

INTERNATIONAL COMPETITION N° 001/SVMA/2018

CONCESSION FOR THE PROVISION OF THE MANAGEMENT, OPERATION AND MAINTENANCE SERVICES OF THE PARKS *IBIRAPUERA, JACINTHO ALBERTO, EUCALIPTOS, TENENTE BRIGADEIRO FARIA LIMA, LAJEADO* AND *JARDIM FELICIDADE*, AS WELL AS THE EXECUTION OF WORKS AND ENGINEERING SERVICES.

DRAFT CONTRACT



**PREFEITURA DE
SÃO PAULO**
VERDE E MEIO AMBIENTE

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PREAMBLE

DRAFT CONTRACT

INTERNATIONAL COMPETITION N° 001/SVMA/2018

By this instrument:

(a) The Municipality of São Paulo, with headquarters at Street [●], CNPJ n ° [●], represented by the Municipal Secretary of Green and the Environment, bearer of the Identity Card no. [●], registered with the CPF / MF under [●], resident in São Paulo-SP, in this act called GRANTING AUTHORITY; and

(b) The company [●], headquartered at [●], registered with the CNPJ / MF under No. [●], represented by its president [name and qualification], holder of Identity Card no. [●], enrolled with CPF / MF under the number [●], resident in [●], in this act named CONCESSIONAIRE;

CONCESSIONAIRE AND CONCESSIONAIRE POWER, hereinafter collectively referred to as "PARTIES" and individually as "PARTY",

RESOLVE to conclude the present CONCESSION contract, including the provision of the management, operation and maintenance services of PARKS IBIRAPUERA, JACINTHO ALBERTO, EUCALIPTOS, TENENTE BRIGADEIRO FARIA LIMA, LAJEADO and JARDIM FELICIDADE, as well as the execution of engineering works and services, in the Municipality of São Paulo, in accordance with the provisions of the International Competition Law No. 001 / SVMA / 2018, Law No. 16,703 / 2017, and, in the alternative, Municipal Law No. 13,479 / 2002, Municipal Law No. 14,517 / 2007, in Federal Law No. 8,987 / 1995, Federal Law No. 9,074 / 1995, Federal Law No. 8.666 / 1993, and other rules governing the matter, subject to the clauses and conditions set forth in this instrument, transcribed below.

CHAPTER I – OF THE GENERAL PROVISIONS

CLAUSE 1 OF DEFINITIONS

1.1. For the purposes of this CONTRACT and its ANNEXES or any other document that must be provided under this CONTRACT, the terms listed below, when used in the singular or plural, in capital letters, shall have the meanings set forth in this subclause:

- a) ABNT: Portuguese acronym for Brazilian Association of Technical Standards;
- b) CONTRACTOR: Participant of the BID to which the OBJECT was awarded;
- c) SUPPORT AGENT FOR MONITORING: legal entity to be contracted by the CONCESSIONAIRE, to support the process of benchmarking performance indicators, in accordance with the CONTRACT and art. 13 of Municipal Law No. 16,703 / 2017.
- d) ANNEXES: documents accompanying this CONTRACT;
- e) AREA OF THE CONCESSION: area to be granted for the execution of the OBJECT OF THE CONCESSION, according to ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, of the NOTICE;
- f) ATTRACTIONS: the free areas, non permanent installations and buildings of the PARKS, being those existing before the CONCESSION or new ones, destined for recreation, leisure, culture, education, sport and entertainment of its users, according to the terms of ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA of the NOTICE;
- g) REVERSIBLE GOODS: goods indispensable to the continuity of services related to the OBJECT, which will be reverted to the GRANTING AUTHORITY upon termination of this CONTRACT;
- h) GOODS CONNECTED TO THE CONCESSION: GOODS, whether or not members of the CONCESSIONAIRE's GOODS, necessary for the proper and continuous implementation and execution of the OBJECT;
- i) PATHWAYS: hiking trails, streets, jogging lanes, cycle paths, sidewalks and other routes destined to move USERS around the PARK;

- j) **FORTUITY CASE AND MAJOR FORCE:** unforeseeable and unavoidable events that result in a veracity that is excessive for any of the PARTIES, or unequivocally prevent the continuation of the CONCESSION. FORTUITY CASE is any situation arising in fact unrelated to the will of the PARTIES, however, coming from human acts. MAJOR FORCE is any situation arising in fact unrelated to the will of the PARTIES, however, coming from acts of nature;
- k) **CONCESSION:** concession for the achievement of the OBJECT, granted to the CONCESSIONAIRE for the term and conditions set forth in this CONTRACT;
- l) **CONCESSIONAIRE:** Specific Purpose Company, constituted in accordance with the provisions of this CONTRACT and under the Brazilian laws, for the exclusive purpose of executing the OBJECT;
- m) **CONTRACT:** This legal instrument, signed between the PARTIES, which regulates the terms of the CONCESSION;
- n) **CONTROLLED:** any company, investment fund or legal entity whose CONTROL is exercised by another person, physical or legal, or investment fund;
- o) **PARENT COMPANY:** any person, natural or legal, or investment fund that exercises CONTROL over another legal entity or investment fund;
- p) **CONTROL:** the power held by a person or group of persons bound by a voting agreement or under common control, individually or jointly: (i) to exercise, permanently, rights that ensure a majority of the votes in the resolutions and elect the majority of the managers or managers of another legal entity, investment fund or supplementary pension entities, as the case may be; and / or (ii) effectively direct the activities and guide the functioning of the organs of another legal entity, investment fund or complementary pension entity;
- q) **DATE OF THE STARTING ORDER:** date from which the execution of the OBJECT will begin, in accordance with the order to be recorded in writing by the GRANTING AUTHORITY to the CONCESSIONAIRE, after the CONTRACT statement is published in the Official Gazette of the City of São Paulo;
- r) **DATE OF PUBLICATION OF THE CONTRACT:** date of publication of the extract of this CONTRACT in the Official Gazette of the City of São Paulo;
- s) **OPERATIONAL SUPPORT BUILDINGS:** The buildings of the Administration, the Metropolitan Civil Guard, the Coexistence and Cooperative Center ("CECCO") and park

surveillance, located in the IBIRAPUERA PARK, under the terms of ANNEX III – DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;

- t) NOTICE: Notice No. 001 / SVMA / 2018 and its annexes;
- u) EQUIPMENTS NOT GRANTED: IBIRAPUERA PARK equipment that is not party of the CONCESSION, such as the Manequinho Lopes Viveiro, the Museum of Modern Art of São Paulo - MAM, the São Paulo Biennial Foundation, the Afro Brasil Museum, the Japanese Pavilion, the Monument in Homage to the Pioneers of the Japanese Immigration Deceased and the Open University of the Environment and Culture of Peace - UMAPAZ, according to the terms of ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA;
- v) PERFORMANCE FACTOR or PF: number calculated between zero (0) and one (01) depending on the performance of the CONCESSIONAIRE in the execution of the OBJECT, measured according to the performance indicators in ANNEX V - PERFORMANCE MEASUREMENT SYSTEM;
- w) FGTS: Portuguese acronym for Guarantee Fund for Time of Service, established by Federal Law No. 5.107, dated September 13, 1966;
- x) FINANCING: any financial institution, development bank or multilateral credit agency, granting financing to the CONCESSIONAIRE for the execution of the OBJECT;
- y) FINANCING: any and all loans, possibly granted to the CONCESSIONAIRE, in the form of debt, in order to fulfill its obligations under this CONTRACT;
- z) SOURCES OF REVENUES: revenue sources, including alternatives, complementary, accessory or associated projects, perceived by the CONCESSIONAIRE because of the exploitation of the OBJECT;
- aa) GUARANTEE OF EXECUTION OF THE CONTRACT: the guarantee of the faithful fulfillment of the obligations of the CONCESSIONAIRE, to be maintained in favor of the GRANTING AUTHORITY;
- bb) INDICATOR OF PERFORMANCE or IP: set of goals, quality standards, measurement methods and periodicity to evaluate the quality of the services provided by the CONCESSIONAIRE, as provided in this CONTRACT, in particular in its ANNEX V - PERFORMANCE MEASUREMENT SYSTEM;

- cc) INMETRO: National Institute of Metrology, Quality and Technology, created by Federal Law No. 5,966, of December 11, 1973;
- dd) INSS: Portuguese acronym for National Institute of Social Security;
- ee) REGULATORY INSTRUMENT: Instrument concluded between the PARTIES, with the purpose of establishing and detailing the contractual regulation issues;
- ff) IPC: Portuguese acronym for Consumer Price Index, published monthly by FIPE - Foundation for Economic Research;
- gg) IPCA: Portuguese acronym for Ample Consumer Price Index, determined by the Brazilian Institute of Geography - IBGE;
- hh) BIDDING: International Competition No. 001 / SVMA / 2018;
- ii) FURNITURE: the set of elements that may occupy the public space of the park, in terms of art. 6th, VIII, of the City Clean Law (Municipal Law No. 14.223 / 2006);
- jj) OBJECT: provision of the management, operation and maintenance services of PARKS IBIRAPUERA, JACINTHO ALBERTO, EUCALIPTOS, TENENTE BRIGADEIRO FARIA LIMA, LAJEADO and JARDIM FELICIDADE, as well as the execution of engineering works and services;
- kk) STARTING ORDER: document issued by the GRANTING AUTHORITY after the DATE OF PUBLICATION OF THE CONTRACT, which sets the date for the beginning of the OBJECT of this CONTRACT;
- ll) FIXED GRANT INSTALLMENT: amount paid by the CONCESSIONAIRE to the GRANTING AUTHORITY before the contract is signed, based on the COMMERCIAL PROPOSAL, arising from the right to exploit the OBJECT OF THE CONCESSION;
- mm) VARIABLE GRANT INSTALLMENT: these are the variable grant lots composed of the VARIABLE GRANT INSTALLMENT 1 and the VARIABLE GRANT INSTALLMENT 2;
- nn) VARIABLE GRANT INSTALLMENT 1: The amount to be paid by the CONCESSIONAIRE that affects quarterly, resulting from the application of a rate on the totality of its gross revenue, under the terms of this CONTRACT, in particular its ANNEX IV - PAYMENT MECHANISM OF THE GRANT. For the purposes of this CONTRACT, gross revenue is considered to be any revenue earned by the CONCESSIONAIRE, its eventual

wholly owned subsidiaries, or its RELATED PARTIES, from the economic exploitation of the CONCESSION OBJECT;

- oo) VARIABLE GRANT INSTALLMENT 2: The amount to be paid by the CONCESSIONAIRE that is levied quarterly, resulting from the application of the tax rate, on the totality of its gross revenue, considered the result of the FACTOR OF DESERMENT, under the terms of this CONTRACT, in particular its ANNEX IV - PAYMENT MECHANISM OF THE GRANT. For the purposes of this CONTRACT, gross revenue is considered to be any revenue earned by the CONCESSIONAIRE, its eventual wholly owned subsidiaries, or its RELATED PARTIES, from the economic exploitation of the CONCESSION OBJECT;
- pp) EUCALIPTOS PARK: Parque EUCALIPTOS Park, with a total area of 15,447.57 m², located in the Regional Municipality of Campo Limpo, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- qq) IBIRAPUERA PARK: Ibirapuera Park, with a total area of 1,149,061.50 m², located in the Regional Municipality of Vila Mariana, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- rr) JACINTHO ALBERTO PARK: Jacintho Alberto Park, with a total area of 37,595 m², located in the Regional Municipality of Pirituba / Jaraguá, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- ss) JARDIM FELICIDADE PARK: Jardim Felicidade Park, with a total area of 28,800 m², located in the Regional Municipality of Pirituba / Jaraguá, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- tt) LAJEADO PARK: Lajeado Park- Izaura Pereira de Souza Franzolin, with a total area of 37,000 m², located in the Regional Municipality of Guaianases, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- uu) TENENTE BRIGADEIRO FARIA LIMA PARK: Tenente Brigadeiro Faria Lima Park, with a total area of 50,250 m², located in the Regional Municipality of Vila Maria / Vila Guilherme, according to ANNEX III - DESCRIPTIVE MEMORANDUM OF THE AREA, of the NOTICE;
- vv) PARKS: the parks that are part of the OBJECT of the concession, notably the IBIRAPUERA PARK, the JACINTHO ALBERTO PARK, the EUCALIPTOS PARK, the TENENTE BRIGADEIRO FARIA LIMA PARK, the LAJEADO PARK and the JARDIM FELICIDADE PARK;

- ww) RELATED PARTIES: in relation to the CONCESSIONAIRE, any CONTROLLING, related and related SUBSIDIARIES, as well as those considered by the accounting standards in force;
- xx) PARTIES: the GRANTING AUTHORITY and the CONCESSIONAIRE;
- yy) CONCESSION TRANSITION PERIOD: is the period of three (3) months counted from the DATE OF THE STARTING ORDER, in which the CONCESSIONAIRE will develop the OPERATIONAL TRANSFER PLAN for the PARKS, according to the terms of the ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE; except for IBIRAPUERA PARK, which will last eight (8) months counted from the DATE OF THE STARTING ORDER;
- zz) INTERVENTION PLAN: plan containing the Mandatory interventions (INTERVENTION PROGRAM) and options to be executed in the PARKS to carry out the OBJECT OF THE CONCESSION, according to the terms of ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- aaa) OPERATIONAL PLANS: plans containing the mandatory and optional services and activities performed in the PARKS for the execution of the OBJECT OF THE CONCESSION, according to the terms of ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- bbb) GRANTING AUTHORITY: the Municipality of São Paulo;
- ccc) INTERVENTION PROGRAM: a set of mandatory interventions for the architectural and engineering, demolition, construction and renovation projects of the IBIRAPUERA PARK, in accordance with the terms of ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- ddd) COMMERCIAL PROPOSAL: financial proposal presented by the CONTRACTING under the terms and conditions of the NOTICE and its ANNEXES, which contains the value of the FIXED GRANT INSTALLMENT to be paid to the GRANTING AUTHORITY by the future CONCESSIONAIRE;
- eee) USER SERVICES: the services provided for the convenience of USERS in the PARKS, such as food and beverage services, parking lots, among others, under the terms of this CONTRACT;
- fff) MANDATORY SERVICES: Mandatory activities to be developed by the CONCESSIONAIRE, according to the CONTRACT and its ANNEXES, in particular its ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;

- ggg) SPECIFIC PURPOSE COMPANY or SPC: Specific Purpose Company that will be constituted by the CONTRACTING, in accordance with the laws of the Federative Republic of Brazil, for the exclusive execution of the OBJECT;
- hhh) SUSEP: Portuguese acronym for Superintendence of Private Insurance, federal authority created by Decree-Law No. 73 of November 21, 1966;
- iii) USERS: PARKERS; and
- jjj) CONTRACT VALUE: amount corresponding to R \$ [•] ([fill in according to the winning bid]), which corresponds to the value of the investments, expenses and operational costs estimated to perform the obligations of the contract cumulated with the sum of the grant amounts, composed of both the FIXED GRANT INSTALLMENT and the VARIABLE GRANT INSTALLMENT, during the entire term of the CONCESSION.

CLAUSE 2 OF SET OF SPECIFICATIONS

2.1 CONTRACT, as inseparable parts, form the following ANNEXES:

- a) ANNEX I – NOTICE AND ITS ANNEXES;
- b) ANNEX II – COMMERCIAL PROPOSAL;
- c) ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- d) ANNEX IV – PAYMENT MECHANISM OF THE GRANT; and
- e) ANNEX V – PERFORMANCE MEASUREMENT SYSTEM.

CLAUSE 3 APPLICABLE LEGISLATION AND OF THE LEGAL CONTRACT

3.1 A CONCESSION is subject to the provisions of this CONTRACT and its ANNEXES, to the laws in force in Brazil - with express waiver of the application of any other - and to the precepts of public law, with the principles of the general theory of contracts and the provisions of private law.

3.2 The CONCESSION will be governed by the:

- a) Federal Constitution of 1988;
- b) Federal Law No. 8,987 of February 13, 1995;
- c) Federal Law No. 9,074 of July 7, 1995;
- d) Federal Law No. 8,666 of June 21, 1993;
- e) Federal Law No. 9,307, of September 23, 1996;
- f) Municipal Law No. 13,278 of January 7, 2002;
- g) Municipal Law No. 14,145, of April 7, 2006;
- h) Municipal Law No. 16.050, of July 31, 2014 (Strategic Master Plan of the Municipality of São Paulo);
- i) Municipal Law No. 16,402 of May 22, 2016;
- j) Municipal Decree No. 44,279 of December 24, 2003;
- k) Other relevant legal standards, techniques and normative instructions.

3.3 In this CONTRACT and its ANNEXES, references to the applicable standards in Brazil should also be understood as references to legislation that replaces, complements or modifies them.

CLAUSE 4 OF INTERPRETATION

4.1 In the interpretation, integration or application of any provision of this CONTRACT, consideration shall be given to the contractual clauses and then the provisions of the ANNEXES which are deemed to be integrated therein, as indicated in CLAUSE 2.

4.2 In cases of divergence between the provisions of this CONTRACT and the provisions of the ANNEXES that form part of it, the provisions of this CONTRACT.

4.3 In cases of divergence between ANNEXES subsequently added to the CONTRACT, the most recent date will prevail.

4.4 References to this CONTRACT or any other document shall include any amendments and additions that may be made between the PARTIES.

CHAPTER II – OF THE OBJECT, AREA OF THE CONCESSION, DEADLINE AND TRANSFER OF THE CONCESSION

CLAUSE 5 OF THE OBJECT

5.1 The object of the present BID is the CONCESSION, with an onerous grant, for the rendering of the services of management, operation and maintenance of the PARKS IBIRAPUERA, JACINTHO ALBERTO, EUCALIPTOS, TENENTE BRIGADEIRO FARIA LIMA, LAJEADO and JARDIM FELICIDADE, as well as the execution of works and services under this CONTRACT.

5.2 The EQUIPMENTS NOT GRANTED are not part of the OBJECT of the CONCESSION.

5.3 The characteristics and technical specifications regarding the execution of the OBJECT are indicated in this CONTRACT and in its respective ANNEXES.

5.4 Without prejudice to the provisions of this CONTRACT and its ANNEXES, the execution of the OBJECT shall comply with the rules, standards and other procedures contained in the applicable legislation.

CLAUSE 6 ASSIGNMENT OF THE CONCESSION AREA

6.1 THE AREA OF THE CONCESSION will be assumed by the CONCESSIONAIRE after the DATE OF THE STARTING ORDER.

6.2 The assumption of the AREA OF THE CONCESSION will contemplate the PERIOD OF TRANSITION OF THE CONCESSION, which will be executed according to the terms and in accordance with the schedule set forth in ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, of this CONTRACT.

6.3 The assumption of the total costs of the CONCESSION will occur from the DATE OF THE STARTING ORDER, except for IBIRAPUERA PARK, which will occur at the

end of six (6) months from the DATE OF THE STARTING ORDER, according to the terms of ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, of this CONTRACT.

- 6.4 The execution of the OBJECT of this CONTRACT shall comply with the limits of the AREA OF THE CONCESSION.
- 6.5 Within thirty days (30) after the DATE OF THE STARTING ORDER, the PARTIES shall execute the Provisional Term of Acceptance of the Goods, containing the state of conservation, operation and technical specifications of the GOODS granted, and the Definitive Term of Acceptance of the Goods to be signed in up to three hundred and sixty (360) days counted from the DATE OF THE STARTING ORDER.

CLAUSE 7 OF THE TERM

- 7.1 The term of this CONTRACT shall be thirty-five (35) years, counted from the DATE OF STARTING ORDER, not allowed extension, except for the effect of economic and financial rebalancing of the CONCESSION.
- 7.2 The CONCESSIONAIRE may, at its discretion, anticipate the obligations set forth in the schedule set forth in ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, fully assuming the risks and burdens of such anticipation.

CLAUSE 8 OF THE TRANSFER OF THE CONCESSION

- 8.1 Throughout the term of validity, the transfer of the CONCESSION may only occur with the prior consent of the GRANTING AUTHORITY, subject to the conditions set forth in this CONTRACT, and provided that the execution of the OBJECT.
- 8.2 The transfer of the CONCESSION may only be authorized after issuance of the Definitive Agreement of Acceptance of Works relative to the termination of the INTERVENTION PROGRAM, under the terms of subclause 12.4, and by proving the regular fulfillment of the obligations assumed by the CONCESSIONAIRE.
- 8.3 In order to obtain the consent for the transfer of the CONCESSION, the interested party shall:

- a) meet the requirements of technical capacity, financial suitability and legal, tax and labor regularity necessary for the assumption of the OBJECT;
- b) provide and maintain the relevant guarantees, as appropriate; and
- c) undertake to comply with all clauses of this CONTRACT.

8.4 The total or partial transfer of the CONCESSION, without the prior authorization of the GRANTING AUTHORITY, will imply the immediate expiration of the CONCESSION.

8.5 For the purposes of the authorization referred to in this clause, the GRANTING AUTHORITY shall examine the application submitted by the CONCESSIONAIRE within a period of up to thirty (30) days, renewable for an equal period, if necessary, and may, at its discretion, request additional clarifications and documents from the CONCESSIONAIRE and the FINANCIER (S), to call the controlling shareholders of the CONCESSIONAIRE and to take any other steps it deems appropriate.

8.6 The authorization for the transfer of the CONCESSION, if granted by the GRANTING AUTHORITY, will be formalized, in writing, indicating the conditions and requirements for its realization.

CHAPTER III – OF THE CONCESSIONAIRE

CLAUSE 9 PURPOSE AND SHARE CAPITAL

9.1 The CONCESSIONAIRE, structured as a joint stock company under the terms of Federal Law No. 6,404, dated December 15, 1976, shall indicate in its bylaws, as an exclusive purpose, the exploration of the OBJECT, its corporate composition being that presented in the BID and of its corporate instruments, which must be delivered, updated, to the GRANTING AUTHORITY.

9.2 The minimum subscribed capital of the CONCESSIONAIRE until the issuance of the Definitive Term of Acceptance of Works related to the termination of the INTERVENTION PROGRAM or until the expiration of two (2) years of the DATE OF THE STARTING ORDER, whichever comes first, in accordance with subclause 12.4, shall be thirty-two million, eight hundred and seventy-one thousand, twenty-eight reais and seventy-five cents (R \$ 32,871,028.75) – BRL.

9.2.1 At the date of signing of this CONTRACT, the minimum amount of nineteen million, eight hundred and thirty-five thousand, five hundred and fourteen reais and thirty-five cents (R \$ 19,835,514.35) – BRL, of the capital stock of CONCESSIONAIRE shall have been paid in according to the NOTICE.

9.3 The CONCESSIONAIRE undertakes to keep the GRANTING AUTHORITY permanently informed on the payment of the capital mentioned in the previous subclauses, and it is possible for the GRANTING AUTHORITY to carry out the necessary diligences and audits to verify the regularity of the situation.

9.4 The CONCESSIONAIRE may not, throughout the term of execution of the INTERVENTION PROGRAM, reduce its capital below the minimum value established in sub-clause 9.2 of this CONTRACT, without previous and express authorization of the GRANTING AUTHORITY.

9.5 The CONCESSIONAIRE may issue bonds, debentures or similar financial securities that represent obligations of its responsibility, in favor of third parties, subject to the provisions contained in CLAUSE 10 and CLAUSE 18.

9.6 The resources available to the CONCESSIONAIRE shall be applied exclusively in the development of activities related to the CONCESSION dealt with in this CONTRACT.

9.7 A CONCESSIONAIRE must be based in the Municipality of São Paulo.

CLAUSE 10 OF THE TRANSFER OF THE CONTROL AND OF THE STATUTORY AMENDMENTS OF THE CONCESSIONAIRE

10.1 No change in the shareholding composition shall be allowed under the SPC until the Final Term of Acceptance of Works relating to the termination of the INTERVENTION PROGRAM, pursuant to sub-clause 12.4, except in exceptional situations, duly authorized by the GRANTING AUTHORITY, in which it is demonstrated the risk of loss to the continuity of the OBJECT, under penalty of expiration of the CONCESSION.

10.2 As an exception to the previous sub-clause, it will be possible to authorize the GRANTING AUTHORITY to transfer the CONTROL of the CONCESSIONAIRE prior to the conclusion of the INTERVENTION PROGRAM, in the case provided for in sub-clause 29.6.

10.3 Without prejudice to the provisions of sub-clause 10.1, throughout the term of this CONTRACT, the direct corporate control of the CONCESSIONAIRE may only be modified by prior and express authorization of the GRANTING AUTHORITY, under penalty of expiration of the CONCESSION.

10.4 The CONCESSIONAIRE undertakes not to change, by any act, contract or other type of transaction, the SPC's direct corporate control, without prior consent of the GRANTING AUTHORITY.

10.5 Insofar as they may, individually or in block form, characterize the modification of the SPC's direct corporate CONTROL, the act (s) are also subject to the prior consent of the GRANTING AUTHORITY for purposes of this CONTRACT:

- a) the conclusion of a shareholders' agreement;
- b) the issue of securities convertible into shares; and
- c) the guarantee institution and rights to third parties over shares.

10.6 The issue of securities not included in the situation described in letter "b" of the previous subclause, even in the case of securities not convertible into shares, must always be submitted to the prior knowledge of the GRANTING AUTHORITY.

10.7 The transfer or alteration of the indirect CONTROL or of the shareholding that does not imply the transfer of the direct corporate control of the CONCESSIONAIRE shall be object of communication to the GRANTING AUTHORITY, within a term of up to ten (10) days before the execution of the respective operation.

10.8 The alteration of the direct corporate control of the CONCESSIONAIRE will only be authorized by the GRANTING AUTHORITY when the measure does not prejudice, nor jeopardize, the execution of this CONTRACT.

10.9 The request for authorization of the alteration of the direct corporate control of the SPC shall be presented to the GRANTING AUTHORITY, in writing, by the CONCESSIONAIRE or by the FINANCIER (S), in the case set forth in subclause 29.6, containing the justification for both, as well as elements that could support its analysis.

10.10 In order to obtain the consent for the transfer of the direct corporate control of the SPC, the:

- a) meet, as appropriate, the requirements of technical capacity, financial suitability and legal and fiscal regularity necessary for the assumption of the OBJECT; and
- b) ensure compliance with all clauses of this CONTRACT.

10.11 For the purpose of obtaining the authorization to transfer the direct corporate control of the SPC to the FINANCIER (S), in accordance with the provisions of sub-clause 29.6,:

- a) comply with the requirements of legal and fiscal regularity necessary for the assumption of the OBJECT;
- b) present a plan to promote the financial restructuring of the CONCESSIONAIRE and the continuation of the CONCESSION; and
- c) ensure compliance with all clauses provided for in this CONTRACT.

10.12 The authorization for the transfer of the CONCESSIONAIRE company control, if granted by the GRANTING AUTHORITY, will be formalized, in writing, indicating the conditions and requirements for its realization.

10.13 Throughout the CONCESSION period, the CONCESSIONAIRE shall also submit to the prior authorization of the GRANTING AUTHORITY the modifications in the respective bylaws involving:

- a) the spin-off, merger, transformation or incorporation of the SPC;
- b) the capital reduction of SPC; and
- c) the issue of shares of classes of shares different from the capital stock of the SPC.

10.13.1 The GRANTING AUTHORITY will examine the order (s) forwarded by the CONCESSIONAIRE pursuant to this clause within a period of up to thirty (30) days, which may be extended for an equal period, if necessary, and may request additional clarifications and documents from the CONCESSIONAIRE and to the FINANCIER (s), to convene the controlling shareholders of the SPC and to take other steps deemed appropriate.

10.13.2 In the absence of a manifestation of the GRANTING AUTHORITY within the term of the previous subclause, the application submitted by the CONCESSIONAIRE shall be deemed accepted, being incumbent upon the CONCESSIONAIRE, in relation to the omission of the GRANTING AUTHORITY over the other requests, to adopt, as the case may be, the measures provided for in CHAPTER XIII of this CONTRACT.

10.14 All documents that formalize the CONCESSIONAIRE's statutory alteration, regardless of the need for prior authorization of the GRANTING AUTHORITY, must be sent to the CONCESSIONAIRE within a maximum of thirty (30) days of the respective amendment, for archiving.

CHAPTER IV – THE OBLIGATIONS OF THE PARTIES

CLAUSE 11 OF THE GENERAL OBLIGATIONS OF THE PARTIES

11.1 The PARTIES undertake to cooperate and provide the necessary assistance to the proper development of the activities of the CONCESSION.

CLAUSE 12 OF THE ACCEPTANCE OF THE WORKS

12.1 The CONCESSIONAIRE shall request the GRANTING AUTHORITY to carry out an inspection, after the following milestones:

- a) the end of the INTERVENTION PROGRAM; and
- b) of any engineering works or services.

12.1.2. The inspection shall be carried out jointly by the PARTIES, through specially appointed representatives, within a maximum period of thirty (30) days counted from the request.

12.2 Once each survey has been carried out, the GRANTING AUTHORITY shall formally accept the provisional acceptance of works and installations related to the work in question, within a period of up to fifteen (15) days, by means of an Interim Term of Acceptance of Works, which may specify corrections or supplements that are necessary.

12.3 The CONCESSIONAIRE will have a period of up to ninety (90) days to implement the corrections and / or additions indicated in the Provisional Term of Acceptance of Works, under penalty of applying the corresponding penalties.

- 12.4 Once the corrections and / or complements mentioned in the previous subclause have been completed, the GRANTING AUTHORITY shall perform a new inspection, within thirty (30) days, and the Final Term of Acceptance of Works shall be drawn up, as the case may be.
- 12.5 The beginning of the operation by the CONCESSIONAIRE of each of the ATTRACTIONS, SOURCES OF REVENUE, or other facilities or equipment will depend on the obtaining of authorizations, licenses and permits, not being bound by the inspection procedure indicated in this subclause, without prejudice to the eventual application of the corresponding penalties in case of non-compliance with this CONTRACT.
- 12.6 The deadline for the completion of the INTERVENTION PROGRAM, in order to comply with the schedule of the ANNEX II- SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, will be the formal communication of the CONCESSIONAIRE by the GRANTING AUTHORITY, informing about this fact.
- 12.7 The GRANTING AUTHORITY may, at any time, found that the CONCESSIONAIRE no longer meets the costs established in this CONTRACT and its ANNEXES, or in the applicable standards, expressly state that adjustments and adjustments are provided for the purpose of servicing the INTERVENTION PROGRAM.
- 12.8 The CONCESSIONAIRE is responsible for any adjustments and adjustments necessary to comply with this CONTRACT and its ANNEXES, including for compliance with the INTERVENTION PROGRAM.
- 12.9 The realization of the eventual adjustments mentioned in subclause 12.8 does not exempt the CONCESSIONAIRE from the payment of any fines and penalties applied for not meeting the costs established in this CONTRACT and its ANNEXES.

CLAUSE 13 OF THE OBLIGATIONS AND PROHIBITIONS OF THE CONCESSIONAIRE

- 13.1 The CONCESSIONAIRE will always be bound to the provisions of this CONTRACT, the NOTICE, its ANNEXES and the Brazilian legislation, regarding the execution of the OBJECT.
- 13.2 The obligations of the CONCESSIONAIRE, without prejudice to the others established in this CONTRACT, and in its ANNEXES and in the applicable legislation:

- a) execute the OBJECT, complying with and respecting the clauses and conditions of this CONTRACT and its ANNEXES, of the COMMERCIAL PROPOSAL presented and related documents, fully submitting to existing regulations or being edited, ABNT and / or INMETRO, or other competent regulatory agency, as well as to the pertinent specifications and projects, to the terms and instructions of the inspection of the GRANTING AUTHORITY, also complying with the quality goals and parameters, and other conditions for the execution of the OBJECT;
- b) capture, apply and manage the financial resources necessary to implement the OBJECT;
- c) maintain, during the term of the CONTRACT, the conditions necessary for the execution of the OBJECT, including maintenance of the legal qualification requirements, tax regularity and technical qualification provided for in the BID;
- d) dispose of adequate equipment, materials and equipment for the fulfillment of all the obligations established in this CONTRACT, with the efficiency and quality contractually defined, for the provision of adequate service to the full assistance of USERS;
- e) appoint and maintain a technical person in charge of the works, with powers to represent the CONCESSIONAIRE with the GRANTING AUTHORITY;
- f) to fully assume the contracts set forth in ANNEX IV - CONTRACTS AND COOPERATION TERMS IN FORCE IN THE AREA OF THE CONCESSION, at the end of six (6) months from the DATE OF THE STARTING ORDER, upon full subrogation of its rights and duties, according to the conditions contracted and according to the responsibility term established in accordance with the model in ANNEX II - MODELS AND DECLARATIONS, of the NOTICE;
- g) adopt internal integrity mechanisms and procedures, including the elaboration of a code of ethics and conduct and internal audit mechanisms and a channel of complaint to ensure their compliance, in order to prevent violations of Law No. 12,846 / 2013;
- h) be responsible for the interlocution with third parties, such as public agencies (Military Police, Fire Brigade, Metropolitan Civil Guard, traffic control agencies and companies, etc.), public service concessionaires, responsible for EQUIPMENT NON GRANTED, and private companies, aiming at the correct development of all the activities foreseen in the OBJECT of this CONTRACT;
- i) to comply with the plans presented, and, if necessary, to amend them, in accordance with the terms of ANNEX III – SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;

- j) to reserve and make available, during the term of the CONCESSION, the Lucas Nogueira Garcez Pavilion (Oca) for the accomplishment of cultural events, according to the terms of the ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- k) guarantee, without charge to the organizers, small artistic and non-commercial events, as well as peaceful gatherings, in accordance with Municipal Law No. 16,703 / 2017;
- l) maintenance of the environmental services of the PARKS, their ecological, aesthetic and environmental balance functions, observing the rules of tree management, protection of their architectural and cultural patrimony, springs, water courses, lakes, fauna, flora and permeability. ground, under the terms of Municipal Law No. 16,703 / 2017;
- m) to supervise the events that are held in the PARKS, ensuring that they ensure the total integrity of the environmental heritage, such as vegetation, springs, water courses, lakes, fauna and flora, with strict controls of noise and luminosity that can cause any damage to the ecosystem, according to the Municipal Law No. 16703/2017;
- n) present to the GRANTING AUTHORITY the plans and projects provided for in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, in accordance with the terms and within the periods indicated, accompanied, where appropriate, by studies and opinions of consultants;
- o) promote the integration of cooperatives and sellers, in accordance with the terms of ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- p) pay the GRANTING AUTHORITY the VARIABLE GRANT INSTALLMENT, observing the rules of revenue sharing, in the manner and in the terms set forth in this CONTRACT and its ANNEXES;
- q) to complete the INTERVENTION PROGRAM within the period and according to the rules and deadline set forth in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- r) keep the GRANTING AUTHORITY quarterly informed of the completion of the execution stages of the works;
- s) present the competent Technical Term of Responsibility (Portuguese acronym: ART), up to thirty (30) days from the CONTRACT'S PUBLICATION DATE, according to the standards of the Federal Council of Engineering and Agronomy - CONFEA;

- t) present the registration of the Regional Council of Engineering and Agronomy - CREA, Federal Council of Engineering and Agronomy - CONFEA or Architecture and Urbanism Council - CAU, of the professionals or outsourced companies responsible for the engineering services, up to thirty (30) days from DATE OF PUBLICATION OF THE CONTRACT;
- u) to adopt the Order Book in the works and services of engineering and architecture, in accordance with the legislation of the CONFEA / CREA system;
- v) be responsible for the installation and operation of the construction site and other operational structures pertinent to the realization of the INTERVENTION PROGRAM, in accordance with the normative requirements, providing the adequate storage and storage of the material used in the works;
- w) after thirty (30) days of the beginning of the INTERVENTION PROGRAM, submit to the GRANTING AUTHORITY the communication of the beginning of the work with the Ministry of Labor, the registration of the work with the INSS - CEI and the Mandatory work safety programs;
- x) assume full civil and criminal liability for the proper execution and efficiency of the activities they carry out, as well as for damages arising from the execution of the OBJECT, including third parties;
- y) assume full responsibility for any work accidents in the execution of the OBJECT, as well as for improper use of patents and / or copyrights, or any other intellectual property rights misused;
- z) assume full responsibility for the risks inherent to the execution of the CONCESSION, except for the cases expressly excepted in this CONTRACT;
- aa) to contract the insurance for the relevant and usual risks of the CONCESSION and the insurance provided in this CONTRACT, being responsible in any case for the damages caused by itself, its representatives, prepossessed or subcontracted, in the execution of the CONCESSION, before the GRANTING AUTHORITY or third parties;
- bb) respond to the GRANTING AUTHORITY and third parties for the subcontracted services;
- cc) comply with all legal and regulatory provisions regarding tax legislation and labor, social security, occupational health and safety legislation in relation to its employees, service providers, contractors or subcontractors, exempting the GRANTING

- AUTHORITY from any related liability and presenting annually, a report accompanied by documentation proving compliance with the corresponding legal requirements;
- dd) to pay all taxes related to the execution of the OBJECT ;
- ee) to comply with the provisions of the Municipal Council for the Preservation of the Historical, Cultural and Environmental Heritage of the City of São Paulo (CONPRESP), the Council for the Defense of Historical, Archaeological, Artistic and Tourist Heritage - CONDEPHAAT and the Institute of Historic and National Artistic - IPHAN relevant to PARKS;
- ff) keep the AREA OF THE CONCESSION constantly clean, removing wastes, leftovers and other unserviceable materials, being responsible for the destination, sorting, transportation, storage, disposal and / or exploitation of the scrap and residues that may originate in the CONCESSION, including those resulting from compliance with the relevant technical standards and the provisions of applicable federal, state and municipal legislation, and the requirements for the necessary licensing and authorizations for that purpose, including environmental licenses, if applicable;
- gg) comply with and observe all environmental legal norms and requirements, including the guidelines set forth in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- hh) obtain, when applicable, all licenses, permits and authorizations required for the full execution of the OBJECT, including for the exploitation of SOURCES OF REVENUE, and shall be responsible for all the necessary steps for both to the competent bodies under the current legislation and bearing all costs and costs involved;
- ii) inform the GRANTING AUTHORITY about the beginning of the processes with the competent bodies to obtain the licenses, permissions and authorizations required for the full execution of the OBJECT, including for the exploitation of SOURCES OF REVENUE, as well as for the purposes of counting the term established in the sub-clause 13.5;
- jj) inform the GRANTING AUTHORITY immediately if any licenses, permits or authorizations for the full execution of the PURPOSE OF THE CONCESSION are withdrawn, revoked or expired, or, for any reason, cease to operate, indicating, first, the measures that have been taken and / or which will be taken to obtain;
- kk) give immediate knowledge to the GRANTING AUTHORITY at all and any event or situation that changes in a relevant way the normal development of the

- implementation of the OBJECT, or that may harm or prevent the timely and timely compliance with the obligations provided for in the CONTRACT, including judicial actions and administrative procedures, and should submit, in the shortest possible time, detailed report on such facts, with the measures taken or being taken to overcome or remedy the situation;
- ll) to communicate to the GRANTING AUTHORITY, within forty-eight (48) hours, all circumstances or occurrences which, constituting reasons for FORTUITY CASE or MAJOR FORCE, prevent or impede the normal implementation of the OBJECT;
- mm) submit to the GRANTING AUTHORITY, within the time limit set by it, other additional or complementary information that the GRANTING AUTHORITY, reasonably and without bringing significant and unjustified additional burden to the CONCESSIONARY, formally request, including, but not limited to, legally required discharges of any charge, such as those pertaining to the relevant taxes and taxes, the stage of negotiations and the conditions of FINANCING contracts;
- nn) cooperate in the development of the monitoring and monitoring activities of the CONCEDENT POWER, under this CONTRACT, allowing access to the equipment and the facilities attaining the OBJECT and to the accounting records, data and operational information, their and as much as possible of their subcontractors;
- oo) attend formally referred calls by the GRANTING AUTHORITY, including to attend meetings;
- pp) keep in file all the information of the services and activities performed during the duration of the CONCESSION, allowing the GRANTING AUTHORITY to free access to them at any time;
- qq) to present, quarterly to the GRANTING AUTHORITY, proof of the collection of social and social contributions concerning the CONCESSION and the employees involved in the implementation of the CONTRACT OBJECT and the proof of the due fulfilment of all labour obligations;
- rr) inform your calendar of events and works to the GRANTING AUTHORITY, in the form and terms provided for in CLAUSE 17;
- ss) to submit to the GRANTING AUTHORITY, where requested, the nominal relationship of employees, linked to CONCESSIONARY or to third parties, working in the services and works in the CONCESSION AREA, indicating names, positions and number of the respective Labour and Social Security Portfolio – CTPS;

- tt) to present its required financial statements in the form and in the term established in this CONTRACT;
- uu) to receive complaints, complaints, comments and criticisms from USERS, in accordance with ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE;
- vv) guarantee the free access of USERS to the PARKS free area, respecting the hours of operation and the rules of PARKS and the costly use of their equipment that are characterized as SOURCES OF REVENUE;
- ww) to maintain a permanent dialogue with USERS, residents and residents;
- xx) previously inform the USERS about the prices practiced in the PARKS by the exploitation of SOURCES OF REVENUE;
- yy) keep the inventory and registration of REVERSIBLE GOODS updated;
- zz) care for the heritage of the GRANTING AUTHORITY, assuming responsibility for its integrity;
- aaa) to conserve all GOODS, equipment and facilities employed in the CONCESSION, keeping them up to date and in perfect working conditions, as well as repairing its units and promoting, on a timely basis, the substitutions demanded due to wear, technological overrun or end of life and also to promote the repairs or modernizations necessary for the proper execution and preservation of the adequacy of the activities and services, in compliance with the principle of actuality;
- bbb) to produce and deliver satisfaction survey of USERS, carried out by a research institute hired by the CONCESSIONAIRE, in order to evaluate the services of the CONCESSION, in the terms and according to the periodicity defined in the ANNEX V - PERFORMANCE MEASUREMENT SYSTEM;
- ccc) to hire SUPPORT AGENT FOR MONITORING, to support the GRANTING AUTHORITY in the analysis of conformity and evaluation of the services of the CONCESSION, according to the terms of ANNEX V - PERFORMANCE MEASUREMENT SYSTEM;

13.3 Among other prohibitions set forth in the legislation and in this CONTRACT, the CONCESSIONAIRE:

- a) to grant loans, financing and / or any other form of transfer of funds to its shareholders and / or RELATED PARTIES, other than transfers of funds in the form of

dividend distribution, capital reduction, payment of interest on own capital and / or eventual contracting of works or services with contracted third parties, based on market conditions, and observing, in any case, the terms and conditions set forth in this CONTRACT;

- b) provide surety, guarantee or any other form of guarantee in favor of its RELATED PARTIES and / or third parties; and
- c) charge tickets for access to the open areas of the PARKS, under the terms of Municipal Law No. 16,703 / 2017.

13.4 The intellectual property rights to the studies and projects elaborated for the specific purposes of the CONCESSION, the rights related to the CONCESSION, as well as the projects, plans, plans, documents and other materials necessary for the performance of the activities of the CONCESSION, will be transmitted for free to the GRANTING AUTHORITY at the end of the CONTRACT.

13.5 The delay in obtaining licenses, permits and authorizations required for the full execution of the OBJECT, or even for the exploitation of SOURCES OF REVENUE, by fact attributable to the Public Power, at municipal, state or federal level, understood as the delay in term more than eight (8) months of the order's protocol duly instructed by the CONCESSIONAIRE, will give rise to the right to the recomposition of the economic-financial balance in favor of the CONCESSIONAIRE, if necessary.

CLAUSE 14 OF THE OBLIGATIONS OF THE GRANTING AUTHORITY

14.1 The obligations of the GRANTING AUTHORITY, without prejudice to other obligations set forth in this CONTRACT and its ANNEXES and applicable legislation:

- a) permanently guarantee the free access of the CONCESSIONAIRE to the AREA OF THE CONCESSION, for the execution of the PURPOSE OF THE CONCESSION during the term of this CONTRACT;
- b) issue the Terms of Acceptance of the Goods, under the terms and conditions of this CONTRACT;
- c) issue the STARTING ORDER;

- d) to make available to the CONCESSIONAIRE, in accordance with the schedule set forth in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE, the CONCESSIONAIRE AREA and the GOODS that will be under the management of the CONCESSIONAIRE, necessary for the proper development of the OBJECT;
- e) to terminate until the DATE OF THE STARTING ORDER the contracts related to AREA OF THE CONCESSION that are not listed in ANNEX IV - CONTRACTS IN FORCE IN THE CONCESSION AREA, of the NOTICE, except those referring to IBIRAPUERA PARK;
- f) be responsible for the costs, damages, expenses, payments, indemnities and possible judicial measures arising from acts or facts, including labor or environmental, prior to the DATE OF THE STARTING ORDER, related to the OBJECT, as well as acts or facts which, although subsequent to the DATE OF THE STARTING ORDER, are the sole fault of the GRANTING AUTHORITY or any third party contracted by him;
- g) to provide information for the CONCESSIONAIRE that is available to it for the proper development of the CONCESSION;
- h) duly substantiate its decisions, approvals, requests or other acts performed under this CONTRACT;
- i) formally indicate the public agent (s) responsible for monitoring this CONTRACT;
- j) to monitor, monitor and certify compliance with this CONTRACT, as well as analyze the information provided by the CONCESSIONAIRE, allowing the hiring of third parties to assist and subsidize the information;
- k) apply the sanctions and penalties and adopt the other measures necessary for the regular fulfillment of this CONTRACT in case of default of the obligations assumed by the CONCESSIONAIRE; and
- l) to collaborate, within its sphere of competence and observing the terms of the pertinent legislation, with obtaining the licenses and authorizations that may be necessary for the CONCESSION, together with other municipal bodies, including participation in technical meetings and sending of necessary manifestations, being responsible for obtaining licenses in accordance with sub-clause 13.5.

CLAUSE 15 OF THE CONCESSIONAIRE'S RIGHTS

15.1 THE CONCESSIONAIRE, without prejudice to and in addition to other rights provided for in the applicable legislation and in this CONTRACT, shall be entitled to:

a) exploit the OBJECT with ample business freedom and to manage its activities, subject to the limitations and conditions set forth in this CONTRACT and in the applicable legislation, and, for contracts and any type of agreements or adjustments entered into by the CONCESSIONAIRE with any RELATED PARTY, with market conditions;

b) explore SOURCES OF REVENUE at its own risk, subject to the prohibition provided for in letter "c" of sub-clause 13.3;

c) execute, at its own risk, optional charges in the PARKS, including the installation of ATTRACTIONS and FURNITURE not mandatory;

d) use the names of the parks (IBIRAPUERA, JACINTHO ALBERTO, EUCALIPTOS, TENENTE BRIGADEIRO FARIA LIMA, LAJEADO and JARDIM FELICIDADE), and may add them from other names or naming rights;

e) maintenance of the economic-financial balance, in the form of this CONTRACT;

f) subcontract third parties for the development of activities related to the execution of the OBJECT; and

g) distribute dividends and promote other legal forms of distribution of profits to shareholders, subject to the terms and conditions set forth in this CONTRACT.

15.2. For the purposes of letter "f" of the previous subclause, the CONCESSIONAIRE shall take care that the contracted third parties or subcontractors have technical capacity compatible with the OBJECT activities of the CONCESSION.

15.3. The CONCESSIONAIRE shall request the consent of the GRANTING AUTHORITY for the conclusion of a contract or any type of agreement or adjustment with RELATED PARTIES, the approval of which shall be conditioned to the demonstration of compliance with the market conditions, including from analogous contracts signed with third parties in the last twelve (12) months, if there is.

CLAUSE 16 OF THE GRANTING AUTHORITY PREROGATIVES

16.1 The GRANTING AUTHORITY, without prejudice to and in addition to other prerogatives and rights provided for in the applicable legislation and in this CONTRACT, has the prerogative of:

a) intervene in the provision of the activities that make up the OBJECT, and, consequently, in the management of the SOURCES OF REVENUE, being able to resume and extinguish them, in the cases and under the conditions set forth in this CONTRACT and in the applicable legislation; and

b) to hire third parties, in the terms and limits of the legislation, to exercise, in whole or in part, the regulatory, supervisory and oversight powers of this CONTRACT.

CLAUSE 17 OF THE GOVERNANCE OF PARKS

17.1 From the DATE OF THE STARTING ORDER, the representative (s) of the CONCESSIONAIRE and the representative (s) of the GRANTING AUTHORITY shall meet monthly or at a defined periodicity by mutual agreement, in order to present, to the other, the calendar of scheduled events and information about the works to be carried out and in progress in the PARKS, with the purpose of informing about the programmed activities and, if necessary, seeking joint solutions.

17.2 The calendar of events should be updated at each meeting.

17.3 The meetings provided for in sub-clause 17.1. do not exclude the possibility of communication, at any time, by the PARTIES of the subjects that are the object of the meetings.

17.4 At the discretion of the GRANTING AUTHORITY, they may attend the meetings provided for in sub-clause 17.1. individuals or representatives of legal entities that carry out activities in the IBIRAPUERA PARK, including those responsible for the EQUIPMENT NOT GRANTED.

CHAPTER V – OF FINANCING

CLAUSE 18 OF FINANCING

18.1 The CONCESSIONAIRE will be responsible for obtaining, applying, amortizing, paying interest and managing the FINANCING (S) necessary for the normal development of the CONCESSION, so that all obligations assumed in this CONTRACT are fully and timely fulfilled.

18.2 The CONCESSIONAIRE may not claim any provision, clause or condition of the FINANCING contract (s) that may be contracted, or any delay in the formalization of the necessary FINANCING contract (s) or, delay in the disbursement of the agreed resources, in order to be totally or partially exempt from the obligations assumed in this CONTRACT, the terms of which shall be fully known to the respective FINANCIER (s).

18.3 The CONCESSIONAIRE shall submit to the GRANTING AUTHORITY a certified copy of the FINANCING and guarantee contracts that it will conclude, as well as documents representing the securities issued by it, and any changes thereto, within a period of thirty (30) days date of signature or issue, as the case may be.

CHAPTER VI – THE VALUE OF THE CONTRACT, THE REMUNERATION OF THE CONCESSIONAIRE AND THE PAYMENT OF THE GRANT

CLAUSE 19 OF THE VALUE OF THE CONTRACT

19.1 The value of this CONTRACT is R \$ [•] ([fill in according to the winning proposal]), which corresponds to the value of the investments, expenses and operational costs estimated to perform the obligations of the contract, cumulated with the sum of the values of the FIXED GRANT INSTALLMENT and the VARIABLE GRANT INSTALLMENT, during the entire term of the concession.

19.2 The amount mentioned in the previous subclause is merely indicative, not binding any claim of economic and financial rebalancing within the scope of the CONCESSION.

CLAUSE 20 OF THE CONCESSIONAIRE REMUNERATION

20.1 The revenues to be received by the CONCESSIONAIRE will be derived from the exploitation of SOURCES OF REVENUE in the AREA OF THE CONCESSION.

20.2 No amount will be owed by the GRANTING AUTHORITY to the CONCESSIONAIRE due to the execution of the PURPOSE.

20.3 The CONCESSIONAIRE may perform any lawful activities compatible with this CONTRACT and be remunerated for the revenues earned from the development of such activities, and shall observe the rules of revenue sharing, under the terms of this CONTRACT.

20.4 The SOURCES OF REVENUE shall assure the CONCESSIONAIRE the conditions to face, among others:

- a) the amortization costs and eventual financing interest (s) related to the installation of the project;
- b) the taxes owed by the CONCESSIONAIRE;
- c) to the payment of VARIABLE GRANT INSTALLMENT, when;
- d) to fulfill the obligations of this CONTRACT and its ANNEXES; e
- e) the remuneration of the capital invested by the partners of the CONCESSIONAIRE.

20.5 The SOURCES OF REVENUE may be exploited directly by the CONCESSIONAIRE or by third parties, with their agreement.

20.6 The CONCESSIONAIRE shall forward annually and in writing to the GRANTING AUTHORITY a report containing a detailed description of the scope of the activity (s) and / or undertaking (s) developed in the CONCESSION AREA, demonstrating, among other elements to judge that the activity (s) or undertaking (s) conform to the PURPOSE OF THE CONCESSION, that do not compromise the quality of the exploration of the OBJECT, and which obeys the Brazilian legislation, including environmental legislation.

20.7 In addition to the information provided in the previous subclause, the GRANTING AUTHORITY may, in its discretion, request other pertinent information, according to the activity (s) object of the request.

CLAUSE 21 OF THE PAYMENT OF THE GRANT

21.1 The CONCESSIONAIRE undertakes to pay the GRANTING AUTHORITY to the VARIABLE GRANT INSTALLMENT, according to the values, percentages and conditions indicated in ANNEX IV - PAYMENT MECHANISM OF THE GRANT.

21.2 In case of delay in the payment of VARIABLE GRANT INSTALLMENTS, the GRANTING AUTHORITY may adopt the measures and penalties provided in ANNEX IV - PAYMENT MECHANISM OF THE GRANT.

21.3 For the inspection of the amount paid as a VARIABLE GRANT INSTALLMENT, the CONCESSIONAIRE must present to the GRANTING AUTHORITY:

- a) within forty-five (45) days as of the end of each quarter, its full quarterly financial statements;
- b) annually, within ninety (90) days as of the end of the fiscal year, annual financial statements, containing an audited report of its accounting position, including the balance sheet in its complete form, that is, Balance Sheet (BS), Statement of Statement of Changes in Shareholders' Equity (CSE), Statement of Value Added (SVA), when applicable, with the respective explanatory notes and the Reports of the Board of Directors and of the Boards of Directors Fiscal and Administration, the independent auditors' reports, as well as the year-end balance sheet with the adjustments made and respective balances;
- c) annually, within ninety (90) days as of the end of the fiscal year, annual report of compliance, containing the description: (i) of the activities carried out; (ii) investments and disbursements made; (iii) the works carried out; (iv) maintenance activities; (v) of the existing contracts, including those entered into with RELATED PARTIES; (vi) net revenue; (vii) of the transactions between the CONCESSIONAIRE and its controller; (viii) provision for contingencies (civil, labor, fiscal, environmental or administrative); and (ix) other data that it deems relevant.

21.4 In case the CONCESSIONAIRE is a wholly owned subsidiary, its financial and accounting statements must be consolidated in the financial statements of the CONCESSIONAIRE.

21.5 The CONCESSIONAIRE shall contract and remunerate a specialized independent auditing firm duly registered with the Brazilian Securities and Exchange Commission (Portuguese acronym: CVM) for the audit of amounts due as VARIABLE GRANT INSTALLMENTS, as well as for other audits that the GRANTING AUTHORITY deems necessary in its activity the latter having the right of veto in the indication made by the CONCESSIONAIRE.

- 21.6 Every five (5) years of the CONCESSION, the CONCESSIONAIRE shall contract a new specialized independent audit firm, different from that of the person responsible for the audit in the previous five years, under the terms of the previous subclause.
- 21.7 If there is a failure by the specialized independent auditing company to comply with the CONTRACT and its ANNEXES or the applicable legislation, the GRANTING AUTHORITY may request the CONCESSIONAIRE to hire a new specialized independent audit firm before the deadline set forth in the previous subclause.
- 21.8 The CONCESSIONAIRE undertakes to include, in contracts signed with subcontractors, service providers, third parties that come to explore SOURCES OF REVENUE, or other contractors, a clause that obliges them to make available to the GRANTING AUTHORITY, when requested, their financial and accounting statements, proving the perceived revenue from the activity.
- 21.9 The GRANTING AUTHORITY may use, at its discretion, the contracted audit assistance, in order to determine the amounts actually collected, or to supervise the contracts signed by the CONCESSIONAIRE with subcontractors, providers or service providers or any third party bound by it, without prejudice of the application of the applicable penalties and incidence of interest and of the moratorium penalty provided for in ANNEX IV - PAYMENT MECHANISM OF THE GRANT.

CHAPTER VIII – SUPERVISION AND MANAGEMENT OF THE IMPLEMENTATION OF THE CONTRACT

CLAUSE 22 OF THE SUPERVISION

- 22.1 The control of CONCESSION, covering all the activities of the CONCESSIONAIRE, throughout the term of this CONTRACT, will be executed by the GRANTING AUTHORITY, which may avail itself of technical support from third parties, under the terms of the legislation and the ANNEXES to this CONTRACT.
- 22.2 The CONCESSIONAIRE shall grant the CONCESSIONAIRE, or any other person it accredits, free access at any time to the areas, facilities and locations, documents and data relating to the CONCESSION and the CONCESSIONAIRE, including statistics, administrative and accounting records and contracts with

third parties, providing, within the term established, the clarifications that are formally requested.

22.3 The CONCESSIONAIRE may request from the CONCESSIONAIRE, at any time and under any circumstance, information of a technical, operational, economic, financial and accounting nature, as well as measurements and rendering of accounts, granting, when necessary, a reasonable period for the fulfillment of the requests that make.

22.4 The GRANTING AUTHORITY, directly or through its accredited representatives, may carry out, in the presence of representatives of the CONCESSIONAIRE, surveys, tests or tests that allow to properly evaluate the operating conditions and characteristics of the equipment, systems and facilities used in the CONCESSION.

22.5 In the exercise of supervision, the GRANTING AUTHORITY may also:

- a) to monitor the execution of works and the provision of services, activities and supplies, as well as the conservation of the GOODS LINKED TO THE CONCESSION;
- b) carry out surveys to check the adequacy of facilities and equipment, determining the necessary corrections, repairs, removals, reconstructions or replacements, at the expense of the CONCESSIONAIRE, when they are in disagreement with the specifications prescribed in this CONTRACT and its ANNEXES;
- c) intervene, when necessary, in the execution of the OBJECT activities of the CONCESSION, in accordance with the legislation and this CONTRACT, in order to ensure the regularity and faithful fulfillment of the contractual obligations assumed by the CONCESSIONAIRE;
- d) to determine that works, activities and services, without charge to the GRANTING AUTHORITY, are reassigned if those already executed are not in accordance with the specifications of this CONTRACT and its ANNEXES, as well as with the current legislation and applicable technical standards; and
- e) apply the sanctions provided for in this CONTRACT.

22.6 The GRANTING AUTHORITY shall designate a technical unit responsible for supervising and monitoring this CONTRACT, indicating its manager, who shall have among its duties the activities indicated in letters (a) to (e) of the subclause above, as well as formalize the terms of delivery of interventions and

investments provided for in this CONTRACT; and receive any requests for financial rebalancing, as well as for the initiation of any dispute settlement procedure provided for in this CONTRACT, without prejudice to clause 47.

22.7 In the event that the CONCESSIONAIRE refuses to comply with the determinations made by the GRANTING AUTHORITY, it may adopt, directly or through third parties, the necessary measures to correct the situation, bearing the respective costs on behalf of the CONCESSIONAIRE, without prejudice to the application of the sanctions and penalties.

22.8 The inspection by the GRANTING AUTHORITY does not exclude the responsibility of the CONCESSIONAIRE for the adequacy and quality of the investments made, as well as for the fulfillment of the contractual obligations.

22.9 The GRANTING AUTHORITY will avail itself of technical service of support agent for monitoring and of research institute of satisfaction to assist him/ her in the monitoring of the execution of the present CONTRACT, according to the terms of the ANNEX V - SYSTEM OF MEASUREMENT OF PERFORMANCE.

CHAPTER IX – OF THE RISKS

CLAUSE 23 RISK ALLOCATION

23.1 The CONCESSIONAIRE is fully and exclusively responsible for all risks related to this CONCESSION, unless expressly stated otherwise in this CONTRACT.

23.2 Included among the risks of the CONCESSIONAIRE, in this CONCESSION are those related to:

- a) obtaining licenses, permits and authorizations related to the activities of the CONCESSION, except as provided in sub-clause 13.5;
- b) variation of costs of inputs, operating costs, maintenance and investments, including due to exchange rate fluctuation and variation in water and electric energy tariffs;
- c) delay in the fulfillment of the terms established in this CONTRACT and ANNEXES, including as a result of not obtaining authorizations, licenses and / or permissions, except as provided in subclause 13.5;
- d) risk arising from the operation and maintenance of PARKS;

- e) changes in plans, projects or works, by mere liberality of the CONCESSIONAIRE;
- f) the error in its projects and works, the error in its estimates of costs, expenses and / or schedule, faults in the provision of services and activities errors or failures caused by the CONCESSIONAIRE, by its agents or employees, or by its subcontractors;
- g) the safety and health of workers who are subordinate to it in the execution of the OBJECT and / or its subcontractors;
- h) the increase in the cost of FINANCING (S) assumed for the realization of investments or for the cost of services of the OBJECT, including due to the increase of interest rates, except in cases where it is proven that the increase in costs related to the FINANCING (S) obtained by the CONCESSIONAIRE are derived directly from acts performed by the GRANTING AUTHORITY under this CONTRACT, especially those related to eventual noncompliance with the contractual obligations assumed by it;
- i) the quality in the provision of OBJECT services and activities, as well as compliance with the technical specifications of the services and the PERFORMANCE FACTOR;
- j) obsolescence, safety, robustness and full operation of the technologies, equipment and techniques used in the CONCESSION;
- k) damages caused to third parties or the environment due to the CONCESSIONAIRE, its employees, service providers, subcontractors, subcontractors or any other natural or legal person linked to it in the exercise of the activities covered by this CONTRACT;
- l) recovery, prevention, correction and management of environmental liabilities related to the CONCESSION, whose generating event occurred after the DATE OF THE STARTING ORDER, including the environmental liability referring to the final destination of the equipment and goods;
- m) economic inefficiencies or losses arising from failures, negligence, ineptitude or omission in the fulfillment of the OBJECT, except for acts or omissions of the GRANTING AUTHORITY;
- n) destruction, stealing, theft, vandalism, depredation, loss or any other type of damage caused to the GOODS LINKED TO THE CONCESSION, a liability that shall not be reduced or excluded by virtue of the supervision of the GRANTING AUTHORITY ;

- o) the risks that may be subject to insurance coverage offered in Brazil on the date of its occurrence, including for the hypotheses of FORTUITY CASE or MAJOR FORCE, as well as the variation in its price;
- p) labor, social security, tax and commercial expenses resulting from the execution of this CONTRACT, including the increase of the cost of labor by agreement, collective bargaining agreement or collective bargaining agreement, and the liabilities resulting therefrom, including those related to the companies eventually subcontracted under the CONCESSION;
- q) strikes by employees hired by the CONCESSIONAIRE, subcontractors or service providers to the CONCESSIONAIRE;
- r) the interface with public entities and agencies, subcontractors, consumers and service providers of the CONCESSIONAIRE, as well as with USERS;
- s) the non-effectiveness of the projected demand in the PARK, ATTRACTIONS, SOURCES OF REVENUE or any other equipment or installation of the PARK, or its reduction for any reason, even if it results from competition practiced by the GRANTING AUTHORITY or by third parties, except in in case of possible noncompliance with the obligations assumed by the GRANTING AUTHORITY under this CONTRACT;
- t) the construction, demand and feasibility of REVENUE SOURCES, observed in letters "I" of sub-clause 23.5;
- u) the realization and payment of any adjustments and adjustments necessary to comply with the minimum guidelines established in this CONTRACT and its ANNEXES;
- v) the default of consumers or borrowers of the CONCESSIONAIRE for the payments that are due to it for any title;
- w) the costs of legal actions of third parties against the CONCESSIONAIRE or subcontractors arising from the execution of the CONCESSION, unless for fact attributable to the GRANTING AUTHORITY;
- x) costs incurred and losses incurred as a result of supervening changes in Fire Department standards, technical norms and / or safety standards;
- y) damages caused to the GRANTING AUTHORITY due to the use of the AREA OF THE CONCESSION and its adjacencies in disagreement with the provisions of this CONTRACT and its ANNEXES, or with the applicable norms;

- z) interruption and / or intermittence in the supply of electricity, water, or other services necessary for the operation of the activities explored in the CONCESSION;
- aa) social and / or public events that jeopardize the execution of the OBJECT or that cause damage to the GOODS LINKED to the CONCESSION.

23.3 The CONCESSIONAIRE shall indemnify and hold the GRANTING AUTHORITY harmless from any claim or damage that the GRANTING AUTHORITY may suffer as a result of acts committed by the CONCESSIONAIRE, its administrators, employees, agents, service providers, subcontractors and third parties with whom it has contracted, or by any other natural or legal person related thereto.

23.4 The CONCESSIONAIRE shall also indemnify and hold the GRANTING AUTHORITY safe from procedural expenses, succumbencial fees and other charges with which it, directly or indirectly, will be charged due to the hypotheses provided in the previous subclause.

23.5 They are not risks of the CONCESSIONAIRE, giving rise to the procedure of economic and financial rebalancing in the hypotheses of increase or reduction of the costs incurred in the execution of the OBJECT, under the terms of this CONTRACT:

- a) any legal taxes or charges created, modified or terminated, that affect directly or indirectly the services provided by the CONCESSIONAIRE, including the supervening incidence of Property and Urban Tax (IPTU) on the AREA OF THE CONCESSION;
- b) judicial or administrative decisions directly impacting or expensive, or impossible to prevent CONCESSIONAIRE full or in part provide the OBJECT services, except in cases where there CONCESSIONAIRE given rise to the situation on which are based these decisions;
- c) delays or non-fulfillment of the obligations of the CONCESSIONAIRE, caused by the delay or omission of the GRANTING AUTHORITY or other organs or entities of the Public Administration of the Municipality of São Paulo, provided that the formal regularity, timeliness and adequacy of the requests and requests forwarded by the CONCESSIONAIRE, and provided that the competent organs or entities provoked fail to observe the regulatory period granted to them for the respective manifestation;
- d) breach by the GRANTING AUTHORITY of its contractual or regulatory obligations, including, but not limited to noncompliance with the terms applicable to it under this CONTRACT and / or current legislation;

- e) delay in the fulfillment of the deadlines established in this CONTRACT related to the obligations assumed by the CONCESSIONAIRE, as well as the breach of the PERFORMANCE FACTOR, when directly arising from the action or omission of the GRANTING AUTHORITY;
- f) imposition, by the GRANTING AUTHORITY, of new obligations, or unilateral alteration of the obligations originally contemplated in the CONTRACT that has an impact on the costs and charges of CONCESSIONAIRE;
- g) revisions on the parameters and meters related to the PERFORMANCE FACTOR which, evidently, imply additional charges for the CONCESSIONAIRE;
- h) damages caused to third parties or to the environment by administrators, employees, agents, service providers, occurring before the DATE OF THE STARTING ORDER, in which case, in addition to the right to economic and financial rebalancing of the CONTRACT, the CONCESSIONAIRE will have the direct to the compensation by the GRANTING AUTHORITY of any indemnities that may be paid due to the environmental liability and / or cases of civil liability that have as a matter of fact prior to the CONCESSION;
- i) costs of recovery, prevention, correction and management of environmental liabilities related to the CONCESSION, whose generating event occurred prior to the DATE OF THE STARTING ORDER;
- j) investments, payments, costs and expenses arising from possible expropriations and institution of administrative easements determined by the GRANTING AUTHORITY, in the form of the law;
- k) lawsuits or administrative claims originating from services rendered prior to the DATE OF THE STARTING ORDER;
- l) non-approval of projects and interventions foreseen in the occupation plan contained in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE by the competent bodies;
- m) investments, costs and expenses resulting from overturning of real estate and / or tangible or intangible GOODS related to the CONCESSION, affecting the premises and original projects within the scope of the CONCESSION, except those elements whose registration process is already in progress on DATE DELIVERY OF PROPOSALS; and

- n) strike of the employees and employees of the GRANTING AUTHORITY that demonstrates that it prevents or makes it impossible for the CONCESSIONAIRE to render all or part of the OBJECT OF THE CONCESSION.

23.6 In the event of FORTUITY CASE or MAJOR FORCE, whose consequences are not covered by insurance available in the Brazilian security market and under viable commercial conditions, the PARTIES will agree on whether the economic-financial balance will be restored or the CONCESSION will be terminated. Based on the consequences of the events for the continuity of the OBJECT, subject to the provisions of Chapter XIV.

23.7 In the event of termination of the CONCESSION, in accordance with the provisions of the previous subclause, the applicable rules and procedures for termination of the CONCESSION by the advent of the contractual term, according to this CONTRACT, shall be applied, to the extent applicable. CONCESSIONAIRE to the receipt of the indemnity for the portion (s) of the investments related to reversible GOODS that have not yet been amortized or depreciated, which were carried out with the purpose of guaranteeing the continuity and actuality of the service granted.

23.8 The PARTIES undertake to employ all necessary measures and actions in order to minimize the effects arising from FORTUITY CASE or MAJOR FORCE events.

23.9 The CONCESSIONAIRE declares that:

- a) have full knowledge of the nature and extent of the risks assumed in this CONTRACT;
and
- b) have taken into account the risk distribution established in this CONTRACT for the formulation of its COMMERCIAL PROPOSAL in the BID.

CHAPTER X – CONTRACTUAL REVIEW AND FINANCIAL ECONOMIC BALANCE

CLAUSE 24 OF THE ORDINARY REVIEWS

24.1 Without prejudice to the other provisions of this CONTRACT and the prerogatives legally conferred on the GRANTING AUTHORITY regarding the imposition of new obligations or changes on the OBJECT pursuant to subclause 23.5, every five (5) years from the DATE OF PUBLICATION OF THE CONTRACT,

the PARTIES shall promote the review of the parameters, conditions and general results of the CONCESSION, with the purpose of, being the case:

a) review the specifications of the OBJECT and improve the services and activities of the OBJECT, in accordance with the current principle;

b) critically analyze and, if necessary, modify the charges provided for in this CONTRACT or in ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE; and

c) review the content of the plans foreseen as mandatory presentation by the CONCESSIONAIRE, in accordance with the terms of ANNEX III - SET OF SPECIFICATIONS OF THE CONCESSIONAIRE.

24.2. The review procedure must be initiated ex officio by the GRANTING AUTHORITY, or at the request of the CONCESSIONAIRE, within a period of sixty (60) days, extendable for an equal period, of the conclusion of the first five (5) years of this CONTRACT, and so on, until the end of the term of the CONCESSION.

24.3. If there is no need to change the parameters, conditions and general results of the CONCESSION, the GRANTING AUTHORITY shall institute the procedure set forth in this subclause to pronounce on the need for any revision, opening a deadline for the CONCESSIONAIRE's manifestation.

24.4. For the purpose of analyzing the need, convenience or timeliness of the review referred to in this clause, each party shall, within thirty (30) days of the initiation of the proceeding, detail any changes suggested, with the corresponding justifications, studies and other documents support your proposal.

24.5. The ordinary review procedure shall be concluded by agreement between the PARTIES, within a period of sixty (60) days, renewable for an equal period.

24.6. If the PARTIES fail to reach an agreement, the provisions of CHAPTER XIV of this CONTRACT shall be observed.

24.7. The participation of entities, representatives of civil society or specialized professionals in the review process dealt with in this clause is allowed for the

collection of data, confirmation of premises and / or technical and economic elucidations that may be necessary.

24.8 From the outcome of the review procedure dealt with in this clause, the economic-financial balance of the CONCESSION may be reviewed, for the benefit of the CONCESSIONAIRE or the GRANTING AUTHORITY, pursuant to clause 26 and clause 27 of this CONTRACT.

CLAUSE 25 OF THE EXTRAORDINARY REVIEWS

25.1 Without prejudice to the other provisions of this CONTRACT and the prerogatives legally conferred on the GRANTING AUTHORITY in relation to the imposition of new obligations or changes on the OBJECT, pursuant to sub-clause 23.5, the GRANTING AUTHORITY or the CONCESSIONAIRE may request an extraordinary review of the CONTRACT, always with a view to regularity, continuity, efficiency, safety, currentity and generality of the services of the OBJECT, and provided there is a proven need to include and / or exclude charges in this CONTRACT , resulting from supervening technological changes or from the need to adapt the systems for measuring the quality of the services provided in this CONTRACT to nationally or internationally recognized technical standards..

25.2. The request of the CONCESSIONAIRE must be accompanied by the reasons justifying the intended revision, with the details, surveys, studies or technical opinions deemed pertinent.

25.3 In evaluating the request sent under the terms of the previous subclause, the GRANTING AUTHORITY may consult the opinion of other organs and technical entities involved.

25.4 The extraordinary review procedure shall be concluded by agreement between the PARTIES.

25.5 Ordinary review procedure shall be concluded by agreement between the PARTIES, within a period of sixty (60) days, which may be extended for an equal period.

25.6 If the PARTIES do not reach an agreement, the provisions of CHAPTER XIV of this CONTRACT shall be observed.

25.7 The result of the review procedure dealt with in this clause, may result in a review of the economic-financial balance of the CONCESSION, for the benefit of the CONCESSIONAIRE or the GRANTING AUTHORITY, pursuant to clause 26 and clause 27 of this CONTRACT.

25.8 The extraordinary review of this CONTRACT shall not consider events occurring more than one (01) year from the date on which the interested PARTY of them has become aware.

CLAUSE 26 OF ECONOMIC AND FINANCIAL BALANCE

26.1 Whenever the conditions of this CONTRACT are met and the risk allocation established therein is maintained, its economic-financial balance shall be maintained.

26.1.1 Without prejudice to other hypotheses admitted in this CONTRACT, it is a situation that justifies the economic and financial rebalancing in favor of the GRANTING AUTHORITY to reduce the costs incurred by the CONCESSIONAIRE due to the advent of any of the events set forth in sub-clauses 23.5 and 23.6 and in clause 24a and CLAUSE 25.

26.1.2 Without prejudice to other hypotheses admitted in this CONTRACT, it is a situation that justifies the economic and financial rebalancing in favor of the CONCESSIONAIRE the increase of costs and expenses incurred by the CONCESSIONAIRE due to the advent of any of the hypotheses set forth in subclauses 23.5 and 23.6 and in clause 24 and CLAUSE 25.

26.2 In addition to the other situations expressly provided in this CONTRACT, the CONCESSIONAIRE may request the recomposition of the economic-financial balance in the situations indicated in subclauses 23.5 and 23.6, and clause 24 and clause 25, subject to the procedure defined in this CONTRACT.

26.3 The GRANTING AUTHORITY may request the recomposition of the economic-financial balance, when applicable, in terms of the law and in the events provided for in this CONTRACT.

26.4 The recomposition of the economic-financial balance shall be effective by mutual agreement between the PARTIES, by means of the following modalities:

- a) extension or reduction of the term of the CONCESSION;

- b) readjustment of the indices that make up the PERFORMANCE FACTOR provided in ANNEX IV - PERFORMANCE MEASUREMENT SYSTEM;
- c) review of the costs and obligations assumed by the CONCESSIONAIRE, including deadlines binding on the CONCESSIONAIRE;
- d) revision of the amount due to title of VARIABLE GRANT INSTALLMENTS to the GRANTING AUTHORITY, for more or less;
- e) payment of indemnity in cash;
- f) another form defined in common agreement between the GRANTING AUTHORITY and the CONCESSIONAIRE; or
- g) combination of the above modalities.

26.5 The alternatives for the recomposition of the economic-financial balance can not change the allocation of risks originally provided for in this CONTRACT.

CLAUSE 27 OF THE PROCEDURE FOR THE RECOMPOSITION OF ECONOMIC AND FINANCIAL BALANCE

27.1 The procedure for the recomposition of the economic-financial balance may be initiated by any of the PARTIES, following an ordinary or extraordinary review process when the economic and financial imbalance of the CONTRACT is verified, by submitting a technical report.

27.2 The analysis of the recomposition of the economic-financial balance presupposes the verification of the global economic conditions of the adjustment, taking as a base the effects of the events that caused it, described in a technical report to be presented by the interested PARTY, which may be accompanied expert opinion, independent studies and / or other documents deemed relevant.

27.3 The technical report dealt with in the previous subclauses shall demonstrate the effects of the events mentioned in a cash flow prepared specifically for its demonstration, considering, among others, the estimated change in investments, the reasoned demonstration of the costs or expenses incurred and the suggestion of the measures to be adopted for the recomposition of the economic-financial balance of this CONTRACT.

27.4 When the request for recomposition of the economic-financial balance is initiated by the CONCESSIONAIRE, the following shall be observed:

- a) The request must be accompanied by a technical report, expert report and / or independent study that effectively demonstrates the impact of the occurrence, in the form established in previous subclauses, also including data such as the date of occurrence and the likely duration of the hypothesis leading to recomposition;
- b) The request must be accompanied by all documents necessary to demonstrate the suitability of the litigation, and the GRANTING AUTHORITY may request specific economic reports from the CONCESSIONAIRE or studies prepared by municipal public administration bodies or entities or by independent entities; and
- c) the request, as the case may be, shall contain an indication of the intention to recompose the economic-financial balance in one of the ways indicated in subclause 26.4, providing a detailed demonstration of the assumptions and parameters used and informing the impacts and possible alternatives of balancing the between the PARTIES.

27.5 The GRANTING AUTHORITY shall have free access to the information, GOODS and facilities of the CONCESSIONAIRE or third parties contracted by it to assess the amount alleged by the CONCESSIONAIRE in the request for the recomposition of the economic and financial balance that it has presented.

27.6 In order to confirm the situations identified as causing economic and financial imbalance and to dimension the effects and measures resulting therefrom, the PARTIES may count on the participation of a specialized entity specially contracted for this purpose.

27.7 The recomposition of the economic-financial balance shall be performed in such a way that the net present value of the difference between: (i) the estimated cash flow of the project is zero, without considering the impact of the event; and (ii) the projected cash flow, in the case of present events whose impacts have not yet materialized, or the cash flow observed, in the case of past events, taking into account the event that caused the imbalance and application of the arrangements for recomposition laid down in sub-clause 26.4.

27.8 The best available and updated information should be used to estimate the value of investments, costs and expenses, as well as possible revenues and other gains, resulting from the event of imbalance, based on the best available public and / or private sector price references at the time of litigation, including amounts in past contracts entered into by the GRANTING AUTHORITY, SPC

shareholders or other companies, market surveys and specific items and inputs used in each case.

27.9 In the event of new investments or services requested by the GRANTING AUTHORITY, and not foreseen in this CONTRACT, the GRANTING AUTHORITY may request the CONCESSIONAIRE, prior to the process of recomposition of the economic and financial balance, to prepare basic and executive projects, the onus of which will be elaborated supported by the GRANTING AUTHORITY, containing all the necessary elements for the pricing of the investment and estimates of the impact of the work or service on the CONCESSIONAIRE's revenues, observing, for all purposes, the provisions of the previous subclause.

27.10 The recomposition of the economic-financial equilibrium may be carried out before or after the actual impact of the event giving rise to the imbalance situation, and for that purpose the net present value of the difference between the estimated and projected flows, according to sub-clause 27.7. , on the date of the evaluation.

27.11 For imbalance events already occurring, the annual real discount rate to be used in the calculation of the present value will be composed of the average of the last three (3) months of the gross IPCA + Treasury interest rate with Semiannual Interest National Treasury Series B - NTN-B, ex-ante deduction of Income Tax, due on 08/15/2050, published by the National Treasury Secretariat, calculated on the effective date of the event of imbalance in cash flow of the CONCESSIONAIRE, plus a risk premium of 4.69% pa (four and sixty-nine hundredths per cent per year).

27.12 For future impacts, the actual annual discount rate to be used in the calculation of the present value will be composed of the average of the last three (3) months of the gross IPCA + Treasury interest rate with Semiannual Interest (former National Treasury Notes Series B - NTN-B), ex-ante deduction of Income Tax, due on 08/15/2050, published by the National Treasury Secretariat, calculated on the date of formalization of the rebalancing by signing the corresponding contractual addendum, plus a risk premium of 4.69% pa (four and sixty-nine hundredths per cent per year).

27.13 In the event of the extinction or repurchase by the Federal Government of the securities dealt with in the sub-clauses above, the PARTIES shall stipulate by mutual agreement the new methodology for calculating the annual real discount rate and risk premium to be adopted.

- 27.14 When the business cash flows are calculated in current national currency, the discount rate described in sub-clauses 27.11 and 27.12 shall incorporate the IPCA.
- 27.15 In the event that the economic-financial balance of the CONTRACT is recomposed by alteration of the term of the CONCESSION, it should be included in the calculation, if any, the costs and expenses with the reinvestments as a result of the depreciation of REVERSIBLE GOODS.
- 27.16 The procedure for the recomposition of the economic-financial balance initiated by any one of the PARTIES shall be object of communication to the other PART, which shall have a period of thirty (30) days, renewable for an equal period, for manifestation.
- 27.17 The communication sent by the interested PARTY to the other PARTY must be accompanied by a copy of the reports and / or studies carried out to characterize the situation that would lead to the recomposition.
- 27.18 Upon expiration of the term referred to in subclause 27.16 27.16, and in the absence of a manifestation of the CONCESSIONAIRE in case the process has been instituted by the GRANTING AUTHORITY, the proposal for the recomposition of the economic-financial balance of the GRANTING AUTHORITY .
- 27.19 Once the proposal has been submitted by the CONCESSIONAIRE, in case the process has been initiated by the GRANTING AUTHORITY, the term of thirty (30) days, renewable for an equal period, will be decided to decide on the recomposition of economic and financial balance.
- 27.20 If the request for recomposition of the presented economic-financial balance is verified, the costs with diligence and studies necessary for the full investigation of the procedure will be borne exclusively by the PARTY that caused the imbalance, by offsetting the respective value in the amount of the VARIABLE GRANT INSTALLMENT immediately following the decision.
- 27.21 The procedure for the recomposition of the economic and financial balance of this CONTRACT shall be concluded within a period not exceeding sixty (60) days, except in the case where a duly justified extension is necessary to complement the instruction of the respective procedure.

27.22 After sixty (60) days after the submission of the request for economic and financial rebalancing at the request of the CONCESSIONAIRE and not finding a friendly solution, or in case of disagreement as to the need for recomposition or for the values and / or other data indicated, the PARTIES may use the procedures provided for in CHAPTER XII.

CHAPTER XI - GUARANTEES AND INSURANCE

CLAUSE 28 OF THE GUARANTEE FOR THE EXECUTION OF THE CONTRACT BY THE CONCESSIONAIRE

28.1 For the faithful fulfillment of the obligations assumed, the CONCESSIONAIRE will maintain the GUARANTEE FOR THE EXECUTION OF THE CONTRACT provided as a condition precedent for the signing of this CONTRACT, observing the following dynamics of liberation over the term of the contract:

- a) the initial amount of GUARANTEE FOR THE EXECUTION OF THE CONTRACT will correspond to five percent (5%) of the CONTRACT VALUE;
- b) after the issuance of the respective Final Acceptance Term, the mandatory amount of GUARANTEE FOR THE EXECUTION OF THE CONTRACT will correspond to two point six percent (2.6%) of the CONTRACT VALUE.

28.2 THE GUARANTEE FOR THE EXECUTION OF THE CONTRACT will serve to:

- a) reimbursement of costs and expenses incurred by the GRANTING AUTHORITY against the default of the CONCESSIONAIRE;
- b) the payment of the VARIABLE GRANT INSTALLMENT, in the event of a late payment by the CONCESSIONAIRE, more than ten (10) business days;
- c) return of the goods belonging to the CONCESSION in disregard to the requirements established in this CONTRACT or in its ANNEXES; and/or
- d) the payment of fines that are imposed on the CONCESSIONAIRE because of default in the fulfillment of its contractual obligations, which discharge does not occur within ten (10) days of the respective imposition.

28.3 If the value of any contractual fines imposed on the CONCESSIONAIRE exceeds the value of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT, in

addition to the loss thereof, the CONCESSIONAIRE shall be liable for the difference and the replacement of the full value of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT , within ten (10) working days, under penalty of applying the penalties provided in this CONTRACT.

28.4 Whenever the GUARANTEE FOR THE EXECUTION OF THE CONTRACT is used, the CONCESSIONAIRE shall recompute its full value, observing a period identical to that of the previous subclause.

28.5 The recomposition referred to in the previous subclause may be made by the CONCESSIONAIRE by complementing the existing guarantee or contracting new guarantee (s), so that the total value of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT is always equivalent to the amount defined in subclause 28.1, under penalty of applying the penalties provided in this CONTRACT.

28.6 The GUARANTEE FOR THE EXECUTION OF THE CONTRACT referred to in this clause may take any of the following:

- a) guarantee in cash, in national currency, deposited in the current account to be indicated by the GRANTING AUTHORITY, collateral in federal public debt securities, not encumbered with clauses of inalienability and impenetrability, nor acquired compulsorily, registered in a centralized system of liquidation and custody authorized by the Central Bank of Brazil;
- b) insurance-guarantee, provided by an insurance company authorized to operate in Brazil, with the presentation of the respective certificate of regularity of SUSEP; or
- c) bank guarantee, provided by a financial institution authorized to operate in Brazil, with a national scale rating higher than or equal to "Aa3.br", "brAA-" or "AA- (bra)", as disclosed by Moody's, Standard & Poor's or Fitch in favor of the GRANTING AUTHORITY.

28.7 The GUARANTEE FOR THE EXECUTION OF THE CONTRACT offered may not contain any restrictions or conditions that may hinder or preclude its performance, or that may raise inaccuracy, and the concessionaire should promote the renovations and updates that are required to be enacted during the vigence of the CONTRACT.

28.8 The GUARANTEES FOR THE EXECUTION OF THE CONTRACT presented in the insurance-guarantee modality shall follow SUSEP Circular No. 477/13 or in a standard that replaces it.

28.9 For the GUARANTEE FOR THE EXECUTION OF THE CONTRACT presented in the form of collateral in federal public debt securities, the following securities:

- a) Fixed Treasury;
- b) Selic Treasury;
- c) IPCA + Treasury with Semester Interest;
- d) IPCA Treasury;
- e) IGPM + Treasury with Semester Interest; and
- f) Prefixed Treasury with Semiannual Interest.

28.10 Expenses related to the provision of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT, including its recomposition, shall be the exclusive responsibility of the CONCESSIONAIRE.

28.11 If the insurance-guarantee modality is used, the policy must be valid for at least one (01) year, with a renewal clause until the termination of the obligations of the CONCESSIONAIRE.

28.12 In the event that it is not possible to provide for such renewal of obligations in the respective policy, the CONCESSIONAIRE shall contract a new GUARANTEE FOR THE EXECUTION OF THE CONTRACT.

28.13 A policy must contain express provision that the insurer must inform the GRANTING AUTHORITY and the CONCESSIONAIRE at least ninety (90) days before the final expiration date, whether the policy will be renewed or not.

28.14 In case the insurer does not renew the insurance policy, the CONCESSIONAIRE must present a guarantee of value and equivalent conditions, for approval of the GRANTING AUTHORITY, up to five (05) business days prior to the expiration of the policy, regardless of notification.

28.15 During the term of the CONTRACT, the CONCESSIONAIRE may replace the GUARANTEE FOR THE EXECUTION OF THE CONTRACT provided by any of the modalities admitted in this clause, with prior approval of the GRANTING AUTHORITY.

- 28.16 The GUARANTEE FOR THE EXECUTION OF THE CONTRACT will be adjusted annually, according to the variation of the CPI, or, in the event of its extinction, by the index that will replace it. Whenever there is a readjustment of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT, the CONCESSIONAIRE must complement it, within ten (10) days from the effective date of the adjustment, in order to maintain unchanged the proportion fixed in this clause, otherwise it will characterize the CONCESSIONAIRE's default and the applicable penalties.
- 28.17 The CONCESSIONAIRE will remain responsible for the fulfillment of the contractual obligations, including the payment of any fines and indemnities, regardless of the use of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT.
- 28.18 The GUARANTEE FOR THE EXECUTION OF THE CONTRACT, subject to the minimum amount defined in this clause, shall remain in force until at least one hundred and eighty (180) days after the termination of the CONTRACT.
- 28.19 The restitution or release of the guarantee will depend on the proof of full compliance with all obligations, including labor and social security obligations of the CONCESSIONAIRE, as well as the delivery of REVERSIBLE GOODS in perfect conditions of operation, use and maintenance.

**CLAUSE 29 OF THE GUARANTEE OF SATISFACTION OF THE FINANCIER' CREDIT TO THE
CONCESSIONAIRE**

- 29.1 In the event that the CONCESSIONAIRE concludes a financing agreement with a third party, under the terms of CLAUSE 18 of this CONTRACT, it may offer as collateral, in accordance with the provisions of arts. 28 and 28-A of Federal Law No. 8,987, of February 13, 1995, the rights arising from the CONCESSION, observing the provisions below.
- 29.2 The offer, under guarantee, of the rights arising from the CONCESSION in the FINANCING (S) linked to the OBJECT may only occur to the limit that does not compromise the operationalization and continuity of the CONCESSION.
- 29.3 The shares issued by the CONCESSIONAIRE may, upon prior notification to the GRANTING AUTHORITY, be given in guarantee of FINANCING (S), or as against the guarantee of operations directly linked to the fulfillment of obligations arising from the CONTRACT, but its execution is conditioned to the prior

authorization from the GRANTING AUTHORITY, in compliance with the provisions of CLAUSE 8 and CLAUSE 10 of this CONTRACT.

29.4 The assignment by the CONCESSIONAIRE of the rights arising from this CONTRACT to third parties, as well as the payment of direct, to the FINANCIER of the CONCESSIONAIRE, of the pecuniary obligations assumed by the GRANTING AUTHORITY, under the terms of this CONTRACT, such as those related to any indemnities due to it by the GRANTING AUTHORITY, including by termination of the CONTRACT, and any other amounts that the CONCESSIONAIRE is entitled to receive under the CONCESSION and have been subject to assignment of the FINANCIER as contractual guarantee.

29.5 The CONCESSIONAIRE FINANCING agreements may grant to the FINANCIER (S), in accordance with the applicable private law rules, the right to take over the SPC CONTROL in the event of a contractual default by the CONCESSIONAIRE of the said FINANCING contracts or in case failure to comply with this CONTRACT, when it is established that such defaults prevent or place the CONCESSION.

29.6 The authorization of the GRANTING AUTHORITY to assume the CONCESSION dealt with in the previous subclause will depend solely and exclusively upon the FINANCIER's confirmation that it meets the legal qualification requirements and fiscal regularity applicable in accordance with the NOTICE.

29.7 Notwithstanding the provisions of sub-clause 10.11 of this CONTRACT, the application for authorization to take over the CONTROL, which shall be presented in writing by the CONCESSIONAIRE and the FINANCIER (S), shall contemplate the justifications and other elements that may support the analysis of the request by the GRANTING AUTHORITY, among which:

- a) copy of minutes of meetings of shareholders or shareholders of the CONCESSIONAIRE;
- b) audit reports;
- c) financial statements; and
- d) other relevant documents.

29.8 The assumption of CONTROL by the CONCESSIONAIRE pursuant to this clause shall not alter its obligations and of its partners or controlling shareholders before the GRANTING AUTHORITY.

29.9 If the GRANTING AUTHORITY understands that the FINANCIER (s) does not have financial capacity or does not meet the qualification requirements necessary for the assumption of services and activities, it may reasonably deny the assumption, by those, of the SPC CONTROL.

29.10 In the event that the GRANTING AUTHORITY to deny the assumption of control of the SPC by the FINANCIER (S), in addition to the full proof that they do not meet any of the requirements expressed in this CONTRACT, they shall grant the term of ten (10) days for the FINANCIER (s) to submit another proposal for the assumption of control of the SPC and / or their restructuring of the SPC to make it comply with its obligations.

CLAUSE 30 OF THE INSURANCE

30.1 The CONCESSIONAIRE, in addition to the insurance required by applicable law, shall ensure, throughout the term of the CONTRACT, the existence and maintenance in force of the necessary insurance policies to guarantee the effective and comprehensive coverage of the risks inherent to the execution of the activities pertinent to the CONCESSION.

30.2 Except for all other insurance, which shall be contracted and maintained in force throughout the term of the CONTRACT, the insurance provided for in sub-clause 30.10, letter "d" and "e" shall be mandatory only during the INTERVENTION PROGRAM, its validity be maintained or renewed until the expedition of the Final Term of Acceptance of the Works.

30.3 No work or service may commence or continue without the CONCESSIONAIRE submitting to the GRANTING AUTHORITY the proof that the insurance policies expressly required in this CONTRACT are in force under the conditions established.

30.4 Policies must be contracted with first-line national or foreign insurers authorised to operate in Brazil by SUSEP.

30.5 The GRANTING AUTHORITY shall be indicated as co-insured in the insurance policies, with the prior authorization of canceling, suspending, modifying or replacing any policies contracted by the CONCESSIONAIRE, as well as changing the coverages and other conditions in order to ensure the adequacy of the insurance to new situations occurring during the CONTRACT period, under the conditions of the policy.

30.6 Financial institutions that make loans may be included in insurance policies, provided that they are insured or beneficiaries, provided that the measure does not prejudice the rights granted to the GRANTING AUTHORITY.

30.7 The policies issued may not contain obligations, restrictions or provisions that contravene the provisions of this CONTRACT or sector regulation.

30.8 Annually, until the last business day of the policy term, the CONCESSIONAIRE shall present a certificate issued by the insurer (s) confirming:

- a) that all premiums due in the immediately preceding year were duly paid; e
- b) that the policies contracted by the CONCESSIONAIRE are in full force or have been renewed, and in this case, the GRANTING AUTHORITY shall be sent the proof of renewal.

30.9 The CONCESSIONAIRE shall also provide the GRANTING AUTHORITY, within a period not exceeding thirty (30) days before the end of the term of each policy, a certificate issued by the insurer confirming that the insurance policies contracted were or will be renewed immediately after their expiration, or, also, new insurance policies, under penalty of applying the penalties and penalties provided in this CONTRACT.

30.10 The CONCESSIONAIRE will contract and maintain in force, at least, the following insurance:

- a) insurance of operational risks or named risks of the "all risks" type, including, at a minimum, the coverage of material damages for fire, riot, demonstrations, lightning, gale, cyclone, hail, explosion, flooding and flooding, pipeline leakage, electrical damages, electronic equipment, lost profits [minimum of six (6) months], theft of property, minor engineering works;
- b) civil liability insurance with operations, comprising any and all accidents caused by the CONCESSIONAIRE, subcontractors or third parties, or by its agents or employees, covering any material, personal, moral or other damages that may be caused or are related to the execution including, but not limited to, civil liability of the employer, death, and personal, moral, and;
- c) parking insurance in the AREA OF THE CONCESSION, according to the applicable regulation;

- d) engineering risk insurance, including the implementation phase, modernization or expansion, including coverage for damages resulting from design errors and manufacturer's risks (where there is no manufacturer's guarantee), riots and strikes, extraordinary expenses, claims settlement, debiting expenses, expert fees, extensive maintenance; and
- e) civil liability insurance for civil works, installations and assembly, which includes any and all accidents caused by the CONCESSIONAIRE, subcontractors or third parties, or their agents or employees, with minimum indemnity coverage as a result of civil liability, design error, pollution sudden / accidental, civil liability of the employer, movement of equipment in the vicinity and moral damages.

30.11 The insurance cover amounts provided for in this CONTRACT shall be consistent with the best market practices for each type of claim.

30.12 In the event of a breach by the CONCESSIONAIRE of the obligation to contract and keep the insurance policies in full force, the GRANTING AUTHORITY, regardless of the prerogative to order the intervention or expiration of the CONCESSION and to apply the other corresponding penalties, may contract and to the direct payment of the respective prizes, running the totality of the costs at the expense of the CONCESSIONAIRE.

30.13 Once the hypothesis referred to in the previous subclause has been verified, the CONCESSIONAIRE shall, within fifteen (15) days from the date on which it is notified about the expenses arising from the contracting of insurance, reimburse the GRANTING AUTHORITY, failing which GUARANTEE FOR THE EXECUTION OF THE CONTRACT, and the other penalties provided for in this CONTRACT.

30.14 The CONCESSIONAIRE is responsible for the full payment of the deductible, in case of use of any of the insurance contracted by it.

CHAPTER XII - THE GOODS SYSTEM OF THE CONCESSION

CLAUSE 31 OF THE GOODS LINKED TO THE CONCESSION

31.1 The GOODS LINKED TO THE CONCESSION are the GOODS belonging to the CONCESSIONAIRE GOODS or not, necessary for the implementation and proper and continuous execution of the OBJECT.

31.2 The CONCESSIONAIRE undertakes to maintain, in good working order, conservation, hygiene, comfort, accessibility, environmental sustainability and safety, at its own expense, GOODS LINKED TO THE CONCESSION, throughout the term of the CONTRACT, renewals and adaptations necessary for the good performance of the CONCESSION.

31.3 Except as provided in this clause, the direct use of equipment, infrastructure or any other property, which are not owned by the CONCESSIONAIRE in the execution of the OBJECT, will depend on the prior, specific and express authorization of the GRANTING AUTHORITY, upon request to it forwarded by the CONCESSIONAIRE in which it is demonstrated that there is no damage to the continuity of the services of the OBJECT in case of extinction of the CONCESSION.

31.4 The GRANTING AUTHORITY may authorize the use of the third party GOODS by the CONCESSIONAIRE, provided that it is proved that there is no risk of continuity of the OBJECT of the CONTRACT, and that the reversal of the GOODS essential to the execution of the CONCESSION is not impaired.

31.5. For the purposes of the authorization referred to in sub-clause 31.3, the GRANTING AUTHORITY may require that the contract concluded between the third party ty and the CONCESSIONAIRE contains a provision whereby the third party undertakes, in the event of termination of the CONCESSION, to maintain such contract and sub-create the GRANTING AUTHORITY or third parties for that indicated in the rights derived therefrom, for a period to be adjusted in each case between the PARTIES.

31.6 These are GOODS whose reversal is not mandatory and which do not depend on the prior authorization referred to in sub-clause 31.3, and therefore the rental, lending, loan, leasing or other legal form provided for by law is allowed for use in CONCESSION:

- a) materials and office furniture, computer equipment and supplies (computers, printers, projectors, servers, etc.) and use licenses or software source codes;
- b) equipment and sound, projection and audiovisual equipment;
- c) stages, linings, cables, and other equipment necessary for the assembly and realization of events;
- d) camera circuit systems and equipment;

- e) motor vehicles (trucks, automobiles, etc.) adopted in the execution of the OBJECT;
- f) objects and goods used directly in the activities of food and beverages (F & B), cleaning and gardening; and
- g) maintenance equipment.

31.7 The authorization referred to in the previous subclause is forbidden for the following GOODS, which are considered, in advance, REVERSIBLE GOODS:

- a) PATHWAYS;
- b) buildings in general located in the concession area, by the CONCESSIONAIRE or by third parties, including for the exploitation of sources of revenue;
- c) permanent and fixed infrastructure of free areas and buildings (cabling, switchboards, connection points, toilets, sinks etc.) and their hydraulic components, IT network, electrical, sound, image and lighting;
- d) air conditioning, hydraulic and energy systems and equipment;
- e) systems and equipment of the Operational Control Center (OCC);
- f) the collection of anatidae;
- g) the minimum FURNITURE required by the contract;
- h) intellectual property on marks related to the OBJECT OF THE CONCESSION;
- i) modular structures and non-permanent buildings of user services for toilets and ordinances; and
- j) properties related to the Planetarium and the Astrophysical School of Professor Aristotle Orsini (Portuguese acronym: EOM)

31.8 REVERSIBLE GOODS are those essential to the execution and continuity of the OBJECT, members of the GOODS of the CONCESSIONAIRE, and that will revert in favor of the GRANTING AUTHORITY after the extinction of the CONCESSION.

31.9 REVERSIBLE GOODS shall be permanently inventoried by the CONCESSIONAIRE.

- 31.10 Without prejudice to the obligation to inventory the goods, the CONCESSIONAIRE shall submit to the GRANTING AUTHORITY, by the first working day of February of each year, a detailed report that outlines the situation of all GOODS LINKED TO THE CONCESSION.
- 31.11 The CONCESSIONAIRE undertakes to deliver REVERSIBLE GOODS in perfect conditions of operation, use and maintenance.
- 31.12 REVERSIBLE GOODS will be transferred to the GRANTING AUTHORITY free of any liens or charges.
- 31.13 All GOODS LINKED TO THE CONCESSION or investments made in it shall be fully depreciated or amortized by the CONCESSIONAIRE within the term of the CONCESSION, in accordance with current legislation.
- 31.14 The CONCESSIONAIRE may only dispose of the REVERSIBLE GOODS if it is immediately replaced by others in conditions of operation and operation identical or superior to those substituted, except in those cases where it is proven that such GOODS are no longer necessary for the execution of the remaining works and activities of the CONCESSION, and, for this purpose, must first notify the GRANTING AUTHORITY and proceed to update its inventory of REVERSIBLE GOODS.
- 31.15 Any disposal or replacement of REVERSIBLE GOODS that the CONCESSIONAIRE intends to perform in the last two (02) years of the final term of the CONCESSION must be previously and expressly authorized by the GRANTING AUTHORITY.
- 31.16 REVERSIBLE GOODS may not be subject to pledge or constitution of collateral in force, nor shall the provisions of sub-clause 29.1.
- 31.17 The CONCESSIONAIRE is expressly authorized to propose, in its own name, any legal measures necessary to secure or recover the possession of REVERSIBLE GOODS.

CLAUSE 32 OF THE REVERSION OF THE GOODS LINKED TO THE CONCESSION

- 32.1 Once the CONCESSION is extinguished, the REVERSIBLE GOODS, rights and privileges related to the exploitation of the CONCESSION transferred to the

CONCESSIONAIRE, or acquired or implemented by CONCESSIONAIRE, are returned to the GRANTING AUTHORITY.

32.2 Within one hundred and eighty (180) days before the final term of the CONTRACT, the PARTIES shall establish the procedures for evaluating the GOODS LINKED TO THE CONCESSION, in order to identify those necessary to the continuity of the execution of the OBJECT of this CONTRACT and to review the inventory of REVERSIBLE GOODS.

32.3 In case of divergence between the PARTIES regarding the evaluation provided for in the previous subclause, recourse to the dispute settlement procedure established in this CONTRACT.

32.4 After the evaluation and identification of the REVERSIBLE GOODS, upon the reversal, the respective Final Statement of Return of Reversible Goods will be drawn up.

32.5 The reversion will be free and automatic, with the goods in perfect conditions of operation, use and maintenance and free of any liens or charges, observing, in any case, the principle of actuality.

32.6 The current principle is understood to be the execution of the OBJECT of the CONTRACT by means of modern goods, equipment and facilities that, throughout the CONCESSION, will accompany the innovations of technological development, especially with regard to environmental sustainability, and ensure quality in the provision of the services and activities OBJECT OF THIS CONTRACT, as well as the fulfillment of the technical specifications of the services and the PERFORMANCE FACTOR.

CHAPTER XIII - SANCTIONS AND PENALTIES APPLICABLE TO THE PARTIES

CLAUSE 33 OF THE ADMINISTRATIVE SANCTIONS

33.1 Failure by the CONCESSIONAIRE to comply with the provisions of this CONTRACT and its ANNEXES, as well as the applicable laws and regulations, shall, without prejudice to civil and criminal liabilities and other penalties provided for in the legislation and regulations in force, concomitantly, of the penalties established in this clause.

33.2 The gradation of the penalties to which the CONCESSIONAIRE is subject will observe the nature of the infraction committed, which will vary according to the following categories:

- a) low;
- b) average;
- c) serious; and
- d) very serious.

33.3 The infraction will be considered low when it results from non-malicious conduct of the CONCESSIONAIRE, of which it does not benefit economically.

33.4 The commission of an infraction of a low nature will lead to the application of the following penalties:

33.5 Written warning, which will be formulated, when applicable, together with the determination of the adoption of necessary corrective measures; or

33.6 Fine, in the event of a repeat offense in the same conduct that characterizes a low infraction within the period of four (04) consecutive months, in the amount of up to zero point five percent (0.05%) of the value of the annual sales of the CONCESSIONAIRE.

33.7 The infraction will be considered average when it results from willful misconduct and / or from which it is established that the CONCESSIONAIRE has benefited economically, directly or indirectly.

33.8 The commission of infractions of a medium nature will lead to the application of the following penalties, in an isolated or concomitant manner:

33.8.1 Written warning, which will be formulated, when applicable, together with the determination of the adoption of necessary corrective measures; and/or

33.8.2 Fine in the amount of up to zero point five percent (0.05%) of the value of the annual sales of the CONCESSIONAIRE, which will also be comminuted, when applicable, together with the determination of the adoption of necessary corrective measures.

33.9 The infraction will be considered serious when it is due to willful misconduct and in bad faith from which it is established that the CONCESSIONAIRE has benefited economically, directly or indirectly, and that it involves economic loss to the detriment of the GRANTING AUTHORITY.

33.10 The serious infringement will lead to the application of the following penalties, in isolation or concomitant with the penalty of fine:

- a) written warning, which will be formulated, when applicable, with the determination of the adoption of necessary corrective measures;
- b) a fine of up to two point five percent (2.5%) of the amount of the CONCESSIONAIRE's annual invoice, which will also be comminuted, when applicable, together with the determination of the necessary corrective measures;
- c) temporary suspension of the right to participate in bids and impediments to contract with the Administration, for a period not exceeding two (02) years.

33.11 The infraction will be considered extremely serious when the GRANTING AUTHORITY finds, in view of the characteristics of the service rendered and the act practiced by the CONCESSIONAIRE, that its consequences are of great harm to the public interest, damaging the environment, the treasury or the continuity itself of the OBJECT of the CONCESSION.

33.12 The commission of a very serious infraction will lead to the application of the following penalties, in isolation or concomitant with the penalty of fine:

- a) a fine of up to five percent (5%) of the annual turnover of the CONCESSIONAIRE, which will also be threatened one, where appropriate, by the determination of the adoption of measures necessary correction;
- b) temporary suspension of the right to participate in bids and impediment to contract with the Administration, for a term not exceeding two (02) years;
- c) declaration of inability to bid or contract with the Public Administration for as long as the reasons for the punishment continue or until rehabilitation is promoted before the authority that applied the penalty, which will be granted whenever the CONCESSIONAIRE reimburses the Administration for the resulting damages and after the expiry of the penalty imposed on the basis of the previous subclause.

33.13 Without prejudice to the application of the penalties provided for in the previous subclauses, the reiteration, in time, of the contractual default by the CONCESSIONAIRE shall confer on the GRANTING AUTHORITY the right to commence a moratorium fine, subject to the following intervals:

- a) at least five hundredths of a thousandth per cent (0,00005%) and at the most one hundredth of a thousandth per cent (0.0001%) of the value of the annual revenue of the concessionaire, per day, until the actual regularization of the situation that characterizes infringement of a low or medium nature; and
- b) at least fifteen hundredths of a thousandths (0,00015%) and at most twenty-five hundredths of a thousandths (0,00025%) of the annual revenue of the concessionaire, per day, until the actual settlement of the situation which characterizes an infraction of a serious or very serious nature.

33.14 For the following infractions, the application of the fine penalty will follow the limits set forth in the table below, based on the amount of the annual sales of the CONCESSIONAIRE:

	Occurrence	Limit value of the fine to be applied
1.	Do not supply the GRANTING AUTHORITY of any documents and information pertaining to the CONCESSION	zero zero point one percent (0.01%) of the amount of the annual sales of the CONCESSIONAIRE per day.
2.	Failure to submit to the GRANTING AUTHORITY the quarterly or annual financial statements, pursuant to sub-clause 21.3 of this CONTRACT.	zero point zero five percent (0.05%) of the amount of the CONCESSIONAIRE's annual invoice per day.
3.	Failure to keep inventory of goods current.	zero point zero five percent (0.05%) of the amount of the annual CONCESSIONAIRE invoice per occurrence.
4.	Delay in the term for termination of the INTERVENTION PROGRAM according to the provisions of this CONTRACT.	zero point five (0.5%) of the amount of the annual sales of the CONCESSIONAIRE per day.
5.	Non-payment of the capital stock in the execution phase of the INTERVENTION PROGRAM according to the provisions of this CONTRACT.	zero point twenty five percent (0.25%) of the amount of the CONCESSIONAIRE's annual invoice per day.
6.	Not contracting or not maintaining in force, throughout the term of the Concession, the insurance policies, in	fine of up to zero point twenty-five percent (0.25%) of the

	accordance with the provisions of this CONTRACT.	amount of the CONCESSIONAIRE's annual invoice per day.
7.	Not contracting or maintaining the contractual performance guarantees in disagreement with the obligations set forth in this CONTRACT.	a fine of up to zero point five percent (0.05%) of the amount of the CONCESSIONAIRE's annual invoice per day.
8.	3 warnings to the CONCESSIONAIRE, whether related to the same fact or not, have been made and not answered, within 30 working days of receipt.	zero point zero five percent (0,05%) of the amount of the annual CONCESSIONAIRE invoice per occurrence.
9.	Absence of a certain mandatory item of the INTERVENTION PROGRAM.	zero point zero five percent (0,05%) of the amount of the annual sales of the CONCESSIONAIRE by verification.

33.15 For the purposes of calculating the amounts and limits of fines referred to in this chapter, the billing of the year prior to the infraction shall be used as a basis, with the exception of the first year of the CONCESSION, which shall be based on the amount of 1/35 five ave) of the CONTRACT VALUE.

33.16 The GRANTING AUTHORITY, in the definition of the fine penalty species and the dosimetry indicated in the previous subclauses, shall take into account the circumstances of each case in a motivated manner, always observing the proportionality between the severity of the fault and the intensity of the sanction, including when to the number of visitors and promoters reached and the extension, in time, of the situation that characterized the infraction.

33.17 In the calculation of the fine applicable to the infraction described in item "4" of subclause 33.14, partial deliveries may be considered, provided that the part of the INTERVENTION PROGRAM delivered is effectively made available and apt to the operation, both functionally and technically, also in relation to aspects of security and accessibility.

33.18 In the event of the occurrence of the situation provided for in the previous subclause, the amount of the fine shall be calculated in proportion to the full compliance with the obligation.

- 33.19 The practice of any infraction may not lead to unlawful enrichment of the CONCESSIONAIRE, and the GRANTING AUTHORITY shall ensure the return by the CONCESSIONAIRE, or the neutralization, of any advantage obtained with the perpetration of the infraction, being able, therefore, to execute the GUARANTEE FOR THE EXECUTION OF THE CONTRACT and / or adopt other relevant administrative and judicial measures.
- 33.20 Without prejudice to the application of penalties, the commission of a serious or serious infraction may entail the declaration of the expiration of the concession.
- 33.21 The contractual sanction provided for in item III of article 87 of Federal Law No. 8,666 / 93, as provided for in item IV of the same article and article 7 of Federal Law No. 10,520 / 02, has effects for all organs and entities of all federative entities.

CLAUSE 34 OF THE ADMINISTRATIVE PROCEDURE FOR THE APPLICATION OF PENALTIES

- 34.1 The process of applying the sanctions provided in this CONTRACT will begin with the drafting of the corresponding infraction notice by the GRANTING AUTHORITY, containing the details of the infraction committed and the indication of the sanction potentially applicable.
- 34.2 Once the agreement has been drawn up, the CONCESSIONAIRE will be summoned within five (05) working days, to present prior defense, except in the event of a declaration of inability to bid or contract with the Public Administration, when the term will be ten (10) days, according to the provisions of art. 87, §2 and 3 of Federal Law No. 8,666 / 93.
- 34.3 The notice of infraction shall indicate a reasonable period, not less than five (5) business days, in which the CONCESSIONAIRE shall demonstrate the regularization of the fault related to the infraction imputed by the GRANTING AUTHORITY.
- 34.4 At the investigation stage, the CONCESSIONAIRE may request, with due diligence, diligence and expertise and may attach documents and / or opinions and adduce allegations related to the subject matter of the proceeding, it being incumbent upon the GRANTING authority to refuse unlawful evidence and / or impertinent, unnecessary or delaying measures.

34.5 Once the procedural instruction has been completed, the GRANTING AUTHORITY will decide on the application of the sanction, and the CONCESSIONAIRE will be able to appeal to a higher authority within a period of five (05) business days, counting from the notification of the act.

34.6 In the event of the sanction of a declaration of innocence, a reconsideration request will be requested, within ten (10) business days, as provided in art. 109, III, of Federal Law No. 8,666 / 93.

34.7 After the decision of a possible appeal by the CONCESSIONAIRE, the GRANTING AUTHORITY, in the event of application of the fine, will notify the CONCESSIONAIRE in writing to pay the corresponding amounts within ten (10) business days from the date of receipt of the notification.

34.8 Failure to pay the fine within the stipulated period will result in monetary restatement of the debt by the variation of the Extended Consumer Price Index (IPCA), calculated by the Brazilian Institute of Geography (Portuguese acronym: IBGE), and the increase of one percent (1%) per month, on the amount of the debt monetarily corrected, under the terms of the Municipal Law No. 13,275 / 02, from the date of the respective maturity until the effective payment date, without prejudice to the execution of the GUARANTEE FOR THE EXECUTION OF THE CONTRACT.

34.9 The monetary amounts resulting from the application of the fines referred to in this clause will revert to the GRANTING AUTHORITY.

34.10 The application of the sanctions provided in this CONTRACT for noncompliance with the obligations of the CONCESSIONAIRE is not confused with the systematic evaluation of the PERFORMANCE INDEX, intrinsic to this CONCESSION.

34.11 Notwithstanding the rights and principles set forth in this CONTRACT, urgent precautionary measures may be taken by the GRANTING AUTHORITY, which are not confused with the intervention procedure, in the following situations:

- a) risk of discontinuance of the provision of the CONCESSION;
- b) serious damage to the rights of the USERS, to public safety or to the environment; or
- c) other situations in which there is imminent risk, provided that the.

- 34.12 It is applied, in addition to the procedure defined in this Clause, the provisions of Municipal Law No. 14,141 / 06.
- 34.13 If it finds that the contractual infraction characterizes environmental infraction, the GRANTING AUTHORITY will communicate to the Municipal Secretariat of the Green and the Environment immediately, without prejudice of communication to the Public Prosecutor's Office, in case of crime.
- 34.14 If the infraction is typified in art. 5 of Federal Law No. 12.846 / 13, the GRANTING AUTHORITY shall communicate the fact to the General Comptroller of the Municipality preliminary to the initiation of the verification procedure, according to the content of art. 3, § 7, of Municipal Decree No. 55.107 / 14.
- 34.15 For the performance of this CONTRACT, neither PARTY may offer, give or undertake to give to anyone, or accept or undertake to accept from anyone, whether for their own account or through another person, any payment, donation, compensation, financial or non-financial advantages or benefits of any kind that constitute an illegal practice or corruption, related or not to the OBJECT of this CONTRACT, or otherwise unrelated to it, and shall also guarantee that its agents and employees do the same.

CHAPTER XIV - SETTLEMENT OF CONFLICTS

CLAUSE 35 SOLUTION OF DIVERGENCES BY MEDIATION

- 35.1 In the event of any controversy regarding the interpretation or execution of the CONTRACT, a mediation procedure must be initiated for a friendly and consensual solution of the divergence.
- 35.2 The mediation shall be instituted before the Chamber of Conflict Resolution of the Municipal Administration of the Attorney General of the Municipality of São Paulo, pursuant to art. 32 of Federal Law No. 13.140 of June 26, 2015, having as mediator a member of the career of Attorney of the Municipality, according to its regulation.
- 35.3 If the City of São Paulo Municipal Attorney General's Office for Conflict Resolution is not yet in operation or is in place but has not yet entered into conflicts between the Municipal Public Administration and outside entities, mediation will be instituted before the Center of Arbitration and Mediation of

the Chamber of Commerce Brazil Canada (CAM-CCBC), according to the rules of its Regulation.

35.4 The initiation of the mediation procedure does not deprive the PARTIES of fulfilling their contractual obligations.

35.5 The mediation procedure shall be initiated, at the request of any of the PARTIES, by a written communication addressed to the other PARTY and to the Chamber of Conflict Resolution of the Municipal Administration of the Attorney General of the Municipality of São Paulo, delimiting the object of the controversy and indicating, from the outset, your mediation representative.

35.6 The other PARTY shall also indicate its representative under the rules of the Chamber of Conflict Resolution of the Municipal Administration of the Attorney General of the Municipality of São Paulo.

35.7 The members of the Conflict Resolution Chamber of the Municipal Administration of the Attorney General's Office of the Municipality of São Paulo shall proceed with informality, quality, impartiality of the mediator and the search for consensus, applying to them, where applicable, the provisions of Chapter III, of Federal Law No. 9,307 / 96, which deals with arbitration.

35.8 If the PARTIES, by mutual agreement, find an amicable solution, it may be incorporated into the CONTRACT by signing an additive term.

35.9 If the PARTY refuses, in any way, to participate in the procedure or does not indicate its representative within a maximum period of fifteen (15) days, mediation shall be considered to be prejudiced.

35.10 The mediation will also be considered impaired if the request of the interested PARTY is rejected by the Conflict Resolution Chamber of the Municipal Administration of the Attorney General of the City of São Paulo, or if the PARTIES do not find a friendly solution within a maximum period of sixty (60) days to of the request for the initiation of the.

35.11 Having prejudiced the mediation procedure, the controversy may be submitted to the Dispute Settlement Committee or the arbitration procedure will begin, in the form of this CONTRACT.

35.12 This CONTRACT does not apply to the prediction of Arbitration of conflicts referred to in the Regulation of the Chamber of Conflict Resolution of

the Municipal Administration of the Attorney General of the Municipality of São Paulo.

CLAUSE 36 DIVERGENCE SOLUTION BY THE DISPUTE RESOLUTION COMMITTEE

36.1 Any disputes arising from this CONTRACT, which involve property rights and which have not been resolved amicably by the mediation procedure, may be settled through the Dispute Resolution Committee, applying the provisions of Municipal Law No. 16.873 / 2018.

36.2 The Dispute Settlement Committee shall be composed of three (3) specialized and experienced professionals for the monitoring of the CONTRACT, encouraging the PARTIES to avoid disputes and assisting them in the solution of those that can not be avoided, aiming at its definitive solution.

36.2.1 Each party shall appoint a professional, the third party appointed by the professionals appointed by the PARTIES, within a period of fifteen (15) calendar days from the date of their appointment.

36.2.2 The Dispute Settlement Committee shall have its three (03) members appointed within a maximum period of twenty (20) days as of the date of signature of this CONTRACT.

36.2.3 The chair of the Dispute Settlement Committee shall be chosen by mutual agreement between the two members nominated by the parties.

36.3 The members of the Dispute Settlement Committee shall not be subject to situations of impediment and suspicion of a judge, provided for in the Code of Civil Procedure, and shall proceed with impartiality, independence, competence, diligence and discretion, applying to them, in the provisions of Chapter III of Federal Law No. 9,307 / 96, which deals with arbitration.

36.4 Decisions of the Dispute Settlement Committee relating to the rules governing the procedure shall be taken by majority.

36.4.1 If there is no majority, the decision shall be rendered solely by the Chairman of the Dispute Settlement Committee.

36.5 The Dispute Settlement Committee shall conduct the proceeding in compliance with the principles of adversarial proceedings, the equality of the parties, their

impartiality and independence, as well as observing the principles proper to the Public Administration.

36.6 At the beginning of its activities, the Dispute Settlement Committee shall consult with the PARTIES to establish a calendar of meetings for the maintenance of the execution of the CONTRACT, which shall be conducted in Brazil and in Portuguese.

36.7 Decisions of the Dispute Settlement Committee shall be issued within a maximum period of sixty (60) days from the date of submission of the disagreement to the Committee.

36.8 The costs of the procedure, including the fees of the members of the Dispute Settlement Committee, shall follow the provisions of art. 4 of the Municipal Law No. 16.873 / 2018.

36.9 If the decision issued by the Conflict Resolution Committee is not accepted by the PARTIES, they shall refer the resolution of the dispute to arbitration, applying the provisions of Federal Law No. 9,307 / 1996.

CLAUSE 37 SETTLEMENT OF DIVERGENCES BY ARBITRATION

37.1 Disputes arising out of or in connection with the CONTRACT shall be settled by arbitration, including as to their interpretation to the extent.

37.2 The arbitration shall be instituted and administered by the Arbitration and Mediation Center of the Chamber of Commerce Brazil Canada (CAM-CCBC), in accordance with the rules of its Regulations, and shall be conducted in Brazil and in Portuguese and and to apply the Brazilian law, being forbidden the judgment by equity.

37.3 Arbitration Chamber other than that defined in the sub-clause above may be chosen by mutual agreement between the PARTIES.

37.4 Notwithstanding the filing of the specific enforcement action provided for in article 7 of Law No. 9,307 / 96, the PARTY refusing to sign the arbitration agreement, after being duly summoned, shall also incur a fine of R \$ 50,000.00 (fifty thousand reais) by day of delay, until it effectively fulfills the obligation.

37.4.1 The fine for which the preceding subclause is treated shall be subject to annual readjustment, based on the DATE OF THE STARTING ORDER, by the IPCA.

37.5 The Arbitral Tribunal shall be composed of three (03) members and three (03) alternates, each party being responsible for nominating one and one alternate, observing the Rules of CAM-CCBC.

37.6 The third arbitrator and his / her alternate shall be chosen by common agreement between the two holders nominated by the parties and shall have proven experience in the subject matter of the dispute.

37.7 The Arbitral Tribunal shall be presided over by the third arbitrator.

37.8 If there is no consensus among the titular members chosen by each party, the Third Referee and his alternate will be indicated by CAM-CCBC, observing the requirements of the previous item.

37.9 The PARTY past due in the arbitration proceeding shall bear all costs of the procedure, including the fees of the arbitrators.

37.10 If it is necessary to obtain coercive or urgent measures prior to the constitution of the Arbitral Tribunal, or even during the amicable dispute settlement proceeding, the PARTIES may request them directly from the Judiciary.

37.11 The decisions of the arbitration panel shall be final to the impasse and shall bind the PARTIES.

CHAPTER XV- INTERVENTION

CLAUSE 38 OF THE INTERVENTION

38.1 The GRANTING AUTHORITY may intervene in the CONCESSION, in order to ensure the adequacy of the provision of the service of the OBJECT, as well as the faithful compliance with the pertinent contractual, regulatory and legal norms, in terms of art. 32 et seq. of Federal Law No. 8,987 / 95.

38.2 When they do not justify the expiration of the CONCESSION, they are situations that authorize the execution of the intervention by the GRANTING

AUTHORITY, at its discretion and in the public interest, without prejudice to the applicable penalties and the liabilities incident:

- a) shutdown of the activities PURPOSE OF THE CONCESSION outside the hypotheses admitted in this CONTRACT and without the presentation of reasons able to justify them;
- b) situations that endanger the environment and the safety of people and property;
- c) maladministration that jeopardizes the continuity of the CONCESSION;
- d) inadequacies, deficiencies or deficiencies and repeated deficiencies of services, works and other activities OBJECT OF THE CONCESSION, characterized by the non-systematic attendance of the obligations set forth in this CONTRACT;
- e) use of infrastructure in the AREA OF THE CONCESSION for illicit purposes; and
- f) omission in the rendering of accounts to the GRANTING AUTHORITY or offering an obstacle to its audit activity.

38.3 The intervention will be done by act of the GRANTING AUTHORITY, which will contain, among other pertinent information:

- a) the reasons for the intervention and its justification;
- b) the term, which shall be a maximum of one hundred and eighty (180) days, in a manner compatible and proportional to the reasons that caused the intervention;
- c) the objectives and limits of intervention; and
- d) the name and qualification of the financial controller.

38.4 Once the intervention has been granted, the GRANTING AUTHORITY will have a period of thirty (30) days to institute an administrative proceeding with the purpose of proving the determining causes of the measure and determining any liabilities, ensuring the adversary and ample defense.

38.5 The enactment of the intervention will lead to the immediate removal of the SPC administrators, and will not affect the regular course of the CONCESSIONAIRE's business, nor its normal functioning.

38.6 The intervention will not be enacted when, in the opinion of the GRANTING AUTHORITY, it is considered harmless, unfairly beneficial to the CONCESSIONAIRE or unnecessary.

38.7 The intervention shall be declared null and void if it is established that the GRANTING AUTHORITY has not observed the legal and regulatory requirements or the principles of the Public Administration, and the GRANT shall be immediately returned to the CONCESSIONAIRE, without prejudice to its right to any indemnity.

38.8 Once the intervention is terminated, if the CONCESSION is not extinguished, the OBJECT will again be the responsibility of the CONCESSIONAIRE.

38.9 The revenues realized during the intervention period will be used to cover the expenses foreseen for the fulfillment of the PURPOSE OF THE CONCESSION, including insurance and guarantee costs, expenses resulting from FINANCING and reimbursement of administration courses.

38.10 Any remaining balance, after the intervention, will be delivered to the CONCESSIONAIRE, unless the CONCESSION is extinguished, in which case such amounts will revert to the GRANTING AUTHORITY.

CHAPTER XVI - EXTINCTION OF THE CONCESSION

CLAUSE 39 OF THE EXTINCTION CASES

39.1 The CONCESSION will be considered extinct, observing the specific legal norms, when it occurs:

- a) the end of the contractual term;
- b) the takeover;
- c) the expiration;
- d) the termination;
- e) the cancellation; and

f) bankruptcy or extinction of the CONCESSIONAIRE.

39.2 Once the CONCESSION is terminated, all REVERSIBLE GOODS, rights and privileges attached to the CONCESSIONAIRE shall be returned to the GRANTING AUTHORITY, including those transferred to it by the GRANTING AUTHORITY, or acquired by it, within the scope of the CONCESSION.

39.3 Once the CONCESSION is extinguished, the OBJECT will be immediately assumed by the GRANTING AUTHORITY, with the necessary surveys, evaluations and liquidations being carried out, as well as the occupation of the facilities and the use by the GRANTING AUTHORITY of all REVERSIBLE GOODS.

39.4 Except for the CONTRACT before its expiration, the GRANTING AUTHORITY, without prejudice to other appropriate measures, may:

- a) occupy, temporarily, movable and immovable property and use personnel employed in the rendering of activities considered essential to the continuation of the CONCESSION; and
- b) maintain the contracts signed by the CONCESSIONAIRE with third parties for the period and conditions initially adjusted, responding the third parties for the damages resulting from the noncompliance with the obligations assumed.

39.5 In any event of extinction of the CONTRACT, the GRANTING AUTHORITY shall assume, directly or indirectly and immediately, the operation of the CONCESSION, to ensure its continuity and regularity.

CLAUSE 40 OF THE TERMINATION OF CONTRACTUAL TERM

40.1 The CONCESSION is extinguished when the expiry of the term of its duration, also extinguishing, consequently, the contractual relations between the PARTIES, with the exception of those expressly foreseen in this CONTRACT.

40.2 Upon the advent of the contractual term, and except for the cases expressly provided in this CONTRACT or those that have the consent of the GRANTING AUTHORITY, the CONCESSIONAIRE will be responsible for closing any contracts inherent to the CONCESSION and entered into with third parties, according to the rules for calculation and payment of residual values, in accordance with current legislation, assuming all the resulting burdens.

40.3 Up to six (06) months before the date of termination of the contract, the GRANTING AUTHORITY shall establish, jointly and with the cooperation of the CONCESSIONAIRE, an operational demobilization program, in order to define the rules and procedures for the assumption of the operation by the GRANTING AUTHORITY, or by authorized third part.

CLAUSE 41 OF THE TAKEOVER

41.1 The GRANTING AUTHORITY may, during the term of the CONTRACT, and for reasons of public interest, promote the takeover of the CONCESSION, pursuant to the legislation and after prior payment, to the CONCESSIONAIRE, indemnity.

41.2. The indemnification due to the CONCESSIONAIRE in case of expropriation will cover:

- a) the installments of investments linked to REVERSIBLE GOODS and not yet amortized or depreciated, which have been made to comply with this CONTRACT;
- b) all costs and burdens arising from fines, rescissions and indemnities due to suppliers, FINANCIER (ES), contractors and third parties in general, including attorney's fees, as a result of the consequent disruption of the respective contractual links; and
- c) all expenses caused by the expropriation, as well as the costs of early termination of the contracts entered into by the CONCESSIONAIRE for the execution of the OBJECT OF THE CONCESSION.

41.3 The calculation of the value of the indemnity of the unamortized REVERSIBLE GOODS shall be made based on the book value of the CONCESSIONAIRE's financial statements, determined in accordance with the applicable legislation and the relevant accounting rules, regardless of the effects of any reassessment of GOODS, unless it has been made with express authorization and without qualification in this sense of the GRANTING AUTHORITY.

41.4 The fines, indemnities and any other amounts owed by the CONCESSIONAIRE to the GRANTING AUTHORITY shall be deducted from the compensation provided for in the case of expropriation.

CLAUSE 42 OF THE EXPIRATION

42.1 In addition to the cases enumerated by Federal Law No. 8,987 / 95 and other cases provided for in this CONTRACT, and without prejudice to the application of other applicable penalties, such as the fine, the GRANTING AUTHORITY may promote the expiration of the CONCESSION in the following cases:

- a) when the OBJECT SERVICES of the CONTRACT are being repeatedly rendered or executed in an inadequate or deficient manner, based on the norms, criteria and other parameters defined in this CONTRACT and its ANNEXES;
- b) when the CONCESSIONAIRE repeatedly fails to comply with contractual clauses or legal or regulatory provisions related to the CONCESSION;
- c) when there is a deviation from the CONCESSIONAIRE of its corporate purpose;
- d) when there are significant delays in completing the deadline for completing the works, equal to or greater than twelve (12) months, leading to a significant and general deterioration in the quality of services rendered;
- e) when there is a change in the CONCESSIONAIRE's CONTROLLING stock, without previous and express approval of the GRANTING AUTHORITY, according to the provisions of this CONTRACT;
- f) when the CONCESSIONAIRE suspends the services OBJECT of the CONCESSION or compete for or lose or compromise the economic, financial, technical or operational conditions necessary for the adequate achievement of the OBJECT OF THE CONCESSION;
- g) when the CONCESSIONAIRE fails to comply with the obligation to contract and keep insurance policies in full force or when it does not maintain the GUARANTEE FOR THE EXECUTION OF THE CONTRACT under the terms of this CONTRACT;
- h) when the CONCESSIONAIRE does not comply in a timely manner with the penalties imposed on it by the CONDUCTING POWER, including the payment of fines; by virtue of the commission of the infractions foreseen in this CONTRACT;
- i) when the CONCESSIONAIRE does not comply with the GRANTING AUTHORITY's summons in order to regularize the rendering of the services PURPOSE OF THE CONCESSION; and
- j) when the CONCESSIONAIRE is condemned in a final judgment for evasion of taxes, including social contributions.

- 42.2 The decree of the expiration of the CONCESSION shall be preceded by verification of the default of the CONCESSIONAIRE in an administrative proceeding, assured the right to ample defense and the adversary.
- 42.3 No administrative default process shall be instituted before the CONCESSIONAIRE has been notified, in detail, of the contractual breaches referred to in the previous subclause, giving a reasonable period of time, not less than five (05) business days, to correct, if possible, the failures and transgressions and to the framework in the contractual terms.
- 42.4 Once the administrative proceeding has been established and the contractual default has been proven, the expiration will be declared by act of the GRANTING AUTHORITY, regardless of previous indemnity, calculated in the course of the process.
- 42.5 The decree of forfeiture shall not imply for the GRANTING AUTHORITY any kind of liability in relation to liens, charges, obligations or commitments with third parties assumed by the CONCESSIONAIRE, notably in relation to labor, tax and social security obligations.
- 42.6 Once the expiration has expired, the indemnification to the CONCESSIONAIRE due by the GRANTING AUTHORITY shall be limited to the installments of the investments related to the REVERSIBLE GOODS, not yet amortized or depreciated, which have been carried out with the purpose of guaranteeing the continuity and timeliness of the service, discounting the amount of contractual fines and damages caused by the CONCESSIONAIRE.

CLAUSE 43 OF THE CONTRACTUAL TERMINATION

- 43.1 This CONTRACT may be terminated on the initiative of the CONCESSIONAIRE, in the event of non-compliance by the GRANTING AUTHORITY of its obligations, through a judicial action specially attempted for this purpose, pursuant to article 39 of Federal Law No. 8,987 / 95.
- 43.2 The services of the OBJECT can not be interrupted or paralyzed until the final sentence of the decision that decrees the termination of the CONTRACT.
- 43.3 The indemnification due to the CONCESSIONAIRE, in the case of judicial termination, will be equivalent to the expropriation, calculated by the same criteria described in CLAUSE 41.

CLAUSE 44 OF THE CANCELLATION OF CONTRACT

- 44.1 The CONTRACT may be annulled under the law, observing the principle of adversary and ample defense.
- 44.2 The indemnification due to the CONCESSIONAIRE, in the event of cancellation of the CONTRACT, shall be calculated in the form of CLAUSE 41.
- 44.3 The indemnity will not be due if the CONCESSIONAIRE has contributed to the unlawfulness and in cases in which the unlawfulness is imputed to it exclusively, in which case the indemnity due to it will be ascertained under the subclause 42.6.

CLAUSE 45 OF THE FAILURE OR EXTINCTION OF THE CONCESSIONAIRE

- 45.1 In the event of termination of the CONTRACT due to bankruptcy or termination of the CONCESSIONAIRE, the indemnity will be limited to the value of the installments of investments linked to REVERSIBLE GOODS, not yet amortized or depreciated, that have been made with the purpose of guaranteeing the continuity and actuality of the service granted, discounting the amount of contractual fines and any damages caused by the CONCESSIONAIRE.
- 45.2 The GRANTING AUTHORITY may, within a maximum period of twelve (12) months from the termination of the CONTRACT, promote a new bid for the service granted, granting the winner the direct payment of the indemnity payable to the FINANCIER (S) of the former CONCESSIONAIRE.
- 45.3 No sharing of the respective GOODS of the bankrupt CONCESSIONAIRE may be carried out without the GRANTING AUTHORITY attesting, through an inspection report, the state of the REVERSIBLE GOODS, and without the payment of the amounts due to the GRANTING AUTHORITY, indemnity title or any other title, observing the preference of the creditors with legal guarantee.

CHAPTER XVI - FINAL PROVISIONS

CLAUSE 46 OF THE FULL AGREEMENT

- 46.1 The CONCESSIONAIRE declares that the CONTRACT and its ANNEXES constitute the totality of the agreements that regulate the CONCESSION.

46.2 The GRANTING AUTHORITY may propose the conclusion of an addendum to this CONTRACT, with the purpose of clarifying and detailing the contractual regulation issues.

46.3 The REGULATORY INSTRUMENT that is the object of the additive term referred in the previous subclause shall serve exclusively as a mechanism for detailing the obligations set forth in this CONTRACT, and may not create new obligations, otherwise it may modify the contractual obligations set forth in this CONTRACT.

CLAUSE 47 COMMUNICATION BETWEEN THE PARTIES

47.1 Communications between the PARTIES shall be made in writing and forwarded to the:

47.2 in hand, provided they are proven by protocol;

47.3 by registered mail, with acknowledgment of receipt; and

47.4 by electronic mail, provided proof of receipt.

47.5 for the purpose of sending the communications, the following addresses and electronic address, respectively,:

47.6 GRANTING AUTHORITY: [•]

47.7 CONCESSIONAIRE: [•]

47.8 Any of the PARTIES may modify their postal address and electronic address, by means of communication to the other PARTY, as above.

47.9 In case of omission, the CONCESSIONAIRE shall request guidance from the GRANTING AUTHORITY.

CLAUSE 48 THE DEADLINE COUNT

48.1 The deadlines established in days, in this CONTRACT and its ANNEXES, will be counted in consecutive days, unless reference is expressly made to business days.

48.2 In all cases, the first day should be excluded and the last day counted.

48.3 Except as otherwise provided, the GRANTING AUTHORITY business days only start and expire, extending to the next business day in those cases in which the date of commencement or maturity coincides on a day on which there is no record.

CLAUSE 49 OF THE EXERCISE OF RIGHTS

49.1 If any of the PARTIES allows, even by omission, any non-compliance, in whole or in part, with any of the clauses or conditions of this CONTRACT and its ANNEXES, this fact may not release, relieve or in any way affect or prejudice such clauses or conditions, which will remain unchanged, as if no tolerance had occurred.

49.2 In any event, no novation or even waiver of rights will be set up, nor will it be.

CLAUSE 50 OF PARTIAL INVALIDITY AND INDEPENDENCE BETWEEN THE CONTRACT CLAUSES

50.1 Whenever possible, each provision of this CONTRACT shall be interpreted in such a way as to become valid and effective under applicable law.

50.2 If any provision of this CONTRACT is found to be unlawful, invalid, void or unenforceable by judicial decision, it shall be judged separately from the remainder of the CONTRACT and replaced by lawful and similar provision, reflecting the PARTIES' original intentions, subject to the limits of legislation.

50.3 All other provisions shall remain in full force and effect and shall not be impaired or invalidated.

CLAUSE 51 THE FORUM

51.1 The central forum of the District of São Paulo, São Paulo, is hereby elected to settle any controversy between the PARTIES arising from the CONTRACT that is not subject to the procedures of heterocomposition, as well as for the execution of the arbitration award and attendance of urgent matters.

And as they are in full agreement with the provisions and conditions of this CONTRACT, the PARTIES sign it in two (2) ways of equal content and form in the presence of the witnesses, who also sign it, in order to produce their legal and legal effects.

São Paulo (SP), [.] of 2018.

PARTS:

MUNICIPALITY OF SÃO PAULO

CONCESSIONAIRE

WITNESSES:

Name:

Name:

CPF/MF:

CPF/MF:

RG/ID:

RG/ID: