Temporary Management into an Assumption of Control, or a Transfer of the Concession, upon the occurrence of the events anticipated in the Restructuring Plan.

10.10. The Granting Authority may interrupt the Temporary Management if it is found, upon the institution of the appropriate administrative proceedings, that the Restructuring Plan is being infringed by the Agent, by the Creditors or by the Concessionaire.

## **11. ASSUMPTION OF CONTROL**

11.1. The start of the process of Assumption of Control by the Creditors shall be conditioned to the corroboration that they meet the requirements in terms of the good standing with all their tax, legal and labor duties, exactly as stipulated in the Auction Notice for International Bidding Process no. 02/2020.

11.2. During the process of Assumption of Control, the Creditors shall be entitled to fully exercise all the rights emerging from the ownership of the shares whose conditional ownership has been transferred to them, especially the right to call a general meeting to elect or remove the members of the board of directors and the audit committee of the Concessionaire, and to access all the information of the Concessionaire concerning the Contract, in order to prepare the Restructuring Plan.

11.3. The Agent shall, within a period of [●] days after the approval of the Assumption of Control, produce and deliver the Restructuring Plan to the Granting Authority, describing the actions proposed to remedy the defaults identified and allow the regular performance of the Concession Contract to be resumed, exactly as established in Clause 10.4.1.

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- 11.4. The Restructuring Plan shall be produced to the Granting Authority, which shall, within no more than 30 (thirty) days:
- I. approve the Restructuring Plan, in which case the period stipulated for the compliance phase shall begin; or
  - II. reject the Restructuring Plan, thereby ending the Assumption of Control.
- 11.5. In the event that the Restructuring Plan is approved, the Creditors shall adhere to the same liability system applying to the former controllers of the Concessionaire, provided that they shall not be jointly liable for the obligations established in the Concession Contract.
- 11.6. No denial by the Granting Authority of the start of an Assumption of Control process, as a result of a failure to meet the criteria established in Clause 11.1, shall not preclude the production of a new Notification of Assumption of Control, as long as the failure has been remedied.
- 11.7. Upon the rejection of the Restructuring Plan, the Agent may opt for the Transfer of the Concession, indicating a potential Assignee to the Granting Authority, to be approved by the latter.
- 11.8. The Agent shall inform the Granting Authority of the eventual restitution of the controlling interest to the former controllers of the Concessionaire.
- 11.9. The Granting Authority may interrupt the Assumption of Control if it is determined, with the institution of the appropriate administrative proceedings, that the Restructuring Plan was not produced or that it is being infringed by the Agent, by the Creditors or by the Concessionaire.

## **12. CENTRALIZER BANK ACCOUNT**

- 12.1. The Parties agree that, during the Exercise Period, the totality of the Compensation to be received by the Concessionaire, subject to the deduction of the amounts due under the terms authorized in this Agreement, shall be deposited directly into the Centralizer Bank Account.
- 12.2. The Concessionaire shall perform all acts required to enable the direct credit into the Centralizer Bank Account of the full Compensation, including, but not limited to, the delivery of notification to all the parties involved with the payment, deposit, mediation or transfer of the Compensation, to instruct them about the deposit of the totality of the amounts due directly into the Centralizer Bank Account, without offsets, deductions, withholdings or any other form of reduction.
- 12.3. The Concessionaire agrees that, if it receives any amounts associated with the Compensation directly, it shall arrange for the deposit into the Centralizer Bank Account of the full amount received, within no more than 2 (two) days, counted as of its receipt, without offsetting any amounts that it may be owed, unless this is expressly authorized by the Agent.
- 12.4. While the Restructuring Plan is being prepared, and until its full completion, the Parties agree that the amounts held in the Centralizer Bank Account shall be used solely for the following purposes:
- I. to cover the mandatory expenses and the investments that are strictly required to make the services associated with the Concession operational and to keep them going;
  - II. if there are residual funds after the use referenced in the preceding item, to pay a portion or the totality of any amounts due to the Granting Authority, according to the amounts demanded under the terms of the Concession Contract and the Restructuring Plan; and

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- III. if there are residual funds after the use referenced in the preceding item, to repay or settle the financings extended by the Creditors.
- 12.5. The Parties agree that the determination of the payments to be made, as established above, shall not affect the Creditors' right to execute the guarantees offered within the scope of the financings extended to the Concessionaire.
- 12.6. The opening, operation and closing of the Centralizer Bank Account shall adhere to the provisions in the Accounts Management Contract, to be executed among the Concessionaire, the Agent and the financial agent assigned the custody of said account.
- 12.7. The operation of the Centralizer Bank Account shall adhere to the terms of Annex XXIV.
- 12.8. Unless otherwise established by the Agent, the Granting Authority shall deposit all the amounts due to the Concessionaire, as stipulated in the Concession Contract, into the Centralizer Bank Account.
- 12.9. The Concessionaire agrees that any payment made according to the terms of Clause 12.8 shall constitute a full settlement of the payment obligations attributed to the Granting Authority under the Concession Contract.

### **13. TRANSFER OF CONTROLLING INTEREST**

- 13.1. The execution of the guarantee established in the Financing Documents that results in the Transfer of the Controlling Interest in the Concessionaire shall be preceded by the delivery to the Granting Authority of a Request for Transfer of Controlling Interest.
- 13.2. The Request for Transfer of Controlling Interest shall include:
  - I. a clear identification of the legal transaction that shall entail the Transfer of Controlling Interest;
  - II. corroboration that the persons proposing to assume the controlling interest meet all the requirements in terms of the technical qualification, financial condition, and legal, tax and labor good standing, needed to allow for the continuity of the services provided, exactly as described in the Auction Notice for International Bidding Process no. 02/2020.
  - III. description of the ownership structure and management framework of the special purpose company to result from the Transfer of Controlling Interest, including, at least: (I) a description of the types of shares; (II) the shareholders e their respective interests, by share type; (III) the specification of the special purpose company's ownership structure, as applicable, as well as the ownership structure of its Controllers, all the way to the level of the individuals therein; (IV) shareholders agreements executed by the special purpose company, if any; (V) identification of the managers, including their respective résumés, and the Management bodies of the special purpose company; (VI) commitment to apply the corporate governance principles to the management of the special purpose company; and (VII) identification of all Related Parties;
  - IV. undertaking by the interested parties to adhere to all the provisions of the Concession Contract;
  - V. plan describing how and when all the failures identified in the Notifications of Alert shall be remedied, once the Transfer of Controlling Interest has been approved;
  - VI. any changes to be made to the obligations established in the Concession's Investment Plan, such as rescheduling of investments that have been delayed and a detailed description of the respective works and the investments so rescheduled, including, for the latter, a physical and executive schedule, quantifying each investment, as well as the expected development of each phase of

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construction of the investments, indicating the starting and ending dates, in addition to stipulating intermediate milestones, which shall be binding upon the Concessionaire, covering a period of at least a whole semester.

- 13.3. Any changes or modifications approved by the Granting Authority concerning the terms of Clause 13.2, item VI, shall be considered for the purposes of determining the financial-economic balance of the Concession, as established in the Concession Contract and the applicable regulations.
- 13.4. If, on account of the present stage of the Concession, any of the requirements in terms of technical qualification or financial soundness, as established in the Auction Notice for International Bidding Process no. 02/2020, are no longer needed for the proper execution of the services, the Granting Authority may waive their corroboration.
- 13.5. Authorization of the Transfer of Controlling Interest shall only be denied in case of failure to meet the requirements established in Clause 13.2.
  - 13.5.1. The Granting Authority may ask that the plan established in Clause 13.2, item V, and the Investment Plan referenced in Clause 13.2, item VI, be changed when necessary for the normalization of the services provided.
  - 13.5.2. No denial of the Transfer of Controlling Interest by the Granting Authority shall preclude the presentation of a new request, as long as the failure that resulted in the denial has been remedied.
- 13.6. The Transfer of Controlling Interest, alone, shall not entail a change to the term of duration of the Concession.
  - 13.6.1. The provision in Clause 13.6 shall not prevent, in case a Transfer of Controlling Interest entails a rescheduling of investments that causes a financial-economic imbalance favoring any one of the Parties, the reestablishment of the balance by extending or reducing the term of duration of the Concession, as established in the Concession Contract.

## **14. TRANSFER OR ASSIGNMENT OF THE CONCESSION**

- 14.1. The Agent may deliver to the Granting Authority, at any time during the course of the Exercise Period, or if the Restructuring Plan is not accepted by the Concessionaire, in case of Temporary Management, a Request for Transfer of Concession, according to the terms of this Clause.
  - 14.1.1. Under this instrument, the Concessionaire, as well as the Granting Authority, both consent to the option hereby afforded to the Agent, without prejudice to the Granting Authority's prerogative to approve the qualifications of the Assignee, to whom the rights emerging from the Concession Contract shall be transferred, according to the terms of article 27, §1, of Federal Law no. 8.987/1995.
- 14.2. If, on account of the present stage of the Concession, any of the requirements in terms of technical qualification or financial soundness, as established in the Auction Notice, are no longer needed for the proper execution of the services, the Granting Authority may waive their corroboration.
  - 14.2.1. The rights emerging from the Contract shall be transferred to the Assignee, subject to the terms of article 27 of Federal Law no. 8.987/1995.
- 14.3. The Request for Transfer of Concession shall include:
  - I. the identification of the proposed Assignee: (I) name and address; and (II) unless the proposed

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Assignee is a publicly-traded entity, the names of the shareholders of the proposed Assignee;

- II. corroboration that the Assignee named in the request meets all the requirements in terms of the technical qualification, financial condition, and legal, tax and labor good standing, needed to allow for the continuity of the services provided, exactly as described in the Auction Notice for International Bidding Process no. 02/2020.
  - III. how the Creditors propose to finance the proposed Assignee and the extent to which the corresponding financing has been committed (relevant extent);
  - IV. undertaking by the interested parties to adhere to all the provisions of the Concession Contract.
- 14.4. If, on account of the present stage of the Concession, any of the requirements in terms of technical qualification or financial soundness, as established in the Auction Notice for International Bidding Process no. 02/2020, are no longer needed for the proper execution of the services, the Granting Authority may waive their corroboration.
- 14.5. The authorization of the Transfer of the Concession shall only be denied in case of failure to meet the requirements established in Clause 14.3.
- 14.5.1. No denial by the Granting Authority of the Transfer of the Concession by the Granting Authority shall preclude the presentation of a new request, as long as the failure that resulted in the denial has been remedied.
- 14.6. If the Transfer of the Concession is approved, the Assignee indicated shall be called to, within a period of 60 (sixty) days, which may be extended at the discretion of the Granting Authority, sign the Assignment Agreement, provided that at least 7 (seven) days prior to the scheduled signing date, it shall:
- I. have incorporated a special purpose company (SPE), exactly as described in the draft produced with the Request for Transfer of Concession, producing the corresponding certificate issued by the Board of Trade of the State of São Paulo (JUCESP) and its enrollment with National Registry of Legal Entities (CNPJ);
  - II. have paid in the capital stock of the special purpose company, upholding the minimum value established in the Timetable for the Paying In of Capital Stock, for the contractual month in which the Transfer of the Concession is approved;
  - III. present a description of the ownership structure and management framework of the special purpose company to result from the Transfer of Controlling Interest, including, at least: (i) a description of the types of shares; (ii) the shareholders e their respective interests, by share type; (iii) the specification of the special purpose company's ownership structure, as applicable, as well as the ownership structure of its Controllers, all the way to the level of the individuals therein; (iv) shareholders agreements executed by the special purpose company, if any; (v) identification of the managers, including their respective résumés, and the Management bodies of the special purpose company; (vi) commitment to apply the corporate governance principles to the management of the special purpose company; and (vii) identification of all Related Parties.
  - IV. corroborate that it has produced, unconditionally, the Performance Bonds, according to the terms, the values and as established in the Concession Contract, and consistently with the representations made in the Request for Transfer of Concession;
  - V. produce an Insurance Coverage Plan and a Guarantee Plan, as established in the Concession Contract and its respective Annex XXX, itemizing the coverage and the respective insured values to be contracted, provided that the effective contracting shall adhere to the timeframes established

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in such Plans;

- VI. produce the insurance policies required to cover risks associated with the first year after the Transfer of the Concession, according to the timetable established in the Insurance Coverage Plan;
  - VII. produce the appropriate legal instruments to conclusively formalize the commitments made in view of the financial restructuring of the Assignee, according to the information furnished in compliance with Clause 14.3, item III;
  - VIII. Produce certifications, on its own behalf or on behalf of other parties, as well as the formalization of any other documents needed to corroborate the satisfaction of the requirements made under this Agreement, subject to any waivers that shall have been duly approved by the Granting Authority in light of the present stage of the Concession.
- 14.7. Upon the approval of a Request for Transfer of Concession and the appropriate deliver of the documents referenced in Clause 14.6, the Assignee and the Granting Authority shall execute the formal instrument reflecting the Transfer of the Concession.
- 14.8. The Transfer of Concession, alone, shall not entail a change to the term of duration of the Concession.
- 14.8.1. The provision in Clause 14.8 above shall not prevent, in case of a Transfer of Concession, the rescheduling of investments, in order to proceed with the ensuing reestablishment of the financial-economic balance of the Concession, as established in the Contract, including by way of the modification of the term of duration of the Concession, or any change to the payment system established for the variable grant, to be approved by the Granting Authority.
- 14.9. Upon approval of the Transfer of the Concession, the Granting Authority shall also establish the Concession Transfer Date, based on the proposal made by the Assignee in the Request for Transfer of Concession.
- 14.10. The Concessionaire commits to adhere to the transition rules established in the Concession Contract and in Annex XXIX, in the event that the Transfer of the Concession to the Assignee is confirmed.
- 14.11. As of the Concession Transfer Date:
- I. the Assignee shall become a party to the Concession Contract, replacing the Concessionaire, which shall be immediately discharged from all acts concerning the performance of the Concession Contract, as well as the acts resulting from this Agreement, save for any pending issues incumbent upon it, subject to the terms of Clause 14.13;
  - II. the Assignee shall exercise and enjoy the rights and perform the obligations of the Concessionaire as established under the Concession Contract;
  - III. the Granting Authority shall continue to execute its obligations as established under the Concession Contract toward the Concessionaire, which thereafter be directed to the Assignee;
  - IV. the Granting Authority may not terminate the Concession nor intervene in the Concession on account of any act or circumstance dated prior to the Concession Transfer Date.
- 14.12. At the request of the Assignee, the Granting Authority shall execute a Tripartite Agreement equivalent to this Agreement, adopting the same terms established herein.
- 14.13. Upon the Transfer of the Concession, the Parties shall establish the terms of the payment, by the Concessionaire, of any amounts due to the Granting Authority, which have been defaulted by the Concessionaire, such as any amounts due by way of:



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- I. regulatory monetary penalties in general;
- II. financial-economic imbalances identified in the Concession, favoring the Granting Authority; or
- III. variable grant or inspection cost payable as a result of exploitation of the Concession.

14.14. On the occasion of the Transfer of the Concession, no additional payment or new grant shall be due to the Granting Authority, by the Assignee, in exchange for the right to receive the transfer of the Concession, notwithstanding the Assignee's duty to pay any grant installments past due or falling due, as established in the Concession Contract.

14.15. In case of Transfer of the Concession, no indemnification shall be payable to the Concessionaire, by the Granting Authority, on account of any investments that have yet to be repaid.

14.16. The terms and conditions under which the Assignee shall assume the Concessionaire's obligations toward the Creditors, as well as any payment to be made the Concessionaire by the Assignee, shall be adjusted privately among the Agent, the Concessionaire and the Assignee.

### **15. COMPLIANCE WITH NOTIFICATION OF ALERT**

15.1. A Notification of Alert shall be deemed complied with when:

- I. the obligations of the Concessionaire are complied with by the Agent, as established in Clause 9.8;
- II. the Concessionaire itself executes the obligations referenced in the Notification of Alert prior to the exercise of the rights granted the Agent;
- III. the Agent opts for the exercise of the Temporary Management and, during the Exercise Period, the Concessionaire complies with the obligations referenced in the Notification of Alert;
- IV. the Agent opts for the Exercise of the Assumption of Control and, during the Exercise Period, the Concessionaire complies with the obligations referenced in the Notification of Alert;
- V. the Granting Authority approves the Transfer of the Concession, subject to the fulfillment of the requirements established in Clause 13;
- VI. the Granting Authority approves the Transfer of Controlling Interest, subject to the fulfillment of the requirements established in Clause 14.

15.2. The Compliance with the Notification of Alert shall cause the termination of the Exercise Period and the dismissal of the administrative proceedings that motivated the issuance of the Notification of Alert, save for those instituted for sanctioning purposes, in view of the application of contractual fines.

### **16. EFFECTIVENESS OF THE AGREEMENT**

16.1. This Agreement shall be effective until:

- I. the Settlement Date;
- II. the termination of the Concession, save for any administrative proceedings instituted for sanctioning purposes, in view of the application of contractual fines and the enforcement of other obligations pending, which are incumbent upon the Concessionaire;

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- III. the execution of a new tripartite agreement upon the Transfer of the Concession, as established in Clause 14.12;
- IV. the effective Transfer of the Concession, in case the Assignee has not requested execution of a new tripartite agreement.

### **17. EXECUTION OF NEW BIDDING PROCESS**

- 17.1. Without prejudice to the satisfaction of the requirements established in art. 9, §2, of State Law no. 16.933, dated January 24, 2019, the prior, express agreement of the Concessionaire shall be a crucial requirement for the institution of administrative proceedings in view of the execution of a new bidding process for the Concession.
- 17.2. The effective exercise, by the Creditors, of any of the prerogatives and rights established in this Agreement and in the Financing Documents shall not be a requirement for the holding of a new bidding process for the Concession by the Granting Authority, provided, however, that they shall waive the term established in this agreement for the correction of any failures.
- 17.3. According to the provisions of art. 12, §4, of State Law no. 16.933, dated January 24, 2019, in the event that the terms and conditions governing the financing, as established in the Financing Documents, are found to be appropriate and consistent with the market practices effective upon the contracting thereof, the Granting Authority may, subject to the prior consent and authorization of the Agent, require the future concessionaire to assume the debts acquired by the Concessionaire or the Assignee, under the terms of the future auction notice.

### **18. PRESERVATION OF REVERTIBLE ASSETS**

- 18.1. Notwithstanding the other provisions of this Agreement or the terms and conditions established in the Financing Documents, the Agent agrees, on its own behalf and on behalf of the Creditors, not to exercise any rights that have been granted to it, nor take any other actions that might affect the reversal of assets as provided in Clause Fifty-Five of the Concession Contract.

### **19. DISCLOSURE OF INFORMATION**

- 19.1. The Granting Authority and the Agent shall satisfy, to their mutual benefit, the requirements established in Federal Law no. 12.527, dated November 18, 2011 (Law on Access to Information – LAI), concerning the public disclosure of information relative to the Concession, as if any reference made to the Concessionaire in the Contract also referenced the Agent.

### **20. AMENDMENT TO THIS CONTRACT**

- 20.1. This Agreement may only be amended upon the execution of a formal instrument, duly signed by all Parties.
- 20.2. The exercise by either Party of any right or corrective measure referenced in this Agreement or under the law shall not imply a waiver or impediment to the subsequent exercise of the same or of any other rights or corrective measures.
- 20.3. The corrective measures established herein are cumulative and not exclusive of any other measures assured by law, which may be exercised by the Agent or by the Creditors, or even under power of

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attorney.

- 20.4. No waiver presented by the Parties of any right or corrective measure referenced in this Agreement or under the law shall be construed as a waiver of any other or subsequent rights or corrective measures established in this Agreement and under the applicable legislation.
- 20.5. The consent by either Party given in connection with any act performed by another Party, which required said consent, shall not dismiss the requirement that consent be procured for any later act that is dependent on it.

### **21. DISPUTE SETTLEMENT**

- 21.1. If any dispute arises between the Granting Authority and the Agent, the Parties shall settle the dispute according to the procedures stipulated in the Concession Contract for the settlement of disputes, provided that the Agent shall have the same rights and obligations as the Concessionaire, as stated in the procedures described in the Concession Contract.
- 21.2. No provision in Clause 21.1 changes the rights and measures that may be exercised by the Agent against the Concessionaire, or the rights of the Concessionaire described in the Financing Documents, or the legal actions that the Agent may take to execute its guarantees.

### **22. SUCCESSORS AND REPRESENTATIVES**

- 22.1. Neither Party to this Contract may assign or transfer any of its rights or obligations without the prior, written consent of the other Parties, save, however, for the replacement of the Agent, as established in Clause 4 of this Agreement, in which case the Agent may assign or transfer its rights and obligations to the succeeding agent, as long as this is done in accordance with the Financing Documents and all the conditions that warranted the former agent's approval by the Granting Authority are preserved.
- 22.2. This Agreement shall be binding on and operate to the benefit of the Parties and their respective successors and authorized representatives.

### **23. INVALIDITY**

- 23.1. If any one or more provisions of this Agreement is deemed, for any reason, invalid, illegal or unenforceable, in any way, its nullity, illegality or unenforceability shall not affect any other provision herein, whereas this Agreement shall be thereafter interpreted as if said provision had been deleted from this instrument.

### **24. EFFECTIVENESS OF NOTIFICATIONS AND COUNTING OF TERMS**

- 24.1. Whenever it is necessary or indicated that a Party deliver to another Party any approval, notification, request, demand, report or other forms of communications, according to the provisions of this agreement, that shall be done in written, provided that no such communications shall be effective unless they are delivered by hand against receipt, or mailed, against receipt, to the following addresses:

- I. To the Granting Authority: [●]
- II. To the Concessionaire: [●]
- III. To the Agent: [●]

- 24.2. Any Party may designate, by delivering written notice to the other Parties, an additional and/or different

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address, or an additional and/or different person to receive all such notifications, requests, requirements, reports and communications thereafter.

- 24.3. Any notice, request, demand, report or other communication shall be deemed delivered on the date of its respective receipt, whereas the term shall start counting as of the following day, even if it is not a working day.
- 24.4. The terms stipulated in this Agreement shall be counted in calendar days, excluding the starting date of the term, but including but the maturity date.

### **25. EFFECTS OF TERMINATION ON THE CONCESSION CONTRACT**

- 25.1. Notwithstanding any rights available to be exercised by a given Party, breach of this Agreement, alone, shall not entail a right to terminate the Concession Contract.

### **26. NO INTERFERENCE BY THE CONCESSIONAIRE**

- 26.1. The Concessionaire executes this Agreement recognizing and accepting all provisions herein, and undertaking, in addition, to refrain from executing or neglecting to execute any action capable of preventing either Party from exercising the rights established in this Agreement.
- 26.2. The Parties acknowledge that the execution of this Agreement shall not change the appropriation of risks as established in the Concession Contract.

### **27. AGENT'S ASSIGNMENTS**

- 27.1. The Granting Authority acknowledges and agrees that the Agent shall not be bound to execute any of the Concessionaire's obligations as established in the Concession Contract.

### **28. APPLICABLE LAW AND JURISDICTION**

- 28.1. This Agreement shall be governed and construed according to the laws of the Federative Republic of Brazil, and the District Court of São Paulo, State of São Paulo, is hereby elected to settle any disputes that cannot be resolved by way of the dispute settlement mechanisms referenced in this Agreement.

### **29. APPENDICES**

- 29.1. The Financing Documents are attached as an Appendix to this Agreement.