



GOVERNO DO ESTADO
RIO GRANDE DO SUL

CONTRACT NO. [--]/2023

INTERNATIONAL BID PROCESS NO. 0020/2023

Administrative Concession for the Revitalization and Urbanization of Cais Mauá, in the Municipality of Porto Alegre (RS), by contracting the activities of Management, Operation, Maintenance, Restoration, Modernization, Conservation and Execution of Works.



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CONTRACT NO. [--]

On day [--] of the month of [--], 2023, on the one hand, the **STATE OF RIO GRANDE DO SUL**, headquartered at [address] - Centro Histórico, Porto Alegre - RS, ZIP Code (CEP) [--], hereby represented by the Secretary of Planning, Governance and Management, Mr./Ms. [--], hereinafter the GRANTOR and, on the other hand, the special purpose company [**name of CONCESSIONAIRE**], set up especially for the execution of this CONTRACT, with address at [--], in Porto Alegre/RS, hereby represented by Mr./Ms. [--], in the form of its articles of incorporation, hereinafter referred to as the CONCESSIONAIRE, together referred to as the "PARTIES";

WHEREAS:

- A) the studies, investigations, surveys and analyses formulated for the structuring of this CONCESSION were analyzed by the Asset Management Committee, which deliberated and approved the removal of real estate owned by the State of Rio Grande do Sul, as well as indicated the use of the property corresponding to the DOCKS as a PUBLIC CONSIDERATION, in EXTRAORDINARY MEETING MINUTES No. 09/2022 - ASSET MANAGEMENT COMMITTEE, under the terms of State Law No. 15.764/2021, as published in the DOE/RS, August 16, 2022 edition;
- B) the State of Rio Grande do Sul has approved the payment of the PUBLIC CONSIDERATION through the transfer of the DOCKS property, under the terms of Resolution No. 045, dated August 10, 2022 of the Management Council for Concessions and Public-Private Partnerships of the State of Rio Grande do Sul ("CGCPPP/RS"), and the MINUTES OF EXTRAORDINARY MEETING No. 09/2022 - ASSET MANAGEMENT COMMITTEE, as published in the DOE/RS, August 16, 2022 edition;
- C) the CONCESSION, which is the purpose of this CONTRACT, had its economic-financial feasibility and technical feasibility studies approved by the Management Council for Concessions and Public-Private Partnerships of the State of Rio Grande do Sul ("CGCPPP/RS"), through Resolution No. 38, published in the DOE/RS on March 23, 2022, through which: (i) Preliminary Opinion - UCPPP No. 002/2022 was approved; (ii) the recommendations made by the Executive Unit of the Concessions and Public-Private Partnerships Program were accepted; and (iii) the implementation of the recommended measures was determined until the publication of the PUBLIC NOTICE;
- D) the GRANTOR submitted the draft studies for the CONCESSION, as well as the draft PUBLIC NOTICE of this CONTRACT and respective ANNEXES to Public Consultation, in accordance with Notice of Public Consultation No. 002/2022, published in the DOE/RS on March 23, 2022, until April 22, 2022, extended until May 6, 2022 by Notice of Extension published in the DOE/RS on April 22, 2022, through the website <https://parcerias.rs.gov.br/cais-maua>, publishing the responses to the latter on August 12, 2022;
- E) the GRANTOR held the 1st Public Hearing on April 28, 2022, at 6 p.m., in the Auditorium of the Fernando Ferrari Administrative Center (CAFF) - Av. Borges de Medeiros, 1501, térreo - Porto Alegre/RS, and the 2nd Public Hearing on June 2, 2022, at 9 a.m., in the Auditorium of the Fernando Ferrari Administrative Center (CAFF) - Av. Borges de Medeiros, 1501, térreo - Porto Alegre/RS, in compliance with the terms of article 6, paragraph 3 of State Law no. 12.234/2005, to present the project to the population, with access to all the pertinent information and clarifications, guaranteeing the right to manifestation, in accordance with the regulations of the hearing, duly disclosed in advance;
- F) the publication of the PUBLIC NOTICE and the holding of the BID were approved by the CGCPPP/RS, by means of Resolution No. [--], dated [--];



- G) the GRANTOR carried out the BID, in the form of INTERNATIONAL BID PROCESS No. 0020/2023, governed by State Laws No. 12.234/2005, No. 15.612/2021, No. 15.764/2021 and Federal Laws No. 14.133/2021 and No. 11.079/2004, as well as by the other standards governing the matter of bids and contracts;
- H) after the regular processing of the BID, the GRANTEE was selected, in accordance with the act of Mr./Ms. [--], representative of the GRANTOR, published in the DOE/RS on the day of [--] of 2023;
- I) in accordance with the provisions of the PUBLIC NOTICE, the GRANTEE, winner of the aforementioned public tender, incorporated the CONCESSIONAIRE, in the manner required by subitem 18.5, item I, of the PUBLIC NOTICE;
- J) the GRANTEE of the BID has complied in due time with the requirements set out in subitem 18.5 of the PUBLIC NOTICE as conditions for signing this CONTRACT;

the PARTIES have, between themselves, justly agreed on the conditions expressed in this CONTRACT, which shall be governed by the clauses and standards indicated below.

CHAPTER I – GENERAL PROVISIONS

1. DEFINITIONS

- 1.1. For the purposes of this CONTRACT, unless expressly provided otherwise, the terms, phrases and expressions listed below, when used in this CONTRACT and its ANNEXES, and written in upper case or beginning with capital letters, shall be understood and interpreted in accordance with the following meanings, and may be used either in the plural or in the singular, without any alteration of meaning:

#	DEFINED TERM	CONCEPT
i.	ABNT	Brazilian Association of Technical Standards.
ii.	GRANTEE	Winning bidder awarded the object of the BID, under the terms of the applicable legislation and the PUBLIC NOTICE.
iii.	PUBLIC ADMINISTRATION	Bodies or entities of the direct and indirect Public Administration, federal, state, Federal District and Municipalities.
iv.	ANNEX	Documents, an integral part of the PUBLIC NOTICE and the CONTRACT, as listed.
v.	APPENDIX	Document, an integral part of the PUBLIC NOTICE and the CONTRACT, as listed.
vi.	CONCESSION AREA	It currently corresponds to CAÍ S MAUÁ, whose perimeter is described in ANNEX 1 and covers the DOCK, WAREHOUSE and GASOMETER sectors. After the completion of STAGE 3, as set forth in sub-clause 5.3, of the MANDATORY INTERVENTIONS and the



		definitive transfer of the DOCK area to the CONCESSIONAIRE, the CONCESSION AREA will then encompass the WAREHOUSE e GASOMETER sectors alone.
vii.	ADMINISTRATIVE EASEMENT AREA	Areas within the perimeter of DOCKS 1, 2 and 3, identified in the approved PROJECTS, over which the CONCESSIONAIRE shall establish an administrative easement to the extent that each of these properties (DOCKS 1, 2 and 3) has its ownership transferred to the CONCESSIONAIRE, in order to ensure compliance with the premises of the CONCESSION provided for in sub-clause 5.4 of the CONTRACT and the public interests provided for in sub-clause 13.5.9 of this CONTRACT, based on the CONCESSION, the guidelines of the Porto Alegre Master Plan for Cais Mauá and Orla de Guaíba and article 40 of Decree-Law no. 3.365/1941.
viii.	PASSAGE EASEMENT AREA	Areas within the perimeter of the CONCESSION AREA, identified in the approved PROJECTS, over which a passage easement must be established in favor of DOCKS 1, 2 and 3 as each of these properties has its ownership transferred to the CONCESSIONAIRE, in order to ensure access for users of such properties to Avenida Mauá, based on the CONCESSION, and on articles 1.378 to 1.389 of Federal Law No. 10.406/2002.
ix.	WAREHOUSE	Existing building in the CONCESSION AREA, intended for restoration, under the terms of this CONTRACT. The area known as the WAREHOUSE sector is defined by the perimeter shown in ANNEX 1, which includes all of these properties, with the exception of WAREHOUSE A7, which belongs to the GASOMETER sector.
x.	WAREHOUSES A, B AND CENTRAL PORTICO	Buildings that will be restored and maintained by the CONCESSIONAIRE and used by the GRANTOR to house activities and EVENTS related to art, culture and the creative economy.
xi.	TECHNICAL ASSISTANT	Legal entity with the technical-operational capacity, which may be contracted by the CONCESSIONAIRE, under the terms of the PUBLIC NOTICE.
xii.	NOTICE OF INFRINGEMENT	Document containing the application of contractual or regulatory penalties resulting from the investigation of irregularities found during inspections carried out in the CONCESSION AREA, under the terms of the CONTRACT.



xiii.	CUSTODIAN BANK	A financial institution to be contracted and compensated by the CONCESSIONAIRE for the purpose of maintaining and operating, as provided for in this CONTRACT, the SETTLEMENT ACCOUNT and the CHARGES ACCOUNT, whose net worth must exceed BRL 1,000,000,000 (one billion Brazilian reais).
xiv.	CONTAINMENT BARRIER	A mobile containment system that may be installed by the CONCESSIONAIRE, to include the CONCESSION AREA in the flood protection system and whose implementation is intended to enable the partial demolition and modernization of the corresponding segment of the Mauá Wall, along the lines established in the TERM OF COOPERATION to be signed between the GRANTOR and the municipality of Porto Alegre as per ANNEX 8.
xv.	CONCESSION ASSETS	All assets that are necessary and essential to the execution of the CONTRACT, including those that belong to or are in the use of the GRANTOR and are transferred to the use of the CONCESSIONAIRE, and those that belong to the CONCESSIONAIRE or are acquired by it for the purpose of executing the CONTRACT, under the terms of sub-clause 19.1.
xvi.	REVERSIBLE ASSETS	REVERSIBLE ASSETS are the CONCESSION ASSETS provided for in the INVENTORY that will revert to the GRANTOR at the end of the CONCESSION.
xvii.	CONTROL BLOCK	Group of shareholders of the Special Purpose Company that exercises CONTROL over the CONCESSIONAIRE.
xviii.	CADE	Administrative Council for Economic Defense.
xix.	CADIN ESTADUAL	Cadastro Informativo dos Créditos não Quitados de Órgãos e Entidades Estaduais (Informative Registry of Unpaid Credits of State Bodies and Entities), established by State Law 10.697/1996, which registers the names of individuals and legal entities that have outstanding debts with the bodies and entities of the State Administration of Rio Grande do Sul.
xx.	CAIS MAUÁ	Public property owned by the State of Rio Grande do Sul, the subject of this BID, located in the city of Porto Alegre, which will be the subject of a CONCESSION aimed at its requalification and revitalization to house activities and events related to leisure, recreation, education, entertainment, gastronomy, sports, culture, tourism, events, commerce, nautical activities and the promotion of entrepreneurship, the creative economy and technological innovation.



xxi.	CAM-CCBC	Arbitration and Mediation Center of the Brazil-Canada Chamber of Commerce.
xxii.	CAUGE	Urban Analysis and Management Commission.
xxiii.	CFC	Federal Accounting Council.
xxiv.	CGCPPP/RS	Management Council for Concessions and Public-Private Partnerships of the State of Rio Grande do Sul.
xxv.	CONAMA	Brazilian Environment Council.
xxvi.	CONAR	Brazilian Advertising Self-Regulation Council
xxvii.	GRANTOR	The State of Rio Grande do Sul.
xxviii.	CONCESSION	Administrative concession that grants the CONCESSIONAIRE the management of CAIS MAUÁ, including investments aimed at the revitalization, urbanization, modernization, conservation and operation of CAIS MAUÁ.
xxix.	CONCESSIONAIRE	Special purpose company set up by the GRANTEE, which signs the CONTRACT with the GRANTOR.
xxx.	WATERWAY TRANSPORT CONCESSIONAIRE	Concessionaire responsible for the water transportation of passengers between the municipalities of Porto Alegre and Guaíba, according to the bidding process promoted by the State of Rio Grande do Sul, or another that may replace it. The contract in force on the date of conclusion of this CONTRACT is set out in ANNEX 11.
xxxi.	SETTLEMENT ACCOUNT	Bank account opened by the GRANTEE, with restricted movement, for the deposit of amounts arising from the BID, which will be administered by the CUSTODIAN BANK and whose resources may be used to rebalance the economic-financial equilibrium, among other purposes provided for in this CONTRACT.
xxxii.	CHARGES ACCOUNT	Bank account opened by the GRANTEE, with restricted movement, intended to fund actions of specific social interest, which will receive deposits resulting from the BID procedure and deposits made by the CONCESSIONAIRE throughout the CONCESSION, as provided for in the PUBLIC NOTICE and CONTRACT.
xxxiii.	PUBLIC CONSIDERATION	Counterpart due to the CONCESSIONAIRE for investments, pursuant to the CONTRACT, to be paid exclusively through the transfer of real estate



		corresponding to the DOCKS, in accordance with the phasing provided for in the CONTRACT.
xxiv.	CONTRACT	Administrative Concession Contract, through which the GRANTOR entrusts the CONCESSIONAIRE with the activities and investments for the revitalization, urbanization, conservation, modernization, operation, maintenance, restoration and management of the CONCESSION AREA.
xxv.	EMBARCADERO CONTRACT	Contract for the Concession of Onerous Use of Property, set out in ANNEX 8, signed between the Superintendency of the Port of Rio Grande and the company Embarcadero S.A., with the aim of implementing a transitional project as part of the larger context of the redevelopment of CAIS MAUÁ.
xxvi.	PARKING CONTRACT	Contract for the Concession of Onerous Use of Property, set out in ANNEX 10, signed between the Superintendency of the Port of Rio Grande and the company SC Remoções e Guarda de Veículos EIRELI, for the commercial exploitation of vehicle parking activities, in the larger context of the redevelopment of CAIS MAUÁ.
xxvii.	CONTROLLED COMPANY	A company, investment fund or legal entity whose CONTROL is exercised by another individual or legal entity.
xxviii.	CONTROL OR PARENT COMPANY	Under the terms of article 116 of Federal Law 6.404/1976, it means the right to: (a) hold the majority of votes in company resolutions and the power to elect the majority of administrators or managers of another person or investment fund, as the case may be; and (b) effectively use their power to direct the corporate activities and guide the operation or management of another person or investment fund.
xxix.	FIRE DEPARTMENT	Military Fire Brigade of the State of Rio Grande do Sul.
xl.	CPC	Accounting Pronouncements Committee.
xli.	CVM	Brazilian Securities and Exchange Commission.
xlii.	DMAE	Porto Alegre Municipal Water and Sewage Department.
xliii.	DOCKS	Area comprised by DOCKS 1, 2 and 3, which belong to the CONCESSION AREA under the terms of sub-clause 5.3 of the CONTRACT, the property of which will be the object of the PUBLIC CONSIDERATION from the



		GRANTOR to the CONCESSIONAIRE for the MANDATORY INTERVENTIONS and for the MANDATORY SERVICES, as set out in ANNEXES 2 and 3.
xliv.	QUALIFICATION DOCUMENTS	Documents that must be submitted by the BIDDER, relating to LEGAL QUALIFICATION, TAX AND LABOR GOOD STANDING, TECHNICAL QUALIFICATION and ECONOMIC-FINANCIAL QUALIFICATION, as defined in the PUBLIC NOTICE.
xlv.	DOE/RS	Official Register of the State of Rio Grande do Sul.
xlvi.	PUBLIC NOTICE	PUBLIC NOTICE for International Bid Process No. 0020/2023 and all its ANNEXES.
xlvii.	STAGE	Each of the stages of works relating to the MANDATORY INTERVENTIONS provided for in sub-clause 5.8 of the CONTRACT and, specifically, in ANNEX 2 of the CONTRACT.
xlviii.	PRELIMINARY STAGE	A period of up to 180 (one hundred and eighty) days from the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, which will comprise preparatory activities for the start of the MANDATORY INTERVENTIONS, as provided for in sub-clause 5.8, item I.
xlix.	EVENTS	Cultural, sporting and gastronomic activities, among others, under the terms of sub-clause 13.25 of this CONTRACT.
i.	IMBALANCE EVENT	Event, act or fact, which triggers the economic and financial imbalance of the CONTRACT, not borne by the PARTY in the respective risk matrix, and which gives rise to the restoration of the economic and financial equilibrium to the CONCESSIONAIRE or the GRANTOR.
ii.	FEPAM	Henrique Luis Roessler State Foundation for Environmental Protection, of the State of Rio Grande do Sul.
iii.	LENDERS	Commercial banks, development banks, multilateral agencies, export credit agencies, fiduciary agents, fund administrators or other entities that grant financing to the CONCESSIONAIRE or represent the creditor parties in the financing.
iiii.	FINANCING	Any financing that may be granted to the CONCESSIONAIRE in the form of debt for the fulfillment of its obligations under the CONTRACT.



liv.	MARGINAL CASH FLOW	Methodology provided for in this CONTRACT to calculate the financial impact resulting from an IMBALANCE EVENT, whereby a specific cash flow of the aforementioned events is drawn up and measures are proposed that are capable of offsetting the net present value of this flow, so that the result is equal to zero in the hypotheses and conditions expressly established in the CONTRACT.
lv.	PERFORMANCE GUARANTEE	Guarantee of the faithful fulfillment of the CONCESSIONAIRE's obligations under the CONTRACT, to be kept by the CONCESSIONAIRE, in favor of the GRANTOR, in the amounts and under the terms defined in this CONTRACT.
lvi.	GASOMETER	Area included in the CONCESSION AREA, which includes WAREHOUSE A7, in accordance with ANNEX 1 of the PUBLIC NOTICE, to be subject to MANDATORY INTERVENTIONS and the provision of services by the CONCESSIONAIRE, as described in ANNEXES 2 and 3 of this CONTRACT.
lvii.	WORKING GROUP	Group to be formed 2 (two) years before the end of the CONTRACT, composed of representatives of the GRANTOR, the CONCESSIONAIRE and, if any, the SUCCESSOR, in equal numbers, with the purpose of monitoring the adoption by the CONCESSIONAIRE of the measures prior to the return and/or TRANSFER of CAIS MAUÁ set out in ANNEX 12.
lviii.	ECONOMIC GROUP	The ECONOMIC GROUP of the BIDDER or CONCESSIONAIRE includes affiliated, CONTROLLED or simple participation companies, under the terms of articles 1.097 et seq. of the Civil Code, and companies or investment funds that have directors, administrators, except members of the board of directors, managers or shareholders (the latter with more than a 10% stake) or common legal representatives, as well as those that are economically or financially dependent on another company or investment fund, in addition to companies or investment funds subject to the same global structure, including global sharing of knowledge, governance and corporate policy.
lix.	LEGAL QUALIFICATION	Legal documentation required to prove eligibility to contract with the GRANTOR.
lx.	IBGE	Brazilian Institute of Geography and Statistics.



lxi.	PERFORMANCE INDICATORS	Set of parameters to measure the quality of the services provided that will contribute to determining the quality of the services provided by the CONCESSIONAIRE, under the terms of ANNEX 5.
lxii.	INMETRO	National Institute of Metrology, Quality and Technology.
lxiii.	MANDATORY INTERVENTIONS	Set of mandatory works and interventions to be carried out by the CONCESSIONAIRE in the CONCESSION AREA, as described in ANNEX 2.
lxiv.	INVENTORY	Inventory of REVERSIBLE ASSETS to be kept by the CONCESSIONAIRE during the CONCESSION TERM.
lxv.	ADDITIONAL INVESTMENT	Additional investment approved by the GRANTOR that enables the optimization of road access in the CONCESSION AREA and its surroundings, which may be proposed by the CONCESSIONAIRE, under the terms of Clause 11.
lxvi.	IPCA/IBGE	National Broad Consumer Price Index published by the Brazilian Institute of Geography and Statistics.
lxvii.	IPTU	Urban Property Tax.
lxviii.	ENVIRONMENTAL LICENSES	Environmental licenses that authorize the carrying out of works, the execution of interventions and the operation of undertakings located in the CONCESSION AREA.
lxix.	BID	International Bid Process No. 0020/2023, promoted by the GRANTOR for the selection of the BIDDER that will incorporate the CONCESSIONAIRE, sign the CONTRACT with the GRANTOR and execute the PURPOSE of the CONCESSION.
lxx.	BIDDER	Companies and/or investment funds participating in the BID, either alone or as a CONSORTIUM.
lxxi.	TRAFFIC MITIGATION MEASURES	Measures to be adopted by the CONCESSIONAIRE in order to preserve the regular flow of vehicles and VISITORS in the CONCESSION AREA and its surroundings, with the aim of reducing the impact caused by its activities and the use of CAIS MAUÁ.
lxxii.	OGMO	Management Body for Freelance Port Work at the Organized Port of Porto Alegre.



xxiii.	INSPECTION CHARGE	Amount resulting from the application of a rate on the GROSS REVENUE earned by the CONCESSIONAIRE, to be paid to the GRANTOR under the terms of Clause 17 of this CONTRACT.
xxiv.	CONDITIONAL GRANT	Amount corresponding to the percentage applied to the CONCESSIONAIRE's GROSS REVENUE, to be paid annually to the GRANTOR by the CONCESSIONAIRE, calculated in accordance with Clause 16 of this CONTRACT.
xxv.	OMBUDSMAN	Platform to be made available by the CONCESSIONAIRE so that VISITORS can provide criticism, suggestions and complaints with a view to improving the CONCESSIONAIRE's performance.
xxvi.	CONTROL PANEL	Panel to be created by the VERIFIER in order to consolidate the reports sent by the CONCESSIONAIRE, as well as to identify patterns in the processes and facilitate recommendations to the winning BIDDER.
xxvii.	PARTIES	The GRANTOR and the CONCESSIONAIRE
xxviii.	RELATED PARTIES	With regard to the BIDDER or CONCESSIONAIRE, any person from its ECONOMIC GROUP, as well as those considered as such by current accounting standards.
xxix.	DEMOBILIZATION PLAN	Document to be drawn up by the CONCESSIONAIRE, submitted for approval by the GRANTOR, setting out the process for demobilizing the activities of the CONCESSIONAIRE at the end of the CONCESSION, in order to enable the reversion of the REVERSIBLE ASSETS and guarantee the continuous and adequate development of the activities that the GRANTOR deems appropriate.
xxx.	INSURANCE PLAN	Document to be drawn up by the CONCESSIONAIRE containing a list of all the insurances that must be taken out, under the terms of the CONTRACT and ANNEX 6, subject to revision under the terms of the CONTRACT.
xxxi.	OPERATIONAL PLAN	Plan to be presented by the CONCESSIONAIRE, which includes a preliminary indication of the economic activities to be developed in the CONCESSION AREA, as well as the actions that will be taken to carry out the MANDATORY SERVICES by the CONCESSIONAIRE, respecting the guidelines in ANNEX 3.
xxxii.	POLICY ON TRANSACTIONS WITH RELATED PARTIES	A document drawn up and approved by the management bodies of the CONCESSIONAIRE which



		shall contain the rules and conditions for carrying out transactions between the CONCESSIONAIRE and its RELATED PARTIES, under the terms of this CONTRACT.
xxiii.	PORTOS RS	A public company, created on the basis of State Law No. 15.717/2021, in the form of a special purpose company, whose purpose is the administration and operation of ports, waterways and lake and navigable waterways located in the state, under the terms of the delegation, grant, registration or concession instruments obtained or subrogated by it.
xxiv.	CONCESSION TERM	The term shall be 30 (thirty) years, from the date of issue of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, which shall occur upon fulfillment of the effectiveness conditions of the CONTRACT.
xxv.	BASIC PROJECT	Set of elements that allow the characterization of the work, service or complex of works and services that make up the project, in such a way that its basic characteristics and desired performance are perfectly defined, making it possible to estimate its cost and execution time.
xxvi.	EXECUTIVE PROJECT	All the elements necessary and sufficient for the complete execution of the work, as described in detail in ANNEX 2.
xxvii.	PROJECTS	BASIC PROJECTS and EXECUTIVE PROJECTS considered together.
xxviii.	COMMERCIAL PROPOSAL	Proposal submitted by the BIDDER indicating the amount of the PUBLIC CONSIDERATION required to take over the CONCESSION.
xxix.	ECONOMIC AND FINANCIAL QUALIFICATION	Documentation required to prove economic and financial qualifications for contracting with the PUBLIC ADMINISTRATION.
xc.	TECHNICAL QUALIFICATIONS	Documentation attesting to the BIDDERS' technical capacity to contract and execute the CONTRACT, in accordance with the criteria set out in the PUBLIC NOTICE.
xci.	GROSS REVENUE	Corresponds to the sum of all gross revenues earned by the CONCESSIONAIRE from the operation of the CONCESSION, whether arising from the direct or indirect operation of activities inherent to the operation of the CONCESSION, including ANCILLARY REVENUES.
xcii.	ANCILLARY REVENUE	Alternative, complementary or ancillary revenues, arising from the execution of ancillary activities, whose



		execution and sharing of results with the GRANTOR shall follow the provisions in Clauses 13.14 to 13.24 of this CONTRACT.
xciii.	TAX AND LABOR COMPLIANCE	Attribute resulting from the presentation and acceptance of the documentation required to prove tax and labor qualifications for contracting with the PUBLIC ADMINISTRATION.
xciv.	INDEPENDENT RAPPOREUR	Technical advisor who may be hired by the CONCESSIONAIRE for the preparation of PARTIAL REPORTS and FINAL REPORTS, as well as for the inspections provided for in ANNEX 12.
xcv.	DETAILED QUARTERLY REPORT	Report drawn up and sent quarterly by the VERIFIER to the GRANTOR for the purpose of monitoring compliance with the PERFORMANCE INDICATORS, under the terms of sub-clause 18.6.1, item II, of the CONTRACT.
xcvi.	QUARTERLY PERFORMANCE REPORT	Quarterly report, to be drawn up by the CONCESSIONAIRE and delivered to the VERIFIER and the GRANTOR, including the calculation details and all the measurements of the PERFORMANCE INDICATORS carried out during the period, under the terms of sub-clause 20.1, item XI, of the CONTRACT, for the calculation of the performance index.
xcvii.	INSPECTION REPORT	A document to be drawn up by the WORKING GROUP, within 90 (ninety) days of its constitution, proposing to the GRANTOR, with the approval of the CONCESSIONAIRE and, if applicable, the consent of the SUCCESSOR, the parameters that will guide the return and/or transfer of all or part of the CAIS MAUÁ, as regulated in ANNEX 12.
cviii.	FINAL REPORT	Document to be delivered by the WORKING GROUP to the GRANTOR 30 (thirty) days before the end of the CONCESSION, describing in detail the dates of inspections of the REVERSIBLE ASSETS and meetings held, minutes and all non-conformities identified and corrected during the committee's work, as well as other information deemed relevant, containing a Final Opinion as to compliance with the conditions for return set out in ANNEX 12.
xcix.	EXTRAORDINARY REVIEW	Review of the CONTRACT, at the request of the CONCESSIONAIRE or by ex officio act of the GRANTOR, in order to adjust it to changes, alterations or conditions that may influence contractual compliance, under the terms of the CONTRACT, and restore its economic and financial equilibrium, only applicable in



		the exceptional cases provided for in the CONTRACT, in which it is not possible to deal with the issue in the ORDINARY REVIEW.
c.	ORDINARY REVIEW	Review of the CONTRACT, carried out every five years, with the aim of adapting the PERFORMANCE INDICATORS, INSURANCE PLAN, and any conditions of the CONCESSION to the modifications that have been perceived during this period, in accordance with Clause 29 of the CONTRACT.
ci.	MANDATORY SERVICES	Services to be performed by the CONCESSIONAIRE for strict compliance with this CONTRACT, in accordance with the provisions of ANNEX 3.
cii.	PERFORMANCE MEASUREMENT SYSTEM	System for assessing the performance of the CONCESSIONAIRE, described in ANNEX 5, made up of PERFORMANCE INDICATORS and operationalized by applying the quality and performance index to the CONDITIONAL GRANT, in order to make it possible to vary the payment of the latter according to the quality of its performance.
ciii.	SUCCESSOR	Future concessionaire, selected through any bidding process to be held in the final years of this CONCESSION, which will replace the CONCESSIONAIRE in the management, maintenance and operation of CAIS MAUÁ; or the PUBLIC ADMINISTRATION body that will become responsible for the administration of CAIS MAUÁ at the end of the term of this CONTRACT.
civ.	SUSEP	Superintendency of Private Insurance.
cv.	STAGE COMPLETION REPORT	Term to be issued by the GRANTOR confirming the completion of the MANDATORY INTERVENTIONS STAGE.
cvi.	COOPERATION AGREEMENT	Cooperation agreement to be signed between the GRANTOR and the municipality of Porto Alegre with the aim of pooling efforts to include CAIS MAUÁ in the perimeter covered by the Guaíba Lake flood containment system, as well as for the partial demolition of the Mauá Wall and guaranteeing the maintenance of adequate levels of safety against flooding by means of works and the installation of the CONTAINMENT BARRIER or another alternative containment system to be proposed by the CONCESSIONAIRE.



cvii.	TERM OF DELIVERY OF THE PUBLIC PROPERTY	Document issued by the GRANTOR formalizing the delivery of the CONCESSION AREA, allowing the CONCESSIONAIRE to begin operations, under the terms of the CONTRACT, according to the template in ANNEX 13.
cviii.	TERM OF INSPECTION	Document containing a record of any occurrences found during inspections carried out in the CONCESSION AREA, which the GRANTOR must send to the CONCESSIONAIRE, under the terms of the CONTRACT.
cix.	TERM OF DEFINITIVE RECEIPT	Document to be signed by the CONCESSIONAIRE, by the GRANTOR and, if any, by the SUCCESSOR for the return and termination of this CONCESSION.
cx.	TERM OF FINAL ACCEPTANCE OF MANDATORY INTERVENTIONS	Document issued by the GRANTOR that includes final acceptance of all MANDATORY INTERVENTIONS as set out in the EXECUTIVE PROJECTS and ANNEX 2.
cxí.	TRANSFER	Conclusion of a new concession contract for the management, operation and maintenance of CAIS MAUÁ by a SUCCESSOR company to the CONCESSIONAIRE.
cxii.	TRANSFER OF CONTROL	Any change in the corporate composition that implies the transfer of direct CONTROL of the CONCESSIONAIRE, in compliance with the provisions of Federal Law No. 6.404/1976.
cxiii.	ARBITRATION TRIBUNAL	Arbitration tribunal to resolve disputes subject to arbitration, under the terms of the Clause 56.
cxiv.	ESTIMATED CONTRACT VALUE	Amount corresponding to the projection of the sum of the total investments to be made by the CONCESSIONAIRE during the CONCESSION TERM, as provided for in the CONTRACT.
cxv.	VERIFIER	A legal entity to be hired by the GRANTOR to assist it in the procedures for monitoring and measuring PERFORMANCE INDICATORS, whose duties and minimum qualifications are set out in this CONTRACT.
cxvi.	VISITOR	Any person who visits the CONCESSION AREA as of the date of issue of the TERM OF DELIVERY OF THE PUBLIC PROPERTY.

2. CONTRACT INTERPRETATION

2.1. For the purposes of this CONTRACT, except where expressly provided otherwise:



- I. the definitions in this CONTRACT have the meanings attributed to them in Clause 1, whether in the plural or in the singular;
- II. all references in this CONTRACT to Clauses, sub-clauses or other subdivisions refer to the Clauses, sub-clauses or other subdivisions of the body of this CONTRACT, unless expressly provided otherwise;
- III. pronouns of both genders should be understood to include, as appropriate, the other pronominal forms;
- IV. all references to this CONTRACT or to any other documents related to this CONCESSION shall be understood as covering any amendments and/or addendums that may be entered into between the PARTIES;
- V. any reference made to legislation and regulations shall be understood as the legislation and regulations in force at the time of the specific case, applicable to it, from any sphere of the federation, and taking into account any amendments thereto;
- VI. the use in this CONTRACT of the terms "including" means "including but not limited to";
- VII. all deadlines established in this CONTRACT shall be understood as calendar days, unless the use of business days is expressly indicated. When deadlines fall on weekends, public holidays or days when the State Administration is not open for business, the deadline will automatically be postponed to the first subsequent business day;
- VIII. deadlines counted in months will always follow the calendar months, subject to the following rules:
 - a. if the starting point of the respective term falls on or before the 10th (tenth) day of the month in question, the first month of the respective term shall be deemed to be completed by the end of the calendar month in question (for example, if the event that represents the starting point of the term falls on the 7th (seventh) day of January, the PARTIES will consider the first month of the term to be January, and the first month of the term will be completed by the last day of January, making it possible for the term to be counted in months always following the calendar from then on, i.e. February will be the second month of the term, March the third and so on until the end of the term).
 - b. If the starting point of the period in question falls on or after the eleventh (11th) day of the month in question until the last day of that calendar month, the starting point of the period in question will be counted from the first day of the immediately following month (thus, if the starting point of the period falls on the twenty-first (21st) day of March, the first month of the period in question will be considered to be until the last day of the month immediately following the month in which the start of the period takes place, i.e. the first month of the exemplary period would run until the end of April of the respective year, making it possible to count the period according to the calendar from then on, i.e. May would be the second month of the period, June the third and so on until the end of the period).
- IX. references to the CONTRACT refer both to this document and to the other documents that appear as ANNEXES, respecting the rules of interpretation established in this Clause; and
- X. the titles of the clauses of this CONTRACT and ANNEXES shall not be used in their application or



interpretation.

2.2. Any disputes that may arise in the application and/or interpretation of the provisions and/or documents related to this contract shall be resolved as follows:

2.2.1. the wording of this CONTRACT shall be considered first, and shall prevail over all other documents of the contractual relationship, including the PUBLIC NOTICE and ANNEXES;

2.2.2. in the event of discrepancies between the ANNEXES to this CONTRACT, the ANNEXES issued by the GRANTOR shall prevail; and

2.2.3. in the event of a discrepancy between the ANNEXES issued by the GRANTOR, the one with the most recent date shall prevail.

3. APPLICABLE LEGISLATION AND GENERAL CONTRACT CONDITIONS

3.1. This CONTRACT is governed by the rules established herein and in its ANNEXES, as well as by the provisions of the Federal Constitution, the Constitution of the State of Rio Grande do Sul, State Law No. 12.234/2005 – State Law on Public-Private Partnerships; State Law No. 15.764/2021 – Program for the Efficient Use and Management of Public Property; State Law No. 15.612/2021 – State Administrative Process Law, Federal Law 11.079/2004 – Federal Public-Private Partnership Law and, alternatively, Federal Law 14.133/2021 – Federal Bidding Law.

3.2. Unless otherwise specified, the date on which the BID GRANTEE submits its COMMERCIAL PROPOSAL shall be considered the base date for the values expressed in this CONTRACT, which, as appropriate, shall be updated in accordance with the variation of the IPCA/IBGE or any other index that may replace it.

4. ANNEXES

4.1. The following ANNEXES form an integral part of this CONTRACT and the PUBLIC NOTICE for all purposes:

ANNEX 1	Documents relating to properties in the CONCESSION AREA
ANNEX 2	Guidelines for the execution of MANDATORY INTERVENTIONS (engineering works and services)
APPENDIX A	Masterplan Project Description
APPENDIX B	Master Plan
APPENDIX C	STAGE COMPLETION REPORT template
APPENDIX D	TERM OF FINAL ACCEPTANCE OF MANDATORY INTERVENTIONS template
APPENDIX E	Operational Continuity Plan
APPENDIX F	Remaining Activities
APPENDIX G	Guidelines for the Flood Protection System
APPENDIX H	Soil contamination identification report
APPENDIX I	Inspection Report on Mandatory Interventions



ANNEX 3	Guidelines for MANDATORY SERVICES
ANNEX 4	Reference uses for WAREHOUSES and GASOMETER
ANNEX 5	Performance measurement system (SMD)
ANNEX 6	Guidelines for the INSURANCE PLAN
ANNEX 7	Guidelines for contracting the PERFORMANCE GUARANTEE
ANNEX 8	Draft TERM OF COOPERATION to be signed between the State of Rio Grande do Sul and the Municipality of Porto Alegre
ANNEX 9	EMBARCADERO CONTRACT
ANNEX 10	PARKING CONTRACT
ANNEX 11	CATSUL CONTRACT
ANNEX 12	Demobilization and Transition Guidelines
ANNEX 13	TERM OF DELIVERY OF THE PUBLIC PROPERTY template
ANNEX 14	Draft Account Management Contract
ANNEX 15	Land division sketch
ANNEX 16	CHARGES ACCOUNT Governance Guidelines
ANNEX 17	Transfer in lieu of Payment Draft Deed
ANNEX 18	Draft substitute letter of guarantee
ANNEX 19	Transit Operational Guidelines

CHAPTER II – CONCESSION

5. PURPOSE OF THE CONCESSION

- 5.1 The purpose of this CONCESSION is to delegate to the private sector the activities of revitalization, urbanization, management, operation, restoration, maintenance, modernization and conservation of CAIS MAUÁ, the execution of MANDATORY INTERVENTIONS and MANDATORY SERVICES in the CONCESSION AREA, delimited according to the perimeter described and detailed in ANNEX 1, including the commercial exploitation of activities and events related to leisure, recreation, education, entertainment, gastronomy, sports, culture, events, tourism, commerce, nautical activities and the promotion of entrepreneurship, technological innovation and the creative economy, subject to the conditions set out in this CONTRACT and ANNEXES.
- 5.2 The CONCESSION AREA, initially comprising the WAREHOUSES, GASOMETER and DOCKS sectors, may be freely exploited by the CONCESSIONAIRE, provided that the legal provisions and the provisions of this CONTRACT are complied with.
- 5.3 Upon completion of STAGE 1, as provided for in sub-clause 5.8, item II, and the issuance of the respective STAGE COMPLETION REPORT by the GRANTOR, the property whose registration number 182.783 appears in ANNEX 1, corresponding to the DOCKS sector, will progressively cease to be part of the CONCESSION AREA.
- 5.3.1 The transfer of ownership of the DOCKS properties to the CONCESSIONAIRE, in accordance



with the installments provided for in sub-clause 13.5, disqualifies the area transferred as a CONCESSION AREA.

5.4 The premises of this CONCESSION include:

- I. the preservation of the nature of the common use of the people of the CONCESSION AREA and the objectives of the creation of the CAIS MAUÁ area, as provided for in this CONTRACT;
- II. the continued vocation and use of the CONCESSION AREA as a cultural and historical heritage site for the city of Porto Alegre and the state of Rio Grande do Sul, respecting the guidelines and determinations of heritage protection bodies;
- III. the guarantee of full integration of the city with Lake Guaíba, taking into account the guidelines of environmental, economic and social sustainability;
- IV. the prohibition on limiting the flow and free movement of VISITORS in the CONCESSION AREA, except in the exceptional cases described in this CONTRACT; and
- V. the tolerance of the permanence of vessels, which are authorized by PORTOS RS, in the aquatic area of the Porto Alegre Port Polygon, including for tourist activities, transport activities and travel to Ilha do Pavão.

5.5 The PARTIES declare that they are aware that, prior to the MANDATORY INTERVENTIONS, the CONCESSION AREA is not protected by the current flood protection system of the municipality of Porto Alegre, and is therefore subject to flooding in the event of a rise in the water level of Lake Guaíba.

5.5.1 The CONCESSIONAIRE is responsible for:

- I. the protection of the CONCESSION AREA against flooding once the MANDATORY INTERVENTIONS have been accepted, in accordance with ANNEX 2;
- II. obtaining the necessary licenses and authorizations for the partial demolition of the Mauá Wall from the competent bodies; and
- III. maintaining up-to-date contact details with the competent public authority, under the terms of the COOPERATION AGREEMENT to ensure swift and effective compliance with the measures to protect CAIS MAUÁ and the municipality of Porto Alegre in the event of a flood risk, as set out in ANNEX 8.

5.6 The CONCESSIONAIRE will ensure access to CAIS MAUÁ by representatives of the GRANTOR, PORTOS RS, the FIRE DEPARTMENT, DMAE, OGMO and third parties with contracts in force in the CONCESSION AREA, such as the WATERWAY TRANSPORT CONCESSIONAIRE, so that the activities inherent to their functions and/or contractual rights can be carried out.

5.7 The CONCESSION AREA, the activities and uses permitted for the WAREHOUSE and GASOMETER sectors, as well as the MANDATORY INTERVENTIONS and the CONCESSION charges, including the MANDATORY SERVICES, are set out and detailed in the ANNEXES to this CONTRACT.

5.8 This CONCESSION will include the following MANDATORY INTERVENTIONS, subdivided into the following STAGES:

- I. **PRELIMINARY STAGE:** a period of up to 180 (one hundred and eighty) days from the issuance



of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, which will comprise preparatory activities for the start of the MANDATORY INTERVENTIONS and the installation of the piezometers, the end of which is defined by the conclusion of the procedure for the approval of the PROJECTS corresponding to STAGE 1 of the MANDATORY INTERVENTIONS, as well as the contracting of the corresponding insurances, as provided for in sub-clause 9.3;

- II. **STAGE 1 of the MANDATORY INTERVENTIONS:** characterized by the delivery of the MANDATORY INTERVENTIONS relating to the requalification and restoration of WAREHOUSES A, B AND CENTRAL PORTICO, WAREHOUSES A1, A2, A3, A4, B1 and B2, as well as the relocation of the FIRE DEPARTMENT and the OGMO, the end of which is defined by the issuance of the respective STAGE COMPLETION REPORT by the GRANTOR. The CONCESSIONAIRE will have up to 1,170 (one thousand one hundred and seventy) days to complete STAGE 1 of the MANDATORY INTERVENTIONS, starting from the end of the PRELIMINARY STAGE;
- III. **STAGE 2 of the MANDATORY INTERVENTIONS:** characterized by the delivery of the MANDATORY INTERVENTIONS related to the requalification and restoration of WAREHOUSES A5, A6, A7 and B3, as well as the relocation of the PORTOS RS administration and operational workshops and the urbanization of the DOCKS sector, to guarantee public access to the unbuilt areas, including the restoration of Praça Edgar Schneider, the Cranes, the Administration building, implementation of an underground access tunnel to the Bus Station and installation of 2 (two) accessibility platforms in the existing access tunnel, the completion of which is defined by the issuance of the respective STAGE COMPLETION REPORT by the GRANTOR. The CONCESSIONAIRE will have up to 1,170 (one thousand one hundred and seventy) days to complete STAGE 2 of the MANDATORY INTERVENTIONS, starting from the end of the PRELIMINARY STAGE;
- IV. **STAGE 3 of the MANDATORY INTERVENTIONS:** characterized by the delivery of the MANDATORY INTERVENTIONS relating to (i) the urbanization of the WAREHOUSE and GASOMETER sectors, including the cobblestone paving leveling of Praça Brigadeiro Sampaio with the GASOMETER sector; (ii) the implementation of the new CONTAINMENT BARRIER and completion of the floor elevation or implementation of the alternative containment system; (iii) installation of an underground cut-off; and (iv) partial demolition of the Mauá Wall, subject to the provisions of sub-clause 13.5.10, in ANNEX 2 and ANNEX 8, the end of which is defined by the issuance of the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS by the GRANTOR, provided that the MANDATORY INTERVENTIONS relating to STAGES 1 and 2 are accepted. The CONCESSIONAIRE will have up to 1,170 (one thousand one hundred and seventy) days to complete STAGE 3 of the MANDATORY INTERVENTIONS, starting from the end of the PRELIMINARY STAGE.

5.9 As a rule, the definition of the uses and exploitation of the WAREHOUSES will be the free initiative of the CONCESSIONAIRE, the obligations for which include:

- I. Relocate the FIRE DEPARTMENT, the OGMO, PORTOS RS and the workshops, based on the requirements described in APPENDICES E and F;
- II. Keep the WATERWAY TRANSPORT CONCESSIONAIRE in WAREHOUSE B3;
- III. Make available to the GRANTOR, or a third party designated by it, up to 2 (two) WAREHOUSES, adjacent areas and interstices, or an area of approximately 8,000 m², under the terms of sub-clause 12.1, to be used for exhibitions, events, fairs, presentations, biennial events and congresses, for 30 (thirty) days a year, in conditions suitable for the use intended by the GRANTOR; and



IV. Destination of WAREHOUSES A, B AND CENTRAL PORTICOL for use by the GRANTOR or a third party designated by it and the development, at its discretion, of activities related to art, culture and the creative economy, in accordance with sub-clause 12.2.

5.10 The CONCESSIONAIRE will also be responsible for providing the MANDATORY SERVICES listed in ANNEX 3 of the CONTRACT, which correspond to the management, operation, maintenance and conservation activities of CAIS MAUÁ.

5.10.1 With the exception of the services related to the implementation of the MANDATORY INTERVENTIONS and the maintenance of the flood protection system, the CONCESSIONAIRE is not obliged to provide the MANDATORY SERVICES on the DOCKS properties after the transfer of ownership, in accordance with the procedure set out in sub-clause 13.5, and they do not form part of the CONCESSION AREA as from that date, under the terms of sub-clause 5.3.1.

6. CONCESSION TERM

6.1. The CONCESSION TERM is 30 (thirty) years, counted from the date of issue of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, which shall occur upon fulfillment of the effectiveness conditions of the CONTRACT.

6.1.1. The PARTIES shall employ their best efforts to ensure that the conditions of effectiveness are met and that the TERM OF DELIVERY OF THE PUBLIC PROPERTY is issued as soon as possible from the date of signature of this CONTRACT.

6.1.2. The period provided for in sub-clause 6.1 may exceptionally be extended by 5 (five) years, up to a total of 35 (thirty-five) years, at the sole discretion of the GRANTOR, in order to restore the economic and financial equilibrium of the CONTRACT, in the cases provided for in this CONTRACT.

6.1.3. Any extension of the final term of the CONTRACT shall take place through the signing of an Addendum, in accordance with the content of its clauses and the legislation in force at the time of its signing.

7. ESTIMATED CONTRACT VALUE

7.1. The ESTIMATED CONTRACT VALUE is BRL 352,999,828.12 (three hundred and fifty-two million, nine hundred and ninety-nine thousand, eight hundred and twenty-eight Brazilian reais and twelve cents) on the base date of April 30, 2022, corresponding to the projection of the sum of the total investments to be made by the CONCESSIONAIRE during the CONCESSION TERM.

7.2. The ESTIMATED CONTRACT VALUE is merely a reference and may not be used by either PARTY as a basis for rebalancing the economic and financial equilibrium of the CONTRACT or for any other purpose, with the exception of those expressly provided for in this CONTRACT and in the PUBLIC NOTICE, such as serving as a parameter for setting the PERFORMANCE GUARANTEE and calculating penalties.

8. TRANSFER OF THE CONCESSION AREA

8.1. Direct possession of the CONCESSION AREA will be transferred to the CONCESSIONAIRE, following the implementation of the conditions set out in sub-clause 8.4 and the issuance of the TERM OF DELIVERY



OF THE PUBLIC PROPERTY, for the purposes of infrastructure operation, and from that date onwards the CONCESSIONAIRE will be solely responsible for maintaining possession and use of the CONCESSION AREA, subject to the provisions of this CONTRACT and ANNEXES.

- 8.2. The issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY will initiate the CONCESSIONAIRE's responsibility for the execution of the MANDATORY SERVICES.
- 8.3. The TERM OF DELIVERY OF THE PUBLIC PROPERTY shall be accompanied by a photographic report and detailed description of the facilities, equipment, assets and buildings existing in the CONCESSION AREA, drawn up by the CONCESSIONAIRE and approved by the GRANTOR.
- 8.4. In addition to the provisions of sub-clause 8.3 above, the following are conditions for the effectiveness of this CONTRACT, which are necessary for the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY:

For the CONCESSIONAIRE:

- I. proof that the CONCESSIONAIRE has taken out insurance relating to the provision of the MANDATORY SERVICES, which will begin with the issue of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, in accordance with the established INSURANCE PLAN;
- II. the preparation and presentation to the GRANTOR of the OPERATIONAL PLAN, which includes the operational transition from the GRANTOR to the CONCESSIONAIRE and the preliminary indication of the economic activities it intends to develop, and actions that will be taken to carry out the MANDATORY SERVICES, as provided for in ANNEX 3;
- III. the payment of the first installment of the minimum share capital, in the amount of BRL 30,973,716.44 (thirty million, nine hundred and seventy-three thousand, seven hundred and sixteen Brazilian reais and forty-four cents);
- IV. notifying the companies responsible for the EMBARCADERO CONTRACT and the PARKING CONTRACT of the assumption of these contracts by the CONCESSIONAIRE, indicating the account to which the amounts to be received by way of pecuniary retribution should be allocated;
- V. expression of interest in maintaining contracts relating to the performance of activities and the provision of services in the CONCESSION AREA that coincide with the purpose of this CONTRACT, as well as the adoption of the necessary measures for subrogation or the signing of private contracts with suppliers.

For the GRANTOR:

- I. termination of all contracts relating to the performance of activities and the provision of services in the CONCESSION AREA that coincide with the purpose of this CONTRACT, which have not been subrogated by the CONCESSIONAIRE, notably those relating to cleaning, conservation and surveillance in the CAIS MAUÁ area, with the exception of the EMBARCADERO CONTRACT and the PARKING CONTRACT;
- II. publication of the extract of the CONCESSION CONTRACT in the DOE/RS.

- 8.4.1. The measures mentioned in sub-clause 8.4 must be fully adopted by both PARTIES within 30 (thirty) days from the date of publication of the extract of the CONTRACT in the DOE/RS.



- 8.4.2. From the date of publication of the extract of the CONTRACT in the DOE/RS, the CONCESSIONAIRE's representatives may enter the CONCESSION AREA for any purpose related to the future exploitation of the object of the CONCESSION, including to carry out the due diligence necessary to prepare the photographic report and detailed project description referred to in sub-clause 8.3, the primary purpose of which will be to record and document the state of the CONCESSION AREA and the public facilities contained therein.
- 8.4.3. Any amounts transferred to the GRANTOR as a result of the contracts mentioned in sub-clause 8.4 must, after being taken over by the CONCESSIONAIRE, be transferred to the account indicated by the CONCESSIONAIRE.
- 8.5. From the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY until the termination of the CONCESSION:
- 8.5.1. the CONCESSIONAIRE will be allowed to commercially exploit the area of the WAREHOUSES and the GASOMETER, in the form and within the limits of the CONTRACT and its ANNEXES and the applicable legislation; and
- 8.5.2. it shall be the sole responsibility of the CONCESSIONAIRE to carry out the activities, investments and charges included in the CONCESSION.

9. PRESENTATION OF PLANS AND PROJECTS

Insurance Plan and the Operational Plan

- 9.1. The INSURANCE PLAN, submitted as a condition for signing this CONTRACT, sets forth the instruments to be entered into by the CONCESSIONAIRE with a first-class insurance company, duly authorized to operate in Brazil, to maintain the insurance policies necessary to cover the risks inherent in the development of the MANDATORY INTERVENTIONS and the provision of MANDATORY SERVICES under the CONCESSION, in accordance with the guidelines set out in ANNEX 6.
- 9.1.1. Up to 10 (ten) days after the date of publication of the extract of the CONTRACT in the DOE/RS, the GRANTOR may indicate any adjustments to be made to the INSURANCE PLAN by the CONCESSIONAIRE.
- 9.1.2. Insurance for the risks indicated in items I and II of item 7 of ANNEX 6 ("material damage" and "civil liability") is a condition for issuing the TERM OF DELIVERY OF THE PUBLIC PROPERTY.
- 9.1.3. Insurance for the risks indicated in line III of item 7 of ANNEX 6 ("engineering risk") is a prerequisite for the start of each STAGE of the MANDATORY INTERVENTIONS.
- 9.2. The CONCESSIONAIRE, within 30 (thirty) days of the date of publication of the extract from the CONTRACT in the DOE/RS, must prepare and present the OPERATIONAL PLAN that includes the operational transition from the GRANTOR to the CONCESSIONAIRE, the preliminary indication of the economic activities it intends to develop, and actions that will be taken to perform the MANDATORY SERVICES by the CONCESSIONAIRE, as set out in ANNEX 3.
- 9.2.1. Up to 10 (ten) days after the date of publication of the extract of the CONTRACT in the DOE/RS, the GRANTOR may indicate any adjustments to be made to the OPERATIONAL PLAN



by the CONCESSIONAIRE.

- 9.2.2. The issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY and, consequently, the start of the PRELIMINARY STAGE are subject to the submission of the OPERATIONAL PLAN.

Submission of BASIC PROJECTS and EXECUTIVE PROJECTS

- 9.3. The STAGES provided for in sub-clause 5.8 are independent of each other and will begin as soon as the procedure for approving the respective PROJECTS is completed, referring to all the interventions and investments that so require, as well as the contracting of the corresponding insurance.
- 9.3.1. Within 45 (forty-five) days of the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, the CONCESSIONAIRE shall submit to the GRANTOR the BASIC PROJECTS relating to STAGE 1.
- 9.3.2. The conclusion of the PRELIMINARY STAGE is conditional on the installation of the piezometers, the approval of the EXECUTIVE PROJECTS corresponding to the MANDATORY INTERVENTIONS of STAGE 1 and the contracting of the respective insurances.
- 9.3.3. The delay in the approval of the PROJECTS relating to STAGE 1 due to non-compliance with the evaluation deadline by the GRANTOR does not characterize default by the CONCESSIONAIRE.
- 9.3.4. The PROJECTS for STAGES 2 and 3 may be submitted together or separately with the PROJECTS for STAGE 1, provided that the BASIC PROJECTS for STAGES 2 and 3 are submitted within 600 (six hundred) days of the start of STAGE 1.
- 9.3.5. The BASIC PROJECTS for STAGES 1, 2 and 3 must contain sketches with preliminary layouts of the ADMINISTRATIVE EASEMENT AREA of the corresponding DOCK and the PASSAGE EASEMENT AREA, if applicable, under the terms of sub-clause 13.5.
- 9.3.6. The GRANTOR must comment on the BASIC PROJECTS for STAGE 1 within 15 (fifteen) days of receiving them, approving them or requesting the necessary adjustments to be made to the EXECUTIVE PROJECT, demonstrating, as the case may be, any shortcomings and/or non-compliance with the legislation, applicable standards and the provisions of the CONTRACT and/or ANNEXES.
- 9.3.7. Once the BASIC PROJECTS have been approved, the CONCESSIONAIRE will submit the corresponding EXECUTIVE PROJECTS to the GRANTOR within 90 (ninety) days.
- 9.3.8. The GRANTOR must comment on the EXECUTIVE PROJECTS relating to STAGE 1 within 20 (twenty) days of receiving them, approving them or requesting the necessary adjustments, demonstrating, as the case may be, any shortcomings and/or non-compliance with the legislation, applicable standards and the provisions of the CONTRACT and/or ANNEXES.
- 9.3.9. The BASIC PROJECTS for STAGES 2 and 3 must be analyzed by the GRANTOR within 30 (thirty) days and the EXECUTIVE PROJECTS for STAGES 2 and 3 must be analyzed within 60 (sixty) days, maintaining the 90 (ninety) day deadline for the presentation of the EXECUTIVE PROJECTS by the CONCESSIONAIRE after approval of the corresponding BASIC PROJECTS.
- 9.3.10. The EXECUTIVE PROJECTS for STAGES 1, 2 and 3 must contain the sketches and detailed description of the definitive routes of the ADMINISTRATIVE EASEMENT AREA of the



corresponding DOCK and the PASSAGE EASEMENT AREA, if applicable, under the terms of sub-clause 13.5.

Presentation of the Analytical Work Plan

- 9.4. The CONCESSIONAIRE, within 45 (forty-five) days of the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, must submit an Analytical Work Plan indicating the technical solution to be used to replace the Mauá Wall, observing the reference proposal of raising the floor and installing a CONTAINMENT BAR or presenting an alternative solution, as described in ANNEX 8.
- 9.4.1. The CONCESSIONAIRE may indicate the use of a flood protection solution other than that provided for in the master plan.
- 9.4.2. Regardless of the technical solution presented by the CONCESSIONAIRE, the increase or decrease in costs resulting from the adoption of a solution other than that provided for in the master plan will not give rise to a rebalancing of the economic and financial equilibrium of the CONTRACT.

Submission of the Traffic Flow Operational Plan

- 9.5. The CONCESSIONAIRE, within 45 (forty-five) days of the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, must present the first Traffic Flow Operational Plan.
- 9.5.1. Subsequent Traffic Flow Operational Plans must be submitted by the CONCESSIONAIRE by November 1st of each year, containing the elements described in ANNEX 19.
- 9.5.2. The form of submission and evaluation of the Traffic Flow Operational Plans is set out in ANNEX 19.

Approval of Plans and Projects

- 9.6. Once approved by the GRANTOR, the plans and projects shall be binding on the CONCESSIONAIRE and shall become an integral part of this CONTRACT.

10. MANDATORY INTERVENTIONS

- 10.1. The CONCESSIONAIRE shall be responsible for carrying out the MANDATORY INTERVENTIONS in the CONCESSION AREA, as provided for in ANNEX 2, and failure to comply shall subject the CONCESSIONAIRE to the penalties provided for in this CONTRACT and other provisions contained in the ANNEXES.
- 10.1.1. The CONCESSIONAIRE shall bear all the investment related to the MANDATORY INTERVENTIONS, and shall make them at its own risk, in accordance with the specifications of the CONTRACT and its ANNEXES.
- 10.1.2. The transfer of ownership of any of the DOCKS does not remove the CONCESSIONAIRE's responsibility for carrying out all the MANDATORY INTERVENTIONS provided for in sub-clause 5.8, including those to be carried out in the area of the DOCKS.
- 10.1.3. The CONCESSIONAIRE is fully responsible for all risks related to the preparation, content and implementation of the PROJECTS for all MANDATORY INTERVENTIONS and investments that so require, with the option of using the Master Plan, as per APPENDIX B of ANNEX 2, or



proposing new engineering and architectural projects.

- 10.1.3.1. If it chooses to use the master plan, the CONCESSIONAIRE must comply with the conditions set out in CAUGE Opinion No. 039/2022, in addition to signing a commitment agreement with the municipality of Porto Alegre, which will regulate compliance with these conditions so that the urban and environmental licensing of the project can be carried out.
- 10.1.3.2. If the CONCESSIONAIRE chooses to prepare other engineering and architectural projects, it will be responsible for obtaining approval for the Urban Feasibility Study from the municipality of Porto Alegre.
- 10.1.3.3. The GRANTOR's approval, "non-objection" or receipt of the INSURANCE PLAN, OPERATIONAL PLAN, PROJECTS or studies submitted by the CONCESSIONAIRE does not imply any liability for the GRANTOR, does not alter the risk matrix provided for in this CONTRACT and does not release the CONCESSIONAIRE, in whole or in part, from its obligations under this CONTRACT or the relevant legal or regulatory provisions, remaining responsible for any imperfections or defects in the project or in the quality of the MANDATORY INTERVENTIONS carried out.
- 10.1.3.4. The CONCESSIONAIRE may not submit to the GRANTOR any exceptions or means of defense in order to be exempt, in whole or in part, from its contractual obligations, based on facts that result from the contractual relations established with any subcontractors.

10.2. The MANDATORY INTERVENTIONS must be completed within the deadlines set out in sub-clause 5.8, and the following must be observed if the deadlines are exceeded:

- I. If the delay occurred for reasons attributable exclusively to risk factors or responsibility assumed in this CONTRACT by the GRANTOR, the CONCESSIONAIRE shall not be held liable and shall be entitled to the economic and financial rebalancing of the CONTRACT, subject to the procedure and conditions set out in Chapter III.
- II. If the delay occurred for any other reason, the CONCESSIONAIRE shall be subject to the penalties set out in Clause 41, without prejudice to the possible decree of forfeiture of the CONTRACT, in accordance with the hypothesis and procedure set out in Clause 47.

10.2.1. In the event that the deadline set out in sub-clause 5.8 for the completion of the MANDATORY INTERVENTIONS is exceeded, for reasons attributable to risk factors or the responsibility of both PARTIES, the economic and financial rebalancing will exclusively take into account, if applicable, the period of delay that persists after the risk factors or the responsibility of the CONCESSIONAIRE have been overcome, and the penalties set out in Clause 41 will apply to the CONCESSIONAIRE for the period in which it was at fault for the delay.

10.3. The issuance of the STAGE COMPLETION REPORT or the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS by the GRANTOR does not exempt or diminish the full and exclusive responsibility of the CONCESSIONAIRE for the adequacy and conformity of the MANDATORY INTERVENTIONS.

10.4. The CONCESSIONAIRE may, at any time, request that pre-construction measures be brought forward, as well as the completion of MANDATORY INTERVENTIONS in relation to the schedule set out in ANNEX 2.



- 10.5. Supervision of the MANDATORY INTERVENTIONS will be carried out by the GRANTOR, who will be guaranteed all the prerogatives provided for in the applicable legislation, in the form of this CONTRACT and its ANNEXES.
- 10.6. Once each STAGE of MANDATORY INTERVENTIONS has been completed, the CONCESSIONAIRE will send a notification to the GRANTOR attesting to its completion so that a full inspection can be made of the facilities, equipment and any other elements relating to the works delivered, with the aim of promoting a technical inspection and assessment of full compliance with the technical and legal requirements and those contained in ANNEX 2, and may require proof of prior approval by the competent bodies, if applicable.
- 10.6.1. The GRANTOR shall carry out an assessment of the MANDATORY INTERVENTIONS that have been duly completed by the CONCESSIONAIRE within a maximum period of 20 (twenty) calendar days from the date of receipt of the notification referred to in the preceding sub-clause.
- 10.6.2. The GRANTOR will draw up a detailed report, according to the template provided in ANNEX 2, APPENDIX I, regarding the technical inspection visit of the completed MANDATORY INTERVENTIONS and, at the end, will decide to:
- I. issue the STAGE COMPLETION REPORT or the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS, if the MANDATORY INTERVENTIONS meet the technical and legal requirements and conditions set out in ANNEX 2; or
 - II. indicate the measures and actions to be taken by the CONCESSIONAIRE with regard to corrections, adjustments, repairs, additions to the work or any other pending issues, provided that they are specific and do not pose a risk to the health and safety of future VISITORS, to be equalized by the CONCESSIONAIRE in the MANDATORY INTERVENTIONS as from the notification of the GRANTOR; or
 - III. disapprove the MANDATORY INTERVENTIONS, indicating the technical grounds that justify this position, if technical non-conformities are identified in the works with the requirements and conditions set out in ANNEX 2 that pose risks to future VISITORS, employees of the CONCESSIONAIRE or third parties and require substantial corrective interventions by the CONCESSIONAIRE, with the designation of a deadline for the necessary adjustments.
- 10.6.3. In the cases indicated in sections II and III above, once the necessary adjustments have been made to meet the requirements, the procedure described in sub-clause 10.6 will be repeated.
- 10.6.4. The spreadsheet template provided for in ANNEX 2, APPENDIX I, may be updated by the GRANTOR, after approval of the EXECUTIVE PROJECTS and the Analytical Work Plan, in order to include all the technical requirements considered relevant and essential to the delivery of the STAGES.
- 10.6.5. The requirements set out in ANNEX 2 may be demanded by the GRANTOR, depending on the works proposed by the CONCESSIONAIRE in the PRELIMINARY STAGE.



11. ADDITIONAL INVESTMENT

- 11.1. Until the date of issue of the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS, the CONCESSIONAIRE may express interest in presenting a project for ADDITIONAL INVESTMENT, which may be promoted by the STATE exclusively through the transfer of constructive potential embodied in the Conservation and Restoration Commitment Term, to be signed between the GRANTOR and the Municipality of Porto Alegre, in accordance with administrative process PROA no. 23/0400-0000041-2.
- 11.2. The GRANTOR's approval of the ADDITIONAL INVESTMENT proposal will be conditional on the project being examined by the competent municipal authorities in order to obtain the necessary approvals and licenses, if applicable.
- 11.3. The proposal to be submitted by the CONCESSIONAIRE to the GRANTOR regarding the ADDITIONAL INVESTMENT must contain at least the following requirements:
 - I. Deadline for implementation of works;
 - II. Estimated cost of execution, with initial budgeting;
 - III. Studies demonstrating the technical, economic and social viability of the proposal;
 - IV. Cost-benefit analysis of the current situation and other viable solutions;
 - V. Demonstration of the proposal's suitability for Porto Alegre's mobility plan.
- 11.4. In order to approve the proposal for ADDITIONAL INVESTMENT, in addition to the above requirements, the following will be assessed:
 - I. Direct and indirect favorable and unfavorable impacts on the CONCESSION from the adoption of the ADDITIONAL INVESTMENT;
 - II. Adaptation of the ADDITIONAL INVESTMENT to the rules for the protection of historical heritage;
 - III. Favorable and unfavorable impacts on the flow of vehicles on Avenida Mauá and the streets of the Historic Center;
 - IV. Any costs generated or eliminated for the GRANTOR or the Municipality of Porto Alegre.
- 11.5. The construction potential to be transferred may correspond to all or part of the potential embodied in the Conservation and Restoration Commitment Agreement, depending on the GRANTOR's assessment of the estimated execution cost to be presented in the initial proposal.
 - 11.5.1. Once the amount of potential to be transferred has been established and after the competent bodies have assessed the location for the potential to be indicated by the CONCESSIONAIRE, a public deed will be signed with a suspensive condition and the consent of the Municipality of Porto Alegre.
 - 11.5.2. The actual transfer will take place after the GRANTOR has accepted the completion of the works relating to the ADDITIONAL INVESTMENT.



- 11.5.3. It will be the CONCESSIONAIRE's responsibility to bear the costs of the necessary registrations, under the terms to be defined in the project approval procedure.
- 11.6. In relation to the hypothesis set out in sub-clause 11.1, the CONCESSIONAIRE declares that it is aware of and agrees that:
- I. the monetary value corresponding to the building potential may vary depending on its conformity to the characteristics and restrictions applicable to other regions of the Municipality of Porto Alegre;
 - II. the amount established in the public deed may not be increased in the event of an unforeseen increase in the cost of works or a decrease in the corresponding monetary value for market reasons; and
 - III. it shall not be entitled to the restoration of the economic and financial equilibrium of the CONTRACT for the implementation of the ADDITIONAL INVESTMENT, even if the value of the works and/or investment exceeds the monetary value corresponding to the constructive potential described in the Restoration Commitment Agreement.

12. USE OF THE AREA BY THE GRANTOR

- 12.1. The CONCESSIONAIRE shall make available free of charge to the GRANTOR, or to a third party designated by the GRANTOR, up to 2 (two) WAREHOUSES, concurrently, for up to 30 (thirty) days per year, to be used for exhibitions, events, fairs, presentations, biennial events and congresses, which do not compromise the regular activities of the CONCESSIONAIRE and do not affect the standards of safety, quality and performance of the MANDATORY SERVICES.
- 12.1.1. The provision of WAREHOUSES includes interstices and adjacent areas.
- I. Adjacent areas are those located between the banks of the Guaíba River and Avenida Mauá, considering the projection of the line formed by the walls of a given WAREHOUSE;
 - II. Interstices are the areas located between two WAREHOUSES, considering the projection of the line formed by the walls of a given WAREHOUSE.
- 12.1.2. If the GRANTOR agrees, in place of the 2 (two) WAREHOUSES, the CONCESSIONAIRE may make an area of up to 8,000m² available, provided that the conditions suitable for the use intended by the GRANTOR are met, such as the provision of toilets, lighting and a roof, if applicable.
- 12.1.3. The GRANTOR, in conjunction with the Municipality of Porto Alegre, will send the CONCESSIONAIRE a proposal for an annual calendar with a maximum of 30 (thirty) days of use of the area, by October 1st of the previous year;
- 12.1.4. The 30 (thirty) day period can be divided into up to 3 (three) periods throughout the year;
- 12.1.5. The calendar proposed by the GRANTOR must include the event to be held, the expected audience, the duration and the area required, indicating the need to use indoor and/or outdoor areas;



- 12.1.6. The CONCESSIONAIRE must appoint one or more representatives, from among its staff or employees, to liaise with the GRANTOR regarding the use of the area, who will have the power of attorney to carry out all management activities with the GRANTOR;
- 12.1.7. The CONCESSIONAIRE will indicate, based on the GRANTOR's request, which areas will be available for use during the periods requested, as well as whether the event proposed by the GRANTOR could cause obstacles to its operation or conflict with commercial conditions already signed with third parties;
- 12.1.8. The CONCESSIONAIRE may communicate any obstacles to its operation or potential conflict with the commercial conditions already entered into within 10 (ten) days of receiving the annual calendar, at which time the GRANTOR shall appoint one or more representatives to negotiate and hold a meeting with the CONCESSIONAIRE within 3 (three) days, and shall conclude the negotiation within 10 (ten) days of the communication of obstacles;
- 12.1.9. The GRANTOR may, based on negotiations with the CONCESSIONAIRE, alter the characteristics and/or dates of the event in order to meet the needs of the parties and minimize, as far as possible, the impact on the operation of the CONCESSIONAIRE, taking into account the right to use the area by the GRANTOR for 30 (thirty) days per year and the need to preserve the commercial conditions entered into by the CONCESSIONAIRE and third parties, such as suppliers, sponsors and service providers;
- 12.1.10. Negotiations between the CONCESSIONAIRE and the GRANTOR may provide for the allocation of dates for the following year, or other forms of date allocation to be established between the parties, in order to make the events intended by the State viable;
- 12.1.11. Delays in the definition of the annual calendar caused by the CONCESSIONAIRE, understood as exceeding the deadlines established in sub-clause 12.1.8, and unjustified opposition to the use of the area by the GRANTOR which prevents the delimitation of the days of use, may result in the application of penalties provided for in Clause 41;
- 12.1.12. The dates may be transferred by the GRANTOR to third parties, such as public bodies, non-profit organizations and the Municipality of Porto Alegre, free of charge, for exhibitions, events, fairs, presentations, biennial events and congresses, which do not compromise the CONCESSIONAIRE's regular activities and do not affect the safety, quality and performance standards of the MANDATORY SERVICES;
- 12.1.13. The PARTIES may change the annual calendar by mutual agreement at any time;
- 12.1.14. The GRANTOR shall have priority in reserving the dates requested within the period referred to in sub-clause 12.1 and shall preferably opt for business days, preserving, whenever possible, weekends and public holidays for the CONCESSIONAIRE;
- 12.1.15. The GRANTOR may also propose dates for subsequent years to cover recurring events, which must be held within the limit of 30 (thirty) days per year and will depend on confirmation by the GRANTOR by October 1st of the previous year;
- 12.1.16. If the GRANTOR does not reserve all 30 (thirty) days or does not indicate the schedule for use of the area by October 1st of the previous year, the CONCESSIONAIRE may exploit the CONCESSION AREA on all the dates not reserved, respecting the other limitations provided for in this CONTRACT;



- 12.1.17. The days guaranteed to the GRANTOR include the actual use of the area, as well as the days needed to prepare and customize the infrastructure for the event and the demobilization and return of the infrastructure to the CONCESSIONAIRE;
 - 12.1.18. During the period of use of the area by the GRANTOR, it will be up to the GRANTOR to bear the extraordinary costs generated by carrying out the activities, including expenses, if necessary, relating to the customization of the space and the extraordinary services to be provided at the site;
 - 12.1.19. During periods of use of the area by the GRANTOR or third parties designated by it, the CONCESSIONAIRE must maintain the conditions for use of the site, adopting the TRANSIT MITIGATION MEASURES provided for in ANNEX 19 and providing the ordinary support services provided for in ANNEX 3, including building maintenance, conservation of existing infrastructure, security for property and VISITORS, cleaning, solid waste management, fire prevention, electrical maintenance and lighting systems; and
 - 12.1.20. Once the dates have been reserved, the CONCESSIONAIRE is bound by the annual calendar and may not prevent the STATE or third parties designated by it from carrying out activities, under penalty of the penalties provided for in Clause 41.
- 12.2. The CONCESSIONAIRE shall restore and maintain WAREHOUSES A, B AND the CENTRAL PORTICO so that they can be used by the STATE or a third party designated by it, free of charge and at any time, for activities and events related to art, culture and the creative economy that do not compromise the CONCESSIONAIRE's regular activities and do not harm the safety, quality and performance standards of the MANDATORY SERVICES.
- 12.2.1. It is the CONCESSIONAIRE's responsibility to make WAREHOUSES A, B and the CENTRAL PORTICO available, free and clear, and in conditions for use by the GRANTOR, or by third parties designated by it, including the provision of ordinary support and maintenance services, as well as the adoption of the TRANSIT MITIGATING MEASURES provided for in ANNEX 19.
 - 12.2.2. The GRANTOR may publish public notices and calls for entities to express interest in taking part in the occupation of WAREHOUSES A, B and the CENTRAL PORTICO, in accordance with regulations issued by the State Secretary of Culture.
 - 12.2.3. Ordinary support services are defined in ANNEX 3 and include, among others, building maintenance, conservation of existing infrastructure, security for property and VISITORS, cleaning, solid waste management, fire prevention, electrical maintenance and lighting systems.
 - 12.2.4. During the use of WAREHOUSES A, B and the CENTRAL PORTICO, the GRANTOR shall bear the extraordinary costs generated by the activities, including expenses, if necessary, relating to the customization of the space and the extraordinary services to be provided on site.
 - 12.2.5. The availability of the interstices and adjacent areas of WAREHOUSES A, B and the CENTRAL PORTICO, as defined in sub-clause 12.1.1, may be requested by the GRANTOR together with the presentation of the annual calendar proposal by October 1st of the previous year.
 - 12.2.6. In the event that the CONCESSIONAIRE informs the GRANTOR that a certain use of WAREHOUSES A, B and the CENTRAL PORTICO is compromising its regular activities or impairs the safety, quality and performance standards of the MANDATORY SERVICES, the



PARTIES shall appoint one or more representatives to resolve any conflicts regarding the intended use by mutual agreement.

12.2.7. Based on the negotiations with the CONCESSIONAIRE, the GRANTOR may present, within 15 (fifteen) days of receiving the communication, a proposal to alter the characteristics of the event in order to minimize the impact on the CONCESSIONAIRE's operations or to preserve the commercial conditions entered into by the CONCESSIONAIRE and third parties, such as suppliers, sponsors and service providers.

12.3. It is agreed between the parties that, during the period from 02/20/2024 to 04/05/2024, the GRANTOR will use, free of charge, WAREHOUSES A6, A5, A4 and A3, adjacent areas and interstices for the South Summit Brazil event, under the terms of the contract signed by the GRANTOR and the contractor for the event.

12.3.1. The period indicated in sub-clause 12.3 will be considered as the total number of days of use by the GRANTOR in 2024, and it will not be possible to request excess days on the basis of sub-clause 12.1.

13. CONCESSIONAIRE COMPENSATION

13.1. The CONCESSIONAIRE will be compensated: (i) by the PUBLIC CONSIDERATION; (ii) by revenues from the commercial exploitation of the CONCESSION AREA; and (iii) by additional revenues from the execution of ancillary activities in the CONCESSION AREA.

13.2. No pecuniary amount shall be owed by the GRANTOR to the CONCESSIONAIRE due to the CONCESSION, except in the cases expressly provided for in this CONTRACT.

13.3. The CONCESSIONAIRE declares that it is aware of the risks and conditions related to the profitability of the CONCESSION, and recognizes that the estimated revenues will be sufficient to compensate all the investments, financing, costs and expenses related to the purpose of this CONTRACT, so that the conditions originally established give economic and financial equilibrium to the CONCESSION.

13.4. Any losses incurred by the CONCESSIONAIRE due to frustration of revenue expectations or any other failure in the performance of the CONCESSION may not be invoked for the purpose of reviewing the CONTRACT or its economic and financial rebalancing, and the CONCESSIONAIRE shall be fully responsible for assuming the risk of its execution, with the exception of the provisions of Clause 23.

PUBLIC CONSIDERATION

13.5. In return for the investments made in carrying out the MANDATORY INTERVENTIONS provided for in this CONTRACT, the CONCESSIONAIRE will be entitled to receive the PUBLIC CONSIDERATION, consisting of the transfer, by the GRANTOR, of ownership of the 3 (three) areas arising from the subdivision of the property corresponding to the DOCKS, currently described and characterized as a single area, under the terms of registration no. 182.783, set out in ANNEX 1 to this CONTRACT, and which, after the appropriate subdivision of the land, will now correspond to the 3 (three) areas graphically represented by the sketches in APPENDIX 15 to this CONTRACT, observing the rules, transfer conditions and procedures indicated below.

13.5.1. The subdivision of the property corresponding to the DOCKS will result in 3 (three) separate registrations called, respectively and as referred to in ANNEX 15 to this CONTRACT, DOCKS 1, 2 and 3, which will be transferred in 3 (three) phases by the GRANTOR to the CONCESSIONAIRE, as follows:



- I. At the end of STAGE 1, with the issuance of the respective STAGE COMPLETION REPORT by the GRANTOR and subject to the completion of the land subdivision, the PARTIES undertake to sign, within 30 (thirty) days, a definitive public instrument at the Notary's Office to be indicated by the GRANTOR, for the purpose of (a) transferring ownership of DOCK 1 from the GRANTOR to the CONCESSIONAIRE; (b) the establishment of an administrative easement, in perpetuity, over the ADMINISTRATIVE EASEMENT AREA inserted in the perimeter of DOCK 1, as outlined in the approved PROJECTS; and (c) the establishment of a passage easement, in perpetuity, over the PASSAGE EASEMENT AREA inserted in the perimeter of the CONCESSION AREA in favor of DOCK 1, as outlined in the approved PROJECTS;
 - II. At the end of STAGE 2, with the issuance of the respective STAGE COMPLETION REPORT by the GRANTOR, the PARTIES undertake to sign, within 30 (thirty) days, a definitive public instrument at the Notary's Office to be indicated by the GRANTOR, for the purpose of (a) transferring ownership of DOCK 2 from the GRANTOR to the CONCESSIONAIRE; (b) the establishment of an administrative easement, in perpetuity, over the ADMINISTRATIVE EASEMENT AREA inserted in the perimeter of DOCK 2, as outlined in the approved PROJECTS; and (c) the establishment of a passage easement, in perpetuity, over the PASSAGE EASEMENT AREA inserted in the perimeter of the CONCESSION AREA in favor of DOCK 2, as outlined in the approved PROJECTS;
 - III. At the end of STAGE 3, with the issuance of the respective DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS by the GRANTOR, the PARTIES undertake to sign, within 30 (thirty) days, a definitive public instrument at the Notary's Office to be indicated by the GRANTOR, for the purpose of (a) transferring ownership of DOCK 3 from the GRANTOR to the CONCESSIONAIRE; (b) the establishment of an administrative easement, in perpetuity, over the ADMINISTRATIVE EASEMENT AREA inserted in the perimeter of DOCK 3, as outlined in the approved PROJECTS; and (c) the establishment of a passage easement, in perpetuity, over the PASSAGE EASEMENT AREA inserted in the perimeter of the CONCESSION AREA in favor of DOCK 3, as outlined in the approved PROJECTS.
- 13.5.2. The ADMINISTRATIVE EASEMENT AREA, based on the routes set out in the PROJECTS approved by the GRANTOR, will be considered to be of public utility for the purposes of registering the administrative easement with the Real Estate Registry Office.
 - 13.5.3. The subdivision of the land with a view to opening individual registrations for DOCKS 1, 2 and 3 with the competent authorities will be the responsibility of the CONCESSIONAIRE, in compliance with the provisions of the applicable legislation, as well as the aforementioned ANNEX 15, and must be completed within the same timeframe applicable to the completion of the works in STAGE 1.
 - 13.5.3.1. The CONCESSIONAIRE will be responsible for bearing the costs incurred in carrying out the DOCKS installment plan, including taxes and fees levied on the execution of the definitive public instrument at the Notary's Office.
 - 13.5.3.2. The CONCESSIONAIRE may, at its discretion, request that the CONTRACT be recorded in the DOCKS' registry in order to publicize the fact that the property will be transferred to the CONCESSIONAIRE by the GRANTOR as payment for carrying out the MANDATORY INTERVENTIONS and, therefore, may not be sold to third parties.



- 13.5.3.3. Notwithstanding the obligation to subdivide the land and the consequent opening of the registrations for DOCKS 1, 2 and 3 within the same period applicable to the completion of STAGE 1, the GRANTOR will transfer ownership to the CONCESSIONAIRE of only one of these properties per completed STAGE.
- 13.5.4. The land subdivision shall be considered completed upon cumulative verification of the following conditions: (i) the parceling project has been approved and is in force before the competent municipal authority; and (ii) the parceling has been registered before the Real Estate Registry Office of the 1st Zone of the District of Porto Alegre, with the opening of the respective registrations that accurately describe the areas predetermined in this CONTRACT.
- 13.5.5. As of the signing of this CONTRACT, the CONCESSIONAIRE will be legitimized and authorized to act before the competent bodies, even before the effective transfer of ownership of the DOCKS or of one or more areas arising from the subdivision of land, for the exclusive purpose of:
- I. making protocols, submitting requests and, in general, promoting and carrying out land subdivision in the exact terms provided for herein; and
 - II. carry out consultations, protocols and other activities necessary for the approval of construction projects for future real estate developments to be implemented by the company in one or more DOCK areas.
- 13.5.6. For the purpose of acting before the competent public bodies, especially, without limitation, the municipality of Porto Alegre and the Real Estate Registry Office of the 1st Zone of the District of Porto Alegre, without prejudice to the other competent authorities responsible for executing the acts mentioned herein, the CONCESSIONAIRE is considered legitimized and authorized to carry out the following acts:
- I. Request, under its own and exclusive responsibility, the approval of a land subdivision project, under the terms described herein, and a construction project consisting of one or more buildings to be erected on the DOCKS or, in a single or phased manner, on the areas arising from the subdivision of the DOCKS, and may, for this purpose and in its own name, request guidelines from the appropriate public authorities for the use and occupation of the property in question, sign projects, plans and applications, respond to "notices", make declarations, add to and alter projects submitted for approval, collect fees and supplements, sign commitments for the onerous granting of the right to build on the property or commitments for the settlement of conduct, assuming the corresponding obligations, signing applications, requesting approvals, requesting a license to cut down trees, attaching documents and certificates, as well as requesting such documents, making and accepting declarations, signing projects, plans, detailed project descriptions, requesting the rectification of real estate registry descriptions before the Real Estate Registry Officer of the 1st Zone of the District of Porto Alegre/RS, and may act before the municipality of Porto Alegre and public offices, Local Authorities, Notaries and Real Estate Registry Offices, INSS, Secretariats, public service concessionaires in general (water and sewage, electricity, gas), environmental agencies and wherever else necessary, in short, perform all acts necessary for the proper and faithful fulfillment of its obligations under this CONTRACT;
 - II. Request, under its own responsibility, before the Real Estate Registry Officer of the 1st Zone of the District of Porto Alegre - RS, registrations and annotations relating to the land subdivision, including, if necessary, to regularize the perimeter description of the



property, insertion of an area in the description of the property, rectification of the registration at the request of the interested party based on articles 212 and 213, as well as on any other basis in Law no. 6.015/73, among others, and may, for this purpose, sign applications, forms, notices, detailed project descriptions, rectification plans, reports, supplement information, request insertions, rectifications, annotations in general, and carry out any act pertinent to the regularization sought, even if not expressly mentioned in this CONTRACT, file the process, accompany the process until the rectification is completed, answer any objections, comply with requirements, raise doubts, request exemption from notifications, request notifications, inform occupants, withdraw, and may also request the opening of registrations, closure of registrations, and, in short, perform any and all acts that may be necessary to complete the appropriate land subdivision.

- 13.5.7. When concluding the definitive public instruments for each of DOCKS 1, 2 and 3, the PARTIES shall expressly state that the CONCESSIONAIRE assumes responsibility, as from the signing of this CONTRACT, in relation to any obligations, counterparts, duties or responsibilities in general arising from the DOCKS area, any approved projects, future ventures and constructions and even the subdivision of the DOCKS.
- 13.5.8. The CONCESSIONAIRE shall, within 2 (two) business days from the date of the drawing up of the definitive public instrument for each DOCK, submit an original copy of the respective instrument to the competent Real Estate Registry Office, accompanied by all the up-to-date documentation necessary for this purpose, for (a) registration and formal transfer of ownership of the DOCK in question in its respective registration; (b) registration of the administrative easement over the ADMINISTRATIVE EASEMENT AREA in the registration of the respective DOCK; (c) annotation and registration of the passage easement over the PASSAGE EASEMENT AREA, respectively, on the DOCK's registration in question (dominant property) and on the registrations of the CONCESSION AREA (servient properties), all within the legal time limit, and, where applicable, shall comply, as soon as possible, with any requirements indicated by the competent Real Estate Registry Officer for the completion of this registration.
- 13.5.9. The routes of the ADMINISTRATIVE EASEMENT AREA to be presented in the PROJECTS for approval by the GRANTOR, under the terms of sub-clause 9.3, must cover the areas within the perimeter of the DOCKS that are necessary and sufficient to ensure the following public interests:
 - I. access to the general public, ensuring the free movement of pedestrians in the interstices located between the buildings to be built on the DOCKS (considering the projection of the line formed by the walls of said buildings), as well as in any other non-built-up areas, including Praça Edgar Schneider, a strip contiguous to the Guaíba waterfront of at least 15 (fifteen) meters wide and access to the Frigorífico, without the installation of any doors, fences, gates, siding or fences unnecessary for the carrying out of works;
 - II. access and free movement of members and vehicles of the FIRE DEPARTMENT, the OGMO and PORTOS RS to access the Guaíba, with the tolerance of the permanence of vessels in the aquatic area surrounding the DOCKS;
 - III. access and free movement of employees and clients (and their vehicles) of companies that carry out nautical activities, to access Guaíba, with the tolerance of the permanence of vessels that are authorized by PORTOS RS in the aquatic area of the Porto Alegre Port Polygon, to carry out tourist activities, transport activities and travel to Ilha do



Pavão;

- IV. access by the CONCESSIONAIRE, by a contracted third party or by a third party designated by the GRANTOR to carry out the works considered MANDATORY INTERVENTIONS under the terms of this CONTRACT; and
- V. easement consisting of the burden of tolerating the flood containment system to be installed in the DOCKS area.

13.5.10. The routes of the PASSAGE EASEMENT AREA to be presented in the PROJECTS for approval by the GRANTOR must cover the areas within the perimeter of the CONCESSION AREA that are necessary and sufficient to ensure access from the DOCKS to Avenida Mauá, preferably using the routes indicated in the master plan, as per APPENDIX B of ANNEX 2.

13.5.11. The CONCESSIONAIRE shall be authorized to restrict free access to the ADMINISTRATIVE EASEMENT AREA and the PASSAGE EASEMENT AREA if so required by the works to be carried out at the DOCKS and/or in the CONCESSION AREA in order to guarantee the safety of the public, without this resulting in non-compliance with the terms of this CONTRACT.

13.6. In the event that the CONCESSIONAIRE has completed all the MANDATORY INTERVENTIONS required in this CONTRACT and specified in ANNEX 2, except those relating to (i) the partial demolition of the Mauá Wall; and/or (ii) the implementation of the new CONTAINMENT BARRIER and the raising of the floor or implementation of the alternative containment system, the GRANTOR may transfer ownership of DOCK 3 if it finds that the delays were due exclusively to delays in obtaining licenses and approvals through no fault of the CONCESSIONAIRE, upon presentation of a bank guarantee letter to ensure full coverage of the costs associated with the outstanding obligations, to be contracted by the CONCESSIONAIRE and renewed until the issuance of the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS.

13.6.1. For the purposes of estimating the value of the guarantee to be eventually provided by the CONCESSIONAIRE, the following costs will be taken into account: (i) partial demolition of the Mauá Wall, in the amount of BRL 1,251,968.03 (one million two hundred and fifty-one thousand, nine hundred and sixty-eight Brazilian reais and three cents); and (ii) installation of the CONTAINMENT BARRIER, in the amount of BRL 11,292,116.09 (eleven million, two hundred and ninety-two thousand, one hundred and sixteen Brazilian reais and nine cents), restated by the IPCA/IBGE, if other values have not been assessed by the GRANTOR prior to contracting the letter of guarantee, such as when assessing the completion of the MANDATORY INTERVENTIONS relating to STAGE 3.

13.6.2. In the case referred to in sub-clause 13.5.10, the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS will be issued after the outstanding works have been completed and accepted by the GRANTOR.

13.6.3. ANNEX 18 to this CONTRACT contains a template of the letter of guarantee that may be used by the CONCESSIONAIRE in the event provided for in sub-clause 13.5.10, which must be renewed until the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS is issued, without prejudice to compliance with the general guidelines set out in sub-clauses 37.11.2, 37.11.3, and 37.12 of this CONTRACT.

13.6.4. In the case referred to in sub-clause 13.5.10, the works schedule may be revised, and the CONCESSIONAIRE will have a maximum of 1 (one) year to carry out the outstanding MANDATORY INTERVENTIONS, once all the necessary licenses and approvals have been



obtained.

13.6.5. The period referred to in sub-clause 13.6.4 shall be counted from the formal acknowledgement by the GRANTOR that the documentation submitted by the CONCESSIONAIRE corresponds to all the licenses and approvals required at the request of the CONCESSIONAIRE.

13.7. In the event of non-compliance with the obligations assumed in the CONTRACT, especially those linked to STAGES 1, 2 and 3 of the MANDATORY INTERVENTIONS, the GRANTOR will send a notice of non-compliance to the CONCESSIONAIRE, which will have a period of 10 (ten) days to correct the defaults observed or present the justifications for their non-compliance, in addition to a new delivery schedule.

13.8. Without prejudice to the application of the daily fines for delay provided for in Clause 41, if the CONCESSIONAIRE irreversibly fails to comply with the schedule provided for in the EXECUTIVE PROJECT, constituting non-compliance with any of the stages of works, the GRANTOR may apply the penalty provided for in sub-clause 41.6.12 of this CONTRACT, and may even enforce the PERFORMANCE GUARANTEE provided for in Clause 37.

13.8.1. The notice for correction of default mentioned in sub-clause 13.7 shall serve, for all intents and purposes, as a deadline for remedying the irregularity, under the terms of art. 38, paragraph three of Federal Law No. 8.987/1995, releasing the GRANTOR to immediately initiate the process of forfeiture of the CONCESSION, as provided for in Clause 47, in addition to the application of a fine for failure to comply with a STAGE, in accordance with sub-clause 47.3.1.

Commercial exploitation

13.9. The CONCESSIONAIRE may develop economic activities at CAIS MAUÁ, provided that they are compatible with the legal and regulatory rules applicable to the CONTRACT, with the aim of offering utilities to its VISITORS, contributing to the development of culture, art and the local economy, promoting the economic sustainability of CAIS MAUÁ, including the following activities, the exploitation of which will not require the consent of the GRANTOR:

13.9.1. economic exploitation, directly or through the signing of contracts with third parties, under private law, for the use of internal physical spaces contained in the WAREHOUSES;

13.9.2. marketing advertising space inside and outside CAIS MAUÁ;

13.9.3. charging for the use of parking lots;

13.9.4. holding cultural, sporting and gastronomic EVENTS, among others, at CAIS MAUÁ, subject to the legal limits and restrictions set out in the CONTRACT and ANNEXES;

13.9.5. marketing and advertising activities associated with CAIS MAUÁ or its image;

13.9.6. food services, including restaurants, snack bars, bars, cafés, vending machines, among others; and

13.9.7. offering lectures, courses, workshops and seminars.

13.10. The exploitation of the CONCESSION AREA will begin with the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, and it is the CONCESSIONAIRE'S responsibility to guarantee adequate conditions for the use, safety and accessibility of VISITORS in the areas, properties or sectors that may be visited.



- 13.10.1. Prior to issuing the STAGE COMPLETION REPORT or the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS, the CONCESSIONAIRE shall place signage and restrict access to areas, properties or sectors that are not suitable for visitation due to the existence of risks to the physical safety of VISITORS or the execution of works.
- 13.10.2. The CONCESSIONAIRE may not prohibit the STATE or third parties designated by it from carrying out activities in the CONCESSION AREA, with the exception of the possibility of pointing out characteristics of the event that may conflict with contracts already signed between the CONCESSIONAIRE and third parties, such as in the case of supply, advertising, marketing associated with CAIS MAUÁ or its image, among others, respecting the terms set out in sub-clauses 12.1 to 12.2.
- 13.11. In carrying out the activities referred to in this Clause, the CONCESSIONAIRE shall have exclusivity and ample freedom in the direction of its business, in the organization of its investments and of its staff and contractors, subject to the applicable legislation and the provisions of this CONTRACT.
- 13.12. Economic activities will preferably be carried out in the following sectors: leisure, recreation, education, entertainment, gastronomy, sport, culture, tourism, hospitality, commerce, entrepreneurship and fostering technological innovation and the creative economy, with associated services.
- 13.13. The CONCESSIONAIRE may commercially exploit all the WAREHOUSES, with the exception of WAREHOUSES A, B and the CENTRAL PORTICO, subject to the provisions of Clause 12.

ANCILLARY REVENUE

- 13.14. The CONCESSIONAIRE may explore ancillary activities, directly or by entering into contracts with third parties, under private law, in the CONCESSION AREAS, which may be used to obtain ANCILLARY REVENUES, provided that it has been previously authorized by the GRANTOR and that the intended commercial exploitation is compatible with the legal and regulatory standards applicable to the CONTRACT.
 - 13.14.1. Other uses of the CONCESSION AREA will be permitted, in the form of ancillary activities, provided that they are approved in advance by the GRANTOR in accordance with the regulations, such as:
 - 13.14.1.1. charging for the use of images or identification marks associated with the object of the CONCESSION, including the exploitation of naming rights, respecting the provisions of Law No. 9.279/1996;
 - 13.14.1.2. rental of bicycles, sports, nautical, aquatic and leisure equipment, and recreational activities; and
 - 13.14.1.3. other activities not listed in sub-clause 13.9.
 - 13.14.2. Agreements with public bodies or other public service concessionaires providing public services in the CONCESSION AREA do not constitute ancillary activities;
- 13.15. In order to authorize ancillary activities, the CONCESSIONAIRE must submit a business plan proposal containing at least the intended purpose, target audience, revenue generation model, competitive strategy, cash flow projections containing estimates of investments, revenues, expenses and taxes, technical and legal feasibility of the proposal, identification of the risks arising from the execution of



the ancillary activity and the alternatives to mitigate them, analysis of the profitability of the business, indication of the percentage of revenue to be shared with the GRANTOR, as well as other information that is necessary for a better knowledge/understanding of the business.

13.15.1. If the GRANTOR is a potential customer for accessory activities, the request must be accompanied by a detailed offer of the price and other conditions for contracting the service.

13.16. ANCILLARY REVENUES arising from the operation of ancillary activities shall be shared between the CONCESSIONAIRE and the GRANTOR.

13.16.1. The amounts resulting from the sharing referred to in sub-clause 13.16 may be negotiated between the PARTIES, by stipulating a grace period for the start of the sharing of the revenues calculated from the operation of the ancillary activity, counted from the start of its operation.

13.16.2. The form and frequency of sharing the amounts equivalent to the percentages appropriated by the GRANTOR under sub-clause 13.16 shall be agreed between the PARTIES.

13.17. The GRANTOR will have a period of up to 30 (thirty) days, extendable for the same period, to decide on the request for exploitation made by the CONCESSIONAIRE.

13.17.1. Within the period set out above, the GRANTOR may request clarifications, additions and changes to the business plan, feasibility studies and profit-sharing mechanism presented, in which case the period set out in sub-clause 13.17 will be suspended from the date of communication to the CONCESSIONAIRE until the GRANTOR receives a response.

13.17.2. Any refusal by the GRANTOR to comply with the request made by the CONCESSIONAIRE must be based on the following grounds:

- I. inadequacy of the feasibility studies presented and inadequacy of the proposed business plan;
- II. economic, financial, technical or legal unfeasibility of the proposal;
- III. the existence of excessive risks associated with the operation of the ancillary activity, in particular the proper operation of this CONTRACT;
- IV. lack of interest in contracting the services under the proposed conditions, in the event that the GRANTOR is the only potential client of the ancillary activity;
- V. default by the CONCESSIONAIRE in relation to its obligations under the CONTRACT; and
- VI. reasons of public interest in accordance with the GRANTOR's judgment of convenience and opportunity.

13.18. The GRANTOR may indicate to the CONCESSIONAIRE potential ancillary activities to be carried out, setting a reasonable deadline for the CONCESSIONAIRE to submit the documents and information described in sub-clause 13.15, which may, in this case, be presented in simplified form, for later detailing.

13.18.1. The details of the documents and information described in sub-clause 13.15 shall be provided by the CONCESSIONAIRE after the PARTIES agree, having analyzed the documents and



information presented in a simplified manner, that there are reasonable indications that the respective ancillary activity is feasible.

- 13.19. The CONCESSIONAIRE must keep track of each ancillary activity contract, especially the respective ANCILLARY REVENUES, and send six-monthly management reports to the GRANTOR on the performance of each ancillary activity.
- 13.20. The CONCESSIONAIRE, with the authorization of the GRANTOR, may carry out ancillary activities through CONTROLLED COMPANIES.
 - 13.20.1. After the authorization provided for in sub-clause 13.20, the CONCESSIONAIRE will also need prior authorization from the GRANTOR to change the control of the CONTROLLED companies.
- 13.21. The contract for the exploitation of any ancillary activities shall be limited to the end of this CONTRACT and may not, under any circumstances, jeopardize the CONCESSION.
- 13.22. All risks arising from the execution of ancillary activities shall be the sole responsibility of the CONCESSIONAIRE, including any losses resulting from their execution.
- 13.23. Notwithstanding the provisions of this CONTRACT on the indemnification of REVERSIBLE ASSETS, investments made by the CONCESSIONAIRE exclusively for the operation of ancillary activities shall not be indemnified in the event of early termination of the CONTRACT.
- 13.24. The CONCESSIONAIRE declares that it is aware of the risks and conditions related to obtaining the revenues, agreeing that: (i) they are sufficient to remunerate all the investments, costs and expenses related to the object of the CONTRACT; (ii) the conditions originally established give economic and financial equilibrium to the CONCESSION; and (iii) any loss incurred by the CONCESSIONAIRE or frustration of revenue expectations may not be invoked for the purpose of reviewing the CONTRACT or its economic and financial equilibrium.

EVENTS

- 13.25. With due regard for the guideline of free circulation in the CONCESSION AREA, the CONCESSIONAIRE may charge entrance fees for EVENTS held in the WAREHOUSES relating to cultural, sporting and gastronomic activities, among others, and only communication to the GRANTOR is required.
- 13.26. In the case of EVENTS that limit free circulation in the external area of the WAREHOUSES, it will be up to the CONCESSIONAIRE to request prior authorization from the GRANTOR, indicating the area to be used, the duration of the limitation and the proposal for revenue sharing, if applicable.
 - 13.26.1. In cases where it is possible to identify the revenue that will be earned exclusively from the use of the external area of the WAREHOUSES, the GRANTOR may request that the CONCESSIONAIRE share the revenue earned from the use of the external area, limited to 10% (ten percent) of the revenue obtained.
 - 13.26.2. The submission of the proposal referred to in sub-clause 13.26.1 will be waived when it is not possible to delimit the revenue that will be earned exclusively from the use of the external area of the WAREHOUSES or when the sharing proposal may result in the economic and financial unfeasibility of the EVENT or make the use of the external areas of the WAREHOUSES unfeasible.
 - 13.26.3. The GRANTOR shall have a period of up to 15 (fifteen) days, which may be extended for the



same period, to decide on the request made by the CONCESSIONAIRE to hold an EVENT in the case of sub-clause 13.26.

13.26.4. The GRANTOR may only, in a reasoned manner, veto the limitation of free movement in the external area of the WAREHOUSE facilities during EVENTS if it finds that such a restriction would put the physical integrity and safety of VISITORS or CAIS MAUÁ property at risk, or if it finds that the proposed restriction is excessive or not relevant to the nature or size of the EVENT, taking into account the size of the proposed restriction and its duration.

13.27. The CONCESSIONAIRE will be guaranteed autonomy for the economic exploitation of the EVENTS, respecting the exemption and half-price policies provided for in the applicable legislation.

FORBIDDEN ACTIVITIES

13.28. The economic exploitation of the CONCESSION AREA by the CONCESSIONAIRE, directly or indirectly, through activities that contravene the legislation in force, as well as through the broadcasting of advertising in disagreement with the regulations of the National Advertising Self-Regulation Council – CONAR, especially those of a partisan political and religious nature or that allude to any kind of insult, discrimination or prejudice, is prohibited.

13.29. All contracts relating to the exploitation of revenues by the CONCESSIONAIRE or ANCILLARY REVENUES must be signed in writing and submitted to the GRANTOR for acknowledgement.

13.29.1. The contracts that the CONCESSIONAIRE enters into with third parties, including for the exploitation of activities that generate ANCILLARY REVENUES in the CONCESSION AREA, shall be governed by private law, and no legal relationship shall be established between the third parties and the GRANTOR.

13.29.2. At the end of the CONTRACT, the CONCESSIONAIRE must ensure that the areas subject to exploitation are handed over free and clear of any assets and rights, adopting all necessary measures to this end.

13.29.3. No contract entered into between the CONCESSIONAIRE and third parties for the purpose of exploiting revenues, whether ancillary or not, may exceed the CONCESSION TERM, unless expressly determined or authorized by the GRANTOR, and the CONCESSIONAIRE shall be exclusively and fully liable for contracts of this nature, for any taxes, charges, obligations, liens, encumbrances, residual values or from other sources levied by its subcontractors, and the CONCESSIONAIRE is prohibited from imposing such liability on the GRANTOR, as well as collecting from it any amount that it believes is directly due to it as a result of the contracts signed with private parties.

PERFORMANCE MEASURING SYSTEM (SMD)

13.30. The CONCESSIONAIRE's performance in fulfilling its obligations under the CONTRACT will be measured using the PERFORMANCE MEASUREMENT SYSTEM described in ANNEX 5, which lists all the applicable PERFORMANCE INDICATORS, their measurement method and how the CONCESSIONAIRE's performance index is calculated.

13.30.1. The amount to be paid as a CONDITIONAL GRANT by the CONCESSIONAIRE will change according to the quality and performance index measured by the PERFORMANCE MEASUREMENT SYSTEM, in accordance with the formula set out in ANNEX 5.



13.30.2. Notwithstanding the change in the value of the CONDITIONAL GRANT according to the quality and performance index, the CONCESSIONAIRE will be subject to a fine for failure to meet the minimum targets of the PERFORMANCE INDICATORS set out in ANNEX 5, as expressed in sub-clause 41.6.3.

14. SETTLEMENT ACCOUNT

14.1. The CONCESSIONAIRE, as a condition for signing this CONTRACT, has contracted a CUSTODIAN BANK to open a SETTLEMENT ACCOUNT, with restricted movement, to be maintained during the CONCESSION TERM.

14.1.1. The CUSTODIAN BANK must be a bank with a net worth of more than BRL 1,000,000,000.00 (one billion Brazilian reais).

14.1.2. The CONCESSIONAIRE shall be responsible for the costs, charges and measures required to open and maintain the SETTLEMENT ACCOUNT, and may adopt the draft account management contract set out in ANNEX 14.

14.1.3. The SETTLEMENT ACCOUNT shall be the property of the CONCESSIONAIRE, but its operations shall be carried out exclusively by the CUSTODIAN BANK, in accordance with the rules established in this CONTRACT.

14.2. The SETTLEMENT ACCOUNT will be fed by the CONCESSIONAIRE's deposit in the amount of BRL 4,994,501.98 (four million, nine hundred and ninety-four thousand, five hundred and one Brazilian reais and ninety-eight cents), as well as by the deposit of 50% (fifty percent) of the difference between the amount of the PUBLIC CONSIDERATION indicated in the COMMERCIAL PROPOSAL and the amount of the MAXIMUM PUBLIC CONSIDERATION, under the terms of sub-item 7.2 of the PUBLIC NOTICE.

14.3. The amount of BRL 4,994,501.98 (four million, nine hundred and ninety-four thousand, five hundred and one Brazilian reais and ninety-eight cents), updated in accordance with the PUBLIC NOTICE, was paid by the CONCESSIONAIRE as a condition for signing this CONTRACT.

14.4. The amount referring to 50% of the difference between the value of the PUBLIC CONSIDERATION indicated in the COMMERCIAL PROPOSAL and the value attributed to the DOCKS property was divided into 3 (three) equal installments, in the amount of [--], the first of which was paid as a condition of signing the CONTRACT, the second will be paid within 5 (five) business days after the start of STAGE 1 and the third will be paid within 5 (five) business days after the TERM OF COMPLETION of STAGE 1 is issued.

14.4.1. The CONCESSIONAIRE may not, under any circumstances, invoke the value attributed to the DOCKS property, as established in sub-item 13.3.1.2 of the PUBLIC NOTICE, as a parameter for rebalancing the economic and financial equilibrium or to support any claim for compensation.

14.5. The amounts of the installments mentioned in sub-clause 14.4 will be restated by the IPCA/IBGE, until the date of actual payment, considering the base date as the DATE OF ENVELOPE SUBMISSION, under the terms of the PUBLIC NOTICE.

14.6. The PARTIES undertake not to give any instructions to the CUSTODIAN BANK regarding the SETTLEMENT ACCOUNT, except in the case of the allocation of the amounts for the following purposes:

I. Restoring the economic and financial equilibrium of the CONCESSION;



- II. Payment of indemnities due to the termination of the CONCESSION; and
 - III. Deposit in an account to be indicated by the State of Rio Grande do Sul of 50% (fifty percent) of the amount in the SETTLEMENT ACCOUNT, once the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS has been issued.
- 14.7. The account management contract signed with the CUSTODIAN BANK must stipulate that the latter may only transfer funds from the SETTLEMENT ACCOUNT for the purposes indicated in sub-clause 14.6 after receiving the following notifications from the GRANTOR:
- I. Notification of rebalancing, in the event provided for in item I of sub-clause 14.6;
 - II. Notification of indemnification, in the event provided for in item II of sub-clause 14.6;
 - III. Notification of release, in the event provided for in item III of sub-clause 14.6.
- 14.8. The CUSTODIAN BANK shall invest the resources of the SETTLEMENT ACCOUNT in federal public securities linked to the Selic rate, compatible with the payment obligations provided for in this CONTRACT and with daily liquidity.
- 14.9. Whenever requested by the PARTIES, the CUSTODIAN BANK shall send, within 5 (five) business days, information on the SETTLEMENT ACCOUNT, including balances, statements, investment histories, deposits and transfers.
- 14.10. The GRANTOR acknowledges that the SETTLEMENT ACCOUNT and the funds that comprise it, as long as they remain deposited therein, are not part of the assets of the State of Rio Grande do Sul.
- 14.11. The CONCESSIONAIRE waives the right to bank secrecy in relation to the information in the SETTLEMENT ACCOUNT in accordance with article 1, paragraph 3, V, of Complementary Law no. 105/2001, authorizing the CUSTODIAN BANK to disclose it to the GRANTOR.
- 14.12. The validity of the SETTLEMENT ACCOUNT shall not be linked to the validity of the CONTRACT, and it is certain that, in any event of early termination, the closure of the SETTLEMENT ACCOUNT shall be conditional on the settlement of any indemnities due to the PARTIES.
- 14.13. At the end of the CONCESSION, after processing the indemnity notification, if applicable, the CUSTODIAN BANK must transfer any remaining balance to the GRANTOR, by means of a transfer to an account to be indicated by the State of Rio Grande do Sul, and close the SETTLEMENT ACCOUNT.

15. CHARGES ACCOUNT

- 15.1. As a condition of signing this CONTRACT, the CONCESSIONAIRE has contracted a CUSTODIAN BANK to set up and maintain a restricted CHARGES ACCOUNT, the funds of which will be used to finance initiatives of social interest not delegated to the CONCESSIONAIRE, in particular:
- I. Support for socio-environmental education actions, which may involve formal and non-formal education audiences;
 - II. Support for actions to strengthen tourism and local development, including those aimed at production chains and suppliers of products and services in the surrounding area and



initiatives for action in tourism, focused on local communities;

- III. Support for actions to integrate CAIS MAUÁ with its surroundings and improve its infrastructure, including the acquisition of equipment for the development of activities in WAREHOUSES A, B and the CENTRAL PORTICO;
- IV. Support for actions to promote local entrepreneurship, including digital entrepreneurship;
- V. Support for research projects, including those related to the application of innovative systems and devices in urban areas;
- VI. Support for actions that seek to guarantee and promote the preservation, enhancement and requalification of cultural heritage, recognizing the uniqueness of the Historic Center of Porto Alegre as a territory rich in monuments, spaces and buildings of great historical importance, uses and training actions; and
- VII. Support for programs to promote culture-related activities in the fields of the arts, gastronomy, handicrafts, entertainment and leisure, sports, innovation and the creative economy.

15.2. The funds in the CHARGES ACCOUNT will come from:

15.2.1. the deposit of 50% (fifty percent) of the difference between the value of the PUBLIC CONSIDERATION indicated in the COMMERCIAL PROPOSAL, under the terms of the PUBLIC NOTICE, and the value of the DOCKS, divided into 3 (three) equal installments, in the amount of [--], the first of which was paid as a condition to the signing of the CONTRACT, the second of which will be paid within 5 (five) business days of the start of STAGE 1 and the third of which will be paid within 5 (five) business days of the issuance of the TERM OF COMPLETION of STAGE 1; and

15.2.2. the amount to be paid as a CONDITIONAL GRANT by the CONCESSIONAIRE.

15.2.2.1. The amounts of the remaining installments, mentioned in sub-clause 15.2.1, will be adjusted by the IPCA/IBGE, until the date of actual payment, considering the base date as the DATE OF ENVELOPE SUBMISSION set out in the PUBLIC NOTICE.

15.3. The decision on the use of resources in the proposed actions must be made by members of the CONCESSIONAIRE and the GRANTOR, in accordance with a decision-making mechanism to be defined between the PARTIES, with the GRANTOR making the final decision in the event of disagreement, as provided for in ANNEX 16.

15.4. As long as they have not been allocated to fund the social interest actions mentioned in sub-clause 15.1, the funds in the CHARGES ACCOUNT must be invested by the CUSTODIAN BANK in federal government bonds linked to the Selic rate with daily liquidity.

15.5. If the funds deposited in the CHARGES ACCOUNT are not used to fund the actions mentioned in sub-clause 15.1 within 3 (three) years of their deposit, the amount, updated by the respective financial yields, must be paid to the GRANTOR, under penalty of the penalties provided for in this CONTRACT.

15.6. The funds deposited in the CHARGES ACCOUNT in the antepenultimate and penultimate years of the CONCESSION must be used within the remaining term of the CONTRACT, and the provisions of sub-clause 15.5 shall apply if they are not used by the end of the CONCESSION.



- 15.7. The CUSTODIAN BANK must close the CHARGES ACCOUNT at the end of the CONCESSION term and transfer any remaining balance to the GRANTOR to an account to be indicated by the State of Rio Grande do Sul.

16. CONDITIONAL GRANT

- 16.1. Failure to meet the PERFORMANCE INDICATORS will result in the payment of a CONDITIONAL GRANT of up to 5% (five percent) of the GROSS REVENUE earned by the CONCESSIONAIRE.
- 16.1.1. The PERFORMANCE INDICATORS will be measured once STAGE 3 has been completed and the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS has been issued.
- 16.1.2. The CONDITIONAL GRANT, under the terms set out in the PERFORMANCE MEASUREMENT SYSTEM, will be due, if applicable, after 12 (twelve) months from the start of the measurement, in accordance with ANNEX 5.
- 16.1.3. The CONDITIONAL GRANT amounts must be paid by deposit into the CHARGES ACCOUNT.
- 16.1.4. The CONDITIONAL GRANT, described in sub-clause 16.1, is not to be confused with the amounts owed by the CONCESSIONAIRE to the GRANTOR in relation to the inspection activities within its competence, in particular the INSPECTION CHARGE, governed by Clause 17 of this CONTRACT.
- 16.1.5. Failure to comply with the obligation to make payments, in the manner and within the deadlines indicated in this CONTRACT, shall subject the CONCESSIONAIRE to the relevant penalties, without prejudice to the possibility of the GRANTOR enforcing the guarantees provided by the CONCESSIONAIRE, in addition to the application of penalties and the possible declaration of forfeiture of the CONCESSION.

17. INSPECTION CHARGE

- 17.1. The CONCESSIONAIRE shall pay the GRANTOR an INSPECTION CHARGE corresponding to 0.50% (five tenths of a percent) of its GROSS REVENUE, to be paid on a maximum monthly basis throughout the CONCESSION TERM.
- 17.2. The INSPECTION CHARGE must be paid by the 10th (tenth) of each month, by deposit in the account to be indicated by the GRANTOR.

18. VERIFIER

- 18.1. The GRANTOR shall use the external technical service of a VERIFIER to assist it in its activity of monitoring the execution of this CONTRACT and in measuring the PERFORMANCE INDICATORS set out in ANNEX 5, as well as to assist it in any settlement of amounts arising from requests for economic and financial rebalancing and indemnities owed by the PARTIES.
- 18.2. The VERIFIER neither replaces nor removes the GRANTOR's supervisory powers within the scope of the CONCESSION.
- 18.3. The GRANTOR is responsible for hiring the VERIFIER, in compliance with the applicable legislation, until the conclusion of the PRELIMINARY STAGE, bearing the costs arising from the hiring.



- 18.3.1. The VERIFIER will be an independent company renowned in the market for its suitability, impartiality, ethics and technical competence.
- 18.3.2. If the VERIFIER is not contracted, for whatever reason, at the time indicated in sub-clause 18.3, the CONCESSIONAIRE shall be responsible for issuing the DETAILED QUARTERLY REPORT in order to assess the achievement of the PERFORMANCE INDICATORS, in compliance with the provisions of sub-clause 18.6.1, and the GRANTOR shall activate the dispute resolution mechanisms provided for in the CONTRACT if it disagrees with the assessment submitted by the CONCESSIONAIRE.
- 18.3.3. Any disagreements regarding the technique adopted by the CONCESSIONAIRE may not result in the suspension or interruption of new measurements of PERFORMANCE INDICATORS and the payment of any CONDITIONAL GRANT calculated.
- 18.4. The VERIFIER shall enjoy total technical independence in carrying out the services contracted herein, including the right to carry out due diligence on the CONCESSIONAIRE, and any disagreements regarding the content of his work shall not give rise to the application of any penalties, delays or discounts on its remuneration.
- 18.5. Any disagreements regarding the content of the services provided by the VERIFIER, whether on the part of the CONCESSIONAIRE or the GRANTOR, shall be settled by means of a technical board, arbitration or other methods of conflict resolution designated by the CONTRACT and its ANNEXES.
 - 18.5.1. Any disagreements regarding the technique adopted by the VERIFIER may not result in the suspension or interruption of the measurement of the PERFORMANCE INDICATORS and the payment of any CONDITIONAL GRANT calculated.
- 18.6. The VERIFIER will be responsible for the following activities:
 - 18.6.1. Regarding the application of the PERFORMANCE MEASURING SYSTEM:
 - I. monitor the execution of the CONTRACT and verify compliance with the contractual obligations for which the CONCESSIONAIRE is responsible;
 - II. inform the GRANTOR of the CONCESSIONAIRE's performance score, by means of a DETAILED QUARTERLY REPORT, which will analyze compliance with the PERFORMANCE INDICATORS set out in ANNEX 5, based on the results of the due diligence undertaken by the GRANTOR and the QUARTERLY PERFORMANCE REPORTS prepared by the CONCESSIONAIRE;
 - III. hire reputable companies in the market to carry out the satisfaction surveys indicated in the PERFORMANCE INDICATORS in ANNEX 5, which will serve as a parameter for calculating certain PERFORMANCE INDICATORS provided for in said ANNEX; and
 - IV. keep a digital file of the reports issued.
 - 18.6.1.1. The DETAILED QUARTERLY REPORT to be sent by the VERIFIER to the GRANTOR must contain at least:
 - I. calculation of the performance score, comparing the results with those produced by the CONCESSIONAIRE and pointing out possible causes for the discrepancies;



- II. sources of the information and data used in the report;
- III. detailed calculations;
- IV. indication of procedures to improve the monitoring and supervision of the CONTRACT; and
- V. indication of any faults committed by the CONCESSIONAIRE.

18.6.1.2. The main objective of the DETAILED QUARTERLY REPORT is to guarantee the success of the project and the operation by managing term, scope, staff, quality, communication and risks, and it must address at least the following points:

- I. propose improvements to the CONCESSIONAIRE's processes and procedures relating to the collection of data for calculating PERFORMANCE INDICATORS;
- II. review and propose improvements to the processes for measuring the CONCESSIONAIRE's indicators and data;
- III. update the size of the measurement samples according to the variability of the data for calculating the indicators; and
- IV. create a cycle of continuous improvement and corrective actions for the operation of management projects by the CONCESSIONAIRE, through the creation of a situation room, which will use information from the CONTROL PANEL and data analysis techniques to identify patterns in process behavior and recommend improvement actions for the CONCESSIONAIRE.

18.6.1.3. The CONTROL PANEL to be operated by the VERIFIER, mentioned in sub-clause 18.6.1.2, item IV, must contain at least the following information:

- I. Consolidation of the MONTHLY REPORTS;
- II. Consolidation of the DETAILED QUARTERLY REPORTS; and
- III. Consolidation of reports on the management of potential claims, if any.

18.6.2. The VERIFIER is responsible for providing support to the GRANTOR in matters related to revisions of the CONTRACT, requests for economic and financial rebalancing of the CONTRACT made by the PARTIES and the payment of indemnities:

- I. manage claims that generate the need for discussions regarding economic and financial rebalancing and compensation, supporting the GRANTOR's decisions by means of well-founded technical and economic and financial analyses, always based on objective methodologies and previously aligned with the interested parties;
- II. recommend the parameters for restoring the economic and financial balance of the CONTRACT, or for adjusting the value of the CONDITIONAL GRANT, consolidating the results of its analysis in a technical and financial report;



- III. carry out financial modeling relating to the increase or reduction in the scope of the CONTRACT;
 - IV. validate all the technical and economic-financial data of the ORDINARY REVIEW and EXTRAORDINARY REVIEW requests; and
 - V. analyze the scenario that gave rise to the claim against the contractual terms that apply to the claim, generating a technical opinion at the end. The technical opinion must support the economic and financial analysis, in which the GRANTOR and VERIFIER must evaluate and size, if any, the economic and financial impact of the request on the project.
- 18.7. The VERIFIER, in the exercise of its activities, may carry out any diligence necessary for the fulfillment of its duties.
- 18.7.1. Forums may be held, when requested by the PARTIES, so that any doubts that arise during the benchmarking process can be resolved and proposals for improvements can be discussed.
- 18.8. The VERIFIER shall hold periodic monitoring and control meetings with the CONCESSIONAIRE and the GRANTOR, recording in the minutes the measures to be adopted in order to ensure compliance with the requirements and deadlines of the CONTRACT, and the GRANTOR and CONCESSIONAIRE shall be informed of the agenda for such meetings and shall receive a copy of the minutes.

19. CONCESSION ASSET REGIME

CONCESSION ASSETS

- 19.1. CONCESSION ASSETS are the movable and immovable assets necessary and essential for the execution of the CONTRACT.
- 19.2. The following are initially considered CONCESSION ASSETS:
- I. The CONCESSION AREA, comprising, under the terms of ANNEX 1 of the PUBLIC NOTICE, registrations no. 182.782, no. 37.008, no. 37.007, no. 182.783, corresponding to the WAREHOUSES, GASOMETER and DOCKS sectors, with all the buildings and installations therein;
 - II. all equipment, machinery, apparatuses, accessories and structures in general, as well as all other assets linked to the operation and maintenance of the CONCESSION AREA, transferred to the CONCESSIONAIRE or incorporated by it into the CONCESSION AREA during the CONCESSION TERM;
 - III. goods, movable or immovable, acquired, incorporated, developed or built by the CONCESSIONAIRE throughout the CONCESSION TERM, as well as all improvements, even if useful or unnecessary, accessions, physical or intellectual, incorporated into the CONCESSION AREA, throughout the CONCESSION TERM, as a result of MANDATORY INTERVENTIONS or investments made by the CONCESSIONAIRE, even if they result from non-mandatory investments and are used in the operation and maintenance of the CONCESSION AREA;
 - IV. all interventions that may be required during the CONCESSION TERM, including the movable property necessary for the operation of the CONCESSION AREA, as operated by the



CONCESSIONAIRE.

- 19.3. Possession, custody, maintenance and surveillance of CONCESSION ASSETS is the responsibility of the CONCESSIONAIRE.
- 19.4. The CONCESSIONAIRE undertakes to maintain the CONCESSION ASSETS in full conditions of use, conservation and safety, at its own expense, during the term of the CONTRACT, carrying out the necessary repairs, renovations and adaptations to ensure the quality and proper performance of the activities provided for in this CONCESSION.
- 19.5. The CONCESSIONAIRE is expressly authorized to take legal action on its own behalf to secure or recover possession of the CONCESSION ASSETS.
- 19.6. CONCESSION ASSETS must be duly recorded in the CONCESSIONAIRE's accounts, so as to allow them to be easily identified by the GRANTOR, including their distinction from exclusively private assets, in compliance with current accounting standards.
- 19.7. The CONCESSIONAIRE assigns, free of charge and definitively, to the GRANTOR and future SUCCESSOR of the CONCESSION AREA, a license to use the studies, projects and other intellectual works created and used in the development of the project and their respective intellectual property rights (including the right to make and use works derived from them), including in future contracts, and without any restrictions in the event that they condition the continuity of the provision of MANDATORY SERVICES, their updating and/or revision.
 - 19.7.1. The CONCESSIONAIRE agrees to the use by the GRANTOR of all the information shared and collected as part of its inspection activities, for the purposes of research, development and transparency, as well as improving its inspection activities.

REVERSIBLE ASSETS

- 19.8. REVERSIBLE ASSETS are those assets, among those considered CONCESSION ASSETS, set out in the INVENTORY to be drawn up by the CONCESSIONAIRE, which will revert to the GRANTOR at the end of the CONCESSION.
- 19.9. The following are initially considered REVERSIBLE ASSETS:
 - I. The CONCESSION AREA, comprising, under the terms of ANNEX 1 of the PUBLIC NOTICE, registrations no. 182.782, no. 37.008, no. 37.007, no. 182.783, corresponding to the WAREHOUSES, GASOMETER and DOCKS sectors, with all the buildings and installations therein;
 - II. Any trademarks or distinctive signs used by the CONCESSIONAIRE to allude to the CONCESSION AREA or any of its equipment or attractions, with the exclusive exception of those linked to contracts with third parties whose term expires prior to the end of the CONCESSION TERM, including in reversibility the ownership and right of access to any electronic sites and electronic applications used by the CONCESSIONAIRE specifically for purposes related to the CONCESSION; and
 - III. the assets necessary for the maintenance and operation of the flood protection system, including the CONTAINMENT BARRIER or the alternative containment system, when installed by the CONCESSIONAIRE.
- 19.10. The first version of the INVENTORY must be drawn up by the CONCESSIONAIRE and submitted to the



GRANTOR at the beginning of STAGE 1.

- 19.10.1. The CONCESSIONAIRE shall submit to the GRANTOR, by the first business day of February of each year in which the CONTRACT is in force, an updated INVENTORY showing the status of all REVERSIBLE ASSETS.
- 19.10.2. The CONCESSIONAIRE must include in the INVENTORY of REVERSIBLE ASSETS, among others, the assets acquired through the values of the CHARGES ACCOUNT; the assets resulting from the MANDATORY INTERVENTIONS; the accessions and, if applicable, the assets resulting from the ADDITIONAL INVESTMENT.
- 19.10.3. The INVENTORY must include all information on REVERSIBLE ASSETS, including description, state of repair and remaining useful life.
- 19.10.4. It is the full responsibility of the CONCESSIONAIRE to maintain the INVENTORY of REVERSIBLE ASSETS in their current condition, and any act that may characterize the attempt or consummation of fraud, through intent or guilt, in the characterization of the assets that are part of the CONCESSION, will be considered an infraction subject to the penalties described in this CONTRACT, without prejudice to the other sanctions arising from the legislation in force.
- 19.10.5. In the event of a discrepancy between the INVENTORY and the actual status of the REVERSIBLE ASSETS, the CONCESSIONAIRE shall, if this difference is to the detriment of the GRANTOR, take all appropriate measures, including the acquisition of new assets or carrying out works, so that it delivers the REVERSIBLE ASSETS in the same condition as the INVENTORY.
- 19.11. The assets employed or used by the CONCESSIONAIRE that are not included in the INVENTORY shall be considered exclusively private assets and may be freely used and transferred by the CONCESSIONAIRE, without prejudice to the duty to comply with the PERFORMANCE INDICATORS and other provisions of this CONTRACT.
- 19.12. The properties arising from the DOCKS subdivision, whose initial registration number 182.783 is shown in ANNEX 1, will be considered REVERSIBLE ASSETS until such time as ownership is transferred to the CONCESSIONAIRE, under the terms of sub-clause 13.5.
- 19.13. All REVERSIBLE ASSETS must be owned by the CONCESSIONAIRE or the GRANTOR, in compliance with the relevant legal and accounting regulations.
- 19.14. At the end of the useful life of the REVERSIBLE ASSETS, the CONCESSIONAIRE shall immediately replace them with new and similar assets, of equal or better quality, with the aim of promoting the continuity of the provision of the MANDATORY SERVICES covered by this CONTRACT and, in particular, the mandatory technological updating and compliance with the PERFORMANCE INDICATORS, in compliance with the relevant contractual provisions.
- 19.15. REVERSIBLE ASSETS may not be the object of a pledge or constitution of a right in rem in guarantee.
- 19.16. The replacement of REVERSIBLE ASSETS during the CONCESSION TERM does not authorize any claim by any of the PARTIES to rebalance the economic and financial equilibrium of the CONTRACT.
 - 19.16.1. The CONCESSIONAIRE declares, when signing this CONTRACT, that all the amounts required for the replacement, substitution and ordinary maintenance of REVERSIBLE ASSETS have already been taken into account in its COMMERCIAL PROPOSAL, which is why no compensation will be due, nor will the due replacement, maintenance or substitution of REVERSIBLE ASSETS



by the CONCESSIONAIRE constitute a contractual imbalance.

19.17. All the investments originally provided for in this CONTRACT, including the maintenance and replacement of REVERSIBLE ASSETS, must be depreciated and amortized by the CONCESSIONAIRE over the CONCESSION TERM, and no claim or claim for indemnity for any unamortized balance at the end of the CONCESSION TERM can be made in respect of these assets.

19.17.1. In the event of early termination of the CONTRACT, the amortization of the CONCESSIONAIRE's investments shall comply with the provisions of CHAPTER IX.

19.18. The sale, encumbrance or transfer of REVERSIBLE ASSETS to third parties, for any reason whatsoever, shall require the prior consent of the GRANTOR, under the terms of this CONTRACT, except for the replacement of movable assets, with a view to maintaining their useful life, under the terms of sub-clause 19.14.

19.18.1. Where appropriate, the GRANTOR shall issue its decision on the sale, encumbrance or transfer, of any nature, of the CONCESSION'S REVERSIBLE ASSETS, by the CONCESSIONAIRE to third parties, within a period compatible with the complexity of the situation, which may not exceed 30 (thirty) days from receipt of the request for prior consent sent by the CONCESSIONAIRE.

19.18.2. Throughout the term of the CONTRACT, the GRANTOR may notify the CONCESSIONAIRE of situations in which the prior consent referred to in sub-clause 19.18 is waived, provided that the requirements established in this notice are met.

CHAPTER III – OBLIGATIONS OF THE PARTIES AND THE ECONOMIC AND FINANCIAL BALANCE OF THE CONTRACT

20. CONCESSIONAIRE'S OBLIGATIONS

CONCESSIONAIRE's obligations

20.1. The CONCESSIONAIRE's obligations are as follows, without prejudice to other provisions of this CONTRACT, its ANNEXES and applicable legislation:

- I. comply with and respect the clauses, conditions and obligations contained in this CONTRACT and its ANNEXES, in its COMMERCIAL PROPOSAL and in the other documents submitted by it in the BID, submitting to the existing regulations or those that may be issued by the GRANTOR, to the ABNT and/or INMETRO standards or those of another competent standardizing body, as well as to the relevant specifications and projects, to the deadlines and to the instructions of the GRANTOR's inspection, while also complying with the quality targets and parameters and other requirements imposed on the execution of the purpose of the CONCESSION;
- II. be fully responsible for fulfilling the obligations of this CONTRACT, regardless of the hiring of TECHNICAL ASSISTANT(S), in accordance with the PUBLIC NOTICE.
- III. adopt all the necessary measures to protect the CONCESSION AREA against flooding from Lake Guaíba, including submitting an Analytical Work Plan, in accordance with ANNEX 8, adhering to the reference project for raising the floor and acquiring and installing the CONTAINMENT BARRIER, or proposing the installation of an alternative containment system, in addition to carrying out the MANDATORY INTERVENTIONS and obtaining the necessary licenses and authorizations from the competent bodies for the partial demolition of the Mauá Wall;



- IV. maintain an up-to-date communication channel with the public authority responsible for the flood containment system, to ensure swift and effective compliance with the appropriate measures in the event of a risk of flooding of Lake Guaíba, in accordance with the provisions of ANNEX 8;
- V. maintain, during the CONCESSION TERM, the conditions necessary for the execution of the purpose of this CONTRACT, including the requirements of LEGAL QUALIFICATION, ECONOMIC-FINANCIAL QUALIFICATION, TAX AND LABOR GOOD STANDING and TECHNICAL QUALIFICATION, subject to the provisions of Clause 34 of this CONTRACT;
- VI. hire, whenever necessary, a professional and/or company specialized in the restoration and maintenance of designated heritage properties;
- VII. comply with the job reservation requirements laid down by law, as well as by other specific rules, for people with disabilities, people with social security disabilities and apprentices;
- VIII. raise, invest and manage the financial resources needed to carry out the CONCESSION;
- IX. submit to the GRANTOR the INSURANCE PLAN, the OPERATIONAL PLAN, the PROJECTS and other documents relating to the exploitation of the object of the CONCESSION, as well as comply with them in the use and exploitation of the CONCESSION AREA, under the terms indicated in the ANNEXES;
- X. complete the execution and implementation of all the MANDATORY INTERVENTIONS in accordance with the schedule and conditions established by this CONTRACT, in particular by sub-clause 5.8 et seq. and ANNEX 2;
- XI. send a QUARTERLY PERFORMANCE REPORT to the VERIFIER, with a copy to the GRANTOR, informing about compliance with the PERFORMANCE INDICATORS and showing the calculation of the performance index for the period;
- XII. keep at the GRANTOR's disposal, if requested, accounting records and copies of the contractual instruments entered into by the CONCESSIONAIRE with third parties relating to subcontracted services, as well as those relating to investments, acquisitions and MANDATORY SERVICES relating to CONCESSION ASSETS;
- XIII. forward immediately after being entered into and keep at the disposal of the GRANTOR, if requested, accounting records and copies of the contractual instruments entered into by the CONCESSIONAIRE with third parties, related to the activities that generate or may generate revenues or ANCILLARY REVENUES;
- XIV. make the payment of the difference between the proposed value of the PUBLIC CONSIDERATION and the value of the DOCKS, under the terms of sub-clauses 14.4 and 15.2.1, the VARIABLE CONDITIONAL GRANT, if applicable, and the INSPECTION CHARGE, under the terms of this CONTRACT;
- XV. bear all the costs of electricity, water and all the utilities levied on the CONCESSION AREA, as well as all the taxes that may be levied on its activities;
- XVI. promote the division of the DOCKS and bear all the costs of the procedure, under the terms of sub-clause 13.5;



- XVII. ensure the necessary conditions for the regular provision of the public waterway passenger transportation service between the municipalities of Porto Alegre and Guaíba, whose embarkation and disembarkation is located in the WAREHOUSE sector and whose provision is the exclusive responsibility of the WATERWAY TRANSPORTATION CONCESSIONAIRE, according to ANNEX 11, or another that may replace it, under the terms of the respective concession contract signed with the GRANTOR;
- XVIII. adopt the necessary measures to subrogate itself to the EMBARCADERO CONTRACT and the PARKING CONTRACT, in accordance with ANNEX 9 and ANNEX 10, respectively, including sending notice to the operators of said contracts informing them of the full subrogation, without prejudice to renegotiations with the operators of said contracts, including, if applicable, early termination and payment of compensation, in order to enable the interventions planned for the areas of the WAREHOUSE and GASOMETER sectors;
- XIX. have adequate equipment, materials and staff to carry out all the obligations set out in this CONTRACT, with the efficiency and quality defined herein;
- XX. mitigate damage or disturbance to the property of third parties, resulting from the work method adopted, under the terms of the applicable legislation and administrative rules;
- XXI. assume full civil and criminal liability for the proper execution and efficiency of the MANDATORY SERVICES and activities it performs, as well as for damages arising from the execution of the object of the CONCESSION, including third parties;
- XXII. assume full responsibility for any accidents at work during the execution of the CONCESSION;
- XXIII. assume full responsibility for the risks inherent to the execution of the CONCESSION and allocated to it in this CONTRACT, except in the cases expressly excepted in this CONTRACT;
- XXIV. take out the insurance policy required under the terms of this CONTRACT, in accordance with the INSURANCE PLAN, and be liable, in any event, for any damage caused by itself, its representatives, agents or subcontractors, in the performance of the CONCESSION, before the GRANTOR or third parties;
- XXV. comply with all legal and regulatory provisions regarding tax legislation and labor, social security, safety and occupational medicine legislation in relation to its employees, service providers, contractors or subcontractors, exempting the GRANTOR from any liability;
- XXVI. submit to the GRANTOR, every six months, proof of payment of social security contributions relating to the CONCESSION and its employees involved in the execution of the CONCESSION, as well as proof of due compliance with all labor obligations;
- XXVII. be liable to the GRANTOR and third parties for subcontracted services;
- XXVIII. undertake responsibility for the installation and operation of construction sites and other relevant and necessary operational structures for the execution and implementation of the INTERVENTIONS, as well as other works related to the execution of the object of the CONCESSION, in accordance with regulatory requirements;
- XXIX. comply with and observe all legal and environmental rules and requirements, and obtain, where applicable, all licenses, permits and authorizations required for the full execution of the object



- of the CONCESSION, including for the exploitation of its revenues, being responsible for all the necessary measures to obtain them from the competent bodies under the terms of current legislation and bearing all the expenses and costs involved;
- XXX. immediately inform the GRANTOR of any and all events that materially alter the normal development of the activities that are the object of the CONCESSION, or that may jeopardize or prevent the punctual and timely fulfillment of the obligations provided for in this CONTRACT, including legal actions and administrative proceedings, submitting, in writing and as soon as possible, a detailed report on these facts, including, if applicable, the measures taken or to be taken to overcome or remedy the situation;
- XXXI. cooperate with and support the development of the monitoring and inspection activities of the GRANTOR, under the terms of this CONTRACT, allowing access to the equipment and facilities related to the object of the CONCESSION, as well as its own accounting records, data and operational information, and, as far as possible, that of its subcontractors;
- XXXII. appoint and maintain a technical manager in charge of the work, with powers to represent the CONCESSIONAIRE before the GRANTOR;
- XXXIII. take care of the GRANTOR's existing in the CONCESSION AREA, respecting all the guidelines and determinations of the asset protection bodies, especially in relation to the technical proposal on flood containment, assuming responsibility for any damage caused;
- XXXIV. maintain all goods, equipment and facilities used in the CONCESSION up to date and in perfect working order, and promote, in a timely manner, the replacements required due to wear and tear, outdated or end of useful life, and also promote the repairs or modernizations necessary for the proper execution and preservation of the adequacy of the activities and MANDATORY SERVICES carried out, in compliance with the principle of timeliness;
- XXXV. draw up and keep up to date the INVENTORY and register of REVERSIBLE ASSETS;
- XXXVI. respond to calls formally sent by the GRANTOR, including to attend meetings;
- XXXVII. respect and have a collaborative attitude towards the communities in the vicinity of the CONCESSION AREA, especially VISITORS, in compliance with the terms of this CONTRACT;
- XXXVIII. notify the GRANTOR, within 48 (forty-eight) hours, of all circumstances or occurrences which, being reasons of unforeseeable circumstances or force majeure, prevent or may prevent the normal execution of the object of the CONCESSION;
- XXXIX. submit to the GRANTOR, by the deadline set by the GRANTOR, any other additional or complementary information that the GRANTOR may reasonably request, without causing any significant additional burden to the CONCESSIONAIRE, including, but not limited to, legally required discharges of any and all charges, the stages of negotiations and the conditions established in the FINANCING;
- XL. submit to the GRANTOR its required financial statements in the form and within the timeframe established in this CONTRACT and in the legislation in force, under the terms of Federal Law No. 6.404/1976;
- XLI. keep on file all the information on the MANDATORY SERVICES and activities carried out during the term of the CONCESSION, allowing the GRANTOR free access to this information at any



time;

- XLII. maintain, on a specific electronic portal of the CONCESSIONAIRE, updated information on the activities related to the object of the CONCESSION, including, but not limited to, the prices practiced in the CONCESSION AREA;
- XLIII. comply with best practices in environmental, social and governance responsibility, in line with national and international best practices, especially the 2030 Agenda and the United Nations Sustainable Development Goals, as well as any standards and parameters that may replace them;
- XLIV. prioritize sustainable technical solutions for the execution of the object of the CONCESSION, focused on the reduction of natural resources, energy and water, and provide environmentally appropriate disposal for all waste produced;
- XLV. observe, in the PROJECTS developed for the CONCESSION AREA, the creation of spaces that improve the quality of visitation, are comfortable and inviting for VISITORS to stay, always in accordance with the urban legislation in force in the municipality of Porto Alegre;
- XLVI. file the requests for municipal urban planning licenses for the MANDATORY INTERVENTIONS within a maximum period of 30 (thirty) days from the submission of the BASIC PROJECTS for the corresponding STAGE;
- XLVII. comply with any additions, corrections, adjustments or clarifications requested by municipal bodies during the process of obtaining municipal urban planning licenses within the maximum period granted by the body or, in the absence thereof, within 15 (fifteen) days of receiving the request;
- XLVIII. indemnify and hold the GRANTOR harmless from any claim or damage it may suffer as a result, among others, of:
 - a. disbursements arising from judicial or arbitration orders of any kind, even if they include interest and legal charges, to satisfy obligations originally attributable to the CONCESSIONAIRE, including labor claims brought by employees or third parties linked to the CONCESSIONAIRE, as well as damages to VISITORS or orders from control and inspection bodies;
 - b. an act carried out by the CONCESSIONAIRE, its administrators, employees, agents, service providers, third parties with whom it has contracted or any other individual or legal entity linked to it;
 - c. tax, labor, social security or accident issues related to the CONCESSIONAIRE's employees and third-party contractors;
 - d. environmental damage caused by the CONCESSIONAIRE in the CONCESSION AREA and its surroundings;
 - e. procedural costs, lawyer's fees and other charges incurred as a result of the occurrences described in this item; and
 - f. any fines for total or partial non-compliance with the MANDATORY INTERVENTIONS corresponding to the obligations assumed in the Conservation and Restoration



Commitment Agreement to be signed between the GRANTOR and the Municipality of Porto Alegre, in accordance with administrative process PROA no. 23/0400-0000041-2.

- XLIX. maintain accounting and financial statements in accordance with the accounting practices adopted in Brazil, the standards issued by the CFC and the Interpretations, Guidelines and Pronouncements of the CPC;
- L. keep track of each ancillary activity contract, especially with regard to ANCILLARY REVENUES, and send six-monthly management reports to the GRANTOR on the performance of each ancillary activity;
- LI. maintain in force the contractual PERFORMANCE GUARANTEE and the necessary insurances, under the terms set out in this CONTRACT;
- LII. take all reasonably required measures to prevent the occurrence of any damage or accident to VISITORS in the CONCESSION AREA, employees, subcontractors or persons linked in any way to the CONCESSIONAIRE, or to any persons who are inside the CONCESSION AREA, as well as to take all appropriate pre-hospital or outpatient care measures within its reach to mitigate any damage that may occur or to assist persons injured inside the CONCESSION AREA, immediately informing the competent authorities;
- LIII. take all reasonably required measures to prevent any kind of theft, robbery, damage or injury to VISITORS to the CONCESSION AREA, employees, contractors or persons linked in any way to the CONCESSIONAIRE, or to any persons inside the CONCESSION AREA;
- LIV. draw up, in accordance with the terms set out in ANNEX 5, QUARTERLY PERFORMANCE REPORTS with a score for compliance with the PERFORMANCE INDICATORS, supporting the analysis to be carried out by the VERIFIER for the purposes of payment of the CONDITIONAL GRANT, in accordance with Clause 16, without prejudice to the imposition of penalties related to non-compliance with the PERFORMANCE INDICATORS;
- LV. provide information and other documents necessary for the inspection activity to be carried out by the VERIFIER, providing all the information requested, within the deadlines and periodicity determined by the VERIFIER, in particular those concerning the CONCESSIONAIRE's revenues, including reports on their origin, significant variations, form of collection, payment of taxes and contributions, information of an economic and financial nature, such as quarterly balance sheets and annual balance sheets duly audited, ANCILLARY REVENUES, and PERFORMANCE INDICATORS;
- LVI. comply with the stipulations set out in sub-clause 12.1 regarding the reservation of dates for exhibitions, events, fairs, presentations, biennial events and congresses by the GRANTOR and the maintenance of the conditions for use of the venue, with the provision of the ordinary support services set out in ANNEX 3;
- LVII. treat the environmental liabilities already existing in the CONCESSION AREA at the time of issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, considering the contaminations mentioned in APPENDIX H of ANNEX 2, according to the parameters of CONAMA Resolution 420/2009 and FEPAM Technical Guideline 02/2021;
- LVIII. bear the costs of the environmental compensation referred to in art. 36 of Federal Law No. 9.985/2000, without prejudice to future requirements for mitigating and compensatory measures for negative environmental, social and urban impacts, to be established within the



scope of environmental and urban licensing, observing the conditions and restrictions provided for in licenses issued by the competent authorities; and

LIX. maintain in force any contract entered into with TECHNICAL ASSISTANT(S), in the form permitted by the PUBLIC NOTICE.

20.2. The CONCESSIONAIRE's liability will continue even after the CONTRACT has ended, and the GRANTOR may claim compensation for any losses arising from the obligations set out in this CONTRACT, including from the CONCESSIONAIRE's shareholders, in accordance with corporate law, in the event of the CONCESSIONAIRE's extinction.

Prohibitions to the CONCESSIONAIRE

20.3. Among other prohibitions laid down in legislation and in this CONTRACT, the CONCESSIONAIRE is prohibited from:

- I. providing guarantees, sureties or any other form of security in favor of its RELATED PARTIES and/or third parties, with the exception of those signed in favor of the economic development of the DOCKS;
- II. carrying out activities that are not related to the purpose of this CONTRACT;
- III. selling tickets for access to the CONCESSION AREA or impeding the free flow of VISITORS, except in the case of cultural, sporting and gastronomic EVENTS, as set forth in sub-clause 13.25 et seq of this CONTRACT;
- IV. preventing the GRANTOR from holding exhibitions, events, fairs, presentations, biennial events and congresses, in accordance with the calendar duly approved between the PARTIES and prevent the use of WAREHOUSES A, B AND CENTRAL PORTICO, under the terms of sub-clauses 12.1 et seq of this CONTRACT; and
- V. selling tickets for access to toilets existing or to be built in the CONCESSION AREA.

21. GRANTOR'S OBLIGATIONS

GRANTOR's obligations

21.1. These constitute the main rights and obligations of the GRANTOR, without prejudice to the other obligations expressed in this CONTRACT:

- I. transfer to the CONCESSIONAIRE, by issuing the TERM OF DELIVERY OF THE PUBLIC PROPERTY, direct possession and control of the infrastructure of the CONCESSION AREA, under the terms of this CONTRACT and ANNEXES;
- II. make its best efforts to collaborate in obtaining the necessary licenses and authorizations for the CONCESSIONAIRE, so that it can comply with the object of this CONTRACT, including joint participation in meetings and sending any necessary manifestations;
- III. issue the licenses and authorizations that are necessary for the execution of the object of the CONCESSION that are under its competence and responsibility, under the terms of the relevant legislation;



- IV. monitor the engineering studies, make every effort to minimize the time taken for the necessary approvals and supervise the execution of the PROJECTS for the MANDATORY INTERVENTIONS to be carried out in the CONCESSION AREA, in order to prove that the CONTRACT's purpose has been properly fulfilled;
- V. monitor compliance with rules and regulations relating to the execution of the CONCESSION;
- VI. supervise the execution of the CONTRACT, ensuring good quality in the operation of the CONCESSION, including receiving, investigating and forwarding complaints and claims from VISITORS, in addition to applying, as the case may be, the appropriate measures, notwithstanding the other regulatory, supervisory and monitoring prerogatives set out in this CONTRACT and in the applicable legislation;
- VII. inspect all the facilities in order to verify the full conservation of the REVERSIBLE ASSETS, as well as assessing the other technical resources employed by the CONCESSIONAIRE in the operation of the CONCESSION;
- VIII. comply with the charges and obligations imposed on the GRANTOR in relation to the MANDATORY INTERVENTIONS and MANDATORY SERVICES, as set out in ANNEXES 2 and 3;
- IX. carry out periodic audits of an accounting, economic and financial nature, or any other pertinent audit, including using the VERIFIER, on the accounts and records of the CONCESSIONAIRE, and may use the VERIFIER in order to prevent the occurrence of situations that may jeopardize the operation of the CONCESSION and the conservation and public use of the CONCESSION AREA, without prejudice to the exercise of the supervisory activity within its competence;
- X. duly substantiate its decisions, authorizations, approvals, requests or other acts carried out under this CONTRACT, complying, if any, with all deadlines for the analysis of engineering projects, requests for economic and financial rebalancing, analysis of the TRANSFER OF CONTROL of the CONCESSIONAIRE, as well as any other deadline assigned to the GRANTOR by this CONTRACT;
- XI. monitor the quality and performance of the CONCESSIONAIRE in carrying out the object of this CONTRACT, directly or through the VERIFIER;
- XII. formally indicate the public agent(s) responsible for monitoring this CONTRACT;
- XIII. apply the sanctions and penalties and adopt the other measures necessary for the regular fulfillment of this CONTRACT in the event of non-compliance with the obligations assumed by the CONCESSIONAIRE;
- XIV. provide institutional support for the necessary understandings with other public bodies, whenever the execution of the services for which they are responsible interferes with the activities provided for in the subject matter of the CONTRACT, without there being any alteration to the risks assumed by each of the PARTIES, under the terms of this CONTRACT;
- XV. ensure that the economic and financial equilibrium of the CONTRACT is preserved;
- XVI. enforce its public authority as responsible for public security and inspection services in the area surrounding the CONCESSION AREA, curbing practices such as illegal parking, irregular commercial establishments and other illegal initiatives;



- XVII. conserve and manage the CONCESSION AREA during the period between the date of publication of the CONTRACT extract in the DOE/RS and the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, authorizing access by representatives of the CONCESSIONAIRE to the CONCESSION AREA, when such access does not jeopardize the EVENTS or the activities carried out on the site, in order to carry out studies, inspections and diligences necessary to obtain licenses and authorizations for the execution of the MANDATORY INTERVENTIONS;
- XVIII. Adopt all the measures that constitute preconditions for the signing of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, in accordance with the provisions of sub-clause 8.4 of this CONTRACT;
- XIX. Establish, jointly with the CONCESSIONAIRE, the annual calendar for exhibitions, events, fairs, presentations, biennial events and congresses, by the GRANTOR or by third parties designated by it, and bear any costs relating to the customization of the space and use of the area, in accordance with the parameters set out in sub-clauses 12.1 and 12.2;
- XX. Enter into and comply with the provisions of the TERM OF COOPERATION for the inclusion of the CONCESSION AREA in the flood protection system and the demolition of the Mauá Wall; and
- XXI. Notify the FIRE DEPARTMENT, the OGMO, PORTOS RS and the operational workshops to carry out their respective relocations, after completion of the corresponding MANDATORY INTERVENTIONS by the CONCESSIONAIRE, under the terms of APPENDIX E of ANNEX 2 to this CONTRACT, respecting the determinations of the competent authorities.

22. MAIN OBLIGATIONS AND RIGHTS OF VISITORS

- 22.1. Without prejudice to the provisions of the applicable legislation, VISITORS to the CONCESSION have the following rights and obligations:
 - I. receive the MANDATORY SERVICES to be provided by the CONCESSIONAIRE within the quality and performance standards established in this CONTRACT and ANNEXES;
 - II. receive information from the GRANTOR and the CONCESSIONAIRE for the defense of individual or collective interests and for the correct use of the CONCESSION AREA;
 - III. receive from the CONCESSIONAIRE information on the prices charged in the CONCESSION AREA;
 - IV. be covered by the insurance provided for in the INSURANCE PLAN, in the applicable cases in accordance with ANNEX 6 to this CONTRACT;
 - V. communicate with the CONCESSIONAIRE through different systems and relationship channels, including the ombudsman's office, social media services, among others;
 - VI. inform the GRANTOR and the CONCESSIONAIRE of any irregularities of which they become aware, regarding the performance of the MANDATORY SERVICES, the management of the CONCESSION AREA and other conditions of visitation and public use of the CONCESSION AREA;
 - VII. notify the competent authorities of any illegal acts carried out by the CONCESSIONAIRE in the operation of the CONCESSION;



- VIII. contribute to the continued good condition of the CONCESSION ASSETS, through which the MANDATORY SERVICES are provided; and
- IX. comply with legal and regulatory obligations relating to visitation and public use of the CONCESSION AREA.

23. GRANTOR'S RISKS

- 23.1. Without prejudice to other risks expressly assumed by the GRANTOR in other clauses of this CONTRACT, the economic and financial equilibrium shall be rebalanced in favor of the CONCESSIONAIRE, when the burden arising from the hypotheses described below is proven:
 - I. economic and financial impacts, positive or negative, resulting from unilateral alteration of the MANDATORY INTERVENTIONS, determination of additional interventions, determination of new charges, or alteration of any obligation borne by the CONCESSIONAIRE, provided that, as a direct result of the modification, there is a change in costs or GROSS REVENUE for the CONCESSIONAIRE, up or down, including, but not limited to, the following:
 - a. alterations to the MANDATORY INTERVENTION requirements of ANNEX 2, for reasons of convenience and opportunity or by order of the competent authorities, which have generated a proven increase in cost for the CONCESSIONAIRE;
 - b. alterations to the specifications of the equipment and furniture contained in the ANNEXES, if the alteration causes a proven increase in the costs projected for the CONTRACT;
 - c. changes to the MANDATORY SERVICES set out in ANNEX 3;
 - d. the requirement to use certain technology that is not essential to the provision of the MANDATORY SERVICES; and
 - e. alterations to other requirements contained in the ANNEXES which result in a proven increase in the costs projected for the CONTRACT.
 - II. delays in signing terms, agreements and covenants with other public bodies that demonstrably have an impact on the project schedule, GROSS REVENUE or costs of the CONCESSIONAIRE including, but not limited to, those relating to the CONTAINMENT BARRIER or installation of an alternative containment system, partial demolition of the Mauá Wall and the relocation of the FIRE DEPARTMENT, OGMO, the administrative headquarters of PORTOS RS and workshops;
 - III. any indemnities arising from the early termination of contracts in force on the date of publication of the extract from the CONTRACT in the DOE/RS, with the exception of the EMBARCADERO CONTRACT and the PARKING CONTRACT, the risk of which lies with the CONCESSIONAIRE;
 - IV. any indemnities arising from facts and contracts preceding the execution of this CONTRACT, including, but not limited to, the lease agreement that was terminated on the basis of State Attorney General Opinion No. 17.786/2019 and Delegation Agreement No. 001/1997 entered into between the Federal Government and the State of Rio Grande do Sul;
 - V. environmental liabilities in the CONCESSION AREA or geological factors whose triggering event materialized prior to the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, provided that they have not been provided for in APPENDIX H of ANNEX 2;



- VI. environmental liabilities provided for in APPENDIX H of ANNEX 2, whose triggering event materialized prior to the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY in the amount exceeding the value of BRL 5,000,000.00 (five million Brazilian reais), on the base date of April 2022, considering the costs necessary for remediation;
- VII. judicial or administrative decisions that prevent or make it impossible for the CONCESSIONAIRE to earn the GROSS REVENUE of the CONCESSION, or to carry out the works resulting from the MANDATORY INTERVENTIONS, except in cases where the CONCESSIONAIRE, its employees, its agents or its contractors have directly or indirectly caused the situation on which said decisions are based;
- VIII. unforeseeable factors, foreseeable factors of incalculable consequences, unforeseeable circumstances or force majeure which, under normal market conditions, cannot be covered by insurance offered in Brazil and, at the time the risk materializes, has not been insurable for at least 2 (two) years in the Brazilian market, by at least two insurance companies, or in relation to the portion that exceeds the average of the amounts indemnifiable by policies normally practiced in the market;
- IX. damage caused to REVERSIBLE ASSETS, to the CONCESSIONAIRE, to third parties or to VISITORS, when as a result of the materialization of the risks attributed to the GRANTOR or when the GRANTOR is at fault;
- X. archaeological or paleological discoveries in the CONCESSION AREA and the costs associated with their treatment;
- XI. modifications promoted by the GRANTOR in the PERFORMANCE INDICATORS that cause a proven and effective impact on the CONCESSIONAIRE's charges, greater than that experienced in the event that the object of the CONTRACT is performed in conditions of timeliness and adequacy;
- XII. costs associated with the treatment of hidden defects in the CONCESSION AREA, claimed within 5 (five) years of the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY by the CONCESSIONAIRE, provided that they arise from activities prior to the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, and that they could not have been identified by the CONCESSIONAIRE, through diligence reasonably required in light of the techniques commonly employed by professionals in areas related to the scope of this CONCESSION;
- XIII. additional costs for carrying out the MANDATORY INTERVENTIONS or additional interventions, determined by the GRANTOR, arising from the need to implement unconventional construction methods, outside the standards determined in technical regulations and/or in this CONTRACT or its ANNEXES, due to a requirement formulated in the process of approving the ENVIRONMENTAL LICENSES;
- XIV. delays or non-performance of the CONCESSIONAIRE's obligations caused by the delay or omission of the GRANTOR in carrying out the activities and obligations assigned to it in this CONTRACT, including non-compliance with the deadline for the evaluation of PROJECTS by the GRANTOR;
- XV. delays in works resulting from delays in obtaining authorizations, licenses or permits from PUBLIC ADMINISTRATION bodies, required for the construction or operation of MANDATORY INTERVENTIONS, unless due to a fact attributable to the CONCESSIONAIRE;



- XVI. delays in the approval of the Analytical Work Plan which affect the schedule of MANDATORY INTERVENTIONS and which are not the sole fault of the CONCESSIONAIRE, caused by delays in assessment by the GRANTOR, the Municipality of Porto Alegre or the authorities responsible for issuing the necessary licenses;
 - XVII. delays arising from the failure to obtain authorizations, licenses and/or permits of any kind, including ENVIRONMENTAL LICENSES, to be issued by administrative authorities, required for the performance of the compulsory charges subject to the CONCESSION, as well as any court decisions suspending their performance, unless arising, in any of the cases mentioned in this item, from acts of commission or omission on the part of the CONCESSIONAIRE;
 - XVIII. heritage designation of material and immaterial assets existing in the CONCESSION AREA, incident after the date of submission of the proposal, as well as their respective costs, expenses and registrations, which cause effective impacts on the GROSS REVENUE or costs of the CONCESSIONAIRE;
 - XIX. closure of CAIS MAUÁ, or relevant restriction on operating conditions, imposed by state bodies, resulting from external factors; and
 - XX. state action specifically directed at the CONTRACT, which effectively burdens the execution of the CONTRACT, except when the act or fact characterizes a risk that has already been specifically and expressly attributed to the CONCESSIONAIRE in this CONTRACT.
- 23.1.1. In the event provided for in item XIX, the GRANTOR's liability shall be restricted to the economic and financial impact that would be borne by the CONCESSIONAIRE after the adoption of all reasonably required measures capable of mitigating the epidemiological or health risks to a level that enables the total or partial operation of said establishments.
 - 23.1.2. The mere alteration, by the GRANTOR, of the locations indicated in APPENDICES E and F for relocation of the remaining activities shall not in itself give rise to rebalancing of the economic and financial equilibrium of the CONTRACT, unless it is demonstrated that such event caused the imbalance, under the terms of this CONTRACT.

24. CONCESSIONAIRE RISKS

- 24.1. With the sole exception of the hypotheses to the contrary provided for in the express provisions of this CONTRACT, the CONCESSIONAIRE assumes all other risks inherent to the operation and execution of the MANDATORY SERVICES and activities provided for in the object of this CONTRACT, including those specified below, which will not give rise to the rebalancing of the economic and financial equilibrium of this CONTRACT, should they materialize:
 - I. errors, omissions or alterations to architectural and engineering projects, including execution methodology, and/or the CONCESSIONAIRE's technology, regardless of whether the CONCESSIONAIRE has opted to use the master plan, as per APPENDIX B of ANNEX 2, or to propose new projects;
 - II. urban and environmental restrictions with regard to the projects considered by the CONCESSIONAIRE in forming its bid;
 - III. risks arising from the technology(ies) or technique(ies) employed in carrying out the activities covered by the CONCESSION and the failure of technological innovations introduced by the CONCESSIONAIRE;



- IV. embargo of the MANDATORY INTERVENTIONS or MANDATORY SERVICES provided for in the subject matter of the CONCESSION;
- V. errors in the execution of the works relating to the MANDATORY INTERVENTIONS, including damage resulting from safety failures at the site of their execution;
- VI. design errors, errors in the estimation of costs and/or expenses, errors in the estimation of the time for completion of MANDATORY INTERVENTIONS or failures in the planning and execution of the activities which are the object of the CONCESSION, defects in the works or equipment, as well as errors or failures caused by the CONCESSIONAIRE, its contractors or subcontractors;
- VII. indemnities due to third parties for damage caused inside or outside the CONCESSION AREA as a result of flooding caused by inadequate MANDATORY INTERVENTIONS or defects in the installation and/or activation of the technical solution for flood containment approved under the terms of the COOPERATION TERM;
- VIII. any conflicts arising from the CONCESSIONAIRE's relationship with its subcontractors or third parties, including in relation to the commercial partnerships it establishes;
- IX. interface and compatibility of the MANDATORY INTERVENTIONS, equipment and systems with each other and with the assets and equipment belonging to the GRANTOR;
- X. anticipation of pre-construction measures and the execution of MANDATORY INTERVENTIONS, on a schedule different from that established by this CONTRACT, subject to the provisions of sub-clause 5.8;
- XI. delays resulting from the failure to obtain authorizations, licenses and/or permits of any kind, including ENVIRONMENTAL LICENSES, to be issued by administrative authorities, required for the execution of the MANDATORY INTERVENTIONS and MANDATORY SERVICES subject to the CONCESSION, as well as any court decisions suspending their execution, arising, in any of the cases mentioned in this item, from acts of commission or omission on the part of the CONCESSIONAIRE;
- XII. delays resulting from the failure to obtain authorizations, licenses and/or permits of any kind, to be issued by administrative authorities, required for the execution of activities not included in the MANDATORY INTERVENTIONS and MANDATORY SERVICES that are the object of the CONCESSION, as well as any court decisions that suspend their execution;
- XIII. delays in the MANDATORY INTERVENTIONS resulting from delays in obtaining authorizations, licenses or permits from PUBLIC ADMINISTRATION bodies, required for the construction or operation of interventions not included in the MANDATORY INTERVENTIONS, unless due to a fact attributable to the GRANTOR;
- XIV. variation in costs, investments or revenues due to consumption, interruption or lack of availability of public utilities, such as electricity and water;
- XV. any interference with bodies of the PUBLIC ADMINISTRATION, including its concessionaires, permit holders and authorizers of public services or delegates of economic activity, for the execution of the activities that are the object of the CONCESSION;
- XVI. all the risks inherent to the execution of the object of the CONCESSION with the quality required



- in this CONTRACT, including, among others, investments, costs or additional expenses necessary to meet the PERFORMANCE INDICATORS according to its performance, to meet the obligation to preserve the timeliness in the execution of the activities object of the CONTRACT, as well as the technical standards and rules provided for by law or in this CONTRACT;
- XVII. inefficiencies or economic losses resulting from failures, negligence, ineptitude or omission in the execution of the activities covered by the CONCESSION;
- XVIII. problems, delays or inconsistencies in the supply of inputs necessary to carry out the activities covered by the CONTRACT;
- XIX. apparent vices or defects in the CONCESSION AREA and CONCESSION ASSETS;
- XX. embargo of the venture, due to non-compliance by the CONCESSIONAIRE and/or its subcontractors with the guidelines and requirements arising from the process of obtaining the licenses;
- XXI. any amounts due, including material and/or moral damages, to VISITORS to the CONCESSION AREA, employees, contractors or persons linked in any way to the CONCESSIONAIRE, or to any persons inside the CONCESSION AREA, even if as a result of accidents;
- XXII. projections of GROSS REVENUE taken into account in the COMMERCIAL PROPOSAL, and no recovery of the economic and financial equilibrium of the CONTRACT will be possible due to the alteration, non-confirmation or loss resulting from the frustration of the estimated revenues;
- XXIII. values practiced by the CONCESSIONAIRE or third parties that have contracted with the CONCESSIONAIRE, in the exploitation of activities in the CONCESSION AREA;
- XXIV. costs of theft, robbery, destruction, even partial, arising from any event, or loss of CONCESSION ASSETS;
- XXV. the CONCESSIONAIRE's financial capacity and/or ability to raise funds, as well as variations in the cost of loans and FINANCING to be obtained by the CONCESSIONAIRE for carrying out activities, making investments or defraying the costs of the operations covered by the CONCESSION;
- XXVI. variations in VISITOR demand in relation to the forecast in any projection made by the CONCESSIONAIRE or the GRANTOR;
- XXVII. variations in GROSS REVENUE earned by the CONCESSIONAIRE in relation to any projection made by the CONCESSIONAIRE or the GRANTOR;
- XXVIII. errors in estimates and possible variations in input costs, operating costs, maintenance costs, investments, personnel costs or any other cost incurred by the CONCESSIONAIRE in carrying out the activities covered by the CONCESSION, over time or in relation to any projection made by the CONCESSIONAIRE or the GRANTOR;
- XXIX. reduction of the total amount earned as GROSS REVENUE due to fraud committed by VISITORS who benefit from any activity carried out by the CONCESSIONAIRE, including due to lack of electricity, equipment failures, acts of vandalism, and other events whose risk has been allocated to the CONCESSIONAIRE, under the terms of this CONTRACT, with the sole exception of cases in which the risk of the event causing the reduction in GROSS REVENUE is exclusively attributed



- to the GRANTOR;
- XXX. costs corresponding to taxes and other charges levied on the activities carried out by the CONCESSIONAIRE;
 - XXXI. inefficiencies or economic losses resulting from failures, negligence, ineptitude, omission or the CONCESSIONAIRE's own activities in fulfilling the purpose of the CONCESSION;
 - XXXII. changes in the macroeconomic scenario, changes in the cost of capital, changes in market interest rates and changes in exchange rates;
 - XXXIII. creation, extinction or alteration of taxes or legal charges that have a direct or indirect impact on the CONCESSIONAIRE's income and expenses, including income tax legislation;
 - XXXIV. supervening discovery of errors or omissions in the proposal or in any other projection or assumption of the CONCESSIONAIRE or in the surveys that supported them, including those necessary to assess the data and projects disclosed by the GRANTOR;
 - XXXV. damage, whether intentional or not, to the CONCESSION ASSETS, resulting from vandalism, depredation, theft, graffiti or other acts carried out by VISITORS or third parties;
 - XXXVI. default by third parties in the payment of amounts owed to the CONCESSIONAIRE or by VISITORS, in the case of EVENTS with charging authorized by the GRANTOR under the terms of this CONTRACT;
 - XXXVII. any compensation arising from the early termination of the EMBARCADERO CONTRACT and the PARKING CONTRACT;
 - XXXVIII. unforeseeable factors, foreseeable factors of incalculable consequences, unforeseeable circumstances or force majeure which, under normal market conditions, can be covered by insurance offered in Brazil, if, at the time the risk materializes, it has been insurable for at least 2 (two) years, up to the limit of the average policy values normally practiced in the market, by at least two insurance companies, regardless of whether the CONCESSIONAIRE has contracted them;
 - XXXIX. cancellation or impossibility of renewing the insurance provided for in the INSURANCE PLAN, under the terms of Clause 36;
 - XL. strikes and collective bargaining by employees of the CONCESSIONAIRE, its suppliers, subcontractors or outsourced workers;
 - XLI. civil, administrative, environmental and criminal liability for damages that may occur to third parties, or caused by third parties, whether these are persons working for the CONCESSIONAIRE, its employees, agents, contractors or subcontractors, arising from the execution of the activities that are the object of the CONCESSION;
 - LX. misuse of patents and/or copyrights or any other intellectual property rights, including damages arising from an action based on infringement of intellectual property rights;
 - XLII. purely procedural impacts arising from the creation, revocation or revision of regulatory rules issued by the GRANTOR or any other body or entity that regulates the activities covered by the CONCESSION;



- XLIII. tax planning by the CONCESSIONAIRE;
 - XLIV. compliance with judicial decisions related to the execution of the activities that are the object of the CONTRACT, when they result from the CONCESSIONAIRE's acts of commission or omission;
 - XLV. investments, costs and expenses arising from the listing and registration of tangible and intangible assets existing in the CONCESSION AREA up to the date of submission of the bid;
 - XLVI. investments, costs and expenses necessary for any documentary or real estate regularization that may be required in licensing or authorization processes, or by state bodies with powers over the exploitation of the CONCESSION AREA;
 - XLVII. fines or compensation for environmental liabilities generated during the execution of the activities that are the object of the CONCESSION, including the compensation referred to in art. 36 of Federal Law No. 9.985/2000, without prejudice to future requirements for mitigating and compensatory measures for negative environmental, social and urban impacts, to be established within the scope of environmental and urban licensing, observing the conditions and restrictions laid down in licenses issued by the competent authorities;
 - XLVIII. embargo of the venture, new costs, failure to meet deadlines, the need for new approval of projects by the competent authorities, including the GRANTOR, issuance of new authorizations by the competent bodies due to the failure of the CONCESSIONAIRE and/or its subcontractors to comply with all the requirements arising from the process of obtaining the ENVIRONMENTAL LICENSES, including any compensation;
 - XLIX. social and environmental costs and any environmental liabilities related to the ENVIRONMENTAL LICENSES and the execution of the activities covered by the CONCESSION, including the cost of environmental compensation referred to in art. 36 of Federal Law No. 9.985/2000;
 - L. environmental liabilities and/or irregularities whose triggering event has materialized after the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY;
 - LI. environmental liabilities provided for in APPENDIX H of ANNEX 2, whose triggering event materialized prior to the issuance of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, limited to the value of BRL 5,000,000.00 (five million Brazilian reais), on the base date of April 2022, considering the costs necessary for remediation;
 - LII. direct and indirect costs and deadlines for resolving encroachments on properties in the CONCESSION AREA, resulting from events occurring after the TERM OF DELIVERY OF THE PUBLIC PROPERTY has been issued;
 - LIII. any modification of the Urban Feasibility Study (EVU), approved before the municipal public authorities of Porto Alegre, as well as additional costs arising from any new counterparts required; and
 - LIV. the proposal and implementation of ADDITIONAL INVESTMENT, as provided for in Clause 11.
- 24.2. The CONCESSIONAIRE expressly declares that it is fully aware of the nature and extent of the risks it assumes in the CONTRACT, and that it has taken these risks into account when formulating its COMMERCIAL PROPOSAL.



- 24.3. It is the full responsibility of the CONCESSIONAIRE to carry out a detailed survey and be aware of the risks it assumes in the performance of its duties under this CONTRACT, and it must adopt the solutions, processes and techniques it deems most appropriate and efficient to mitigate the risks assumed, taking responsibility for the resulting consequences.

25. MAINTAINING THE ECONOMIC AND FINANCIAL EQUILIBRIUM OF THE CONTRACT

- 25.1. Whenever the conditions of the CONTRACT are met, its economic and financial equilibrium shall be deemed to be maintained.
- 25.2. The economic and financial imbalance of the CONTRACT is considered to be characterized when any of the PARTIES suffers the effects, positive or negative, resulting from an event whose risk has not been allocated to it, which demonstrably promotes an imbalance in the economic and financial equilibrium of the CONTRACT.
- 25.2.1. The analysis of the rebalancing of the economic and financial equilibrium of the CONTRACT presupposes the verification of the overall economic conditions of the CONTRACT, and is restricted to the neutralization of the economic and financial effects of the events causing the contractual imbalance, as regulated in this Clause, considering, in order to achieve the intended neutralization, the economic and financial, tax and accounting effects resulting from the chosen rebalancing measure.
- 25.2.2. The CONTRACT shall also be considered unbalanced in cases where either PARTY benefits as a result of non-compliance or delay in compliance with the obligations allocated to it.
- 25.3. In the event of an IMBALANCE EVENT, the CONTRACT's economic and financial equilibrium will only be restored in relation to the portion of the imbalance claimed whose exact measure is proven by the claimant.
- 25.4. In addition to the hypotheses set out in sub-clause 25.2, it will also be possible to restore the economic and financial equilibrium of the CONTRACT in the event of a unilateral modification, imposed by the GRANTOR, of the conditions of execution of the CONTRACT, provided that, as a direct result of this modification, there is an effective change in the costs or GROSS REVENUE of the CONCESSIONAIRE, up or down.
- 25.4.1. Investments and interventions carried out by the CONCESSIONAIRE in the CONCESSION AREA on its own initiative, even if they do not qualify as MANDATORY INTERVENTIONS, and even if they have been approved by the GRANTOR, shall not give rise to economic and financial rebalancing of the CONTRACT.

26. IDENTIFICATION OF THE EVENTS GIVING RISE TO THE ECONOMIC AND FINANCIAL IMBALANCE OF THE CONTRACT

- 26.1. The procedure for rebalancing the economic and financial equilibrium may be initiated at the request of the CONCESSIONAIRE or by order of the GRANTOR, and the requesting PARTY shall be responsible for demonstrating the occurrence and identification of the IMBALANCE EVENT in a timely manner.
- 26.1.1. The claiming PARTY must identify the IMBALANCE EVENT and notify the other PARTY within a period not exceeding 180 (one hundred and eighty) days from its materialization, with a view to safeguarding the timeliness of contractual relations, as well as enabling the proper management of the consequences of the IMBALANCE EVENT.



- 26.1.2. In cases where a hidden defect is identified by the PARTY, the period identified in the previous sub-clause shall be counted from the date of identification of the IMBALANCE EVENT, taking into account the maximum period for recognition of the defect of 5 (five) years, as provided for in sub-clause 23.1, item XII.
- 26.1.3. Within the period provided for in sub-clause 26.1.1, the PARTY must notify the other PARTY of the occurrence of the identified IMBALANCE EVENT, even if it indicates provisional values and estimates subject to revision, without prejudice to the possibility of supplementing the instruction of the process after this deadline, in the event that the IMBALANCE EVENT persists for a long period of time, or, for any other reason, it is not possible to submit the request for rebalancing instructed with all the documents required in sub-clause 26.2 or 26.7.

Claims made by the CONCESSIONAIRE

- 26.2. When the CONCESSIONAIRE initiates a request for rebalancing of the economic and financial equilibrium, it must be made by means of a reasoned request and must be accompanied by all the documents necessary to demonstrate that the request is appropriate, including the following:
 - I. precise identification of the IMBALANCE EVENT, accompanied, where appropriate, by evidence that responsibility is allocated to the GRANTOR;
 - II. Quantities of the imbalances effectively identified in the cash flow, with the date of occurrence of each one, or the estimate, in the case of new investments, for the calculation of the rebalancing of the economic and financial equilibrium of the CONTRACT, in the form of Clause 27, depending on the IMBALANCE EVENT;
 - III. proof of the direct and indirect expenses actually incurred by the CONCESSIONAIRE as a result of the IMBALANCE EVENT that gave rise to the claim, accompanied by an explanatory summary containing the accounting and tax regimes applicable to the allegedly unbalanced revenues or costs;
 - IV. in the event of an assessment of possible future imbalances, a detailed statement of the assumptions and parameters used to estimate the impact of the IMBALANCE EVENT on the CONCESSIONAIRE's cash flow; and
 - V. if, in the process of approving ENVIRONMENTAL LICENSES relating to the carrying out of MANDATORY INTERVENTIONS or additional interventions determined by the GRANTOR, the implementation of unconventional construction methods is required, outside the standards determined in technical regulations and/or in this CONTRACT or ANNEXES, the CONCESSIONAIRE must prove: (i) the nature of the determination, characterizing it, with justification, as outside the expected construction standards; and (ii) the direct impact of said requirement for the purposes of requesting economic and financial rebalancing.
- 26.3. In view of the request submitted by the CONCESSIONAIRE, the GRANTOR shall, within a maximum period of 60 (sixty) days, express its opinion as to whether it is appropriate, as well as assess whether the procedure for rebalancing the economic and financial equilibrium of the CONTRACT may be processed on an extraordinary basis.
 - 26.3.1. If the GRANTOR does not justify or accept the urgent treatment of the IMBALANCE EVENT, it must be dealt with in the subsequent ORDINARY REVIEW.



26.3.2. The period referred to in sub-clause 26.3 may be extended upon justification, and the period may be interrupted if it is necessary to request adjustments and supplement the procedural instruction.

26.4. During the GRANTOR's analysis of requests to rebalance the economic and financial equilibrium, all of the CONCESSIONAIRE's obligations shall be fully maintained, especially those relating to the payment of the CONDITIONAL GRANT and the INSPECTION CHARGE.

Access to the information needed to determine the imbalances claimed

26.5. In assessing the claim, initiated at the request of the CONCESSIONAIRE or the GRANTOR, the PARTIES may, at any time, contract specific technical and/or economic reports, and the PARTIES may request them from the VERIFIER.

26.5.1. At the requesting PARTY's discretion, an audit may be carried out by a specialized entity with notoriously recognized technical capacity to verify the situation that gave rise to the request for economic and financial rebalancing, with the due participation of the PARTIES and with the transparency that allows them, directly or through an equivalent entity, the technical contradiction, with the costs being borne by the PARTY that hired the specialized entity, regardless of the outcome of the request for economic and financial rebalancing.

26.6. The GRANTOR, or whoever it appoints, shall have free access to information, assets and facilities of the CONCESSIONAIRE or of third parties contracted by it in order to ascertain what is alleged by the CONCESSIONAIRE in any claim for economic and financial rebalancing presented.

Claims by the GRANTOR

26.7. The CONCESSIONAIRE must be notified of any request to rebalance the economic and financial equilibrium initiated by the GRANTOR, accompanied by a copy of the relevant reports and studies.

26.7.1. Once the notification of the IMBALANCE EVENT has been received, the CONCESSIONAIRE will have 60 (sixty) days, extendable for the same period, to present a reasoned statement regarding the request to rebalance the economic and financial equilibrium of the CONTRACT presented by the GRANTOR in the notification, under penalty of tacit consent to the request.

26.7.2. In consideration of the CONCESSIONAIRE's response to the GRANTOR's request, it will have 30 (thirty) days to assess the appropriateness of rebalancing the economic and financial equilibrium and compensation.

Events or reasons that do not cause the CONTRACT to become unbalanced

26.8. The CONCESSIONAIRE shall not be entitled to rebalance the economic and financial equilibrium:

- I. when the damages suffered derive from the occurrence of negligence, imprudence, malpractice, ineptitude or omission in the economic exploitation of the CONCESSION AREA and in the handling of the risks allocated to it;
- II. when, in any way and to any extent, the CONCESSIONAIRE has directly or indirectly contributed to the IMBALANCE EVENT; and
- III. if the materialization of the events motivating the request on the part of the CONCESSIONAIRE



does not give rise to an effective impact on the contractual conditions and does not entail effective damage resulting from an imbalance in the economic and financial equilibrium of the CONTRACT.

- 26.9. If it is proven that the impacts of the events that led to the request for rebalancing of the economic-financial equilibrium could have been mitigated or reduced by measures within the CONCESSIONAIRE's reach, or through efforts reasonably required of the CONCESSIONAIRE, the rebalancing of the economic-financial equilibrium will be calculated taking into account only the value of the imbalance that would persist, even in the event of diligent action by the CONCESSIONAIRE.
- 26.10. If it is established that more than one PARTY has directly or indirectly contributed to the occurrence of the IMBALANCE EVENT, due to the negligence, ineptitude or omission of both PARTIES, the rebalancing of the economic and financial equilibrium shall only take into account the amount of the damage that the damaged PARTY did not cause.

27. REBALANCING THE ECONOMIC AND FINANCIAL EQUILIBRIUM

- 27.1. On the occasion of each EXTRAORDINARY REVIEW or each ORDINARY REVIEW, the claims of both PARTIES deemed appropriate shall be considered jointly, in order to compensate for the positive and negative economic and financial impacts resulting from IMBALANCE EVENTS.
- 27.2. Any rebalancing of the economic and financial equilibrium, even when the request has been made by the CONCESSIONAIRE, must necessarily take into account any impacts in favor of the GRANTOR.
- 27.3. The restoration of the economic and financial equilibrium of the CONTRACT as a whole, or in relation to a specific IMBALANCE EVENT, will be carried out in such a way as to obtain the Net Present Value of the Cash Flow balances equal to zero, considering the Internal Rate of Return (IRR) forecast for each IMBALANCE EVENT, as determined below.
- 27.3.1. In the event of IMBALANCE EVENTS resulting from cancellations, delays or anticipations of the MANDATORY INTERVENTIONS set out in ANNEX 2, compensation will be made taking into account: (i) the provisions of sub-clause 25.2.2; (ii) the amounts attributed to the investments in the studies on which the CONCESSION was based, in accordance with the physical and executive distribution established; (iii) the operating costs and revenues corresponding to such MANDATORY INTERVENTIONS; and (iv) the Internal Rate of Return of 10.89% (ten integers and eighty-nine hundredths percent).
- 27.3.1.1. The economic and financial rebalancing referred to in sub-clause 27.3.1, in the event that the MANDATORY INTERVENTIONS are brought forward, shall be carried out exclusively if such bringing forward is due to risk factors or the responsibility of the GRANTOR, and no economic and financial rebalancing shall be carried out if the bringing forward is due to risk factors or the responsibility of the CONCESSIONAIRE, or occurs on its initiative.
- 27.3.1.2. The economic and financial rebalancing referred to in sub-clause 27.3.1, in the event of delays in MANDATORY INTERVENTIONS resulting from risk factors or the CONCESSIONAIRE's responsibility, will be carried out exclusively if the net economic and financial impact of the delay is beneficial to the CONCESSIONAIRE, taking into account the economic and financial effect of the delay on the values of the investments and the corresponding operating costs and revenues, without prejudice to the application of the penalties provided for in the CONTRACT, and no economic and financial rebalancing will be carried out if the delay in the investment



results in a net economic and financial impact detrimental to the CONCESSIONAIRE.

27.3.2. In the event of any other IMBALANCE EVENTS, the economic-financial balance will be restored by drawing up the MARGINAL CASH FLOW, considering: (i) the marginal cash flows, positive or negative, calculated on the basis of the difference between the situations with and without the respective IMBALANCE EVENT; and (ii) the marginal cash flows necessary to restore the economic-financial balance.

27.3.2.1. IMBALANCE EVENTS consisting of new investments shall take into account the Internal Rate of Return calculated on the date of signature of the respective amendment to the CONTRACT when calculating the rebalancing of the economic and financial equilibrium of the CONTRACT.

27.3.2.2. In all other cases of IMBALANCE EVENTS, the Internal Rate of Return calculated for the beginning of the contractual year in which the IMBALANCE EVENT occurs will be used to calculate the restoration of the economic and financial equilibrium of the CONTRACT.

27.3.2.3. If an IMBALANCE EVENT occurs, governed by sub-clause 27.3.2, which extends for more than one year, the Internal Rate of Return referred to in sub-clause 27.3.1, calculated for the contractual year in which the IMBALANCE EVENT initially materialized, shall be taken into account for calculating the rebalancing of the economic and financial equilibrium of the CONTRACT, and shall be applied to the entire period of the IMBALANCE EVENT.

27.4. At each rebalancing of the economic and financial equilibrium, the Internal Rate of Return of that calculation will be defined, definitive for the entire CONCESSION TERM, in accordance with the rates in force for the IMBALANCE EVENTS considered in it.

Restoring economic and financial equilibrium by marginal cash flow

27.5. The process of restoring the economic and financial balance of the CONTRACT will be carried out so that the net present value of the MARGINAL CASH FLOW projected as a result of the event that gave rise to the imbalance is zero, considering (i) the marginal flows resulting from the event that gave rise to the restoration and (ii) the marginal flows necessary to restore the economic and financial balance, by applying the following formula for the discount rate:

$$TD = TR \times 172.3\%$$

In which:

TD: Real annual discount rate, i.e. without considering the portion related to the IPCA/IBGE variation, to be used in calculating the present value of the Marginal Cash Flows;

TR: Annual yield composed of the daily average of the last 12 (twelve) months of the gross selling interest rate of the "Treasury IPCA +" bond (formerly National Treasury Notes Series B - NTN-B), *ex ante* after deduction of Income Tax, maturing in 2055, published by the National Treasury Secretariat, calculated on the date of the effective impact of the imbalance event on the CONCESSIONAIRE's cash flow, without considering the portion related to the IPCA/IBGE variation.

27.6. All income and expenditure in the MARGINAL CASH FLOW must be expressed in local currency and



considered in real terms, i.e. without considering the portion related to the IPCA/IBGE variation.

- 27.7. In order to determine the amount to be rebalanced, the effects of direct and indirect taxes actually levied on the flow of marginal expenditure must be taken into account.
- 27.8. In the event of extinction or non-disclosure by the National Treasury Secretariat or other government body of the trading rates of the security referred to in the sub-clauses above, the PARTIES shall agree on another similar security to be used as a reference for calculating TD.
- 27.9. For the purposes of determining the cash flows of marginal expenditures, the best information available shall be used to portray the real and effective current conditions, to estimate the value of investments, costs and expenses, as well as possible revenues and other gains, resulting from the IMBALANCE EVENT.
- 27.10. The CONCESSIONAIRE must present estimates of the extent of the imbalance, even in cases where the request is initiated by the GRANTOR, using the best price references from the public sector and/or the private sector available at the time of the request.
- 27.10.1. The information should preferably be based on current public price bases, or another document that may replace them and, if more current information is unavailable and at the discretion of the GRANTOR, on projections made at the time of the BID or other parameters, for example those used and published in national and international engineering journals.
- 27.10.2. The GRANTOR may request that the CONCESSIONAIRE demonstrate that the amounts required for new investments will be calculated on the basis of market values considering the overall cost of similar works or activities in Brazil or on the basis of cost systems that use market values for the specific sector of the project as an input, measured in any case by means of a synthetic budget prepared using an expedited or parametric methodology.

28. MODALITIES FOR REBALANCING THE ECONOMIC AND FINANCIAL EQUILIBRIUM OF THE CONTRACT

- 28.1. The GRANTOR shall have the prerogative to choose the method by which the rebalancing of the economic and financial equilibrium of the CONTRACT will be implemented, in particular, but not exclusively, among the following methods:
- I. extension or reduction of the CONCESSION TERM;
 - II. compensation or indemnification;
 - III. revision of the CONDITIONAL GRANT amounts or the INSPECTION CHARGE;
 - IV. alteration of the obligations or deadlines provided for in this CONTRACT and/or in the PUBLIC NOTICE; and
 - V. a combination of the above methods or others permitted by law, at the discretion of the GRANTOR.
- 28.2. In addition to the modalities listed in sub-clause 28.1, the implementation of the rebalancing of the economic and financial equilibrium of the CONTRACT may also take place by the following modalities, in these cases depending on the prior agreement of the CONCESSIONAIRE:



- I. payment in kind of goods and/or transfer of property revenues;
- II. assumption by the GRANTOR of costs attributed by the CONTRACT to the CONCESSIONAIRE;
- III. adjustment of the PERFORMANCE INDICATORS set out in ANNEX 5;
- IV. transfer of rights held by the GRANTOR, including urban planning rights recognized by the Municipality of Porto Alegre, if not used, in whole or in part, as an ADDITIONAL INVESTMENT; and
- V. a combination of the above or other methods permitted by law.

28.3. The restoration of the economic and financial equilibrium of the CONTRACT shall be formalized in an amendment to this CONTRACT.

CHAPTER IV – CONTRACT REVISIONS

29. ORDINARY CONTRACT REVIEW

29.1. Every five-year cycle, from the date of issue of the TERM OF DELIVERY OF THE PUBLIC PROPERTY, the ORDINARY REVIEW of the CONCESSION will be conducted, which may culminate in:

- I. the revision of PERFORMANCE INDICATORS, with the aim of establishing the appropriate economic incentives to stimulate continuous improvement in the execution of the activities covered by the CONCESSION;
- II. the revision of the INSURANCE PLAN prepared by the CONCESSIONAIRE;
- III. the inclusion of additional interventions, determined by the GRANTOR, always observing the economic and financial balance of the CONCESSION CONTRACT.

29.1.1. The demands for new investments in the CONCESSION should, as a priority, be implemented during the ORDINARY REVIEWS, in order to improve the planning and execution of investments, even if they result from events that occurred or were identified prior to the processing of the ORDINARY REVIEWS.

29.1.1.1. If there are urgent demands that, for technical, economic-financial, safety or public interest reasons, require immediate intervention, without being able to wait for the end of the five-year contractual cycle of each ORDINARY REVIEW, such new investments will be implemented via EXTRAORDINARY REVIEW, which will comply with the terms and procedures set out in this CONTRACT and in the relevant legislation and regulations.

29.1.2. The PERFORMANCE INDICATORS may be reviewed during the ORDINARY REVIEWS, and the GRANTOR may require that, in order to incorporate new technologies, the PERFORMANCE INDICATORS set out in ANNEX 5 be adapted or that new indicators be created that reflect current, modern and innovative standards in the execution of the MANDATORY INTERVENTIONS and MANDATORY SERVICES that are the subject of this CONTRACT.

Processing ORDINARY REVIEWS

29.2. As part of the ORDINARY REVIEW process, the PARTIES shall submit a report containing a proposal to



revise the PERFORMANCE INDICATORS, a technical assessment of the adequacy of the INSURANCE PLAN and any need for revision, and proposals to revise or include charges in the CONCESSION, duly motivated and with estimates of the economic and financial impacts and expected improvements, if any, for the various stakeholders in the CONCESSION.

29.2.1. For the ORDINARY REVIEW of the PERFORMANCE INDICATORS, the PARTIES shall jointly evaluate the indicators in force, taking into account the search for continuous improvement in the execution of the activities which are the object of the CONCESSION and establishing a reasonable deadline for adapting to the new standards required, culminating in:

I. the reformulation of PERFORMANCE INDICATORS that prove ineffective in encouraging the activities and MANDATORY SERVICES of the CONCESSIONAIRE to be carried out in compliance with the quality required by the GRANTOR and VISITORS;

II. the determination of a minimum level of PERFORMANCE INDICATORS considered unsatisfactory to be achieved, as well as the development by the CONCESSIONAIRE of an action plan to mitigate and correct identified problems within a period to be determined by the GRANTOR, always observing the objective of stimulating the continuous improvement of the quality of the activities carried out by the CONCESSIONAIRE; and/or

III. the creation of new PERFORMANCE INDICATORS, in the event that the GRANTOR requires new performance standards, motivated by the emergence of technological innovations or adjustments to national or international standards.

29.2.2. The ORDINARY REVIEW may not affect the allocation of risks established in this CONTRACT.

29.2.3. At the end of the ORDINARY REVIEW procedure, following a regular administrative process in which the CONCESSIONAIRE is given full participation and an adversarial hearing, the GRANTOR shall be responsible for establishing the new contractual guidelines, observing the limits and procedures set out in this Clause, and the CONCESSIONAIRE shall be responsible for using the dispute resolution mechanisms set out in this CONTRACT if it disagrees.

29.2.4. The result of the ORDINARY REVIEW process referred to in this Clause may result in the economic and financial rebalancing of the CONCESSION, the procedure for which shall comply with the rules set out in Clauses 26 and 27, with the exception of the result of the ORDINARY REVIEW of PERFORMANCE INDICATORS, which shall not result in economic and financial rebalancing.

29.3. The GRANTOR shall use the external technical service of a VERIFIER to assist it in formulating and evaluating requests for economic and financial rebalancing and compensation made by the CONCESSIONAIRE, with the VERIFIER carrying out the activities listed in sub-clause 18.6.2.

30. EXTRAORDINARY CONTRACT REVIEWS

30.1. Any of the PARTIES may request an EXTRAORDINARY REVIEW of the CONTRACT in the face of the concrete or imminent materialization of an event whose consequences are sufficiently serious as to give rise to the need for urgent assessment and measures, and the EXTRAORDINARY REVIEW shall be subject to the provisions set forth in this Clause and, where applicable, the provisions relating to ORDINARY REVIEWS.

30.2. If the EXTRAORDINARY REVIEW process is initiated at the request of the CONCESSIONAIRE, it must submit the necessary information to demonstrate to the GRANTOR that failure to deal with the event



immediately will result in extraordinary aggravation and its harmful consequences.

30.3. The GRANTOR shall have a period of 60 (sixty) days, counting from the formalization of the request submitted by the CONCESSIONAIRE, to assess whether the reasons presented would justify immediate treatment and whether the seriousness of the consequences would support non-compliance with the CONTRACT's ordinary REVIEW procedure, motivating the importance of not waiting for the necessary time lapse until the subsequent ORDINARY REVIEW is processed.

30.3.1. Within the period set out above, the GRANTOR may request clarifications, additions and changes to the request made by the CONCESSIONAIRE, in which case the period set out in sub-clause 30.3 will be suspended from the date of communication to the CONCESSIONAIRE until the GRANTOR receives the response.

CHAPTER V – CONCESSIONAIRE

31. CONCESSIONAIRE'S LEGAL STRUCTURE

31.1. The articles of incorporation of the CONCESSIONAIRE shall indicate that its specific and exclusive corporate purpose, throughout the term of the CONTRACT, shall be the realization of the object of this CONCESSION, having its registered office and jurisdiction in the state of Rio Grande do Sul.

31.1.1. The CONCESSIONAIRE is prohibited from carrying out any activity not expressly provided for in this CONTRACT.

31.1.2. The CONCESSIONAIRE's bylaws must include a clause stating that:

I. prohibits changes to its corporate purpose, except to include activities involving the exploitation of revenues or ANCILLARY REVENUES, provided that they are related to the activities covered by this CONTRACT;

II. requires submission of the acts described in Clause 40 to the prior authorization of the GRANTOR; and

III. requires submission to the prior authorization of the GRANTOR the contracting of loans or bonds whose amortization periods exceed the final term of the CONTRACT.

31.1.3. The CONCESSIONAIRE may directly or indirectly explore, including through subsidiaries, the activities that generate revenues or ACCESSORY REVENUES, subject to the rules of this CONTRACT, especially the provisions of sub-clause 13.9.

31.1.4. The CONCESSIONAIRE's articles of association must comply with environmental, social and governance laws and regulations, and must include a commitment by the CONCESSIONAIRE to take all reasonable steps to ensure compliance with these rules.

31.2. The CONCESSIONAIRE must comply with corporate governance standards and adopt standardized accounting and financial statements, especially with regard to transactions with RELATED PARTIES, in accordance with accounting practices adopted in Brazil, based on Brazilian Corporate Legislation (Federal Law No. 6404, of December 15, 1976, as amended) and the Accounting Standards issued by the CFC.

31.2.1. The CONCESSIONAIRE's accounting and financial information and statements must be audited by a reputable independent auditing firm with notorious expertise, which has audited



companies listed on the São Paulo Stock Exchange (B3) in the previous two financial years.

- 31.2.2. The specialized auditing company must also verify compliance with the provisions on RELATED PARTIES set out in Clauses 31.7 et seq, regardless of the CONCESSIONAIRE's accounting or governance regime.
- 31.2.3. Maintain the minimum share capital of BRL 130,732,415.17 (one hundred and thirty million, seven hundred and thirty-two thousand, four hundred and fifteen Brazilian reais and seventeen cents), which will be updated by the IPCA/IBGE annually, in the month of the CONTRACT's anniversary, respecting the following payment schedule:
- I. BRL 30,973,716.44 (thirty million, nine hundred and seventy-three thousand, seven hundred and sixteen Brazilian reais and forty-four cents), within 30 (thirty) days of the date of publication of the extract of the CONTRACT in the DOE/RS and as a condition of the CONTRACT's effectiveness;
 - II. BRL 52,725,889.08 (fifty-two million, seven hundred and twenty-five thousand, eight hundred and eighty-nine Brazilian reais and eight cents), 12 (twelve) months after the first payment;
 - III. BRL 24,948,399.00 (twenty-four million, nine hundred and forty-eight thousand, three hundred and ninety-nine Brazilian reais), 9 (nine) months after the second payment;
 - IV. BRL 22,084,410.66 (twenty-two million, eighty-four thousand, four hundred and ten Brazilian reais and sixty-six cents), 9 (nine) months after the third payment.
- 31.2.4. The CONCESSIONAIRE undertakes to keep the GRANTOR permanently informed of compliance by the shareholders of the Special Purpose Company with the payment of share capital, and the GRANTOR may carry out due diligence and audits to verify the situation.
- 31.2.5. The CONCESSIONAIRE is hereby authorized to reduce its share capital, without the specific prior consent of the GRANTOR, provided that:
- 31.2.5.1. It has obtained the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS;
 - 31.2.5.2. Proof of the 40% (forty percent) covenant ratio (equity/assets) at the time of the reduction;
 - 31.2.5.3. Proof of compliance with the financial covenant (EBITDA/Financial Expenses) with a ratio greater than or equal to 2 (two) in the last 3 (three) years prior to the reduction; and
 - 31.2.5.4. Note the following schedule:
 - I. Reduction of BRL 32,460,132.21 (thirty-two million, four hundred and sixty thousand, one hundred and thirty-two Brazilian reais and twenty-one cents) from the 82nd (eighty-second) month of the CONCESSION;
 - II. Reduction of BRL 32,460,132.21 (thirty-two million, four hundred and sixty thousand, one hundred and thirty-two Brazilian reais and twenty-one cents) from the 94th (ninety-fourth) month of the CONCESSION;



III. Reduction of BRL 32,460,132.21 (thirty-two million, four hundred and sixty thousand, one hundred and thirty-two Brazilian reais and twenty-one cents) from the 106th (one hundred and sixth) month of the CONCESSION.

31.2.6. With the exception of the case provided for in sub-clause 31.2.5, the CONCESSIONAIRE may not, during the CONCESSION TERM, reduce its share capital below the minimum amount established in sub-clause 31.2.3, without the prior express consent of the GRANTOR.

31.2.7. As long as the payment is not complete, the CONCESSIONAIRE's shareholders are liable to the GRANTOR, in proportion to the shares subscribed by each, for the obligations of the CONCESSIONAIRE, under the terms of this CONTRACT, up to the limit of the amount of the portion lacking to pay up the initially subscribed capital, and this liability of the shareholders shall persist even if the LENDERS take control of the CONCESSIONAIRE.

31.2.8. After the reduction referred to in sub-clause 31.2.5, the CONCESSIONAIRE must demonstrate, on an annual basis, that the ratio of the covenant (equity/assets) has remained higher than the minimum of 40% (forty percent) and the financial covenant (EBITDA/Financial Expenses) has remained greater than or equal to 2 (two) in the previous 3 (three) years. Otherwise, it will be obliged to contribute sufficient share capital to meet the requirements, within 90 (ninety) days of notification from the GRANTOR that the indices are inadequate.

31.3. The CONCESSIONAIRE's fiscal year and the financial year of this CONTRACT shall coincide with the calendar year.

31.4. The participation of non-national capital in the CONCESSIONAIRE will comply with current Brazilian legislation.

31.5. The CONCESSIONAIRE may only be dissolved once all the activities described in ANNEX 12 have been carried out.

31.6. Even after the termination of the CONCESSION, the CONCESSIONAIRE shall maintain the minimum subscription of share capital referred to in this Clause, subject to sub-clause 31.2.5, if applicable, until its dissolution.

31.7. The CONCESSIONAIRE must, within 4 (four) months of the date of publication of the extract of the CONTRACT in the DOE/RS, develop, publish and implement a POLICY FOR TRANSACTIONS WITH RELATED PARTIES, observing, where applicable, the best practices recommended by the Brazilian Code of Corporate Governance - Publicly-Held Companies, published by the Interagency Working Group (Interagency WG), coordinated by the Brazilian Institute of Corporate Governance (IBGC), as well as the provisions of the Novo Mercado Regulations, or those that may replace them as a reference before the Brazilian Securities and Exchange Commission (CVM), and containing at least the following elements:

I. criteria that must be observed when carrying out transactions between the CONCESSIONAIRE and its RELATED PARTIES, requiring compliance with fair conditions compatible with market practice;

II. procedures to help identify individual situations that may involve conflicts of interest and, consequently, determine the impediment of voting in relation to shareholders or administrators of the CONCESSIONAIRE;



- III. procedures and those responsible for identifying RELATED PARTIES and classifying operations as transactions with RELATED PARTIES;
- IV. indication of the approval bodies for transactions with RELATED PARTIES, depending on the amount involved or other relevant criteria;
- V. the requirement to carry out a competitive process in the market, in accordance with rules approved by the CONCESSIONAIRE's management, as a condition for contracting with RELATED PARTIES; and
- VI. it is the duty of the CONCESSIONAIRE's management to formalize, in a written document to be filed at the CONCESSIONAIRE's head office, the justifications for the selection of RELATED PARTIES to the detriment of market alternatives.

31.7.1. Notwithstanding the deadline set out in sub-clause 31.7 above, the RELATED PARTY TRANSACTIONS POLICY must be developed, published and implemented prior to any RELATED PARTY contracting by the CONCESSIONAIRE.

31.8. The RELATED PARTY TRANSACTIONS POLICY shall be updated by the CONCESSIONAIRE whenever necessary, taking into account the updates to the best practice recommendations referred to in sub-clause 31.7, and the need to include or amend specific provisions aimed at making transactions with RELATED PARTIES more transparent and commutative.

31.9. Within 1 (one) month of entering into the contract with RELATED PARTIES, and at least 5 (five) business days before the start date of the activities agreed therein, the CONCESSIONAIRE must publish the following information on its website about the hiring:

- I. general information about the RELATED PARTY contracted;
- II. object of the contract;
- III. contract period;
- IV. general conditions of payment and readjustment of the amounts relating to the contract;
- V. a description of the negotiation of the transaction with the RELATED PARTY and the decision to enter into the transaction; and
- VI. justification for contracting with the RELATED PARTY to the detriment of market alternatives.

32. TRANSFER OF CONTROL OF THE CONCESSIONAIRE

32.1. The CONCESSIONAIRE must obtain the prior consent of the GRANTOR for any change in its corporate composition that implies a direct TRANSFER OF CONTROL, under the terms of this CONTRACT.

32.1.1. The prior consent required in sub-clause 32.1 covers acts that imply a TRANSFER OF DIRECT CONTROL of the CONCESSIONAIRE, even when indirect CONTROL remains with the same ECONOMIC GROUP.

32.2. For the purposes of this CONTRACT, the direct holder of the power to CONTROL the CONCESSIONAIRE



is understood to be the person, individual or legal entity, or the group of persons linked by a voting agreement, or under common CONTROL, who is part of the direct shareholding structure of the CONCESSIONAIRE, and who meets the conditions indicated in the subparagraphs of article 116 of Federal Law No. 6.404/1976.

- 32.3. In order to obtain the GRANTOR's consent, in the cases required in this Clause, the applicant must submit to the GRANTOR a request for consent to the desired transfer, presenting at least the following information:
- I. explanation of the desired corporate operation and the proposed corporate structure for the time following the TRANSFER OF CONTROL;
 - II. documents related to the intended corporate operation, such as copies of the minutes of meetings of the partners or shareholders of the CONCESSIONAIRE, correspondence, audit reports and financial statements;
 - III. justification for the change of CONTROL;
 - IV. indication and qualification of the persons who will become the PARENT COMPANY(IES) or part of the CONTROL BLOCK of the CONCESSIONAIRE, as well as a list of the members of the management of the CONCESSIONAIRE and its PARENT COMPANY(IES);
 - V. a statement of the CONCESSIONAIRE's shareholding structure after the desired TRANSFER OF CONTROL operation;
 - VI. demonstration of the qualification of the companies that will become PARENT COMPANIES or will form part of the CONTROL BLOCK of the CONCESSIONAIRE, with the presentation of documents equivalent to the QUALIFICATION DOCUMENTS, which are necessary for the continued operation of the CONCESSION;
 - VII. express commitment from those who will become PARENT COMPANIES or will be part of the CONTROL BLOCK of the CONCESSIONAIRE, indicating that they will fully comply with all the obligations of this CONTRACT, as well as supporting the CONCESSIONAIRE in whatever is necessary for full and complete compliance with the obligations assigned to it;
 - VIII. a commitment by all those involved that the TRANSFER OF CONTROL transaction will be suspended until approval has been obtained from the competent bodies, including CADE, as appropriate in each specific case; and
 - IX. indication that the corporate change will not compromise the technical capacity, financial suitability and legal and fiscal regularity of the CONCESSIONAIRE.
- 32.4. Carrying out the corporate operations covered by this Clause, without obtaining the consent of the GRANTOR prior to formalizing the operation, shall result in the application of the sanctions provided for in this CONTRACT, and the GRANTOR may, in addition to the application of penalties:
- I. determine, when possible, that the bidder submit the relevant documentation and resolve any pending issues, even if they are untimely;
 - II. order the CONCESSIONAIRE to return to the status quo ante, either through action by the CONCESSIONAIRE itself, undoing the corporate change or practicing corporate acts that imply the return of the share capital to the company that originally held the shares, or, on the other



hand, through action by the GRANTOR itself, seeking the annulment of the corporate change, observing the provisions of article 35, item I, of Federal Law No. 8.934/1994; and

III. if it is not possible to overcome the defect in the alteration of the shareholding structure of the CONCESSIONAIRE or its PARENT COMPANIES, the decree of forfeiture of the CONCESSION, with the consequences provided for in this CONTRACT.

32.5. Acts modifying the shareholder structure of the CONCESSIONAIRE that do not involve a TRANSFER OF CONTROL are not subject to the prior consent of the GRANTOR.

32.6. The exercise of the prerogative of temporary administration by the lenders, provided for in article 27-A of Law 8.987/1995, is subject to the prior consent of the GRANTOR.

33. CONTRACTING WITH THIRD PARTIES

33.1. The CONCESSIONAIRE may contract with third parties for the development of MANDATORY INTERVENTIONS, other interventions and MANDATORY SERVICES and for the exploitation of ANCILLARY REVENUES, promoting broad visitation and public use of the CONCESSION AREA within the guidelines of the legislation and other applicable regulations and observing the guidelines of this CONTRACT and ANNEXES.

33.1.1. The hiring of third parties may not lead to a reduction in the quality or safety of the MANDATORY INTERVENTIONS, other interventions or MANDATORY SERVICES, or to a transfer of the CONCESSIONAIRE's position under this CONTRACT, and the CONCESSIONAIRE must remain responsible for these activities before the GRANTOR and third parties.

33.1.2. The CONCESSIONAIRE may not prevent or restrict the performance of activities by the GRANTOR or third parties designated by it in the CONCESSION AREA, subject to the terms set out in sub-clauses 12.1 to 12.2.

33.2. The CONCESSIONAIRE must inform the GRANTOR of the hiring of third parties.

33.2.1. The fact that the contract with the third party was known to the GRANTOR cannot be claimed by the CONCESSIONAIRE to exempt it from total or partial fulfillment of its obligations under the CONCESSION, or to justify any delay or change in costs, nor to claim any liability on the part of the GRANTOR.

33.3. The CONCESSIONAIRE shall be liable to the GRANTOR for all acts carried out by third parties with whom it contracts, and may not invoke any provision to the contrary.

33.4. Contracts between the CONCESSIONAIRE and third parties shall be governed by private law and shall not establish any relationship of any kind between the third parties and the GRANTOR, including in relation to labor, social security, tax and commercial charges.

33.5. In the event of the creation of a subsidiary of the CONCESSIONAIRE for the exploitation of any economic activity in the CONCESSION AREA, the revenues must be consolidated for the purpose of calculating the value of the CONDITIONAL GRANT and the value of the INSPECTION CHARGE.

33.6. The CONCESSIONAIRE is responsible for the labor, social security, tax and commercial charges resulting from the execution of the CONTRACT, as well as the hiring of third parties.



33.6.1. The CONCESSIONAIRE shall require subcontractors to prove that they have paid their taxes and social security contributions, and have complied with their labor obligations, as well as anything else that may be pertinent, and shall keep these documents under its custody and responsibility.

33.7. Any type of sub-concession is prohibited in relation to the goods and MANDATORY SERVICES that are the subject of this CONTRACT.

34. TECHNICAL RESPONSIBILITY

34.1. The MANDATORY SERVICES required for the perfect adaptation, exploitation, operation, conservation and maintenance of the CONCESSION AREA will be carried out under the technical responsibility of the professionals trained to do so, and the CONCESSIONAIRE will be fully responsible for the work of these professionals.

34.1.1. Substitution of technical managers is permitted, provided that they are professionals who also meet the TECHNICAL-PROFESSIONAL QUALIFICATION under the terms of the PUBLIC NOTICE, and the CONCESSIONAIRE must notify the GRANTOR within 5 (five) days of the substitution.

34.1.2. In the event of the above sub-clause, the GRANTOR may refuse the professional indicated by the CONCESSIONAIRE, within 5 (five) days, if they do not have the required qualifications.

34.2. The CONCESSIONAIRE shall be fully liable to the GRANTOR and third parties for compliance with the TECHNICAL-OPERATIONAL QUALIFICATION obligations described in this CONTRACT, regardless of whether it hires TECHNICAL ASSISTANT(S), as permitted by the PUBLIC NOTICE.

34.3. Once the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS has been issued, the technical-operational qualification described in sub-item 14.24 of the PUBLIC NOTICE will now correspond to investments of at least BRL 32,823,188.85 (thirty-two million, eight hundred and twenty-three thousand, one hundred and eighty-eight Brazilian reais and eighty-five cents) in infrastructure projects in any sector, as well as industrial, commercial or residential ventures, with their own resources or those of third parties, subject to the other conditions set out in the PUBLIC NOTICE.

34.4. The termination, replacement or alteration of the scope of the contract(s) or of the minimum conditions, described in APPENDIX M of ANNEX 4 to the PUBLIC NOTICE, with TECHNICAL ASSISTANT(S) will depend on the prior and express consent of the GRANTOR.

34.5. The contract between the CONCESSIONAIRE and the TECHNICAL ASSISTANT does not qualify as a sub-concession.

34.6. The CONCESSIONAIRE shall be liable, under the terms of the applicable legislation, for any damage caused to third parties, by itself or its administrators, employees, agents, service providers, contractors or subcontractors or any other individual or legal entity linked to it, in the exercise of the activities covered by the CONCESSION, and the GRANTOR shall not be held liable in any way whatsoever.

CHAPTER VI – INSURANCE AND GUARANTEES



35. GENERAL RULES

- 35.1. The PERFORMANCE GUARANTEE and the insurances listed in the INSURANCE PLAN, which must be contracted in a timely manner by the CONCESSIONAIRE to carry out the corresponding STAGES of MANDATORY INTERVENTIONS or to start the MANDATORY SERVICES, may not contain clauses excluding liability, other than those arising from a legal or regulatory requirement, and must indicate the GRANTOR as the beneficiary, assuring the latter the possibility of executing the insurance and guarantees by notifying the insurance company in accordance with the legislation in force regarding the CONCESSIONAIRE's default on a given guaranteed contractual obligation.
- 35.2. In order to effectively contract or formalize the documents that make up the insurance and guarantee structure for the investments to be made, directly or indirectly, by the CONCESSIONAIRE, the latter must submit to the GRANTOR, at least 10 (ten) days before the start of the provision of the MANDATORY SERVICES and 30 (thirty) days before the start of the corresponding MANDATORY INTERVENTION STAGES, all the documentation enabling the GRANTOR to agree in a timely manner to the signing of each of the documents required to constitute the insurance and guarantee structure indispensable for the start of each of the investments or operation of the MANDATORY SERVICES and activities.
- 35.3. Once approved, the insurance and guarantees must be contracted and necessarily renewed and kept in force, under the conditions previously agreed by the GRANTOR, for at least the entire period in which the principal obligation guaranteed subsists.
- 35.4. Any unfeasibility or unjustified difficulty in the execution of insurance and guarantees by the GRANTOR, in the cases that give rise to execution, may result in the forfeiture of the CONTRACT, under the terms set forth herein.

36. INSURANCE

- 36.1. The CONCESSIONAIRE shall, throughout the CONCESSION TERM, contract and maintain with a first class insurance company, duly authorized to operate in Brazil, the insurance policies necessary to cover the risks inherent to the development of the MANDATORY INTERVENTIONS and the provision of the MANDATORY SERVICES which are the object of the CONCESSION, according to availability in the Brazilian market and without prejudice to the insurance required by the applicable legislation, under penalty of forfeiture of the CONCESSION, pursuant to Clause 47.
 - 36.1.1. The INSURANCE PLAN, developed by the CONCESSIONAIRE in accordance with the guidelines set out in ANNEX 6 and presented as a condition of signing this CONTRACT, shall be reviewed periodically in order to be compatible with the need to make adjustments or new investments and shall comply with the regulations of the federal insurance standardization and inspection bodies in Brazil, and the imposition of additional and/or delaying procedures on the payment of guaranteed amounts is prohibited.
 - 36.1.2. The insurance policies contracted by the CONCESSIONAIRE must expressly contain a clause for the automatic recomposition of the insured amounts, on an unconditional basis, including for the Civil Liability Section, in compliance with the regulations of the federal bodies that regulate and supervise insurance in Brazil, unless this coverage is not available on the insurance market, which must be confirmed by a letter sent to the GRANTOR and signed by the competent entity.
 - 36.1.3. In the event of non-existence of coverage and/or the impossibility of automatic and unconditional recomposition of the amounts that would be the object of the insurance and/or



triggering of the aggregate limit clause of the policy, as indicated in the INSURANCE PLAN, the GRANTOR may demand alternatives to ensure the main obligations assumed by the CONCESSIONAIRE, which may be structured by means of a contract instrument containing provisions defined by the GRANTOR or suggested by the CONCESSIONAIRE and approved by the GRANTOR.

- 36.2. In the event of non-compliance by the CONCESSIONAIRE with the obligation to take out and maintain insurance policies in full force and effect, the GRANTOR, regardless of its power to decree intervention or the forfeiture of the CONCESSION under the terms of this CONTRACT, may proceed to take out and pay the respective premiums directly, with all costs being borne by the CONCESSIONAIRE, which must reimburse the GRANTOR, as the case may be, within 5 (five) business days of being notified, under penalty of interest on arrears of one percent (1%) per month and monetary restatement using the IPCA/IBGE *pro rata temporis*, from the date of the respective due date until the date of actual reimbursement, without prejudice to the use of the PERFORMANCE GUARANTEE to reimburse the costs of taking out said insurance, as well as the incidence of applicable penalties.

37. GUARANTEES PROVIDED BY THE CONCESSIONAIRE

- 37.1. The full and timely fulfillment of the obligations assumed by the CONCESSIONAIRE with the GRANTOR shall be guaranteed under the terms, amounts and conditions set forth in this Clause by means of a PERFORMANCE GUARANTEE.
- 37.1.1. As a condition of signing this CONTRACT, the CONCESSIONAIRE has provided the GRANTOR with a PERFORMANCE GUARANTEE corresponding to 10% (ten percent) of the ESTIMATED CONTRACT VALUE, to be held in favor of the GRANTOR until the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS is issued;
- 37.1.2. After the issue of the respective DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS relating to the MANDATORY INTERVENTIONS, the mandatory amount of the CONTRACT PERFORMANCE GUARANTEE shall correspond to 2.5% (two integers and five tenths of a percent) ESTIMATED CONTRACT VALUE.
- 37.1.2.1. The above amounts will be calculated based on the ESTIMATED CONTRACT VALUE, to be updated annually by the IPCA/IBGE, in the month of the CONTRACT anniversary.
- 37.1.2.2. Whenever the CONTRACT PERFORMANCE GUARANTEE is readjusted, the CONCESSIONAIRE shall supplement it and notify the GRANTOR of said supplementation within 10 (ten) days of the readjustment taking effect, so as to maintain the proportion set in this Clause unchanged, the absence of which will characterize a default on the part of the CONCESSIONAIRE and the appropriate penalties shall be applied.
- 37.1.2.3. In the case of sub-clause 13.5.10, the CONCESSIONAIRE remains obliged to maintain the guarantee in the percentage of 10% (ten percent) of the ESTIMATED CONTRACT VALUE until completion of the outstanding MANDATORY INTERVENTIONS and issuance of the DEFINITIVE TERM OF ACCEPTANCE OF THE MANDATORY INTERVENTIONS.
- 37.1.3. ORDINARY REVIEWS may give rise to new investments by the CONCESSIONAIRE, which may be taken into account for the purposes of adjusting the PERFORMANCE GUARANTEE.



- 37.2. Notwithstanding other cases provided for in this CONTRACT or in the legislation, the performance guarantee may be forfeited, in whole or in part, by the GRANTOR, following a regular administrative process, in the following circumstances:
- I. for the payment of amounts owed by the CONCESSIONAIRE to the GRANTOR, not spontaneously satisfied, due to the non-execution of any investment provided for in this CONTRACT or any amendments signed by both PARTIES, or improper execution, in disagreement with the specifications and deadlines established, in an unjustified manner, refusing or failing to correct the faults pointed out by the GRANTOR, in the manner established in this CONTRACT;
 - II. for the payment of amounts not spontaneously satisfied as a result of fines, indemnities or other penalties imposed thereon, in the form of this CONTRACT and within the established deadlines;
 - III. for the payment of amounts owed by the CONCESSIONAIRE to the GRANTOR, not spontaneously satisfied due to non-compliance with its contractual obligations;
 - IV. for the payment of amounts owed by the CONCESSIONAIRE to the GRANTOR, not spontaneously satisfied, by way of CONDITIONAL GRANT or INSPECTION CHARGE;
 - V. for the payment of amounts owed by the CONCESSIONAIRE to the GRANTOR, not spontaneously satisfied, in the event of the reversion of assets, if the REVERSIBLE ASSETS are not delivered to the GRANTOR, or to a third party indicated by it, in full technical and operational functionality, also considering the specifications of this CONTRACT, including in the event that it fails to correct the faults pointed out by the GRANTOR, in the manner established in this CONTRACT;
 - VI. to reimburse the amounts spent if the GRANTOR is held unduly responsible for any act or fact resulting from the actions of the CONCESSIONAIRE, its agents or subcontractors, including, but not limited to, environmental damage, civil, fiscal and labor liability, regulatory penalties, among others.
- 37.2.1. If the PERFORMANCE GUARANTEE is not sufficient to meet the obligations set out in sub-clause 37.2, the CONCESSIONAIRE shall be liable for the difference.
- 37.3. The documents that effectively formalize the PERFORMANCE GUARANTEE must be previously approved by the GRANTOR, under the terms of this CONTRACT, as well as any alterations, substitutions, renewals that may be necessary, and the CONCESSIONAIRE must, in any case, be responsible for the risks related to the failure to contract or the inadequate or insufficient contracting of the necessary guarantees.
- 37.4. The PERFORMANCE GUARANTEE may be offered and/or replaced, with the prior express consent of the GRANTOR, in one of the following ways, under the terms of article 96 of Federal Law No. 14.133/2021:
- I. security deposit in national currency;
 - II. collateral in National Treasury bonds;
 - III. guarantee insurance;
 - IV. bank guarantee; or



V. a combination of two or more of the methods listed in sections I to IV above.

- 37.5. The PERFORMANCE GUARANTEE offered may not contain any caveats that may hinder or prevent its execution, or that may raise doubts as to its feasibility, in compliance with the regulations of the federal insurance standardization and inspection bodies in Brazil, if offered in this form.
- 37.6. The CONCESSIONAIRE shall be solely responsible for the expenses incurred in providing the PERFORMANCE GUARANTEE.
- 37.7. The CONCESSIONAIRE is fully responsible for the maintenance and sufficiency of the PERFORMANCE GUARANTEE provided in this CONTRACT, and is also responsible for bearing all costs arising from its contracting.
- 37.8. The PERFORMANCE GUARANTEE, if provided in national currency, must be deposited in an account to be defined by the GRANTOR.
- 37.9. The PERFORMANCE GUARANTEE, if provided by Public Debt Securities of the National Treasury, must be provided at the nominal value of the securities, and may not be encumbered by a clause of unseizability, inalienability, non-transferability or compulsory acquisition.
- 37.10. Securities offered must be issued in book-entry form, registered in a centralized settlement and custody system authorized by the Central Bank of Brazil, with a market quotation and accompanied by proof of their current validity in terms of liquidity and value.
- 37.11. Only the following securities will be accepted:
- I. National Treasury Bills (LTN);
 - II. National Treasury Financial Bills (LFT);
 - III. National Treasury Notes Series B Principal (NTN-B Principal);
 - IV. National Treasury Notes Series B (NTN-B);
 - V. National Treasury Notes Series C (NTN-C); and
 - VI. National Treasury Notes Series F (NTN-F).
- 37.11.1. The PERFORMANCE GUARANTEE, if presented in the form of guarantee insurance, will be evidenced by the presentation of the insurance-guarantee policy, accompanied by proof of payment of the premium, where applicable, as well as a Certificate of Operational Good Standing issued by SUSEP, in the name of the insurer issuing the policy, valid for at least 12 (twelve) months.
- 37.11.1.1. When the type of insurance is guarantee insurance, the policy must be issued by an insurance company authorized to operate in Brazil and must be accompanied by proof that reinsurance has been contracted, under the terms of the legislation in force at the time of submission, with a minimum term of 12 (twelve) months.
 - 37.11.1.2. The policy must be in accordance with SUSEP Circular no. 662/2022, or another that may replace it, and may not include any clause exempting the



CONCESSIONAIRE or the insurer from liability, not even in its special or particular conditions, other than those arising from legal or regulatory requirements.

37.11.1.3. The special conditions or particular conditions of the respective policy must expressly state that it covers all the events described in sub-clause 37.2 of this CONTRACT, or, exceptionally, be accompanied by a declaration, signed by the insurer issuing the policy, attesting that the guarantee insurance submitted is sufficient to cover all the events described in sub-clause 37.2.

37.11.1.4. The PERFORMANCE GUARANTEE, when in the form of guarantee insurance, must cover all events occurring during its term, even if the claim is notified by the GRANTOR after the end of the term of the PERFORMANCE GUARANTEE has passed, and must cover the coverage hypotheses provided for in SUSEP Circular No. 662/2022, or any other that may amend or replace it, as well as the hypotheses of liability of the GRANTOR for any act or fact arising from the actions of the CONCESSIONAIRE, its agents or subcontractors, including, but not limited to, environmental damage, civil, tax and labor liability, regulatory penalties, among others.

37.11.2. The PERFORMANCE GUARANTEE, if presented in the form of a bank guarantee, must be issued by a financial institution duly constituted and authorized to operate in Brazil, must be presented in its original form and must be accompanied by proof of the powers of representation of the person responsible for signing the document, waive the benefit of order and have its value expressed in Brazilian reais.

37.11.3. The PERFORMANCE GUARANTEE, if provided via bank guarantee, must be valid for at least 1 (one) year from the date of contracting, and the CONCESSIONAIRE is fully responsible for carrying out any necessary renewals and updates, and must notify the GRANTOR of any renewals and updates carried out, under penalty of the applicable sanctions.

37.12. The CONCESSIONAIRE must submit to the GRANTOR a document proving the renewal and updating of the PERFORMANCE GUARANTEE at least 30 (thirty) days before the end of its term.

37.13. Whenever the PERFORMANCE GUARANTEE is forfeited, in whole or in part, the CONCESSIONAIRE shall be obliged to make up the full amount within 10 (ten) business days of notification by the GRANTOR.

37.13.1. If the replacement does not take place within the period specified in sub-clause 37.13, the GRANTOR may impose penalties on the CONCESSIONAIRE and, if necessary, declare the forfeiture of the CONTRACT, under the terms of Clause 47.

37.13.2. The renewal, in a timely manner to guarantee its continuity, as well as the replacement and periodic readjustment of the PERFORMANCE GUARANTEE, must be carried out by the CONCESSIONAIRE, regardless of prior notification from the GRANTOR to constitute default.

37.14. The CONCESSIONAIRE shall remain fully responsible for the fulfillment of the object of this CONTRACT, as well as for the other obligations inherent to it, including payments of fines, indemnities and other penalties that may be applied to it, observing, primarily, the satisfaction of the debt through the total or partial execution of the PERFORMANCE GUARANTEE.

37.15. When the CONCESSION is terminated, the PERFORMANCE GUARANTEE will only be released after proof that the CONCESSIONAIRE has paid any and all amounts owed to the GRANTOR.



38. FINANCING AND GUARANTEES TO LENDERS

- 38.1. The CONCESSIONAIRE is solely and exclusively responsible for obtaining the necessary FINANCING for the normal development of the MANDATORY SERVICES covered by the CONCESSION, in order to fully and timely comply with all the obligations assumed in this CONTRACT.
- 38.1.1. The CONCESSIONAIRE may not allege any provision, clause or condition of the Financing Contract(s), or any delay in the disbursement of funds, to exempt itself, in whole or in part, from the obligations assumed in this CONTRACT, the terms of which must be fully known to the financing institution(s).
- 38.1.2. In the financing contracts, the CONCESSIONAIRE may offer as collateral the rights arising from the CONCESSION, including, but not limited to, the right of ownership of the DOCKS property, the revenues arising from the commercial exploitation of the CONCESSION AREA and the ANCILLARY REVENUES.
- 38.2. The CONCESSIONAIRE's FINANCING contracts may grant the LENDERS, in accordance with the applicable rules of private law, the right to assume CONTROL of the CONCESSIONAIRE and/or the right to exercise temporary administration in the event of contractual default by the CONCESSIONAIRE of said FINANCING contracts or of this CONTRACT, subject to the provisions of art. 5, paragraph 2 of Federal Law no. 11.079/2004.

CHAPTER VII – SUPERVISION

39. SUPERVISION CONDUCTED

- 39.1. For carrying out the supervision of the CONCESSION, the GRANTOR shall be entitled to receive the INSPECTION CHARGE provided for in Clause 17.
- 39.2. The GRANTOR shall exercise full and complete supervision over this CONTRACT, the fulfillment of the obligations established herein, as well as over the CONCESSIONAIRE, having, in the exercise of supervision, free access, at any time, to the areas, facilities and locations related to the CONCESSION, to the books and documents related to the CONCESSIONAIRE, as well as to the books, records and documents related to the activities and MANDATORY SERVICES covered by the CONCESSION, data relating to the administration, accounting and technical, economic and financial resources of the CONCESSIONAIRE, and may request clarifications or modifications if it considers that there are any nonconformities with the obligations set out in the CONTRACT, in particular with regard to compliance with the PERFORMANCE INDICATORS and quality parameters established in this CONTRACT and its ANNEXES.
- 39.2.1. The GRANTOR may appoint, by means of a resolution, a committee to carry out supervision during the term of the contract, which shall meet periodically to monitor the contractual performance.
- 39.2.2. The CONCESSIONAIRE shall provide any clarifications formally requested within the established period.
- 39.2.3. Without prejudice to the supervision that is the object of this Clause, the GRANTOR may establish a schedule for inspecting and monitoring the execution of the MANDATORY INTERVENTIONS that are carried out in the CONCESSION AREA.



- 39.2.4. The supervision carried out by the GRANTOR does not exclude that of other public federal, state and municipal bodies and entities, within their respective spheres of competence, under the terms of the legislation in force.
- 39.3. The determinations pertaining to the MANDATORY SERVICES in which vices, defects and/or inaccuracies are found, which may be issued within the scope of the inspection, shall be immediately applicable and shall bind the CONCESSIONAIRE, without prejudice to the other consequences provided for in the contract and the provisions on the settlement of disputes established in this CONTRACT.
- 39.3.1. In the event of the CONCESSIONAIRE's refusal to comply with the determinations made by the GRANTOR, the latter may adopt, directly or through third parties, the measures necessary to remedy any irregularities found, with the respective costs being borne by the CONCESSIONAIRE, which may also be met by calling in the PERFORMANCE GUARANTEE or by offsetting against amounts owed to the CONCESSIONAIRE, without prejudice to the application of the relevant sanctions and penalties.
- 39.3.2. The supervision shall record the occurrences found in the inspections carried out at the CONCESSION, in the CONCESSION AREA and/or at the CONCESSIONAIRE, forwarding the INSPECTION NOTICE to the CONCESSIONAIRE to rectify the faults or defects found, without prejudice to the initiation of administrative sanctioning proceedings.
- 39.3.3. The administrative sanctioning process will follow the rite of State Law 15.612/2021, or any other law that may replace it.
- 39.3.4. The regularization of the faults pointed out in the INSPECTION REPORT does not remove the non-compliance and, consequently, the application of the corresponding penalty.
- 39.4. The supervision may also monitor the VERIFIER's work in verifying compliance with the PERFORMANCE INDICATORS by the CONCESSIONAIRE.
- 39.4.1. The GRANTOR may monitor the provision of MANDATORY SERVICES, and may request clarifications or modifications if it deems that there is any non-compliance with the obligations set out in the CONTRACT, in particular as regards compliance with the PERFORMANCE INDICATORS, current schedules and quality parameters established in this CONTRACT.
- 39.5. Without prejudice to the incidence of PERFORMANCE INDICATORS, the drawing up of an INSPECTION REPORT and the issuing of an INFRACTION NOTICE, the CONCESSIONAIRE is obliged to repair, correct, interrupt, suspend or replace, at its own expense and within the period stipulated by the GRANTOR, the MANDATORY SERVICES or activities pertaining to the CONCESSION in which defects and/or inaccuracies are found.
- 39.5.1. The GRANTOR may require the CONCESSIONAIRE to submit an action plan aimed at repairing, correcting, interrupting, suspending or replacing any service or activity carried out in a flawed, defective and/or incorrect manner in relation to the object of this CONTRACT, within a period to be established.
- 39.5.2. In the event of the CONCESSIONAIRE's failure to comply with the GRANTOR's instructions, the GRANTOR shall be entitled to correct the situation in order to remedy the defects and/or inaccuracies identified or to carry out the unfulfilled investment obligations, either directly or through a third party, including using the PERFORMANCE GUARANTEE provided for in the CONTRACT, with the respective costs being borne by the CONCESSIONAIRE.



The CONCESSIONAIRE's obligations to support supervision

- 39.6. In order for the GRANTOR to be able to properly monitor and supervise the contract and without prejudice to any other obligation to provide information established in this CONTRACT, in the applicable legislation or regulations, the CONCESSIONAIRE undertakes to:
- I. immediately inform the GRANTOR of any and all events that may jeopardize or prevent the punctual and timely fulfillment of the obligations arising from this CONTRACT, that may constitute cause for intervention in the CONCESSIONAIRE, for the declaration of forfeiture of the CONCESSION or for contractual termination, that may constitute a hypothesis of early maturity of the contracted FINANCING, or that may materially alter the normal development of the MANDATORY SERVICES or the operation of the CONCESSION;
 - a. The communication referred to in the above item must be presented in writing, in the form of a detailed report on the situation, and within the minimum period of time necessary to avoid jeopardizing the CONCESSION, including, where appropriate, the contribution of specialized entities, external to the CONCESSIONAIRE, with the measures taken or underway to overcome or remedy the situation.
 - II. submit, by August 31 of each year, an audited report on its accounting situation, including, among others, the Balance Sheet and Income Statement for the six-month period ending June 30 of the respective year;
 - III. present, by April 30 of each year, in compliance with the provisions of Federal Law No. 6.404/1976 and Federal Law No. 11.638/2007, the financial statements for the year ended December 31st of the immediately preceding year, including, among others, the Management Report, the Balance Sheet, the Statement of Accumulated Profits or Losses, the Statement of Income for the Year and the Statement of Cash Flows, the explanatory notes to the Balance Sheet, opinion and Working Papers of the Independent Auditors and the Fiscal Council of the CONCESSIONAIRE, if existing, and also, if the CONCESSIONAIRE is a Public Company, the Statement of Added Value;
 - IV. submit a monthly report to the GRANTOR with detailed information on visitation and GROSS REVENUE earned during the period. If the GRANTOR deems it necessary, it may establish standards and/or forms for the CONCESSIONAIRE to fill in this information;
 - V. present, within 90 (ninety) days after the end of each six-month period, updated information on the financial projections of the CONCESSION, understood as the set of projections of all financial elements related to the performance of the CONTRACT, considering the actual results obtained from the beginning of the CONCESSION until the semester ended and the projected results until the end of the CONCESSION TERM;
 - VI. submit, within 45 (forty-five) days of the end of each quarter, the accounting statements in accordance with corporate legislation, as well as the monthly closing balance sheets, duly signed by the accountant responsible;
 - VII. submit to the GRANTOR, on a quarterly basis, an updated schedule of activities related to the execution of interventions in the CONCESSION AREA, including a list of completed works, works in progress, indicating the respective stage and forecast of completion, and works to be started; and



VIII. submit a quarterly report on the measures taken to resolve VISITOR complaints forwarded by the GRANTOR, as well as the time taken to implement them.

40. ACTS DEPENDENT ON PRIOR CONSENT OR COMMUNICATION TO THE GRANTOR

Hypotheses requiring the prior consent of the GRANTOR

- 40.1. The following acts may be carried out by the CONCESSIONAIRE, subject to the GRANTOR's prior consent, without prejudice to the other hypotheses provided for in this CONTRACT and in the applicable legislation and regulations, under penalty of the application of sanctions, which may even lead to the declaration of the CONCESSION's forfeiture:
- I. merger, incorporation, spin-off, transformation or any form of corporate restructuring that involves TRANSFER OF CONTROL;
 - I. sale of CONTROL or transfer of the CONCESSIONAIRE, operated by LENDERS and/or Guarantors, for the purposes of financial restructuring of the CONCESSIONAIRE;
 - II. creation of subsidiaries;
 - III. reduction of the share capital of the Special Purpose Company below the minimum established in this CONTRACT, with the exception of the reductions authorized by sub-clause 31.2.5;
 - IV. contracting or altering the insurance coverage, the contracted insurance company and/or the guarantees contracted by the CONCESSIONAIRE and related to this CONTRACT, even those contracted as a result of the provisions established in the ORDINARY REVIEW procedure; and
 - V. the sale, encumbrance or transfer, of any kind, of REVERSIBLE ASSETS by the CONCESSIONAIRE to third parties, including its LENDERS or guarantors.
- 40.2. The request for prior consent must be presented by the CONCESSIONAIRE sufficiently in advance to allow due analysis and manifestation by the GRANTOR, in a timely and reasonable manner, taking care not to compromise the operation(s) undertaken by the CONCESSIONAIRE which depends on authorization from the GRANTOR.
- 40.3. The request for prior consent submitted by the CONCESSIONAIRE must be accompanied by the relevant documentation to characterize and explain the intended operation, and other documents that may be required by the GRANTOR, especially those that are necessary to prove that the continuity and quality of the provision of the MANDATORY SERVICES under this CONTRACT will not be compromised.

Operations and situations that must be reported to the GRANTOR

- 40.4. The following acts and operations carried out by the CONCESSIONAIRE are subject to notification to the GRANTOR within 15 (fifteen) days of their completion, under penalty of the sanctions described in this CONTRACT:
- I. changes in the shareholder composition of the CONCESSIONAIRE that do not imply a TRANSFER OF CONTROL;
 - II. changes to the voting agreements applicable to any CONTROL BLOCK, provided that they do



not imply a TRANSFER OF CONTROL;

- III. the imposition of penalties on the CONCESSIONAIRE, by any body or entity that has the power to do so, especially with regard to non-compliance with tax, social security, occupational safety and medicine obligations, or applied by anybody with the power to regulate and inspect the activities of the CONCESSIONAIRE, or even environmental penalties;
- IV. replacement of the CONCESSIONAIRE'S TECHNICAL MANAGER;
- V. loss of any condition essential to the provision of the MANDATORY SERVICES by the CONCESSIONAIRE;
- VI. request for judicial reorganization; and
- VII. subcontracting or outsourcing of MANDATORY INTERVENTIONS and MANDATORY SERVICES related to the exploitation of revenues and the fulfillment of the charges provided for in this CONTRACT and ANNEXES.

41. PENALTIES

- 41.1. Failure to comply with this CONTRACT and its ANNEXES shall give rise to the application of the penalties provided for in this Clause and in the other applicable legal provisions, except in the event of a conflict, in which case the contractual provisions shall prevail.
- 41.2. The GRANTOR, with the right to an adversarial proceeding and a full defense, may apply the following sanctions to the CONCESSIONAIRE for partial or total non-fulfillment of the obligations established in this CONTRACT, taking into account the nature and seriousness of the fault:
 - 41.2.1. a formal written warning for failure to comply with an obligation that does not justify the application of another sanction provided for in this CONTRACT, which shall be issued together with a determination to adopt the necessary corrective measures;
 - 41.2.2. administrative fine;
 - 41.2.3. temporary suspension of participation in bidding and impediment to contracting with the State Public Administration, for a period not exceeding 3 (three) years; and
 - 41.2.4. declaration of ineligibility to bid or contract with the PUBLIC ADMINISTRATION, for the duration of the reasons determining the punishment or until rehabilitation is promoted before the GRANTOR.
- 41.3. When applying penalties, the GRANTOR shall take into account the peculiarities of the specific case and the following circumstances, with a view to ensuring their proportionality:
 - 41.3.1. the nature and seriousness of the infraction;
 - 41.3.2. the damage resulting from the infraction to VISITORS, the environment, the GRANTOR and the CAIS MAUÁ facilities;
 - 41.3.3. the advantages obtained by the CONCESSIONAIRE as a result of the infraction;
 - 41.3.4. the economic and financial situation of the CONCESSIONAIRE, in particular its capacity to



honor financial commitments, generate revenue and maintain the execution of the CONTRACT; and

41.3.5. the CONCESSIONAIRE's track record, including the implementation or improvement of an integrity program and any repeat offenses, which are considered for the purposes of this CONTRACT to be the proven commission of the same infraction within a period of 3 (three) years.

41.4. The seriousness of the faults will observe the following scale:

41.4.1. the infraction will be considered minor when it arises from involuntary or reparable conduct by the CONCESSIONAIRE and, in all cases, from which it does not benefit and which does not cause damage to the GRANTOR, VISITORS, the environment or facilities in the CONCESSION AREA;

41.4.1.1. Committing a minor infraction will result in the following penalties being applied:

- I. a written warning, which will be issued, where appropriate, together with a determination to adopt the necessary corrective measures; or
- II. a fine of up to 0.1% (one tenth of one percent) of the ESTIMATED CONTRACT VALUE in the event of a repeat of the same conduct characterized as a minor infraction.

41.4.2. the infraction will be considered medium when it arises from irreparable conduct, but carried out for the first time by the CONCESSIONAIRE, without bringing it any benefit or advantage and which does not cause damage to the GRANTOR, VISITORS, the environment or facilities in the CONCESSION AREA;

41.4.2.1. Committing a medium infraction will result in the following penalties being applied, either separately or concurrently:

- I. a written warning, which will be issued, where appropriate, together with a determination to adopt the necessary corrective measures; or
- II. a fine of up to 0.15% (fifteen hundredths of a percent) of the ESTIMATED CONTRACT VALUE.

41.4.3. the infraction will be considered serious when the GRANTOR finds that one of the following factors is present:

- I. the CONCESSIONAIRE acted in bad faith;
- II. the infraction results in a direct or indirect benefit for the CONCESSIONAIRE;
- III. the CONCESSIONAIRE is a repeat offender; or
- IV. there is significant economic damage to the GRANTOR or structural damage to CAIS MAUÁ.

41.4.3.1. Committing an infraction of a serious nature will result in the following penalties being applied, either separately or concurrently:



- I. a fine of up to 2% (two percent) of the ESTIMATED CONTRACT VALUE, which shall also be imposed, where appropriate, together with a determination to adopt the necessary corrective measures;
 - II. temporary suspension of participation in bidding and impediment to contracting with the State Public Administration, for a period not exceeding 2 (two) years;
 - III. declaration of ineligibility to bid or contract with the PUBLIC ADMINISTRATION, for the duration of the reasons determining the punishment or until rehabilitation is promoted before the GRANTOR.
- 41.5. Without prejudice to the application of the penalties provided for in the previous sub-clauses, the CONCESSIONAIRE's repeated breach of contract over time shall give the GRANTOR the prerogative to impose a moratorium fine, observing the following intervals;
- 41.5.1. 0.005% (five thousandths of a percent) of the value of the CONCESSIONAIRE's annual turnover, per day, until the situation that characterizes a minor infraction is effectively regularized;
 - 41.5.2. 0.015% (fifteen thousandths of a percent) of the CONCESSIONAIRE's annual turnover, per day, until the situation that characterizes a medium infraction is effectively regularized; and
 - 41.5.3. 0.025% (twenty-five thousandths of a percent) of the value of the CONCESSIONAIRE's annual turnover, per day, until the situation that characterizes a serious infraction is effectively regularized;
- 41.6. Once the specific conduct described in this sub-clause has been verified, the penalties provided for in sub-clauses 41.4 and 41.5 shall not be applied and the CONCESSIONAIRE shall be subject exclusively to the following penalties:
- 41.6.1. In the event of delays in complying with the agreed deadlines for carrying out the MANDATORY INTERVENTIONS and redoing poorly executed works, as long as they are not attributable to the GRANTOR, a moratorium fine will be applied, calculated according to the following formula:

Moratorium fine (per day of delay) = 0.1 % x Total value of work
 - 41.6.2. Fine per event, amounting to 4% (four percent) of the ESTIMATED CONTRACT VALUE for non-compliance with MANDATORY INTERVENTIONS provided for in ANNEX 2, as long as they are not attributable to the GRANTOR, with the exception of non-compliance with STAGE, as per sub-clause 41.6.12;
 - 41.6.3. A fine per event, amounting to 0.5% (five tenths of a percent) of the ESTIMATED CONTRACT VALUE for failure to meet the minimum targets of the PERFORMANCE INDICATORS set out in ANNEX 5;
 - 41.6.4. A fine per event, amounting to 5% (five percent) of the ESTIMATED CONTRACT VALUE, for failure to activate the CONTAINMENT BARRIER or the alternative containment system in the event of activation by the competent public authority;



- 41.6.5. A daily fine of 0.04% (four hundredths of a percent) of the ESTIMATED CONTRACT VALUE, for late deposit of the amount due as CONDITIONAL GRANT, INSPECTION CHARGE or installments referred to in sub-clause 14.4;
- 41.6.6. A fine per event, amounting to 3% (three percent) of the ESTIMATED CONTRACT VALUE, in the event of an error or omission to update the INVENTORY of REVERSIBLE ASSETS;
- 41.6.7. A fine per event, amounting to 3% (three percent) of the ESTIMATED CONTRACT VALUE, in the event of an error or omission in updating the INSURANCE or PERFORMANCE GUARANTEE policies;
- 41.6.8. A fine per event, amounting to 1% (one percent) of the ESTIMATED CONTRACT VALUE, for failure to comply with the obligation to submit the PROJECTS;
- 41.6.9. A fine per event, amounting to 3% (three percent) of the ESTIMATED CONTRACT VALUE, for carrying out corporate operations without obtaining prior consent from the GRANTOR;
- 41.6.10. A daily fine of 0.04% (four hundredths of a percent) of the ESTIMATED CONTRACT VALUE, in the event of the CONCESSIONAIRE'S failure to comply with the determinations arising from the inspection or to deliver the QUARTERLY PERFORMANCE REPORT to the GRANTOR on time;
- 41.6.11. A fine per event, amounting to 4% (four percent) of the ESTIMATED CONTRACT VALUE, for the exploitation of ANCILLARY REVENUES without authorization from the GRANTOR, except in the cases provided for in this CONTRACT; and
- 41.6.12. A fine of 10% (ten percent) of the ESTIMATED CONTRACT VALUE, in the event of irreversible non-compliance with any of the STAGES relating to the MANDATORY INTERVENTIONS or in the event of non-compliance with the obligation provided for in sub-clause 13.5.9 in relation to the constitution of easements in favor of the GRANTOR.
- 41.7. The amounts of the fines referred to in this Clause shall be readjusted by the IPCA/IBGE from the date the CONTRACT is signed.
- 41.8. The fines provided for in sub-clause 41.6.1 shall be applied considering the date on which the CONCESSIONAIRE became aware of the non-compliance as the starting point for the default, and the date of the effective correction of the breach of contract or the date on which the defaulted obligation was altered as the end point.
- 41.9. The sanctions of temporary suspension from participating in bidding and impediment of contracting with the STATE and the declaration of unsuitability are the exclusive responsibility of the GRANTOR, ensuring the defense of the interested party in the respective process, in compliance with State Decree No. 42.250/2003.
 - 41.9.1. The sanction of declaring unsuitability to bid or contract with the Public Administration, in the cases established in Decree No. 42.250/2003 and subsequent amendments, will last as long as the reasons determining the punishment exist or until rehabilitation is promoted before the very authority that applied the penalty.
 - 41.9.2. Rehabilitation will be granted whenever the CONCESSIONAIRE remedies the default, settles the penalties imposed and compensates the GRANTOR for the damage caused.
- 41.10. The sanctions of temporary suspension from participating in bids and impediment from contracting



with the State of Rio Grande do Sul and a declaration of unsuitability lead to the inclusion of the CONCESSIONAIRE in the Registry of Suppliers Prevented from Bidding and Contracting with the State Public Administration – CFIL/RS.

- 41.11. The penalties provided for in this Clause may also apply to the PARENT COMPANIES of the CONCESSIONAIRE, who exercised CONTROL at the time of the unlawful act giving rise to the penalty, upon proof that the CONTROLLER used the legal personality of the CONCESSIONAIRE with abuse of rights and for the purpose of causing serious and irreversible default of the CONCESSION CONTRACT.
- 41.12. The proof referred to in sub-clause 41.11 must be provided in a specific administrative process in which the CONCESSIONAIRE and the PARENT COMPANIES are afforded full defense and adversarial proceedings.
- 41.13. The CONCESSIONAIRE shall not be liable for any failure to comply with the provisions of this CONTRACT when it is proven that the failure was due to a third-party event, an administrative event, unforeseeable circumstances or force majeure.
- 41.14. Without prejudice to the imposition of penalties, serious infractions may result in the forfeiture of the CONCESSION.
- 41.15. The pecuniary sums resulting from the application of fines and financial compensation shall be paid to the GRANTOR, by means of a deposit in current account no. [--], branch [--], of the Banco Estadual do Rio Grande do Sul.
- 41.15.1. By agreement between the PARTIES, the fine or financial compensation may be converted into investments to be made for the benefit of the CONCESSION, subject to their proportionality and purpose.
- 41.15.2. Any benefit received by the CONCESSIONAIRE as a result of the practice of an act considered to be an infraction must be passed on to the GRANTOR, in order to avoid unlawful enrichment of the CONCESSIONAIRE, without prejudice to the applicable penalty.
- 41.16. When the fines referred to in this Chapter are based on the CONCESSIONAIRE's annual turnover, the value of the GROSS REVENUE for the year prior to the infraction will be considered, with the exception of the first year of the CONCESSION, which will be based on the amount of 1% (one percent) of the updated ESTIMATED CONTRACT VALUE.
- 41.17. The fines provided for in this Clause, applied each year, taking into account the date of the infraction, may not exceed the limit of 5% (five percent) of the value of the CONCESSIONAIRE's gross annual turnover for the year immediately prior to the application of the penalties, or the estimated value for the first year, when the delay occurs before the first billing calculation.
- 41.17.1. In the event that the sum of the fines imposed exceeds the limit in the previous sub-clause, the amount of the fines shall be collected in the year following that in which the penalty was imposed.
- 41.17.2. The rule set out in sub-clause 41.17 shall not apply in the event of the fine set out in sub-clause 41.6.12, in the amount of 10% (ten percent) of the ESTIMATED CONTRACT VALUE.
- 41.18. The application of penalties is not to be confused with the measurement of PERFORMANCE INDICATORS and their consequences.



41.19. In the case of a continuous infraction related to the same event, it is permissible for the competent body to initiate administrative proceedings to impose a fine for each period of 30 (thirty) calendar days of delay, so that it can be collected periodically.

Penalty application procedure

41.20. The GRANTOR shall notify the CONCESSIONAIRE, in a justified manner, of any irregularity in the fulfillment of contractual obligations for the purpose of correction, within the time limit set, under penalty of the sanctions provided for in this CONTRACT.

41.20.1. In the event of a fine being imposed, the CONCESSIONAIRE may submit a prior defense within 15 (fifteen) business days from the date on which it is notified, in accordance with the provisions of art. 157 of Federal Law 14.133/2021.

41.20.2. Within the period set for prior defense, the CONCESSIONAIRE may arrange for due diligence and technical analysis, and submit documents and reports on the matter in question.

41.20.3. In the event of the application of a temporary suspension of participation in bidding and impediment to contracting with the State Public Administration or a declaration of unsuitability, it will be necessary to initiate a process of accountability, to be conducted by a commission composed of 2 (two) or more stable civil servants, who will evaluate known facts and circumstances and summon the CONCESSIONAIRE to, within 15 (fifteen) business days from the date of summons, present a written defense and specify the evidence it intends to produce, in accordance with the provisions of art. 158 of Federal Law No. 14.133/2021.

41.20.4. In the event that a request for the production of new evidence or the gathering of evidence deemed indispensable by the commission is granted, the CONCESSIONAIRE may present final arguments within 15 (fifteen) business days, counting from the date of the summons, in accordance with art. 158, paragraph 2 of Federal Law No. 14.133/2021.

41.20.5. When the penalty arises from non-compliance with the initial or intermediate deadlines for MANDATORY INTERVENTIONS, the GRANTOR may accept a new schedule for the MANDATORY SERVICES not yet carried out, in order to allow the missed deadline to be recovered, provided that the final date of the schedule originally foreseen is not altered.

41.21. The notification, application or enforcement of a sanction does not exempt the CONCESSIONAIRE from correcting the corresponding fault.

41.22. The decision to impose a sanction may be appealed to the authority that issued the appealed decision, within 15 (fifteen) business days from the date of notification, with the exception of the declaration of unsuitability to bid or contract with the PUBLIC ADMINISTRATION, of which a request for reconsideration will be made to the GRANTOR's superior hierarchical authority within 15 (fifteen) business days from the date of notification, in accordance with the provisions of articles 166 and 167 of Federal Law No. 14.133/2021.

41.22.1. In the event of an appeal, if the authority upholds the content of the appealed decision, within 5 (five) business days it must forward the appeal with its reasons to the higher authority, which must issue its decision within a maximum of 20 (twenty) business days from receipt of the case file.

41.22.2. In the event of a request for reconsideration, the higher authority must issue its decision within a maximum of 20 (twenty) business days from receipt of the case file.



- 41.23. In any sanctioning procedure provided for in this Clause, if the CONCESSIONAIRE chooses to recognize that the infraction has been committed by the end of its first deadline for manifestation and does not present a prior defense, it may pay the fine at a discount of 40% (forty percent) of its value.
- 41.23.1. If the CONCESSIONAIRE chooses to acknowledge the infraction by the end of the period for filing an administrative appeal and does not file an appeal, it may pay the fine at a discount of 15% (fifteen percent) of its value.
- 41.24. Fines must be paid within 3 (three) business days of publication of the final decision in the DOE/RS.
- 41.24.1. If payment is not made within the period indicated in the sub-clause above, in addition to the automatic application of default interest, the amount of the fine shall be deducted from the PERFORMANCE GUARANTEE.
- 41.25. If the fine imposed exceeds the CONTRACT PERFORMANCE GUARANTEE, the CONCESSIONAIRE shall bear the difference.
- 41.25.1. Any debts arising from administrative proceedings for the imposition of fines which have become final and have not been paid by the CONCESSIONAIRE and which are not covered by the PERFORMANCE GUARANTEE may be registered with the STATE CADIN until they are actually paid.
- 41.26. The GRANTOR may take urgent precautionary measures in situations where there is a risk of serious damage to the REVERSIBLE ASSETS or to VISITORS to CAIS MAUÁ.

CHAPTER VIII – INTERVENTION

42. INTERVENTION

- 42.1. The GRANTOR may, without prejudice to the applicable penalties and liabilities, intervene in the CONCESSION at any time to ensure the regularity and adequacy of the MANDATORY INTERVENTIONS, the continuity of the management and operation of CAIS MAUÁ and/or compliance by the CONCESSIONAIRE with the relevant contractual, regulatory and legal rules, in the following cases:
- I. cessation or interruption, in whole or in part, of the execution of the works relating to the MANDATORY INTERVENTIONS or of the provision of services and activities covered by this CONTRACT, by the CONCESSIONAIRE;
 - II. serious deficiencies in the organization of the CONCESSIONAIRE that compromise the due fulfillment of the obligations assumed within the scope of the CONCESSION;
 - III. serious deficiencies in the performance of the activities covered by this CONTRACT;
 - IV. situations in which the operation of the CONCESSION AREA by the CONCESSIONAIRE offers risks to the continuity of the adequate provision of the MANDATORY SERVICES contracted;
 - V. situations that put the environment, the safety of people or goods, the treasury or public or population health at risk;
 - VI. serious and/or repeated non-compliance with the obligations of this CONTRACT;



- VII. failure to present or renew the insurance policies necessary for the full and regular performance of the contract;
 - VIII. repeated inadequate or inefficient performance by the CONCESSIONAIRE, in the execution of the contractual object, based on the PERFORMANCE INDICATORS, according to ANNEX 5; and
 - IX. use of the CONCESSION's infrastructure for illicit purposes.
- 42.1.1. The GRANTOR's decision to intervene in the CONCESSION, when one of the situations set out in sub-clause 42.1 is present, involves a judgment of convenience and opportunity on the part of the GRANTOR, and the GRANTOR may, in view of the peculiarities of the situation, decide to apply other measures set forth in the CONTRACT which, in its judgment, better serve the public interest, such as the application of penalties or the decreeing of forfeiture of the CONCESSION, when admissible.
 - 42.1.2. If any situation arises that may give rise to intervention in the CONCESSION, the GRANTOR must notify the CONCESSIONAIRE so that, within the deadline set, it can remedy the indicated irregularities, without prejudice to the application of applicable penalties, if concluded.
 - 42.1.2.1. If the time limit has elapsed without the CONCESSIONAIRE remedying the irregularities or taking measures which, at the discretion of the GRANTOR, demonstrate an effective intention to remedy them, the latter shall propose the decree of intervention to the Governor of the State of Rio Grande do Sul.
 - 42.2. Intervention in the CONCESSION will be carried out through a motivated act of the Governor of the State of Rio Grande do Sul, duly published in the DOE/RS, indicating, at a minimum, the reasons for the intervention, the designation of the intervener, the term and limits of the intervention.
 - 42.3. Intervention automatically implies the compulsory and temporary transfer of the administration of the CONCESSIONAIRE to the intervener.
 - 42.3.1. The intervener must be a suitable professional with proven technical knowledge to promote the objectives of the intervention.
 - 42.3.2. The function of the intervener may be carried out by a member of the GRANTOR's staff, a specifically appointed person, a collegiate body or companies, with the CONCESSIONAIRE assuming the costs of the respective compensation.
 - 42.4. Once the intervention is decreed, the GRANTOR, within 30 (thirty) days, will initiate an administrative procedure to determine the respective responsibilities and prove the causes giving rise to the intervention, ensuring the CONCESSIONAIRE the right to due legal process, especially the right to full defense and an adversarial proceeding.
 - 42.4.1. The aforementioned administrative procedure must be concluded within a maximum of 180 (one hundred and eighty) days, otherwise the intervention will be invalidated.
 - 42.5. With the intervention, the CONCESSIONAIRE undertakes to immediately make available to the GRANTOR the CONCESSION AREA, the CONCESSION ASSETS, with the exception of the property corresponding to the DOCKS, and all that is necessary for the full provision of the MANDATORY SERVICES that are the object of the CONTRACT.



- 42.6. During the intervention period, GROSS REVENUE will be collected in the manner defined by the intervener or by the intervention act.
- 42.6.1. The revenues obtained during the intervention period will be used to cover the charges necessary for the normal development of the activities corresponding to the purpose of the CONTRACT, as well as the payment of insurance and guarantee costs, financing costs and reimbursement of administration costs.
- 42.7. Any additional costs arising from the intervention will be borne by the CONCESSIONAIRE, and the GRANTOR may use the PERFORMANCE GUARANTEE to obtain the missing resources to cover the expenses necessary for the continued proper functioning, maintenance and operation of the CONCESSION AREA, under an intervention regime.
- 42.7.1. If the PERFORMANCE GUARANTEE is not sufficient, the CONCESSIONAIRE shall reimburse the GRANTOR.
- 42.8. Once the intervention has ceased, if the CONCESSION is not terminated, the provision of the MANDATORY SERVICES which are the object of this CONTRACT shall once again be the responsibility of the CONCESSIONAIRE, and any surplus revenue earned during the intervention period shall be transferred to it, preceded by the rendering of accounts by the intervener, who shall be liable for the acts carried out during its management, with the CONCESSIONAIRE resuming possession of the assets which had been taken over by the intervener and the exercise of the contractual position, rights and obligations inherent in such provision.
- 42.9. Intervention is not a cause for the termination or suspension of any obligation of the CONCESSIONAIRE towards third parties, including LENDERS.
- 42.10. If it is proven that the legal and regulatory requirements for decreeing the intervention were not observed, its nullity will be declared, and the service must immediately return to the CONCESSIONAIRE, without prejudice to the rendering of accounts by the intervener and any compensation that may be applicable.
- 42.11. The GRANTOR shall indemnify the CONCESSIONAIRE for any direct damage caused during the intervention period.

CHAPTER IX – TERMINATION OF CONTRACT

43. HYPOTHESES FOR TERMINATION OF THE CONTRACT

- 43.1. The CONCESSION shall be terminated by:
- I. advent of the contractual term;
 - II. takeover;
 - III. forfeiture;
 - IV. termination;
 - V. annulment resulting from a non-correctable defect or irregularity found in the procedure or in the act granting it;



- VI. bankruptcy or extinction of the CONCESSIONAIRE, or judicial reorganization, in the latter case, which jeopardizes the execution of the CONTRACT;
 - VII. unforeseeable circumstances and force majeure addressed in this Chapter; and
 - VIII. amicable termination.
- 43.2. In the event of termination of the CONCESSION, the GRANTOR may, depending on the event leading to termination of the CONTRACT and in accordance with the provisions of this Chapter:
- I. take over, directly or indirectly, the operation of the CONCESSION AREA, in the location and state in which it is located;
 - II. occupy and use the premises, facilities, equipment, materials and personnel employed in the provision of the MANDATORY SERVICES, necessary for their continuity;
 - III. apply the applicable penalties; and
 - IV. retain and enforce the PERFORMANCE GUARANTEE to collect administrative fines and compensation for losses caused by the CONCESSIONAIRE.
- 43.3. When the CONCESSION is terminated, the activities covered by this CONTRACT and the REVERSIBLE ASSETS will be immediately taken over by the GRANTOR, and the relevant assets and rights will be reverted, under the terms of Clause 52.
- 43.3.1. In the event provided for in sub-clause 43.3, the GRANTOR may maintain the contracts signed by the CONCESSIONAIRE with third parties for the term and under the conditions initially agreed, subject to the legislation in force.
- 43.4. The GRANTOR may call for a new bid for the object of the CONTRACT, assigning the future winner the burden of paying the indemnity directly to the LENDERS of the former CONCESSIONAIRE, or directly to the latter, as the case may be.
- 43.4.1. The provisions of sub-clause 43.4 do not exclude or jeopardize the CONCESSIONAIRE's right to adopt collection measures from the moment the indemnity becomes due and until it is paid.
- 43.4.2. During the term of the CONTRACT, the CONCESSIONAIRE shall authorize the entry into the CONCESSION AREA, by the GRANTOR or third parties, to carry out studies or technical visits aimed at promoting or continuing bidding processes, observing, where appropriate, rules or procedures established by the CONCESSIONAIRE to mitigate any impacts that such entries may cause to the activities developed in the CONCESSION AREA.
- 43.5. Throughout the last five years of the CONCESSION, the GRANTOR, upon 15 (fifteen) days' notice to the CONCESSIONAIRE, may authorize third parties to carry out studies and field research for the purposes of structuring new bidding procedures, carrying out new works or other purposes of public interest relating to the CONCESSION AREA.

44. ADVENT OF THE CONTRACTUAL TERM

- 44.1. The CONCESSION shall be extinguished when the end of the CONCESSION TERM occurs and,



consequently, the contractual relations between the PARTIES shall come to an end, with the exception of those expressly provided for in this CONTRACT and post-contractual obligations attributed to the CONCESSIONAIRE and the GRANTOR.

- 44.2. Upon the advent of the contractual term, without prejudice to any subrogation of the SUCCESSOR in ongoing contracts, the CONCESSIONAIRE shall be entirely and exclusively responsible for the termination of any contractual relations entered into with third parties to which it is a party, and the GRANTOR shall not assume any liability or burden in relation to such hiring.
- 44.3. The GRANTOR shall not assume, except in the event of exercising the prerogative to subrogate to contracts entered into by the CONCESSIONAIRE, any liability or burden in relation to contracts entered into by the CONCESSIONAIRE, and no compensation shall be due to the CONCESSIONAIRE or third parties for the termination of such contractual relations.
 - 44.3.1. The CONCESSIONAIRE shall take the necessary measures to facilitate negotiations between the GRANTOR and the third parties it contracts in order to guarantee the possibility of exercising the prerogative mentioned in sub-clause 44.3.
- 44.4. It is the obligation of the CONCESSIONAIRE to cooperate with the GRANTOR so that there is no interruption in the provision of the MANDATORY SERVICES or the visitation of the CONCESSION AREA, with the advent of the contractual term and consequent termination of this CONTRACT, and must, for example, cooperate in the training of the GRANTOR's civil servants, or another entity of the PUBLIC ADMINISTRATION indicated by it, or any SUCCESSOR, collaborating in the transition and in what is necessary for the continuity of the exploitation and maintenance of the REVERSIBLE ASSETS, safeguarding duly justified situations of business secrecy with the agreement of the GRANTOR.
- 44.5. Two years before the end of the CONCESSION TERM, the CONCESSIONAIRE shall submit the DEMOBILIZATION PLAN to the GRANTOR for appraisal and approval, in accordance with sub-clause 54.1.
- 44.6. In the last ORDINARY REVIEW prior to the end of the CONCESSION TERM, the PARTIES must foresee any investments necessary for demobilization, and it is certain that such investments must be amortized by the end of the CONCESSION TERM.
- 44.7. Upon termination of the contract, the CONCESSIONAIRE shall not be entitled to any indemnity with respect to investments in REVERSIBLE ASSETS.

45. GENERAL RULES ON COMPENSATION

- 45.1. In the event of early termination of this CONTRACT, the CONCESSIONAIRE shall be entitled to indemnification, which shall cover the portions of the investments made and linked to REVERSIBLE ASSETS, not yet amortized or depreciated, and shall consider, for the purposes of calculating the indemnification, the methodological assumptions contained in this Clause.
 - 45.1.1. The amortization method used in the calculation will be the straight-line method (constant amortization), considering the recognition of the REVERSIBLE ASSET and the shorter of (I) the term of the CONTRACT, or (II) the useful life of the respective REVERSIBLE ASSET.
 - 45.1.2. Any amounts accounted for as interest and other financial expenses during the realization of the investments will not be taken into account.
 - 45.1.3. Any amounts accounted for as pre-operational expenses, considered to be those incurred



prior to the formal establishment of the CONCESSIONAIRE, shall not be taken into account.

- 45.1.4. Any amounts booked as construction margin will not be taken into account.
- 45.1.5. Any acquisition goodwill will not be taken into account.
- 45.1.6. Only costs and expenses accounted for and carried out by the CONCESSIONAIRE itself shall be taken into account, and any costs and expenses carried out by shareholders or RELATED PARTIES of the CONCESSIONAIRE, even if for the benefit of the activities carried out in the CONCESSION AREA, shall not be considered.
- 45.1.7. Any amounts booked as CONDITIONAL GRANT or INSPECTION CHARGES will not be taken into account.
- 45.1.8. The value of the installments of investments linked to REVERSIBLE ASSETS that have not yet been amortized or depreciated will be calculated from the CONCESSIONAIRE's intangible and/or financial assets, with the end date being the date of notification of the termination of the CONTRACT to the CONCESSIONAIRE, in accordance with Technical Interpretation ICPC 01 (R1), related pronouncements and guidelines, as well as their respective revisions, all issued by the CPC, duly updated in accordance with the IPCA/IBGE from the contractual year of recognition of the investment until the contractual year of payment of the indemnity.

45.2. No indemnification will be given for assets recorded with respect to:

- I. advances to suppliers for services not yet performed;
- II. assets and rights that must be transferred free of charge to the GRANTOR;
- III. expenses unrelated to the construction of CAIS MAUÁ assets;
- IV. pre-operational costs, except for those that can be proven to represent a future economic benefit to CAIS MAUÁ; and
- V. investments in REVERSIBLE ASSETS made above fair market conditions. If it is found that resources were transferred under unfair market conditions, the amounts above fair market conditions will not be considered for compensation, without prejudice to other applicable measures, and the adversarial process and full defense must be ensured for the disputed part of the compensation, in a separate manner.

45.3. The costs accounted for in accordance with the system in sub-clause 45.1.8 will have a maximum limit:

- I. for the MANDATORY INTERVENTIONS, the amounts set out in the feasibility studies published by the GRANTOR, duly updated according to the IPCA/IBGE from the base date of the feasibility studies until the contractual year of payment of the indemnity;
- II. the amounts calculated for any additional interventions, determined by the GRANTOR, provided for in a contractual amendment, duly updated according to the IPCA/IBGE from the contractual year of reference of the price provided for in the amendment until the contractual year of payment of the indemnity; and
- III. for other investments in REVERSIBLE ASSETS made, the amounts approved by the GRANTOR,



when there is no provision in the feasibility studies published by the GRANTOR, duly updated in accordance with the IPCA/IBGE from the contractual year of approval of the amount to the contractual year of payment of the indemnity.

- 45.4. The useful lives considered for calculating the amortization rates will be:
- I. for REVERSIBLE ASSETS relating to CAIS MAUÁ and its buildings, facilities, civil works and improvements located therein, the final term of the CONCESSION, with the exception of investments that have been made with the intention of use for a fixed term, which will have a useful life restricted to the period originally planned for use;
 - II. for REVERSIBLE ASSETS relating to machinery, equipment, computer assets, devices, fixtures, instruments, vehicles and furniture, as well as software used in the provision of the SERVICES which are the object of the CONCESSION:
 - a. furniture and fixtures: 12 (twelve) years;
 - b. vehicles: 7 (seven) years;
 - c. equipment in general: 10 (ten) years;
 - d. computer assets: 7 (seven) years; and
 - e. software: 5 (five) years.
- 45.4.1. The CONCESSIONAIRE may present a report justifying the use of a different useful life for categories of assets not provided for in II, including the CONTAINMENT BARRIER or the alternative containment system.
- 45.4.2. For ENVIRONMENTAL LICENSES, as built projects, and technical manuals in effect, the amortization and useful life of the asset will be defined on a case-by-case basis, taking into account the period originally planned for use of the asset.
- 45.5. REVERSIBLE ASSETS that have been incorporated into the assets of the CONCESSIONAIRE by way of donation or by way of compensation from the GRANTOR shall not form part of the indemnifiable amount.
- 45.5.1. Any costs incurred in the repair and/or reconstruction of REVERSIBLE ASSETS delivered in a situation other than that established in this CONTRACT and its ANNEXES, calculated in accordance with the provisions of this CONTRACT, shall be deducted from the indemnifiable amount.
- 45.6. The calculation of the indemnity carried out in the manner established in this Clause and the subsequent ones, and its effective payment in the administrative sphere, when accepted by the CONCESSIONAIRE, shall correspond to the full, general and unrestricted settlement of what is owed by the GRANTOR as a result of the termination, and the CONCESSIONAIRE may not demand, administratively or judicially, any other indemnities, including for loss of profits and emergent damages, subject to the provisions of sub-clause 46.2.
- 45.6.1. If the indemnity amounts, calculated in accordance with the provisions of this Clause 45 and subsequent clauses, are subject to taxation at the time of payment, the amount to be paid shall be increased so as to ensure that the CONCESSIONAIRE receives an amount net of



taxes equivalent to the amount calculated for the indemnity, with the exception of the amounts provided for in sub-clause 46.2.1, any taxation of which shall be borne by the CONCESSIONAIRE.

- 45.7. The amount of indemnity due to the CONCESSIONAIRE, calculated using the methodology set out in this Chapter, shall be increased or decreased by the amount relating to the balance of economic and financial imbalances, in favor of the CONCESSIONAIRE or the GRANTOR, respectively, which are already liquid and payable after the administrative process has been closed, in a decision which can no longer be appealed at the administrative level.
- 45.8. The compensation due to the CONCESSIONAIRE, except in the event of forfeiture, will be deducted, always in the order of preference below and regardless of the CONCESSIONAIRE's consent:
- I. the amounts received by the CONCESSIONAIRE as insurance coverage related to the events or circumstances that gave rise to the termination;
 - II. the outstanding balance due to the LENDERS regarding the FINANCING for investments linked to REVERSIBLE ASSETS, plus the contractual interest agreed in the respective contractual instruments;
 - III. the amount of fines imposed on the CONCESSIONAIRE within the scope of the execution of the CONTRACT, due to final and unappealable procedures and/or sanctioning procedures that have already been concluded; and
 - IV. the amount of material damage proven to have been caused by the CONCESSIONAIRE to the GRANTOR, recognized in a decision no longer subject to administrative appeal.
- 45.8.1. The amount described in item II of sub-clause 45.8 above will be paid by the GRANTOR to the LENDER.
- 45.8.2. In the event of Forfeiture, items III and IV will have priority in the order of discounts over item II, all of sub-clause 45.8.
- 45.9. The release of the CONCESSIONAIRE from the obligations arising from the FINANCING contracts it has entered into for the fulfillment of the CONTRACT may be carried out by:
- I. assumption, by the GRANTOR or by a third party, by subrogation, before the LENDERS or creditors, by agreement of said parties, of the remaining contractual obligations of the CONCESSIONAIRE, up to the limit of the amount due to the CONCESSIONAIRE after the discounts provided for in sub-clause 45.8, and provided that the LENDERS agree; or
 - II. prior indemnification to the CONCESSIONAIRE, limited to the amount of indemnification calculated in accordance with the provisions of sub-clause 45.8, of all remaining debts that it has with creditor LENDERS.
- 45.9.1. The amount relating to the exemption referred to in sub-clause 45.9 above shall be deducted from the amount of the indemnity and may not, under any circumstances, exceed the total amount of the indemnity due.
- 45.10. In order to calculate the indemnity amount in the event of early termination of the CONTRACT, the GRANTOR may hire an appraisal company to carry out the surveys and appraisals necessary to determine the amount of compensation that may be due to the CONCESSIONAIRE, to be calculated in



accordance with the parameters set out in this Clause and the specific items contained in each of the early termination clauses set out below.

- 45.11. The general indemnity rules set out in this Clause shall apply to all cases of early termination, and the payment of indemnity under the specific provisions of each of the early termination clauses set out below shall always be observed.

46. TAKEOVER

- 46.1. The GRANTOR may, during the term of the CONTRACT, promote its resumption, for duly justified reasons of public interest, by means of a specific authorizing law and prior payment of compensation, under the terms of this CONTRACT.

- 46.2. In the event of takeover, in addition to the provisions of sub-clause 45.1, the compensation due to the CONCESSIONAIRE shall cover:

- I. all charges and burdens arising from fines, terminations and indemnities due to suppliers, contractors and third parties in general, as a result of the termination of the contractual ties, such amounts to be compatible with those practiced in the market, especially in the case of RELATED PARTIES, and to be expressly provided for in the contract or arising from a court decision, not including in the indemnity any amounts relating to loss of profits of third parties or similar amounts, even if provided for in the contracts entered into by the CONCESSIONAIRE; and
- II. the CONCESSIONAIRE's loss of profits, calculated in accordance with sub-clause 46.3.

- 46.2.1. The release of the CONCESSIONAIRE from its obligations arising from financing contracts entered into to enable compliance with the CONTRACT, which may take one of the following forms, depending on the case:

- I. Prior assumption by the GRANTOR or SUCCESSOR of the CONCESSIONAIRE's contractual obligations before the LENDERS; or
- II. Payment of the full outstanding balance of the financing contract owed directly to the LENDERS.

- 46.3. The component indicated in item II of sub-clause 46.2 will be calculated according to the following formula:

$$LC = A \times \{ [1 + (TR \times 172.3\%)]^n - 1 \}$$

Where:

LC = lost profits indicated in item II of sub-clause 46.2.

A = the investments indicated in sub-clause 45.1.

TR = Annual rate of return composed of the daily average of the last 12 (twelve) months prior to the date of payment of the indemnity, of the gross selling interest rate of the "IPCA+ Treasury Bond" (formerly National Treasury Notes Series B - NTN-B), *ex ante* the deduction of Income Tax, with maturity compatible with the end of the CONTRACT, published by the National Treasury Secretariat, without considering the portion related to the variation in the IPCA/IBGE.



n = the period in years remaining between the date of payment of the indemnity and the end of the contractual term, in the absence of early termination of the CONTRACT, on the same basis as the NTN'B'.

- 46.4. The compensation due as a result of the takeover is limited to the amounts established in this Clause, and no other amounts shall be due by way of indemnities, loss of profits of third parties other than those indemnified in this Clause and/or emergent damages.
- 46.5. The indemnity shall be disbursed up to the exact moment of the resumption of the CONCESSION and as a condition for its resumption.

47. FORFEITURE

- 47.1. Total or partial non-performance of the CONTRACT, or of the duties imposed by law or regulation, shall entail, at the discretion of the GRANTOR, subject to the provisions of this CONTRACT, the declaration of forfeiture of the CONCESSION, which shall be preceded by a competent administrative proceeding, guaranteeing due process of law, especially the right to a full defense and an adversarial proceeding, after exhausting the possibilities of solution provided for in this CONTRACT, without prejudice to the application of contractual sanctions.
- 47.2. The GRANTOR's decision to decree the forfeiture of the CONCESSION, when one of the situations set out in sub-clause 47.3 is present, involves a judgment of convenience and opportunity on the part of the GRANTOR, and the GRANTOR may, in view of the peculiarities of the situation, decide to apply other measures set out in the CONTRACT which, in its judgment, better serve the public interest, such as the application of penalties or the decree of intervention in the CONCESSION, when admissible.
- 47.3. Forfeiture of the CONCESSION may be declared in the following cases, in addition to those provided for by law, and without prejudice to the other cases provided for in this CONTRACT:
- I. loss or impairment of the economic, financial, technical or operational conditions necessary for the full performance of the CONCESSION;
 - II. total non-performance or repeated non-performance of obligations under the CONTRACT;
 - III. proven fraud in the calculation of the payment of the INSPECTION CHARGE, the CONDITIONAL GRANT, or the sharing of ANCILLARY REVENUES, especially by artificially reducing the calculation basis, caused, among other hypotheses, by altering the CONCESSIONAIRE's accounting data or by contracting artificially reduced prices with third parties;
 - IV. stoppage of the services and activities that are the object of the CONTRACT due to the fault or intent of the CONCESSIONAIRE, or if it has contributed to this, with the exception of cases arising from unforeseeable circumstances or force majeure, as provided for in this CONTRACT;
 - V. failure by the CONCESSIONAIRE to comply with the GRANTOR's summons to present the documentation relating to TAX AND LABOR REGULARITY within 180 (one hundred and eighty) days;
 - VI. failure to comply with the obligation to replenish the full amount of the PERFORMANCE GUARANTEE, in the event of cancellation or termination of the bank guarantee letter or guarantee insurance policy and/or non-renewal of these at least 30 (thirty) days prior to their expiration date, under the terms of sub-clause 37.7;



- VII. failure to maintain the full amount of the PERFORMANCE GUARANTEE and insurance required and any unfeasibility or unjustified difficulty in the performance of the insurance and PERFORMANCE GUARANTEE by the GRANTOR, in the event of enforcement;
- VIII. repeated inadequate or inefficient performance by the CONCESSIONAIRE, in the execution of the contractual object, based on non-compliance with the targets of PERFORMANCE INDICATORS for 3 (three) consecutive years or 6 (six) non-consecutive years, according to ANNEX 5;
- IX. non-compliance with the penalties imposed by the GRANTOR, within the established deadlines;
- X. alteration of the CONTROL of the CONCESSIONAIRE without the prior and express consent of the GRANTOR, except in the case of assumption of CONTROL by the LENDERS, under the terms of this CONTRACT;
- XI. transfer of the CONCESSION itself without the prior express consent of the GRANTOR;
- XII. failure to comply with the GRANTOR's summons to regularize the provision of the MANDATORY SERVICES, according to the determination and deadlines established, as the case may be;
- XIII. in the event of repeated opposition to the exercise of supervision, in any way obstructing, hindering or making it impossible to supervise the performance of the CONCESSIONAIRE;
- XIV. occurrence of deviation from the corporate purpose of the CONCESSIONAIRE;
- XV. failure to comply with the obligation provided for in sub-clause 13.5.9 relating to the creation of administrative easements over the ADMINISTRATIVE EASEMENT AREA in favor of the GRANTOR and the passage easement over the PASSAGE EASEMENT AREA; and
- XVI. failure to comply with the schedule set out in sub-clause 5.8, by the PROJECTS, constituting irreversible default of any of the MANDATORY INTERVENTION STAGES.

47.3.1. In the event of items XV and XVI of the above sub-clause, a specific fine of 10% (ten percent) of the ESTIMATED CONTRACT VALUE will be applied.

47.4. The GRANTOR may not decree the forfeiture of the CONCESSION in relation to the CONCESSIONAIRE's default resulting from the events indicated in Clause 23 or caused by the occurrence of unforeseeable circumstances or force majeure, unless covered by the insurance contracted or for which insurance is available in the Brazilian market.

47.5. When the CONCESSIONAIRE's breach of contract characterizes an infraction of a continuous nature or a delay by the CONCESSIONAIRE in complying with a contractual obligation, the fact that the GRANTOR applies, or has applied, any of the penalties provided for in this CONTRACT, does not rule out the possibility of decreeing the forfeiture of the CONCESSION, when this CONTRACT so allows, if the CONCESSIONAIRE, despite the penalty applied, persists in a situation of breach of contract.

47.6. The declaration of forfeiture of the CONCESSION must be preceded by verification of contractual default by the CONCESSIONAIRE, in a regular administrative process, ensuring due legal process, especially the right to a full defense and an adversarial proceeding.

47.6.1. The initiation of administrative proceedings for the decree of forfeiture shall be preceded by



a notice to the CONCESSIONAIRE, setting out in detail the breaches of contract and the default situation, granting it a period of not less than 30 (thirty) days to remedy the indicated irregularities.

47.6.2. Once the time limit has elapsed without the CONCESSIONAIRE remedying the irregularities or taking measures that demonstrate its effective capacity to remedy them, the latter shall propose the decree of forfeiture.

47.6.3. The LENDERS shall be notified immediately of the initiation of an administrative procedure to verify the CONCESSIONAIRE's defaults, with a deadline for defense.

47.6.4. Once the administrative process has been initiated and default has been proven, forfeiture will be declared by the Governor of the State of Rio Grande do Sul, regardless of the payment of prior compensation, the amount of which will be determined in the course of said administrative process or in a separate administrative process.

47.6.5. The declaration of forfeiture shall imply the immediate imposition by the GRANTOR of possession of all REVERSIBLE ASSETS and the CONCESSIONAIRE's liability for any and all liens, fines, penalties, indemnities, charges or commitments to third parties, particularly in relation to labor, tax and social security obligations.

47.7. The forfeiture of the CONCESSION will authorize the GRANTOR to:

- I. take over the execution of the object of the CONTRACT, in the place and state in which it is found;
- II. occupy and use the premises, facilities, equipment, materials and human resources used in the execution of the service, provided that they are necessary for its continuity;
- III. suspend the CONCESSIONAIRE's right to participate in bidding processes and to contract with the PUBLIC ADMINISTRATION;
- IV. retain and enforce the PERFORMANCE GUARANTEE, to reimburse the losses suffered by the GRANTOR; and
- V. withhold any credits of the CONCESSIONAIRE arising from the CONTRACT, in cases where the PERFORMANCE GUARANTEE does not prove sufficient to reimburse the GRANTOR, and up to the limit of the damages caused.

47.8. Once forfeiture has been declared and any compensation due has been paid, the GRANTOR shall not be held liable in any way whatsoever in relation to any charges, burdens, obligations or commitments with third parties or with employees of the CONCESSIONAIRE, including labor and social security debts.

47.9. The compensation owed by the GRANTOR as a result of the forfeiture is limited to the amounts charged in the manner established in this Clause and in Clause 45, and no other amounts shall be owed by way of compensation, loss of profits and/or emergent damages.

47.9.1. The amount referred to in sub-clause 47.9 shall also be deducted from any amounts received by the CONCESSIONAIRE as insurance coverage related to the events or circumstances that gave rise to the declaration of forfeiture.



48. TERMINATION

- 48.1. This CONTRACT may be terminated at the initiative of the CONCESSIONAIRE in the event of non-compliance by the GRANTOR with the contractual rules, by means of legal action or arbitration proceedings brought especially for this purpose.
- 48.1.1. The CONCESSIONAIRE shall notify the GRANTOR of its intention to terminate the CONTRACT in the event of non-compliance with the contractual rules by the GRANTOR, setting out the reasons why it intends to initiate arbitration proceedings for this purpose, under the terms set out in the relevant legislation and regulations.
- 48.1.2. In the event of sub-clause 48.1.1 above, the CONCESSIONAIRE shall grant a period of no less than 30 (thirty) days for the breach of contract to be remedied administratively.
- 48.2. The MANDATORY SERVICES provided by the CONCESSIONAIRE may not be interrupted or paralyzed until a final arbitration decision has been issued, decreeing the termination of the contract, without prejudice to the relaxation of obligations and compliance with PERFORMANCE INDICATORS in order to guarantee the financial health of the CONCESSIONAIRE.
- 48.3. In the event of termination of the CONTRACT due to default by the GRANTOR, the compensation due to the CONCESSIONAIRE shall be equivalent to that payable in the event of takeover, and shall be calculated in the same way.

49. ANNULMENT

- 49.1. The CONTRACT may be annulled in the event of illegality, which cannot be remedied in the bidding process, in its formalization or in an essential clause that compromises the provision of the MANDATORY SERVICES, through the due administrative procedure, starting from the notification sent from one PARTY to the other, ensuring the right to an adversarial proceeding and a full defense.
- 49.1.1. In the event of any illegality which is not the result of an act carried out by the CONCESSIONAIRE and which can be remedied by making use of the acts carried out, the CONCESSIONAIRE and the GRANTOR shall communicate for the purpose of maintaining the CONTRACT.
- 49.1.2. In the event of termination of the CONCESSION due to annulment:
- I. if the annulment is not due to a fact attributable to the CONCESSIONAIRE or its shareholders, current or past, the compensation shall be equivalent to that calculated for the hypothesis of early termination of the CONTRACT due to unforeseeable circumstances or force majeure;
 - II. if the annulment results from a fact attributable to the CONCESSIONAIRE or its shareholders, current or past, the compensation will be equivalent to that calculated for the hypothesis of early termination of the CONTRACT by forfeiture; and
 - III. if the annulment is due to a fact attributable to the GRANTOR, the indemnity shall be equivalent to that calculated in the event of early termination of the CONTRACT.
- 49.2. The GRANTOR may call for a new bidding process, assigning to the SUCCESSOR the burden of paying the indemnity directly to the LENDERS of the former CONCESSIONAIRE, or directly to the latter, as the case may be.



50. BANKRUPTCY, EXTINCTION OF THE CONCESSIONAIRE OR ITS JUDICIAL REORGANIZATION

- 50.1. The CONCESSION shall be unilaterally terminated by the GRANTOR in the event that the CONCESSIONAIRE is declared bankrupt by a final and unappealable judgment, or in the event of a judicial reorganization, in which case the execution of the CONTRACT shall be impaired, subject to any court decision to the contrary.
- 50.2. Once bankruptcy has been declared, the GRANTOR shall take possession of the CONCESSION AREA and shall immediately take over the execution of the object of this CONTRACT.
- 50.3. The compensation due to the CONCESSIONAIRE, in the event of its bankruptcy or extinction, will be restricted to the value of the investments linked to REVERSIBLE ASSETS not yet amortized, calculated in accordance with the criteria established in Clause 45.
- 50.4. The amount referred to in sub-clause 50.3 shall also be deducted from any amounts received by the CONCESSIONAIRE as insurance coverage related to the events or circumstances that led to the termination of the contract due to bankruptcy.
- 50.5. The declaration of bankruptcy or extinction of the CONCESSIONAIRE may also result in:
 - 50.5.1. the execution of the PERFORMANCE GUARANTEE, to reimburse fines and any losses caused to the GRANTOR;
 - 50.5.2. retention of any credits arising from the CONTRACT, up to the limit of the losses caused to the GRANTOR; and
 - 50.5.3. suspension of the right to participate in bidding processes and to contract with the STATE PUBLIC ADMINISTRATION.
- 50.6. The GRANTOR may act preventively by adopting mechanisms to periodically monitor the CONCESSIONAIRE's economic and financial situation, in order to ensure the maintenance of the qualification conditions required during the bidding process.
- 50.7. Any net assets of the defunct CONCESSIONAIRE shall not be shared among its shareholders before all obligations to the GRANTOR have been paid, nor without the GRANTOR issuing a DEFINITIVE TERM OF RECEIPT.

51. UNFORESEEABLE CIRCUMSTANCES AND FORCE MAJEURE

- 51.1. Unforeseeable circumstances or force majeure, with the consequences established in this CONTRACT, shall be deemed to be events defined as such under civil law and which have a direct impact on the development of the CONCESSION's activities.
 - 51.1.1. Force majeure or unforeseeable circumstances are considered, for example:
 - I. national or international wars that directly involve the execution of the contract;
 - II. acts of terrorism;
 - III. nuclear, chemical or biological contamination, including epidemics and pandemics, as



declared by the national health authorities or by the World Health Organization and which produce relevant effects on the activities of the CONCESSIONAIRE, except, in all cases, if arising from acts of the CONCESSIONAIRE;

IV. foreign trade embargo;

V. natural events, such as earthquakes, hurricanes or floods, when their impacts could not be avoided by preventive measures reasonably required of the CONCESSIONAIRE, including the installation and activation of a technical solution defined in the TERM OF COOPERATION; and

VI. epidemics and/or pandemics affecting the course of the CONTRACT, with the exception of the Covid-19 pandemic.

51.1.2. Failure to comply with contractual obligations, including those relating to the achievement of time milestones, proven to be due to unforeseeable circumstances or force majeure, under the terms of this CONTRACT and ANNEXES, shall not be subject to penalty.

51.2. The PARTY whose compliance with its obligations is affected by unforeseeable circumstances or force majeure must notify the other PARTY of the occurrence of the event within 48 (forty-eight) hours.

51.3. The PARTIES shall agree on the contractual revision or termination of the CONCESSION.

51.3.1. If the PARTIES choose to terminate the CONTRACT:

I. the indemnity due to the CONCESSIONAIRE will cover the amounts indicated in Clause 43; and

II. the CONCESSIONAIRE shall bear any other consequential damages it suffers as a result of unforeseeable circumstances or force majeure.

51.4. Unless the GRANTOR gives other written instructions, the CONCESSIONAIRE shall continue to comply with its obligations under the CONTRACT to the extent reasonably possible and shall endeavor, by all available means, to comply with those obligations not prevented by the event of force majeure or unforeseeable circumstances, and the GRANTOR shall likewise comply with its obligations not prevented by the event of force majeure or unforeseeable circumstances.

51.5. In the event of a proven occurrence of unforeseeable circumstances or force majeure, without the termination of the CONCESSION, the financial effects of the PERFORMANCE INDICATORS that have been impacted by the occurrence will be suspended until the situation normalizes and its effects cease.

51.6. The PARTIES undertake to employ all necessary measures and actions in order to minimize the effects arising from events of force majeure or unforeseeable circumstances.

CHAPTER X – REVERSION

52. REVERSION OF ASSETS

52.1. Upon termination of the CONCESSION, the REVERSIBLE ASSETS, rights and privileges linked to the CONCESSION, transferred or made available, under the terms of this CONTRACT, to the CONCESSIONAIRE, or built, implemented or acquired by it, within the scope of the CONCESSION, shall return to the GRANTOR, free and clear of any liens or charges, regardless of any notifications or



formalities.

52.2. The GRANTOR may, within one hundred and eighty (180) days prior to the end of the CONCESSION, evaluate the REVERSIBLE ASSETS in order to identify those that are not necessary for the continuity of activities in the CONCESSION AREA, and may dispense their reversion at the end of the CONCESSION, in which case the CONCESSIONAIRE shall not be entitled to any right to indemnification or economic and financial rebalancing of the CONTRACT.

52.2.1. If the GRANTOR identifies, at its discretion, the existence of REVERSIBLE ASSETS that are not necessary for the continuity of activities in the CONCESSION AREA, it shall submit to the CONCESSIONAIRE, within the period set out in sub-clause 52.2 above, the list of property that will not be reverted, which shall be removed from the CONCESSION AREA at the CONCESSIONAIRE's expense.

52.2.2. The physical structures incorporated into the CONCESSION AREA, such as WAREHOUSES and other equipment fixed to the ground, will necessarily revert to the GRANTOR at the end of the CONCESSION, without prejudice to the possibility of the reversion of movable property linked to them being waived.

52.3. Reversion will be free of charge and automatic, with the assets in a suitable condition for operation, use and maintenance, as well as free and clear of any liens, charges, residual value, taxes, obligations, encumbrances or collection of any amount by the CONCESSIONAIRE, with the characteristics and technical requirements that allow the full operation of the CONCESSION AREA.

52.4. The assets reverted to the GRANTOR must be in suitable condition of conservation and operation, allowing the continuity of the MANDATORY SERVICES which are the subject of this CONTRACT, for an additional period of at least 5 (five) years, counting from the date of termination of the CONTRACT, except for those with a shorter useful life, under the terms of ANNEX 12.

52.4.1. The CONCESSIONAIRE shall not be entitled to compensation for any investments in REVERSIBLE ASSETS that have not been amortized and/or depreciated, except in the cases provided for in Chapter IX.

52.5. If the assets are not reverted under the conditions established herein, the CONCESSIONAIRE shall indemnify the GRANTOR, according to the replacement value of the assets, without prejudice to the application of the applicable penalties and the execution of any insurance and guarantees.

52.6. During the procedure for terminating the CONCESSION and the contractual transition, the GRANTOR shall carry out an inspection of the assets to be reverted, in which at least one representative of the CONCESSIONAIRE shall take part, in order to verify the state of conservation and maintenance of the assets, applying, where applicable, the provisions of ANNEX 12.

53. DEMOBILIZATION

53.1. Within 24 (twenty-four) months prior to the end of the CONCESSION, or immediately in the event of the early termination of this instrument, the CONCESSIONAIRE shall submit the DEMOBILIZATION PLAN for the CONCESSION AREA to the GRANTOR for approval, which shall provide for the procedure by which the demobilization and due reversion of the REVERSIBLE ASSETS shall be carried out in accordance with the provisions of ANNEX 12, without any interruption in the provision of the MANDATORY SERVICES.

53.2. At the very least, the DEMOBILIZATION PLAN must include:



- I. form of reversion of REVERSIBLE ASSETS, with a specific section on the reversion of the CONTAINMENT BARRIER, or of an alternative containment system implemented by the CONCESSIONAIRE;
 - II. state of conservation and maintenance of REVERSIBLE ASSETS, with technical reports issued by a qualified professional;
 - III. state of depreciation of REVERSIBLE ASSETS;
 - IV. how the CONCESSIONAIRE's employees will be replaced by employees of the GRANTOR and/or SUCCESSOR; and
 - V. period and form of training for the employees of the GRANTOR and/or the SUCCESSOR that will operate the GRANT AREA, especially for compliance with the operation of the flood containment system, as established in ANNEX 8.
- 53.3. The GRANTOR may carry out any inspections it deems necessary for the full execution of its activities, in order to guarantee the contractual transition without any prejudice to the continuity of the MANDATORY SERVICES, in addition to monitoring the execution of technical reports and reports.
- 53.4. At the beginning of the last 12 (twelve) months of the term of the CONTRACT, the CONCESSIONAIRE shall begin training the personnel appointed by the GRANTOR, as well as passing on the technical and administrative documentation and operational guidelines relating to the CONCESSION AREA that have not yet been provided.
- 53.5. The CONCESSIONAIRE shall be entirely and exclusively responsible for the termination of any contracts to which it is a party at the end of the term of the CONCESSION, and the GRANTOR shall not assume any liability or burden in respect thereof and no compensation shall be due to the CONCESSIONAIRE, unless otherwise agreed, under the terms authorized by this CONTRACT, or if the GRANTOR has caused the early termination of the CONCESSION.
- 53.5.1. In order to ensure continuity in the maintenance and operation of the CONCESSION ASSETS, the PARTIES shall make their best efforts to ascertain the possibilities of subrogation, by the GRANTOR or SUCCESSOR, in existing contracts of interest to the CONCESSION, which have been entered into by the CONCESSIONAIRE.
- 53.6. Until the DEFINITIVE RECEIPT CERTIFICATE has been issued in accordance with ANNEX 12, the CONTRACT PERFORMANCE GUARANTEE shall not be released.
- 53.7. Any compensation owed to the CONCESSIONAIRE upon termination of the CONCESSION shall not prevent the CONCESSION from being resumed, subject, in the case of takeover, to the provisions of Clause 46.
- 53.8. Final acceptance of the CONCESSION AREA does not exclude civil liability or professional ethics arising from the performance of the activities covered by this CONTRACT, within the limits established by law.
- 53.9. With the DEMOBILIZATION PLAN, the transition and reversion of assets should take place smoothly and the operation of the CONCESSION AREA should not be jeopardized.
- 53.10. Failure by the CONCESSIONAIRE to submit the DEMOBILIZATION PLAN shall be considered a serious infraction, giving rise to the application of the appropriate penalties to the CONCESSIONAIRE.



54. TRANSITION

- 54.1. Without prejudice to the provisions contained in ANNEX 12, the CONCESSIONAIRE's obligations for the smooth transition of the CONCESSION AREA to the GRANTOR or SUCCESSOR are as follows:
- I. make available documents and contracts relating to the object of the CONCESSION;
 - II. provide operational documents relating to the object of the CONCESSION;
 - III. provide other information on the operation of the CONCESSION AREA;
 - IV. cooperate with the SUCCESSOR and the GRANTOR for the proper transmission of knowledge and information;
 - V. allow the operation of the CONCESSION AREA and the regular activities of the CONCESSIONAIRE to be monitored by the GRANTOR and/or the SUCCESSOR;
 - VI. promote the training of the GRANTOR's and/or SUCCESSOR's personnel in relation to the operation of the CONCESSION AREA;
 - VII. collaborate with the GRANTOR and/or SUCCESSOR in the preparation of any reports required for the transition process;
 - VIII. appoint professionals in the areas of knowledge relevant to the operational transition during the takeover of the service by the GRANTOR or the SUCCESSOR;
 - IX. provide physical space to accommodate the working groups of the GRANTOR and/or SUCCESSOR during this period;
 - X. assist in planning the SUCCESSOR's workforce; and
 - XI. interact with the GRANTOR, the SUCCESSOR and other players and agents involved in the operation of the CONCESSION AREA.

CHAPTER XI – SETTLING DISAGREEMENTS

55. AMICABLE SETTLEMENT OF DISPUTES

- 55.1. The PARTIES shall employ their best efforts to amicably resolve any disagreement or conflict of interest that may arise as a result of this CONTRACT, using the principle of good faith, by means of direct negotiation.
- 55.2. In the event of a discrepancy or conflict of interest under the terms of this Clause, either PARTY may initiate a self-composed dispute resolution process with the Administrative Conciliation and Mediation System, in accordance with State Decree No. 55.551/2020, or any rule that may replace it, to resolve disputes or disagreements related to the CONTRACT or any contracts, documents, ANNEXES or agreements related thereto.
- 55.3. The adoption of the procedures indicated above does not exempt the PARTIES from following up and complying with their contractual obligations, and it is the PARTIES' duty to ensure the continuity of



the provision of the MANDATORY SERVICES and compliance with the MANDATORY INTERVENTIONS schedules.

55.3.1. MANDATORY INTERVENTIONS or MANDATORY SERVICES may only be halted when the subject of the disagreement or conflict of interest entails risks to the safety of people and/or the venture, provided that the halt is proven to be the most appropriate measure to neutralize or, when this is not possible, mitigate any risk that may exist, obtaining, when possible, without compromising safety, the consent of the GRANTOR prior to the halt.

55.4. Respecting the contractual rules, the PARTIES may make use of technical boards, INDEPENDENT RAPORTEURS or other forms of amicable conflict resolution, on which they must formally agree, to resolve technical issues and even any possible doubts, request clarifications or demand technical opinions or statements that serve the perfect understanding of the aspects under discussion.

55.5. After the administrative process has been exhausted, or after 12 (twelve) months have elapsed from the filing of the request for consideration of the dispute, any of the PARTIES may request that arbitration proceedings be initiated under the terms of Federal Law No. 9.307/1996, and State Decree No. 55.996/2021, which will observe the discipline of Clause 56.

56. ARBITRATION

56.1. The PARTIES shall submit to arbitration any disputes relating to available property rights, related to the interpretation or execution of this CONTRACT, which have not been resolved administratively, pursuant to article 1, paragraph 1, of Federal Law No. 9.307/1996, article 11, item II, of the Public-Private Partnership Law and State Decree No. 55.996/2021.

56.2. The arbitration shall be administered by CAM-CCBC and shall comply with the standards set out in its Rules, the provisions of which form an integral part of this contract.

56.2.1. Should the institution indicated in sub-clause 56.2, for whatever reason, not be accredited in accordance with State Decree No. 55.996/2021, the CONCESSIONAIRE shall indicate a triple list of arbitration institutions accredited in accordance with the aforementioned Decree, and the GRANTOR shall choose one of them within 30 (thirty) days of the communication.

56.2.2. If there are no arbitral institutions accredited under State Decree No. 55.996/2021, the CAM-CCBC Rules will be adopted.

56.2.3. The ARBITRAL COURT shall be made up of 3 (three) arbitrators, appointed as provided for in the Rules of the arbitral institution.

56.2.4. Arbitration will take place in Porto Alegre, in the state of Rio Grande do Sul, with Portuguese as the official language for all acts.

56.2.5. The substantive law to be applied to the merits of the arbitration will be Brazilian law, excluding equity.

56.3. If it is necessary to obtain coercive, precautionary or emergency measures before the ARBITRAL COURT is constituted, or even during the mediation procedure, the parties may request them directly from the competent body of the Judiciary.

56.4. Submission to arbitration, under the terms of this Clause, does not release the GRANTOR or the CONCESSIONAIRE from the obligation to fully comply with this CONTRACT, nor does it permit the



interruption of activities linked to the CONCESSION, subject to the provisions of this CONTRACT.

- 56.5. Issues relating to unavailable rights, such as the nature and public ownership of the service granted and the power of supervision over the operation of the delegated service, cannot be the subject of arbitration.
- 56.6. The losing party in the arbitration proceedings shall bear all the costs of the proceedings.
 - 56.6.1. The parties agree that the CONCESSIONAIRE shall bear the costs of hiring the arbitration chamber and of the entire procedure until the award is rendered, regardless of which PARTY requests the initiation of arbitration.
 - 56.6.2. After the arbitration award, if it is entirely unfavorable to the GRANTOR, the GRANTOR must reimburse the CONCESSIONAIRE for the expenses incurred.
 - 56.6.3. Alternatively, in the event of the impossibility of reimbursement in cash, and by agreement between the parties, reimbursement may be made by rebalancing the contract in favor of the CONCESSIONAIRE.
 - 56.6.4. In the event of partial success by both parties, the costs arising from the arbitration proceedings shall be apportioned as indicated in the award.
 - 56.6.5. Each party will bear its own costs for legal fees.
- 56.7. The parties may choose an arbitration body or entity other than the one provided for in sub-clause 56.2, provided there is mutual agreement.
- 56.8. The parties agree that the decisions rendered by the arbitration shall be final and binding on them.
- 56.9. The arbitral entity contracted shall act exclusively for the resolution of the dispute or disputes for which it is appointed, and new contracts shall be made for the resolution of future conflicts.
- 56.10. The parties waive any other tribunal that would otherwise have jurisdiction to hear any matter submitted to arbitration under this clause.

57. COURT

- 57.1. The Courts of the District of Porto Alegre, State of Rio Grande do Sul, shall have jurisdiction to settle any dispute not subject to arbitration under the terms of this CONTRACT.

CHAPTER XII – FINAL PROVISIONS

58. FINAL PROVISIONS

- 58.1. With regard to all matters established in this CONTRACT, as well as decisions made by the GRANTOR, the CONCESSIONAIRE shall be entitled to observe due administrative process, under the terms of State Law No. 15.612/2021.
- 58.2. This CONTRACT binds the PARTIES and their SUCCESSORS in all its aspects.
- 58.3. Any changes made to this CONTRACT shall only be valid if they are entered into and signed by both



PARTIES, by means of contractual amendments and modifications, with the exception of the possibility of unilateral modification of the CONTRACT by the GRANTOR, under the terms of the applicable legislation.

- 58.4. If any of the PARTIES allows, even by omission, the breach, in whole or in part, of any of the Clauses or conditions of the CONTRACT and its ANNEXES, such fact shall not release, discharge, or in any way affect or jeopardize the validity and effectiveness of the same Clauses and conditions, which shall remain unchanged, as if no tolerance had occurred.
- 58.5. The waiver by a PARTY of any right shall not be valid unless it is expressed in writing and shall be interpreted restrictively, not allowing its extension to any other right or obligation established in this CONTRACT.
- 58.6. The nullity or invalidity of any Clause of this CONTRACT shall not prevent the validity and production of the effects of any other Clause of this same CONTRACT.
- 58.7. All communications relating to this CONTRACT must be sent in writing, to the addresses and on behalf of the persons indicated below, according to the relevance of the recipients in each case:

For the CONCESSIONAIRE: [--]

For the GRANTOR: [--]

- 58.8. The PARTIES may modify the data indicated in sub-clause 58.7 by simply notifying the other PARTY in writing.
- 58.9. Notices and communications shall be deemed to have been duly received on the date: (i) indicated on the acknowledgement of receipt; (ii) of delivery of the judicial or extrajudicial letter; (iii) of proof of delivery by facsimile; (iv) of proof of delivery by internationally known courier service; (v) of proof of delivery by email with acknowledgement of receipt to the address indicated in sub-clause 58.7; or (vi) of filing with the GRANTOR or at the CONCESSIONAIRE's address indicated in sub-clause 58.7.
- 58.10. All documents related to this CONTRACT and the CONCESSION must be written in Brazilian Portuguese, or translated into it, with a sworn translation, in the case of foreign documents.
- 58.10.1. In the event of any conflict or inconsistency, the Portuguese version shall prevail.
- 58.11. The CONCESSIONAIRE shall, within 15 (fifteen) days from the date of publication of the extract of the CONTRACT in the DOE/RS, submit in writing the names and positions of the employees or representatives designated to be responsible for the management of the CONTRACT, both in technical and administrative aspects, and for receiving the correspondence provided for herein.
- 58.11.1. The GRANTOR shall designate a technical unit responsible for supervising and monitoring this CONTRACT, appointing its manager.

And being thus just and contracted, the PARTIES sign this CONTRACT in 05 (five) copies of equal content and form, in the presence of the 02 (two) undersigned witnesses, so that it produces all pertinent legal effects.

Porto Alegre, [--] [--], [--].



GOVERNO DO ESTADO
RIO GRANDE DO SUL
SECRETARIA DE PLANEJAMENTO,
GOVERNANÇA E GESTÃO

QUALIFICATION OF THE PARTIES AND SIGNATURES: