



STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

ANNEX XXXI – SET OF PENALTIES AND INSPECTION



STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

TABLE OF CONTENTS

1.	INTRODUCTION.....	3
2.	GENERAL PROVISIONS.....	3
3.	WARNING.....	4
4.	FINE.....	4
5.	TEMPORARY SUSPENSION OF THE RIGHT TO BID AND BAN FROM CONTRACTING WITH THE DIRECT OR INDIRECT PUBLIC ADMINISTRATION OF THE STATE OF SÃO PAULO, AND DECLARATION OF INELIGIBILITY TO BID OR CONTRACT WITH THE PUBLIC ADMINISTRATION.....	8
6.	MISTREATMENT OF ANIMALS	9
7.	INFRACTIONS TABLE.....	11

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

1. INTRODUCTION

- 1.1. The purpose of this ANNEX is to stipulate contractual penalties, define infringing conducts, and fines to which the CONCESSIONAIRE shall be subject to, notwithstanding the possibility that a sanction might be applied in light of its failure to adhere to any other obligations established in the AGREEMENT or in the AUCTION NOTICE, as permitted under Section Forty-Four of the AGREEMENT, and in the laws and regulations applying to the matter, which govern the CONCESSIONAIRE.
- 1.2. This ANNEX does not change the process of environmental inspection, as resulting from SMA Resolution nº 48/2014, or any updates thereto, which provides on the conducts constituting environmental violations, and its respective administrative penalties, particularly its article 29, which establishes punishments for acts of abuse, mistreatment, injury and mutilation of wild animals, both native and exotic.
- 1.3. Application of penalties referenced in this ANNEX shall always adhere to the provisions of Section Forty-Four of the AGREEMENT, so that the GRANTING AUTHORITY shall always be allowed to, in addition to applying the appropriate penalty, demand the return of any amounts earned by the CONCESSIONAIRE, even by way of savings, as a result of the practiced qualified as a violation, thereby avoiding the unjust enrichment of the CONCESSIONAIRE.

2. GENERAL PROVISIONS

- 2.1. For purposes of application of penalties, this ANNEX, the AGREEMENT, especially its Section Forty-Four, the AUCTION NOTICE, the AGREEMENT, and the ANNEXES shall be observed, as well as the applicable legislation.
- 2.2. In the event that a given conduct constitutes more than one violation, among those referenced in this ANNEX, the penalty corresponding to the most specific violation shall apply, provided that a single conduct shall not be subject to the application of an additional, more general penalty.
- 2.3. In case of violations that are proven to have resulted from force majeure and/or an act of God, and/or renders a divergent conduct unenforceable, no penalty shall be applied to the CONCESSIONAIRE, as long as the event that is beyond the control and culpability of the CONCESSIONAIRE is directly and immediately to blame for the act of infraction.
 - 2.3.1. If it is determined that the infraction would have occurred even if, hypothetically, the force majeure event and/or act of God had not happened, the penalty may be applied to the CONCESSIONAIRE.
 - 2.3.2. For purposes of application of penalties, the following definitions shall apply:
 - I. force majeure and act of God: any event so defined under Brazilian civil law, which is deemed to be the direct, immediate cause of an infraction within the scope of the AGREEMENT;
 - II. unenforceable divergent conduct: a situation that, albeit constituting an infraction according to the terms of this ANNEX or the AGREEMENT, is not caused by fault of the CONCESSIONAIRE, which has diligently taken every action incumbent upon it to secure a different result, which shall be properly shown and unequivocally established in the due course.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

PENALTIES

3. WARNING

- 3.1. A warning penalty may be applied, instead of a fine penalty, whenever a contractual infraction is committed, with a minimum value, as stated in the Infractions Table in Item 7, of 0.001% (one thousandth percent), subject to the fulfillment of the following requirements:
- I. the CONCESSIONAIRE must formally request the application of a warning, acknowledging the commitment of the captioned infraction, within the term stipulated for the production of its defense during the course of the administrative process; and
 - II. the CONCESSIONAIRE must show that it has taken the actions needed to effectively remedy the failure, thereby ceasing the commitment of the infraction by the date of the request, subject to corroboration;
 - III. the CONCESSIONAIRE must show that it has taken the appropriate actions to prevent the recurrence of a similar failure;
 - IV. the infraction shall not have caused material damages to the GRANTING AUTHORITY, or to the public asset granted, or to any BIOLOGICAL ASSETS, the USERS, and/or to the public service provided; and
 - V. no recurrence shall have been identified, as defined in Section Forty-Four of the AGREEMENT.

4. FINE

- 4.1. Fines shall be applied whenever the CONCESSIONAIRE infringes any provisions of the AGREEMENT and the ANNEXES, according to the rules established in this ANNEX, subject to the terms of Chapter VII of the AGREEMENT.
- 4.2. Values of fines to be applied shall be computed based on percentages levying on the highest of the following amounts:
- I. REVENUES, including ADDITIONAL REVENUES, earned by the CONCESSIONAIRE and any of its wholly-owned subsidiaries, during the calendar year preceding the infraction that entailed the application of the penalty; or
 - II. REVENUES, including ADDITIONAL REVENUES, to be earned by the CONCESSIONAIRE, as estimated in the technical and economic viability (TEV) study for the contractual year preceding the infraction that entailed application of the penalty, considering the portion of the term that has already elapsed of the CONCESSION AGREEMENT, or, for the first 5 (five) years of the term of the CONCESSION AGREEMENT, REVENUES, including ADDITIONAL REVENUES to be earned by the CONCESSIONAIRE, as estimated in the TEV in the 6th year of the term of the CONCESSION AGREEMENT.
- 4.3. All contractual infractions are described in the Infractions Table.
- 4.3.1. The monetary value ranges listed in the Infractions Table shall allow for the valuation of the infraction, upon application of the assessment criteria established in item 4.6.
- 4.3.2. Following valuation of the infraction, based on the assessment criteria established in item 4.6, the value of the fine to be effectively paid can be determined, as well as the periodicity of its

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

application, when relevant, based on the rules governing the specific category of the infraction, as defined in item 4.7.

- 4.4. In the event that the CONCESSIONAIRE fails to perform any obligation established in the AUCTION NOTICE, the AGREEMENT, and the ANNEXES, or to adhere to the applicable laws and regulations, which is not referenced in the Infractions Table, the fine shall be computed according to the assessment procedure described in item 4.6 and the classification in item 4.7, referencing, when possible, the monetary value range and the infraction category, as established in the Infractions Table, that is most similar to the infraction committed, but not covered in the Table.
- 4.5. When the CONCESSIONAIRE, or its agents, commits, by more than one action or inaction, two or more infractions consisting of the mistreatment of animals located within the same enclosure, and, considering the conditions of time, place, form of execution, and other similar conditions, all successive infractions are to be deemed as a continuation of the first, a fine shall be applied to just one of the infractions, provided they are identical, or to the most serious infraction, when they differ, the fine being increased, in any event, by 10% per affected animal, up to a maximum increment of 200%, levying on the base value reached at the end of the first assessment phase, as described in subsection 4.6.1, notwithstanding the subsequent application of aggravating and mitigating circumstances, if any, in the second phase of the assessment, as described in subsection 4.6.2.
- 4.6. The infraction shall be valued, upon the application of the following assessment phases, based on the value ranges established in the Infractions Table.
- 4.6.1. **First assessment phase:** in order to determine the base value within the range of values assigned to the infraction in the Infractions Table, damages caused by the infraction – to the GRANTING AUTHORITY, to the public asset granted, to the BIOLOGICAL ASSETS, to the USERS, and/or to the service provided – shall be considered, as well as the amounts earned, directly or indirectly, by the CONCESSIONAIRE.
- 4.6.1.1. For infractions described in the Infractions Table (Group I), during the first assessment phase to determine the fine value, any partial deliveries may be considered, in which case the base value shall be decreased proportionately to the portion of infrastructure delivered, which is effectively available and operational, both functionally and technically.
- 4.6.2. **Second assessment phase:** once the base value has been defined, the aggravating and mitigating circumstances shall be considered, if any, subject to the application of the respective increase or decrease percentile to the base value, which shall thereby produce the infraction value.
- 4.6.2.1. The increase or decrease percentile to be applied to the base value shall be the result of the sum of all aggravating percentiles less the sum of all mitigating percentiles.
- 4.6.2.2. The following are mitigating circumstances:
- I. the fact that the CONCESSIONAIRE spontaneously comes before the GRANTING AUTHORITY to communicate the occurrence of an infraction that has not been identified by inspection, and acknowledges its responsibility: decrease of 50% (fifty percent) from the base value established for the fine;
 - II. the admission, within the term for production of a defense, of the commitment of the infraction assessed, as well as its responsibility therefor: decrease of 20% (twenty percent) from the base value established for the fine;

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

- III. the contribution of external agents to the default, which influences the end result: decrease of 15% (fifteen percent) from the base value established for the fine; and
- IV. when consistent with the nature of the infraction, the performance of spontaneous actions by the CONCESSIONAIRE, which cause the infraction to cease and restore the conditions of the affected parties, within the term for production of a defense: decrease of 20% (twenty percent) from the base value established for the fine.

4.6.2.3. The following are aggravating circumstances:

- I. the fact that the infraction was committed with fraudulent intent or in bad faith: increase of 30% (thirty percent) on top of the base value established for the fine;
- II. failure to take alternate and/or mitigating actions, within the term and under the conditions recommended by the GRANTING AUTHORITY: increase of 20% (twenty percent) on top of the base value established for the fine;
- III. the fact that the infraction was committed to facilitate or ensure the execution, concealment, impunity or advantage resulting from another infraction: increase of 30% (thirty percent) on top of the base value established for the fine; and
- IV. the fact that the infraction was committed causes irreversible damages, to the BIOLOGICAL ASSETS and/or the USERS, and/or causes animals to flee: increase of 30% (thirty percent) on top of the base value established for the fine.

4.6.2.4. The following situations cannot be acknowledged, concurrently, as aggravating and/or mitigating circumstances:

- I. the mitigating circumstance referenced in subsection 4.6.2.2, item I, combined with the mitigating circumstance referenced in subsection 4.6.2.2, item II, in which case the former shall prevail;
- II. the mitigating circumstance referenced in subsection 4.6.2.3, item IV, combined with the aggravating circumstance referenced in subsection 4.6.2.3, item II, in which case the aggravating circumstance shall prevail;
- III. any of the mitigating circumstances referenced in subsection 4.6.2.2, items I, II or III, combined with any of the aggravating circumstances referenced in subsection 4.6.2.3, items I or III, in which case the aggravating circumstance(s) shall prevail;

4.6.2.5. The mitigating circumstance referenced in subsection 4.6.2.2, item I, shall not apply to the infractions qualified as “delay infractions”, which result from the failure to adhere to schedules or dates objectively established in the AGREEMENT, ANNEXES, and in the plans produced.

4.6.3. The value of a recurring infraction shall be incremented in case of recurrence by the CONCESSIONAIRE within a period of 3 (three) years, as defined in Section Forty-Four of the AGREEMENT, even if, on the date of the recurring infraction, no judgment has yet been passed for the first infraction, or even if no administrative process has been instituted in view of the application of sanctions, based on the following percentiles:

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

- I. first recurrence: increase of 25% (twenty-five percent);
 - II. second recurrence: increase of 50% (fifty percent);
 - III. third recurrence and following: increase of 100% (one hundred percent).
- 4.7. Infractions referenced in this ANNEX are split into 3 (three) categories: (I) infractions for one-time breach of the AGREEMENT; (II) delay infractions; and (III) infractions for default of the AGREEMENT whose effects linger over time.
- 4.7.1. The **infractions for one-time breach of the AGREEMENT** reflect a situation in which the CONCESSIONAIRE has defaulted with an obligation established by law, under the AUCTION NOTICE, the AGREEMENT or the ANNEXES, but the infraction ends with the breach itself, producing no long-term effects, whereas no action is needed to stop the infraction.
- 4.7.1.1. In this case, the GRANTING AUTHORITY shall institute the appropriate administrative process in view of the application of sanctions, notifying the CONCESSIONAIRE about the contractual default identified and informing the category of the infraction among those listed in the Infractions Table, as appropriate.
- 4.7.1.2. The infraction value, computed based on item 4.6, shall correspond to the value of the fine payable for each infringing conduct identified, whether by action or inaction.
- 4.7.2. The **delay infractions** reflect a delay by the CONCESSIONAIRE in the performance of its obligations established by law, under the AUCTION NOTICE, the AGREEMENT or the ANNEXES, where the infraction continues until the CONCESSIONAIRE executes the obligation in full, albeit late, thereby remedying the default.
- 4.7.2.1. In this case, notwithstanding the immediate institution of the appropriate administrative process in view of the application of sanctions, the GRANTING AUTHORITY shall notify the CONCESSIONAIRE so that it may proceed with the immediate execution of the defaulted obligation, further informing the category of the infraction among those listed in the Infractions Table, as appropriate. The failure to deliver said notification shall not release the CONCESSIONAIRE from its duty to remedy the delay.
- 4.7.2.2. The infraction value, computed based on item 4.6, shall correspond to the value of the fine, for each full month of duration of the CONCESSIONAIRE's delay, whereas the fine shall be computed by multiplying 1/30 (one thirtieth) of the infraction value for each day that the CONCESSIONAIRE remains delinquent, counted as of the date when the obligation should have been performed.
- 4.7.3. Infractions for breach of the agreement whose effects linger over time reflect a situation where the CONCESSIONAIRE infringes an obligation established by law, under the AUCTION NOTICE, the AGREEMENT or the ANNEXES, but the infraction does not end with the breach itself, whereas its effects are projected over time, until the CONCESSIONAIRE takes action to return to a situation of compliance with the agreement.
- 4.7.3.1. In this case, notwithstanding the immediate institution of the appropriate administrative process in view of the application of sanctions, the GRANTING AUTHORITY shall notify the CONCESSIONAIRE of the identification of the breach of agreement and determine the implementation, by the CONCESSIONAIRE, of the actions needed to remedy the situation, informing the category of the infraction among those listed in the Infractions Table, as appropriate. The failure to deliver said notification shall not relieve the CONCESSIONAIRE of its duty to remedy the situation.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

- 4.7.3.2. The infraction value, computed based on item 4.6, shall correspond to the amount payable by the CONCESSIONAIRE as a result of each infringing conduct committed, whether by action or inaction, plus an increment of 1% (one percent) on top of the infraction value, per day, until the situation has been remedied, which value shall be computed from the date of occurrence of the infraction until the date when it is remedied.
- 4.7.3.3. If the CONCESSIONAIRE proves that there is no chance that the situation can be remedied, the infraction shall be converted into a one-time breach of the agreement, as described in subsection 4.7.1, and the infraction value, computed based on item 4.6, shall suffer an increment of 30%.
- 4.8. The value of the fines as described in subsections 4.7.2 and 4.7.3, computed, respectively, as established in items 4.7.2.2 and 4.7.3.2, may not exceed, for each infringing conduct, considered individually, an amount corresponding to 200% of the highest level of the range of values presented in the Infractions Table.
- 4.9. In the event that the CONCESSIONAIRE performs an act that leads to an effective ruling determining the termination of the CONCESSION, a fine shall be applied in an amount equivalent to the PERFORMANCE BOND, instead of the fine stipulated for the default leading to the termination, even if a specific fine has been stipulated for such act.

5. TEMPORARY SUSPENSION OF THE RIGHT TO BID AND BAN FROM CONTRACTING WITH THE DIRECT OR INDIRECT PUBLIC ADMINISTRATION OF THE STATE OF SÃO PAULO, AND DECLARATION OF INELIGIBILITY TO BID OR CONTRACT WITH THE PUBLIC ADMINISTRATION.

- 5.1. The suspension of the right to participate in bid proceedings and to contract with the direct or indirect Public Administration of the State of São Paulo, and the declaration of ineligibility to bid or contract with the PUBLIC ADMINISTRATION may be applied, subject to the lawful rules governing competence, in case of recurring regulatory or contractual infractions, as well as infractions causing serious damage to the public interest, in addition to the situations anticipated under the law and the applicable regulations, particularly those referenced in article 82 of State Law nº 6.544/1998, whenever they lead to an effective ruling determining the termination of the CONCESSION, and further considering the following circumstances, to ensure the application of the principles of equitability and proportionality:
 - I. nature and gravity of the infraction;
 - II. existence of malice on the part of the CONCESSIONAIRE or its agents;
 - III. damage caused to the GRANTING AUTHORITY, the BIOLOGICAL ASSETS, or the USERS;
 - IV. benefits earned by the CONCESSIONAIRE as a result of the infraction committed;
 - V. actions taken by the CONCESSIONAIRE to minimize the damages caused by the infraction;
 - VI. economic and financial situation of the CONCESSIONAIRE, especially its ability to honor its financial commitments, generate revenues, and maintain the performance of the AGREEMENT; and
 - VII. prior professional records of the CONCESSIONAIRE.
- 5.2. The penalty of suspension of the right to participate in bid proceedings and to contract with the direct or indirect Public Administration of the State of São Paulo may be applied for no more than 2 (two) years.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

5.3. The declaration of ineligibility to bid or contract with the PUBLIC ADMINISTRATION shall remain effective while the reasons that determined the punishment persist, or until the party's rehabilitation with the authority that applied the penalty.

5.3.1. The rehabilitation shall be requested to the authority that applied the penalty, and it shall be granted as long as the CONCESSIONAIRE reimburses the Administration for the losses suffered, and provided a term of 2 (years) has elapsed since the application of the sanction.

5.4. The penalties of suspension of the right to participate in bid proceedings and to contract with the direct or indirect Public Administration of the State of São Paulo, and issuance of the declaration of ineligibility to bid or contract with the PUBLIC ADMINISTRATION, shall apply against the CONCESSIONAIRE and its controlling shareholder(s) exercising the CONTROL of the SPECIAL PURPOSE COMPANY when the unlawful act occurred, which resulted in the application of the sanction.

INFRACTIONS IN KIND

6. MISTREATMENT OF ANIMALS

6.1. For purposes of this AGREEMENT and characterization of the infractions described in items 117 and 119 of the Infractions Table, mistreatment is defined as: any act, whether direct or indirect, which a party performs or fails to perform, intentionally or as a result of negligence, incompetence or imprudence, that causes unnecessary pain or suffering to animals. The definition of mistreatment includes the following:

- I. cruelty: defined as any intentional act that causes unnecessary pain or suffering to animals, or the intentional perpetuation of the ongoing mistreatment of animals; and
- II. abuse: defined as any intentional act, which a party performs or fails to perform, implying the improper, wrongful, excessive, disproportionate, incorrect use of animals, causing them physical and/or psychological damage.

6.1.1. By way of example, the actions or inactions listed hereinbelow constitute mistreatment, within the scope of this AGREEMENT, without prejudice to the provisions of the current environmental laws:

6.1.1.1. Improper operation, related mainly to the maintenance of living spaces, such as:

- I. improper cleaning to allow for maintenance of animals within enclosures, such as: sites lacking minimal conditions of hygiene and cleanliness, with bits of food and feces scattered, failure to keep beds, feeding troughs and drinking troughs clean, failure to keep tanks clean, offering water of a quality that is inappropriate to support animal life or which compromises the animals' health, lakes with a water quality inconsistent with the standards established in the monitoring program;
- II. absence of appropriate escape point(s) within the space, or lack of access to shelter(s), and/or existence of an escape point that is incapable of providing the animal with mobility and comfort during its stay; or
- III. inappropriate infrastructure in enclosures, capable of compromising the physical integrity of the animal or constituting a flight risk.

6.1.1.2. Inappropriate management, which has a direct or indirect effect on the animal, including by omission, such as:

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

- I. furnishing food items and water with quality, quantity, specificity, or frequency below the requirements of the species/individual;
- II. keeping an animal without proper access to water, food, and temperature that are consistent with its needs, in a poorly ventilated and poorly lighted location, save upon a recommendation by a qualified professional, based on ethical principles and technical criteria;
- III. keeping a population density within the enclosure that exceeds the appropriate number to allow for the proper care, to ensure the animals' good health conditions and wellbeing, so as to restrict the animals' mobility, the individuals' access to water, food, escape points and shelters, perches, etc.;
- IV. keeping different species within the same enclosure, where the interspecific relations do not allow for their full development, whether or not physical damages or death result;
- V. failure to take mitigating actions when a terrifying situation or a situation of physical abuse against animals, of the same species or of different species, which are kept within the same enclosure, is identified;
- VI. preventing animals from moving around freely or from resting;
- VII. submitting or forcing animals to excessive activities, which compromises their physical and/or psychological state, to procure from the animal efforts or behaviors that would not happen if not under coercion;
- VIII. mutilating animals, save when there is a clinical-surgical indication, made by a veterinarian;
- IX. enforcing population control measures involving methods that have not been approved by the competent environmental body;
- X. inducing the death of an animal employing a method that has not been approved or recommended by official bodies or entities, and without involving a certified professional;
- XI. employing punitive methods, based on inflicting pain and suffering, for training, showing or entertainment purposes;
- XII. making use and/or allowing the use of chemical and/or physical agents to diminish the pain or enable the modification of the animal's physiological performance, for any purposes whatsoever, especially for the purpose of shows and scientific research.
- XIII. using forced feeding, save for purposes of medical treatment prescribed by a veterinarian;
- XIV. performing invasive or surgical procedures without the proper anesthetic, analgesic and hygienic-sanitary care, as technically recommended;

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

- XV. allowing or authorizing the performance of anesthetic, analgesic, invasive, surgical or injuring procedures by any person who is not a technically qualified professional; or
- XVI. physically assault or act in view of inflicting pain, suffering or damage to the animal.

- 6.2. In order to characterize mistreatments, the GRANTING AUTHORITY may also consider, for purposes of the application of penalties within the scope of this AGREEMENT, any specific technical regulations or laws currently in effect, or enacted in the future, concerning the matter.
- 6.3. If the appropriate environmental body identifies situations of mistreatment during inspections or in technical reports, which are not included in the list of examples in subsection 6.1.1 or under item 6.2, they may be considered, nonetheless, for the purposes of the application of penalties as referenced in this AGREEMENT.
- 6.4. For purposes of the valuations to be made under the AGREEMENT, in the events referenced in items 6.2 and 6.3, the situations of mistreatment identified must be qualified under the appropriate category, to the extent that it involves either: (I) improper operation, particularly concerning the maintenance of the living spaces, or (II) improper management, which has a direct or indirect effect on the animal, including by omission.
- 6.5. Notwithstanding the application of the penalties to the CONCESSIONAIRE, if a conduct is identified by a professional employed by the CONCESSIONAIRE, which constitutes mistreatment of animals, the GRANTING AUTHORITY may determine the immediate replacement of the professional in question, notifying the respective Professional Board to formally investigate the professional's conduct.

7. INFRACTIONS TABLE

ITEM	INFRACTION	VALUATION	INFRACTION CATEGORY
DELIVERY, AMENDMENT AND RENEWAL OF PLANS AND CERTIFICATES			
1	Failure to deliver the FAUNA INTERVENTIONS PLAN, including all the minimum components, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction
2	Failure to deliver the FLORA INTERVENTIONS PLAN, including all the minimum components, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

3	Failure to deliver the INTERVENTIONS PLAN FOR THE FARM, including all the minimum components, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction
4	Failure to deliver the INFRASTRUCTURE OPERATING PLANS SCHEDULE, including all the mandatory Plans, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction
5	Failure to deliver the BIOLOGICAL ASSETS OPERATING PLANS SCHEDULE, including all the minimum components, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction
6	Failure to deliver the FARM ADJUSTMENT PLAN, including all the minimum components, to the GRANTING AUTHORITY, within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks: between 0.01% and 0.1%.	II – delay infraction
7	Failure to procure the following certifications within the stipulated timeline, each constituting a separate infraction: 1. ISO 9001; 2. ISO 14001; 3. ISO 45001; and 4. Animal Wellbeing.	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to six months: between 0.01% and 0.1%. III – When delayed over six months: between 0.1% and 1.5%.	II – delay infraction
8	Loss or failure to renew the following certifications, each constituting a separate infraction: 1. ISO 9001; 2. ISO 14001; 3. ISO 45001; and 4. Animal Wellbeing.	Between 0.1% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to procure or renew the certification lost.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

9	To lose, at any time during the CONCESSION PERIOD, the Category A certification, as a result of the failure to perform the items incumbent upon it, for Brazilian Botanic Gardens, as stipulated by CONAMA.	Between 0.1% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to procure the mandatory certification
10	To suffer the precautionary embargo or suspension of the activities, or lose, at any time during the CONCESSION PERIOD, the WILDLIFE USE AND MANAGEMENT AUTHORIZATION, as a result of the failure to adhere to the conditions therefor or to specific laws governing the matter	Between 0.1% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: procurement of the permission required when allowable under the applicable laws
11	Failure to produce the administrative acts (such as permits, licenses, authorizations) procured in the name of the CONCESSIONAIRE, yearly.	Between 0.1% and 1.5%.	II – delay infraction
12	To amend or review any of the following, without submitting the act to the prior approval of the GRANTING AUTHORITY or previously notifying the act to the GRANTING AUTHORITY, as the case may be, each constituting a separate infraction: 1. FAUNA INTERVENTIONS PLAN; 2. FLORA INTERVENTIONS PLAN; 3. INTERVENTIONS PLAN FOR THE FARM; 4. INFRASTRUCTURE OPERATING PLANS SCHEDULE; 5. PLAN FOR ENVIRONMENTAL ADJUSTMENT OF THE FARM; and 6. the physical execution schedule for completion of the MINIMUM STARTING INVESTMENTS.	De 0,001% a 0,1%	III – Infraction for default of agreement whose effects linger over time Remedy: (I) to procure, if possible, the approval of the GRANTING AUTHORITY; or (II) reversal of the amendment/review.
INFRASTRUCTURE REQUALIFICATION, ADJUSTMENT AND UPGRADING			
13	Delay of the initial milestones of the infrastructure requalification, adjustment and upgrading work, according to the INTERVENTIONS PLAN approved by the GRANTING AUTHORITY.	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to six months: between 0.01% and 0.1%. III – When delayed over six months: between 0.1% and 1.5%.	II – delay infraction
14	Failure to adhere to the intermedial milestones of the infrastructure requalification, adjustment and upgrading work, according to the INTERVENTIONS PLAN approved by the GRANTING AUTHORITY.	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to	II – delay infraction

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

		six months: between 0.01% and 0.1%. III – When delayed over six months: between 0.1% and 1.5%.	
15	Failure to complete, in full or in part, the infrastructure requalification, adjustment and upgrading work, according to the INTERVENTIONS PLAN approved by the GRANTING AUTHORITY, by the 60 th month of the CONCESSION	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to six months: between 0.01% and 0.1%. III – When delayed over six months, but less than a year: between 0.1% and 1.5%. IV – When delayed over one year: 1.5% to 5%.	II – delay infraction
16	Failure to implement solutions for internal connection, transportation, mitigation of the impacts on wildlife, and communication and signaling, as referenced in the AGREEMENT and in ANNEX III, within the stipulated timeline.	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to six months: between 0.01% and 0.1%. III – When delayed over six months, but less than a year: between 0.1% and 1.5%.	II – delay infraction
17	Failure to deliver interventions in view of improvement, preservation and operation of the space reserved to serve as the nursery for the breeding stock, within the term stipulated in the AGREEMENT and ANNEXES.	I - When delayed up to a month: between 0.001% and 0.01%. II – When delayed over a month, up to six months: between 0.01% and 0.1%. III – When delayed over six months, but less than a year: between 0.1% and 1.5%.	II – delay infraction
18	Failure to adhere to the guidelines applying to building and renovation projects.	Between 0.001% and 0.01%	III – Infraction for default of agreement whose effects linger over time Remedy: to adjust the buildings to the guidelines.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

19	Failure to redo, adjust or correct any and all works or services incumbent upon it, which have been executed improperly or inconsistently with the quality standards in place.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: corroborate the actions taken to adjust or correct the defect identified by the GRANTING AUTHORITY
20	Failure to prepare the additional drawings and detailed information needed to render all the elements in each building fully understandable, exactly “as-built”, within the stipulated timeline.	I – When delayed up to two months: between 0.001% and 0.01%. II – When delayed over two months: between 0.01% and 0.1%.	II – delay infraction
TRANSFER OF POSSESSION OF THE PUBLIC ASSET AND START OF THE OPERATION OF CASH-GENERATING UNITS OR ASSETS			
21	Failure to adhere to the deadline for assumption of Infrastructure Assets, regardless of the GRANTING AUTHORITY’s consent to an extension, save when the failure to comply has resulted from a fact imputable to the GRANTING AUTHORITY.	I - When delayed up to two weeks: between 0.01% and 0.1%. II – When delayed over two weeks: between 0.1% and 1.5%.	II – delay infraction
22	To delay or create an impediment to the execution of the TERM OF DELIVERY OF THE PUBLIC ASSET.	I - When delayed up to two weeks: between 0.01% and 0.1%. II – When delayed over two weeks: between 0.1% and 1.5%.	II – delay infraction
23	Failure to take an inventory of the BIOLOGICAL ASSETS consisting of Fauna in the CONCESSION AREA within the stipulated timeline.	I - When delayed up to two weeks: between 0.001% and 0.01%. II – When delayed over two weeks, for up to one month: between 0.01% and 0.1%. III – If the delay exceeds one month: between 0.1% and 1.5%.	II – delay infraction

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

24	Failure to take an inventory of the BIOLOGICAL ASSETS consisting of Flora in the CONCESSION AREA within the stipulated timeline	<p>I - When delayed up to two weeks: between 0.001% and 0.01%.</p> <p>II – When delayed over two weeks, for up to one month: between 0.01% and 0.1%.</p> <p>III – If the delay exceeds one month: between 0.1% and 1.5%.</p>	II – delay infraction
25	Failure to establish, in each of the BIOLOGICAL ASSETS OPERATING PLAN SCHEDULES, staff sized up for the operation.	<p>I - When delayed up to two weeks: between 0.001% and 0.01%.</p> <p>II – When delayed over two weeks, for up to one month: between 0.01% and 0.1%.</p> <p>III – If the delay exceeds one month: between 0.1% and 1.5%.</p>	II – delay infraction
26	Failure to preserve staff sized up in each of the BIOLOGICAL ASSETS OPERATING PLAN SCHEDULES during the course of the operation.	Between 0.01% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: restore the team needed.
27	Failure to procure mandatory training certifications for the operation of the BIOLOGICAL ASSETS consisting of Fauna and Flora.	Between 0.1% and 1.5%.	II – delay infraction
28	Failure to procure the transfer of ownership of the Use and Management Authorization	Between 0.1% and 1.5%.	II – delay infraction
29	Failure to assume the operation of BIOLOGICAL ASSETS consisting of Flora or Fauna.	Between 0.1% and 1.5%.	II – delay infraction
30	To operate without procuring authorizations associated with fauna management as applicable to the operation of Zoos and, in the captioned case, the authorization for <i>in situ</i> management of wild animals	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: to suspend the irregular operations and/or procure the authorizations needed.
DUTY TO KEEP SERVICES CURRENT			

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

31	Failure to keep services provided under the CONCESSION current and state-of-the-art.	Between 0.001% and 0.1%.	III – Infraction for default of agreement whose effects linger over time Remedy: to modernize the services provided.
ENVIRONMENTAL AND HISTORICAL HERITAGE			
32	Failure to meet any requirements established in environmental licenses and permits.	Between 0.1% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to meet the requirements.
33	Failure to procure, maintain or renew environmental licenses and permits.	Between 0.1% and 1.5%.	Failure to procure: II – delay infraction Failure to maintain or renew: III – Infraction for default of agreement whose effects linger over time Remedy: to procure the mandatory license.
34	Failure to meet requirements established in authorizations issued by tangible and/or intangible heritage defense bodies, imposed as a result of the listing of historical landmarks in the area assigned to the CONCESSIONAIRE.	Between 0.01% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to meet the requirements.
35	Failure to keep authorizations issued by tangible and/or intangible heritage protection bodies valid, which are required as a result of the listing of historical landmarks in the area assigned to the CONCESSIONAIRE.	Between 0.01% and 1.5%.	II – delay infraction.
36	Failure to adhere to the rules, standards or procedures described in the MANAGEMENT PLAN for the Conservation Unit of the State Park Ipiranga Springs, and the MASTER PLAN for the BOTANIC GARDEN, provided that each rule that is overlooked shall constitute a separate infraction, including for the purposes of determining a recurrence, which shall only be the case when a new infraction is committed against a rule that was previously breached.	Between 0.001% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to adhere to the rules, standards or procedures that were overlooked.
INSPECTION, INSPECTION SUPPORT AND INTERACTIONS			
37	To create difficulties, fail to collaborate, or fail to adhere to the GRANTING AUTHORITY's determinations concerning its inspection powers.	Between 0.01% and 1.5%.	If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			<p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to take the necessary actions to enable the practice of inspection</p>
38	Failure to perform the obligation to hire or replace the INDEPENDENT VERIFIER, within the stipulated timeframes	Between 0.1% and 1.5%.	II – delay infraction;
39	Failure to provide, when requested, biological samples for analysis and issuance of reports by the FPZSP.	Between 0.01% and 0.1%	<p>III – Infraction for default of agreement whose effects linger over time</p> <p>Remedy: to produce the samples requested.</p>
40	Failure to inform the FPZSP of the death of any animal within the Breeding Stock, within the stipulated timeline.	Between 0.01% and 0.1%	II – delay infraction
41	Failure to provide explanations and information requested by the Agreement Performance Monitoring Committee.	Between 0.001% and 1.5%	II – delay infraction.
42	Failure to prepare and deliver the Annual Report to the GRANTING AUTHORITY, within the stipulated timeline.	<p>I - When delayed up to a month: between 0.001% and 0.01%.</p> <p>II – If the delay exceeds one month: between 0.01% and 0.1%.</p>	II – delay infraction.
43	Failure to prepare a report including all assessments in terms of the PERFORMANCE INDICATORS, and to subsequently deliver it to the INDEPENDENT VERIFIER, in view of the calculation of the VARIABLE GRANT.	Between 0.1% and 1.5%	II – delay infraction
44	Engage in any kind of fraud concerning the number of USERS and ticket exemptions.	Between 0.1% and 5%	<p>If the fraud is an isolated situation: I – Infraction for a one-time breach of the agreement.</p> <p>If the fraud lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to cease the fraudulent practice identified.</p>

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

ACCESS TO THE CONCESSION AREA AND RULES GOVERNING INTERACTIONS			
45	Preventing the access of representatives of the GRANTING AUTHORITY, the FPZSP and the IBT to the CONCESSION AREA, to perform the activities associated with their respective institutional duties.	Between 0.01% and 1.5%.	<p>If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.</p> <p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: To allow the representatives' access.</p>
46	Preventing the access of researchers during the course of an Ongoing Study to the CONCESSION AREA.	Between 0.01% and 0.1%	<p>If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.</p> <p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: To allow the representatives' access.</p>
47	Failure to adhere to the guidelines governing interactions with the FPZSP, whereas each rule breached shall constitute a separate infraction, including for the purposes of determining a recurrence, which shall only be the case when a new infraction is committed against a rule that was previously breached.	Between 0.001% and 0.1%	<p>If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.</p> <p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to fulfill the guideline breached.</p>
48	Failure to adhere to guidelines governing the interactions with the IBT, whereas each rule breached shall constitute a separate infraction, including for purposes of determining a recurrence, which shall only be the case when a new infraction is committed against a rule that was previously breached.	Between 0.001% and 0.1%	<p>If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.</p> <p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to fulfill the guideline breached.</p>

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

49	Failure to adhere to guidelines governing interactions with USP, whereas each rule breached shall constitute a separate infraction, including for purposes of determining a recurrence, which shall only be the case when a new infraction is committed against a rule that was previously breached.	Between 0.001% and 0.1%	<p>If the conduct is an isolated occurrence: I – Infraction for a one-time breach of the agreement.</p> <p>If the conduct lingers over time: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to fulfill the guideline breached.</p>
ADDITIONAL REVENUES			
50	Failure to submit appropriate agreements and documents to the GRANTING AUTHORITY, concerning ADDITIONAL REVENUES.	Between 0.1% and 1.5%	II – delay infraction
51	Failure to account separately for ADDITIONAL REVENUES earned by the CONCESSIONAIRE.	Between 0.1% and 1.5%	<p>III – Infraction for default of agreement whose effects linger over time</p> <p>Remedy: deliver to the GRANTING AUTHORITY the accounting records for ADDITIONAL REVENUES, as required under the AGREEMENT.</p>
52	Failure to submit, within the timeframe stipulated in the AGREEMENT, a report detailing the amounts collected, including copies of invoices and similar documents, and any other information needed to track the use of ADDITIONAL REVENUES.	Between 0.01% and 0.1%	II – delay infraction
53	Failure to adhere to obligations to sign any and all agreements concerning the use of ADDITIONAL REVENUES.	Between 0.1% and 1.5%	<p>III – Infraction for default of agreement whose effects linger over time</p> <p>Remedy: deliver to the GRANTING AUTHORITY all agreements relative to the use of ADDITIONAL REVENUES.</p>
54	Executing an agreement concerning the use of ADDITIONAL REVENUES, with a term exceeding the CONCESSION period, without the prior consent of the GRANTING AUTHORITY.	Between 0.1% and 1.5%	<p>III – Infraction for default of agreement whose effects linger over time</p> <p>Remedy:</p> <p>(I) to procure the GRANTING AUTHORITY's consent, after all the preconditions of the agreement have been satisfied; or</p>

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			(II) to terminate the agreement, or change its term of duration, so that it is consistent with the CONCESSION period.
FINANCING			
55	Offering rights arising out of the CONCESSION to guarantee financing arrangements, without the prior, express consent of the GRANTING AUTHORITY.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (I) to unencumber the rights arising out of the CONCESSION under the financing agreement; or (III) procure, if possible, the consent of the GRANTING AUTHORITY.
56	Offering shares or rights corresponding to the control of the CONCESSIONAIRE, to guarantee financing arrangements, without the prior, express consent of the GRANTING AUTHORITY.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (i) to unencumber shares or rights corresponding to the control of the CONCESSIONAIRE under the financing agreement; or (ii) procure, if possible, the consent of the GRANTING AUTHORITY
57	Failure to notify the GRANTING AUTHORITY of any changes to the terms of financing arrangements contracted, or of any new financing arrangement or debt incurred, which might be considered in the calculation of the compensation payable in the event that the CONCESSION is extinguished.	Between 0.1% and 5%	II – delay infraction
ASSETS COMPRISING THE CONCESSION, REVERSAL AND TRANSITION			
58	Failure to keep REVERTIBLE ASSETS in a perfect state of conservation and safety, and sound operating conditions.	Between 0.001% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: adjust the state of conservation and safety, as well as the operating conditions of the ASSETS

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			COMPRISING THE CONCESSION
59	Executing, without the prior approval of the GRANTING AUTHORITY, works and interventions involving the demolition, renovation or construction of new structures.	Between 0.01% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (i) undo the work or intervention; or (ii) to procure, if possible, approval of the GRANTING AUTHORITY.
60	Failure to keep the INVENTORY in a good state of conservation and fully operational, including all mandatory information.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time Remedy: update the INVENTORY.
61	Failure to deliver to the GRANTING AUTHORITY, at its request, a current inventory list of the ASSETS COMPRISING the CONCESSION.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time Remedy: deliver the current INVENTORY LIST OF THE ASSETS COMPRISING THE CONCESSION
62	Failure to enter the REVERTIBLE ASSETS in the accounting records of the CONCESSIONAIRE, keeping them separate from its PRIVATE ASSETS.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time Remedy: adjust the accounting records.
63	Attempted fraud or actual fraud in the INVENTORY list of assets and biological assets.	Between 0.1% and 5%	In case of attempted fraud: I – Infraction for one-time breach of the agreement. In case of actual fraud: III – Infraction for default of agreement whose effects linger over time Remedy: to deliver the corrected INVENTORY LIST to the GRANTING AUTHORITY.
64	Selling, transferring or encumbering the REVERTIBLE ASSETS, in any way, without the prior approval of the GRANTING AUTHORITY	Between 0.01% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (I) to acquire new assets, of equivalent or superior quality as the wrongly sold assets;

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			(II) to unencumber the wrongly encumbered assets; or (iii) if possible, procure the GRANTING AUTHORITY's consent for the asset's sale, transfer or encumbrance.
65	Failure by the CONCESSIONAIRE to mention the tie-in to the CONCESSION, expressly, when executing legal transactions involving the REVERTIBLE ASSETS.	Between 0.01% and 0.1%	III – Infraction for default of agreement whose effects linger over time Remedy: to take all actions needed to, albeit <i>post hoc</i> , indicate the tie-in to the CONCESSION.
66	Failure to revert the REVERTIBLE ASSETS, as well as all the rights and privileges tied to the CONCESSION, upon its expiration.	Between 0.01% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: to take the necessary actions to promote the reversal of the REVERTIBLE ASSETS, rights and privileges tied to the CONCESSION.
67	Failure to transfer to the GRANTING AUTHORITY or whomever it shall designate, upon the termination of the CONCESSION, for whatever cause, all REVERTIBLE ASSETS in a perfect state of conservation, use and functionality.	Between 0.01% and 5%	III – Infraction for default of AGREEMENT whose effects linger over time Remedy: to transfer the REVERTIBLE ASSETS to the GRANTING AUTHORITY, or whomever it shall designate, or adjust their state of conservation, use and functionality
68	Failure to transfer, without charge, all rights and documents required for the execution of activities, described within the subject of the AGREEMENT, upon the termination of the CONCESSION.	Between 0.1% and 1.5%.	III – Infraction for default of agreement whose effects linger over time Remedy: to transfer residual rights and documents to the GRANTING AUTHORITY
69	Distributing any monies or equity among the SPE's shareholders before the GRANTING AUTHORITY can attest that reversed assets are in a perfect state of conservation, use and functionality, and free of encumbrances or charges thereon, and that amounts payable to the GRANTING AUTHORITY, by way of compensation or any other reasons, are fully guaranteed.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (i) to procure the restitution of monies or equity by the shareholders; (ii) to procure a certification to the GRANTING

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			AUTHORITY of the state of the reversed assets.
CONCESSIONAIRE			
70	Failure to meet the TIMETABLE FOR PAYING IN OF THE CAPITAL STOCK.	Between 0.01% and 0.1%	II – delay infraction
71	Decreasing the SPE's capital stock below the minimum value allowable without the GRANTING AUTHORITY's consent.	Between 0.1% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: to increase the SPE's capital stock, upholding the minimum allowable value.
72	Transferring CONTROL without the prior, express consent of the GRANTING AUTHORITY.	Between 1.5% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (I) to take all actions anticipated under the AGREEMENT, or (II) to procure the GRANTING AUTHORITY's consent, if possible.
73	Failure to submit any proposals for issuance of bonds and securities to the prior approval of the GRANTING AUTHORITY, when i) they include a provision for the conversion of shares, which implies a change of the company's control, or ii) they are guaranteed by voting shares comprising the group that controls the SPE.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time Remedy: (I) to suspend the issuance of bonds and/or securities; or (II) to procure the GRANTING AUTHORITY's consent, if possible.
SERVICE OPERATIONS			
74	Failure to adhere to the obligation to provide services continuously or appropriately.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: to resume CONCESSION activities that have been interrupted and/or resume their proper execution so as to fully service USERS.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

75	Failure to provide first aid to the USERS within the CONCESSION AREA requiring emergency assistance, or failure to transfer them, when necessary, to public health institutions or accredited institutions.	Between 0.1% and 1.5%	I – Infraction for one-time breach
76	Failure to act to prevent and suppress crimes and misdeeds, or to report any incidents at the CONCESSIONAIRE's facilities.	Between 0.001% and 0.1%	I – Infraction for one-time breach
77	Failure to suppress inappropriate behaviors by USERS, considering the conducts as described in the laws and regulations specifically applying thereto.	Between 0.001% and 0.1%	I – Infraction for one-time breach
SPECIFIC OBLIGATIONS OF THE CONCESSIONAIRE			
78	Failure to maintain, during the entire CONCESSION PERIOD, all qualification conditions required of it in the BIDDING PROCESS.	Between 0.1% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: to corroborate the maintenance of the qualification conditions required of it in the BIDDING PROCESS
79	Failure to inform the population and USERS in case of a change in the ADMISSION value and the effective date of the change.	Between 0.001% and 0.1%	II – delay infraction
80	Failure to adhere to all tax and labor duties associated with its activity.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time Remedy: to corroborate the fulfillment of all tax and/or labor duties defaulted
81	Failure to properly disclose to the general public, and to the USER in particular, the adoption of special procedures in the event of exceptional circumstances.	Between 0.001% and 0.1%	I – Infraction for one-time breach of the Agreement
82	Failure to publish its accounting records and financial statements periodically, as determined in the applicable legislation.	Between 0.01% and 0.1%	III – Infraction for default of the agreement whose effects linger over time. Remedy: to corroborate the lawfully required publications.
83	Failure to make available to the USERS any of the communication lines required.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to make available to USERS all communication lines anticipated under the AGREEMENT.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

84	Failure to keep a permanent public advocacy service, to receive and process all the complaints and suggestions from the USERS or any third parties affected by the services provided.	Between 0.001% and 0.1%	II – delay infraction.
85	Failure to prepare the TRANSACTION POLICY WITH RELATED PARTIES within the stipulated timeframe.	I - When delayed up to a month: between 0.001% and 0.01%. II – If the delay exceeds one month: between 0.01% and 0.1%.	I – delay infraction.
86	Failure to observe the TRANSACTION POLICY WITH RELATED PARTIES	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time. Remedy: (I) to undo all legal transactions executed with RELATED PARTIES; or (II) adjust them, if possible, to the TRANSACTION POLICY WITH RELATED PARTIES.
87	Failure to notify the GRANTING AUTHORITY, in order to procure its no-objection, prior to applying for appropriate authorizations from the competent environmental body, when it proposes to transfer any of the animals from the breeding stock to enterprises focusing on fauna, of any kind, in which any of its RELATED PARTIES holds direct or indirect interest.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: (I) to procure, if possible, the consent of the GRANTING AUTHORITY. or (II) to determine that the animal that was wrongly transferred be returned, in the event that the transfer was completed.
88	Failure to implement the Compliance Program within the stipulated timeframe,	I - When delayed up to a month: between 0.001% and 0.01%. II – If the delay exceeds one month: between 0.01% and 0.1%.	I – delay infraction.
89	Failure to adhere to the Compliance Program.	Between 0.01% and 1.5%.	Failure to implement: II – delay infraction Failure to adhere: III – Infraction for default of

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			agreement whose effects linger over time. Remedy: to take the actions suggested in the Compliance Program.
ASSIGNMENTS THAT APPLY TO THE CONCESSIONAIRE			
90	Failure to implement, maintain and update the Live Collections Database, as from the stipulated date.	Between 0.01% and 0.1%	Failure to implement: II – delay infraction Failure to maintain or update: III – Infraction for default of agreement whose effects linger over time. Remedy: to maintain or update the database.
91	Failure to adhere to minimal rules and criteria established for constituting the Breeding Stock, to be managed as of the issuance of the Use and Management Authorization.	Between 0.001% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: readjust the formation of the Breeding Stock.
92	Failure to provide for one or more assignments applying to ticketing and commercial services, based on contractual milestones.	Between 0.1% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to provide for the charges associated with the ticketing and commercial services.
93	Failure to fulfill, in full or in part, one or more assignments associated with cleaning services, within the CONCESSION AREA.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to resume appropriate cleaning services.
94	Failure to fulfill, in full or in part, one or more assignments associated with cleaning services, within the spaces affecting the animals' wellbeing.	Between 0.01% and 1.5%.	III – Infraction for default of agreement whose effects linger over time. Remedy: to resume appropriate cleaning services.
95	Failure to provide, in full or in part, property security and access control services within the CONCESSION AREA, as of the execution date of the TERM OF DELIVERY OF THE PUBLIC ASSET.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to resume appropriate property security and access control services.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

96	Failure to fulfill, in full or in part, one or more assignments associated with maintenance of the infrastructure assets that the CONCESSIONAIRE must maintain or support within the CONCESSION AREA.	Between 0.001% and 1.5%	II – delay infraction
97	Failure to provide, in full or in part, one or more utility services or infrastructure networks within the CONCESSION AREA.	Between 0.001% and 1.5%	II – delay infraction
98	Failure to provide, in full or in part, one or more management services within the CONCESSION AREA.	Between 0.001% and 1.5%	II – delay infraction
99	Failure to keep control of domestic wandering species.	Between 0.01% and 1.5%	II – delay infraction
100	Failure to keep control of the synanthropic qualified as noxious.	Between 0.01% and 1.5%	II – delay infraction
101	Failure to inject funds, as of the second year of the AGREEMENT, into the RESEARCH FUNDS account, according to the terms and the amounts established in the AGREEMENT and ANNEXES.	Between 0.1% and 1.5%	II – delay infraction
102	Creating difficulties or preventing funding of research projects approved by the Research Committee with the funds available in the RESEARCH FUND account, subject to the balance available in the account.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to remove the difficulty or impediment to the funding of research projects.
103	Failure to provide the researcher with all available data concerning BIOLOGICAL ASSETS comprising the topic of the Ongoing Study, and located within the CONCESSION AREA, except for specific data protected by confidentiality.	Between 0.001% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to make data not protected by confidentiality available.
104	Losing the Supervising Technicians specified in ANNEX III.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to restore the team of Supervising Technicians.
105	Failure to start or to execute the environmental education activities, as of the milestone established in the AGREEMENT and ANNEXES.	Between 0.01% and 1.5%	Failure to start: II – delay infraction Failure to execute: III – Infraction for default of agreement whose effects linger over time.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

			Remedy: to resume the environmental education activities.
106	Failure or refusal to provide, operate or maintain the infrastructure needed to offer Veterinary Care to individuals within the Breeding Stock and PEFI animals rescued, as of the milestone established in the AGREEMENT and ANNEXES.	Between 0.1% and 1.5%	<p>Failure to provide, operate or maintain: II – delay infraction</p> <p>Refusal to provide, operate or maintain: III – Infraction for default of agreement whose effects linger over time.</p> <p>Remedy: to resume the provision, operation and maintenance of the infrastructure.</p>
107	Failure to perform the post-mortem examination of the Breeding Stock specimens under its care that come to expire.	Between 0.1% and 1.5%	II – delay infraction
108	Failure to dispose properly of any animal carcasses from the Breeding Stock.	Between 0.1% and 1.5%	II – delay infraction
109	Failure to provide meals for the FPZSP employees, assigned to work within the CONCESSION AREA, at the Zoo and Zoo Safari Centers.	Between 0.01% and 1.5%	II – delay infraction
110	Failure to manage the Dr. Frederico Carlos Hoene Orchidarium, and nursery, properly, according to the directives in the Collections Plan and the Gardening and Operating Plan, employing specialized labor, and observing the minimal requirements.	Between 0.001% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to conduct the management work properly, employing a specialized team.
111	Failure to properly manage Bromelia collection at the Ornamental Plants Research Nucleus, according to the directives in the Collections Plan and the Gardening and Operating Plan, employing specialized labor, and observing the minimal requirements.	Between 0.001% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to conduct the management work properly, employing a specialized team.
112	Failure to gather seeds according to the directives in the Gardening and Operating Plan and the provisions in the applicable regulations.	Between 0.001% and 0.1%	<p>If the seeds are not gathered: II – delay infraction.</p> <p>If the seeds are gathered improperly: I – Infraction for one-time breach of the agreement.</p>
113	Failure to provide gardening work and maintenance of green spaces for the entire CONCESSION AREA, upholding all minimal requirements established in the	Between 0.001% and 1.5%	If the service is not executed: II – delay infraction.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

	AGREEMENT, ANNEXES, as well as the applicable plans.		If the service is executed improperly: I – Infraction for one-time breach of the agreement.
114	Failure to manage the water level of lakes and waterways within its management area.	Between 0.01% and 1.5%	II – delay infraction.
115	Failing to implement or suspend the program to control and monitor exotic invasive plant species within the CONCESSION AREA, according to the Gardening and Operating Plan.	Between 0.01% and 1.5%	Failing to implement: II – delay infraction Suspending the program: III – Infraction for default of agreement whose effects linger over time. Remedy: to resume the monitoring and control program.
116	Failure to assume management of the exhibit at the Dr. João Barbosa Rodrigues Botanic Museum, within the stipulated timeline.	Between 0.01% and 1.5%	II – delay infraction.
ANIMAL MANAGEMENT AND WELLBEING			
117	Mistreatment of animals, as defined in item 6 of this ANNEX, in situations described as improper management, producing direct or indirect action on the animal, by negligence or otherwise.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to cease any conduct or inaction constituting mistreatment, and take every possible action to minimize the effects on the mistreated animals.
118	Mistreatment of animals, as defined in item 6 of this ANNEX, in situations described as improper operation, such as the maintenance of the animals' enclosures.	Between 0.01 and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to cease any conduct or inaction constituting mistreatment, and take every possible action to minimize the effects on the mistreated animals.
119	Identification of stereotypical behavior in an animal that did not previously show said behavior, based on the methodology described in the AGREEMENT and ANNEXES, unless the stereotypical behavior has resulted from mistreatment, which can be corroborated, in which case the infraction shall be absorbed into the more serious infraction,	Between 0.01% and 1.5%	I – Infraction for a one-time breach of the agreement.

STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

	numbered 117, and the stereotypical behavior shall be deemed a damaging result for the purposes of the assessment of the fine applicable to the infraction.		
SUBCONTRACTING AND SUB-GRANTS			
120	Subcontracting the execution of activities associated with the CONCESSION in violation of the rules established in the AGREEMENT.	Between 0.01% and 1.5%	III – Infraction for default of agreement whose effects linger over time. Remedy: (i) to nullify or adjust the agreement with the third party.
121	Executing or allowing any form of sub-grant concerning services that are the object of this AGREEMENT, aside from the possibilities referenced in the AGREEMENT.	Between 0.1% and 5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to take every action needed to return to the <i>status quo ante</i>
PERFORMANCE BOND AND INSURANCE			
122	Failure to keep the PERFORMANCE BOND valid, effective, according to the terms established in the AGREEMENT, for the duration of the agreement.	Between 1.5% and 5%	III – Infraction for default of agreement whose effects linger over time. Remedy: to provide a valid performance bond, according to the terms established in the Agreement.
123	Failure to deliver to the GRANTING AUTHORITY, within no more than 30 (thirty) days, counted as of the start of each CONCESSION year, a certificate issued by the insurer(s), confirming that all insurance policies contracted remain valid, and all respective premiums have been paid.	Between 0.01% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to deliver the mandatory certificate to the GRANTING AUTHORITY.
124	Failure to deliver to the GRANTING AUTHORITY, within no more than 30 (thirty) days prior to the expiration of the term of validity of the PERFORMANCE BOND, a document corroborating the renewal and updating of the PERFORMANCE BOND.	Between 0.01% and 0.1%	III – Infraction for default of agreement whose effects linger over time. Remedy: to deliver the mandatory corroborating document to the GRANTING AUTHORITY.