

ANNEX 19

PUBLIC CONTRIBUTION DISBURSEMENT FLOW

SPONSORED CONCESSION OF PUBLIC SERVICES OF OPERATION, MAINTENANCE AND MAKING OF INVESTMENTS NECESSARY FOR EXPLORATION OF THE ROAD SYSTEM CALLED RODOANEL NORTE LOT

Conditions for disbursement of the PUBLIC CONTRIBUTION

1. The PUBLIC CONTRIBUTION has the amount of BRL [●] [●] on the base date of [●], and must be readjusted by the IPCA/IBGE in the same terms as the KILOMETRIC FEE readjustment, as provided in ANNEX 04.
 - 1.1. At the end of each year, the GRANTING AUTHORITY must deposit in the RESERVE ACCOUNT any difference resulting from the adjustment by the IPCA/IBGE that exceeds the financial income of the amount deposited.
 - 1.2. After payment of the last DISBURSEMENT EVENT, any financial balance in the RESERVE ACCOUNT will be transferred to the GRANTING AUTHORITY.
2. The PUBLIC CONTRIBUTION will be paid by the GRANTING AUTHORITY to the CONCESSIONAIRE upon proof of completion of the DISBURSEMENT EVENTS provided for in this ANNEX.
3. The DISBURSEMENT EVENTS correspond to certain development milestones of the IMPLEMENTATION WORKS set out in Table 1 below, and the DISBURSEMENT EVENTS set out in Table 1 must be clearly indicated in the PHYSICAL-FINANCIAL SCHEDULE and in the PHYSICAL-EXECUTIVE SCHEDULE prepared by the CONCESSIONAIRE.
4. The CONCESSIONAIRE, after completion of the construction works and services related to a particular DISBURSEMENT EVENT, must send ARTESP the NOTIFICATION OF COMPLETION.
5. After receiving the NOTIFICATION OF COMPLETION, issued by the CONCESSIONAIRE, ARTESP will issue and send to the CONCESSIONAIRE and the DEPOSITORY BANK, within a period of up to 30 (thirty) days, the NOTIFICATION OF DISBURSEMENT, accompanied by the corresponding inspection report, which will include the detailing of the event(s) actually carried out for the purpose of transferring the corresponding installments of the PUBLIC CONTRIBUTION.
6. In case of non-satisfactory conclusion of the DISBURSEMENT EVENTS, ARTESP, at its discretion with the support of a third party hired by it, may indicate the non-compliance in its inspection report.
7. The CONCESSIONAIRE shall remedy the non-conformities pointed out by ARTESP and submit a new NOTIFICATION OF COMPLETION to ARTESP, starting again the procedure for disbursement of the PUBLIC CONTRIBUTION linked to that EVENT.
8. Any disagreements related to the conclusion of the DISBURSEMENT EVENTS may be submitted to the mechanisms of amicable settlement of disputes disciplined in Clause Fifty-five of the AGREEMENT.
9. In the event of early fulfillment of the DISBURSEMENT EVENTS indicated in this ANNEX, the transfers of the PUBLIC CONTRIBUTION installments may be anticipated, without any limitation.

Table 1 - Disbursement Flow of Installments of the Contribution of Resources

Year	Month	Contribution installments	Expected cumulative advance (DISBURSEMENT EVENTS)	Parameter for calculating the portion of the PUBLIC CONTRIBUTION	Amount of the Public Contribution installment (PUBLIC CONTRIBUTION x Parameter for calculating the PUBLIC CONTRIBUTION installment)
1	1	Instalment 1	0.69%	0.69%	R\$ [●]
	2	Installment 2	2.89%	2.20%	R\$ [●]
	3	Installment 3	5.46%	2.57%	R\$ [●]
	4	Installment 4	9.42%	3.96%	R\$ [●]
	5	Installment 5	14,23%	4,81%	R\$ [●]
	6	Installment 6	20,40%	6,17%	R\$ [●]
	7	Installment 7	26,34%	5.94%	R\$ [●]
	8	Installment 8	30.94%	4.60%	R\$ [●]
	9	Installment 9	35,05%	4.11%	R\$ [●]
	10	Installment 10	38.81%	3.76%	R\$ [●]
	11	Installment 11	44.22%	5.41%	R\$ [●]
	12	Installment 12	50.80%	6.58%	R\$ [●]
2	13	Installment 13	56.22%	5,42%	R\$ [●]
	14	Installment 14	63.63%	7.41%	R\$ [●]
	15	Installment 15	68.23%	4.60%	R\$ [●]
	16	Installment 16	71,79%	3.56%	R\$ [●]
	17	Installment 17	75.69%	3.90%	R\$ [●]
	18	Installment 18	83,74%	8.05%	R\$ [●]
	19	Installment 19	90.12%	6.38%	R\$ [●]
	20	Installment 20	93.80%	3.68%	R\$ [●]
	21	Installment 21	96.89%	3,09%	R\$ [●]
	22	Installment 22	99.20%	2,31%	R\$ [●]
	23	Installment 23	99.61%	0.41%	R\$ [●]
	24	Installment 24	100.00%	0.39%	R\$ [●]

Events for disbursement of the PUBLIC CONTRIBUTION

10. The transfers of the PUBLIC CONTRIBUTION installments are linked to the respective physical progress of the IMPLEMENTATION WORKS under the responsibility of the CONCESSIONAIRE as described in the DISBURSEMENT EVENTS.

11. DISBURSEMENT EVENTS were stipulated based on a Breakdown Structure of the Project, in which all activities related to IMPLEMENTATION WORKS were weighted based on their estimated cost. Thus, the representativeness of each activity, event or milestone was established in relation to all the works and investments necessary for the conclusion of the IMPLEMENTATION WORKS.

11.1. Notwithstanding the provisions of item 11, the DISBURSEMENT EVENTS, as well as their values and technical description, will not be changed during the execution of the IMPLEMENTATION WORKS, regardless of the costs actually incurred by the CONCESSIONAIRE for the execution of each activity.

12. The CONCESSIONAIRE may, during the execution of the IMPLEMENTATION WORKS, change the PHYSICAL-EXECUTIVE SCHEDULE, provided that it submits the intended changes and the formal justification for such changes for prior approval by ARTESP, in accordance with the procedure established in APPENDIX G. O new PHYSICAL-EXECUTIVE SCHEDULE will not affect DISBURSEMENT EVENTS, as per TABLE 1 above.

The procedure for payment of the PUBLIC CONTRIBUTION

The DEPOSITORY BANK, after receiving the NOTIFICATION OF DISBURSEMENT sent by ARTESP indicating the conclusion of a certain DISBURSEMENT EVENT, shall transfer the referred portion of funds from the RESERVE ACCOUNT to the CONCESSIONAIRE's FREE TRANSACTION ACCOUNT, pursuant to APPENDIX E.