



STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT

**PUBLIC BIDDING PROCESS
AUCTION NOTICE NO. 01/2020**

**CONCESSION CONTRACT DRAFT FOR USE OF PUBLIC ASSET NO. [•]
CAMINHOS DO MAR – SERRA DO MAR STATE PARK**

INTERNATIONAL BIDDING PROCESS NO. 01/2020

SÃO PAULO – SP

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CONCESSION CONTRACT Nº [●]

On [●] month of day [●] of [●], by this instrument

On the one hand, as GRANTING AUTHORITY, the STATE OF SÃO PAULO, through its STATE SECRETARIAT FOR INFRASTRUCTURE AND ENVIRONMENT - SIMA, a government entity of the State of São Paulo created by State Law [●] and regulated by State Decree no. [●], headquartered in the State of São Paulo, in the Municipality of São Paulo, at [●], hereunder represented by the Secretary for Infrastructure and Environment, Mr. [●], bearer of ID card number [●] and registered under Individual Taxpayer ID Number [●], appointed by decree of appointment of the Governor, published in the Official Gazette/SP on [●] month of day [●] of [●], and on the other hand, as the CONCESSIONAIRE, to [●], a limited liability company, headquartered in the state of São Paulo, in the municipality of [●], in [●], registered under Corporate Taxpayer ID Number [●], hereunder represented by its [●], Mr. [●], bearer of ID card number [●] and registered under Individual Taxpayer ID Number/ME [●], whose powers derive from its articles of incorporation, with the intervention-consent of the Foundation for the Conservation and Forest Production of the State of São Paulo, [●], represented hereunder, in the form of its articles of incorporation, by its Director [●], Mr. [●], bearer of ID card number [●] and registered under Individual Taxpayer ID Number [●] and of the Metropolitan Company of Water and Energy SA - EMAE S.A., [●], hereby represented, in the form of its articles of incorporation, by its Director [●], Mr. [●], bearer of ID card number [●] and registered under Individual Taxpayer ID Number [●].

WHEREAS:

- A) pursuant to State Law No.16.260 of June 29, 2016, the State of São Paulo, which in this CONCESSION CONTRACT figures as the GRANTING AUTHORITY, was authorized to delegate the right to use CAMINHOS DO MAR, whose territorial area is located in the Conservation Unit known as the Serra do Mar State Park, to the private sector;
- B) the Board of Directors of the State Privatization Program's Board of the State of São Paulo - CDPED, approved this delegation at its 251st Ordinary Meeting;
- C) to give effect to such a decision, the GRANTING AUTHORITY proceeded to carry out a bidding process, in the form of INTERNATIONAL BIDDING PROCESS NO. 01/2020, regulated, as applicable, by Federal Act 8.666/1993, by State Law 6.544/1989, by State Law No. 16.260/2016, Federal Laws No. 8.987/1995, No. 9.074/1995, and by State Laws No. 7.835/1992 and No. 10.177/1998, and other regulations governing the matter;
- D) the INTERNATIONAL BIDDING PROCESS No. 01/2020 was won by [●], according to the decision published in the Official Gazette/SP, on the date of [●], and, as a result, the SPECIAL PURPOSE COMPANY - SPC was created, and enters into the present CONCESSION CONTRACT as the CONCESSIONAIRE;

The PARTIES, qualified above, mutually agree to sign this CONCESSION CONTRACT, which shall be governed by the clauses and conditions set forth hereunder.

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CHAPTER I – GENERAL DISPOSITIONS

CLAUSE ONE – DEFINITIONS

1.1. For 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 capital letters or with initial capital letters, shall be understood and interpreted according to the following meanings, and shall be used both in the plural and in the singular, without any change in meaning:

GOVERNMENT ENTITY	Direct or indirect, federal, state, Federal District and municipal government bodies or entities.
ANNEX	Set of documents, part of the AUCTION NOTICE and the CONTRACT, as listed.
CONCESSION AREA	Area subject to delegation through the CONCESSION CONTRACT, whose perimeters are described in ANNEX I.
INFRACTION NOTICE	Document containing application of contractual or regulatory penalties arising from the irregularities verified during inspections carried out within the scope of the CONCESSION.
DEPOSITARY BANK	FINANCIAL INSTITUTION authorized to provide custodial financial services to the PARTIES, pursuant to the terms of the CONTRACT and the ANNEXES.
CONCESSION ASSETS	Assets concerning the CONCESSION, and pursuant to the ANNEXES.
CONTROLLING BLOCK	Group of SPECIAL PURPOSE COMPANY shareholders that exercise CONTROL over the company.
REVERTIBLE ASSETS	The assets bound to CONCESSION, which are indispensable for the provision of services, shall be reversed and/or returned to the GRANTING AUTHORITY upon termination of the CONTRACT, in order to guarantee the continuity of services rendered.
CAMINHOS DO MAR	Territorial area located within the perimeters of the Serra do Mar State Park Conservation Unit, designated according to the perimeter established in ANNEX I, corresponding to the CONCESSION AREA.
CDPED	State Privatization Program's Board of the State of São Paulo.
GRANTING AUTHORITY	The State of São Paulo, represented by SIMA.
CONCESSION FOR USE OF THE PUBLIC ASSET or CONCESSION	Legal relationship formed by the delegation of the activities object of the CONTRACT, by the State of São Paulo, through SIMA, to the SPECIAL PURPOSE COMPANY, a legal entity governed by private law constituted by the WINNING BIDDER to exercise them in its own name and at its own risk, by earning REVENUE.

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CONCESSIONAIRE	Special purpose company established by the WINNING BIDDER, which executes the CONTRACT with the GRANTING AUTHORITY.
CENTRALIZER ACCOUNT	Current bank account held by the CONCESSIONAIRE, with restricted transactions, as set forth under ANNEX X.
RESTORATION FUND ACCOUNT	Current bank account held by the FF, as set forth under ANNEX XI.
CONCESSION CONTRACT or CONTRACT	CONCESSION CONTRACT FOR USE OF THE PUBLIC ASSET, by delegating to the private sector the activities of renovations, conservation, operations, maintenance and economic exploitation of the CONCESSION AREA, corresponding to the territorial area located within the perimeters of the Serra do Mar State Park Conservation Unit concerning Caminhos do Mar, designated in accordance with the perimeters described and detailed in ANNEX I, including devising projects, undertaking construction works and making investments, providing services and the economic exploitation of ecotourism and visitation activities, while fulfilling the conditions set forth in the CONTRACT and ANNEX II.
CONTROL	Subject to the terms of art. 116 of Law 6.404 /1976, means the right to: (a) hold the majority of votes in corporate resolutions and the power to elect the majority of the administrators or managers of another company, investment fund or supplementary pension entity, as the case may be; and (b) effectively use its powers to direct corporate activities and guide the functioning or managers of another company, investment fund or supplementary pension entities.
PHYSICAL-EXECUTIVE SCHEDULE	Integral schedule of the INVESTMENT PLAN, to be submitted by the CONCESSIONAIRE, containing the details, by means of initial, intermediate and final milestones, for each indicated investment, considering the initial and final deadlines for the completion of the construction works foreseen in said plan, as set forth under the CONTRACT and ANNEXES III and IV.
DATE OF SIGNING	Date of signing of the CONTRACT, that is [.].
PRE-OPERATIONAL EXPENSES	Expenses realized by the WINNING BIDDER of the CONCESSION, previous to constitution as a special purpose company.
SUBORDINATED DEBTS	Loans for consumption, financing, or any other debt

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	instruments owed by the CONCESSIONAIRE to any creditor, either individual or a legal entity that is part of the ECONOMIC GROUP of the CONCESSIONAIRE, direct or indirect shareholder, or that, in any way, qualifies as a RELATED PARTY.
QUALIFICATION DOCUMENTS	Documents to be submitted by the BIDDER in the Qualification Envelope, which shall include Legal Qualification, Tax and Labor Compliance, Technical Qualification and Economic-Financial Capacity, as set out hereunder.
DOE/SP	The State of São Paulo's Official Gazette.
AUCTION NOTICE	The INTERNATIONAL BIDDING PROCESS AUCTION NOTICE number 01/2020, and all its ANNEXES.
EMAE S.A.	The Metropolitan Company of Water and Energy S. A.
UNBALANCING EVENT	Event, act or fact, which triggers the economic-financial imbalance of this contract, and which leads to restructuring of the economic-financial balance, corresponding to the effectively proven losses suffered by the CONCESSIONAIRE or by the GRANTING AUTHORITY.
DISBURSEMENT EVENTS	Events that substantiate the duty of paying the corresponding pecuniary portion as RESTORATION FUNDS to the CONCESSIONAIRE, according to ANNEXES III and IV.
IMPACTING EVENTS	Events that generate economic and financial burdens to the CONCESSION, under the terms set forth in this CONTRACT, constituting a situation technically demonstrated by the CONCESSIONAIRE, signaling the impossibility to continue exploiting the CONCESSION due to the impossibility of readjusting the amounts charged by the CONCESSIONAIRE in the economic exploitation of the CONCESSION AREA to a level capable of generating the necessary revenue capable of ensuring the CONCESSION's economic and financial viability.
FINANCIERS OR LENDERS	Commercial banks, development banks, multilateral agencies, export credit agencies, trustees, fund managers or other entities that provide financing to the CONCESSIONAIRE or represent creditors parties thereto.
FOREST FOUNDATION OF THE STATE OF SÃO PAULO or FF	Foundation for the Conservation and Forest Production of the State of São Paulo.
PERFORMANCE BOND	Guarantee of faithful compliance with the

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	obligations of the CONCESSION CONTRACT, to be maintained by CONCESSIONAIRE, in favor of SIMA, in the amounts and under the terms defined under the CONTRACT.
ECONOMIC GROUP	The BIDDER's or CONCESSIONAIRE'S ECONOMIC GROUP is comprised of affiliates, controlled groups or investors, under the terms of articles 1.097 onwards, the Civil Code and article 278 of Federal Law No. 6.404/1976, and companies or investment funds that have officers, administrators, except for board members, or shareholders (the latter having a stake of over 10%) or legal representatives in common, as well as those that depend economically or financially on another company or investment fund, in addition to companies or investment funds subject to the same global structure, including overall sharing of knowledge, governance and corporate policies.
PERFORMANCE INDICATORS	Set of parameters that measure the quality of services provided by the CONCESSIONAIRE, pursuant to ANNEX VII.
TICKETS	Prices charged by the CONCESSIONAIRE for entrance of USERS to CAMINHOS DO MAR.
INTERFERENCES	Public or private facilities including urban, overhead, surface or underground infrastructure, which may interfere or suffer direct or indirect interference from activities under the responsibility of the CONCESSIONAIRE.
CONSELTING INTERVENING PARTIES	The FF and EMAE S.A.
INTERVENER	Person, board, company, or corporate group responsible for carrying out CONCESSION interventions, as set forth under this CONTRACT and under the applicable law.
INVENTORY	Inventory of assets, investments and construction works to be maintained by the CONCESSIONAIRE during the CONCESSION TERM.
MINIMUM STARTING INVESTMENT	Minimum investments required by the CONCESSIONAIRE under the scope of the CONCESSION, which shall be carried out in accordance with the terms of ANNEX III.
ADDITIONAL INVESTMENTS	Comprise all investments, not originally provided for under the CONTRACT, that the GRANTING AUTHORITY requires from the CONCESSIONAIRE, upon relevant economic and financial restructuring.
CPI/FIPE	Consumer Cost Index of the Institute of Economic Research Foundation (FIPE).
ENVIRONMENTAL LICENSES	Administrative actions that authorize the installation of

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	the venture or activity in a specific location and its respective operations, in accordance with the relevant legislation and the specifications contained in the approved plans, programs and projects, including environmental control measures and other conditions.
BIDDING PROCESS	INTERNATIONAL BIDDING PROCESS number 01/2020, promoted by the GRANTING AUTHORITY for the selection of the CONCESSIONAIRE that shall execute the objective of the CONCESSION.
BIDDER	Separate company or companies, funds and/or entities joined together in a CONSORTIUM and participating in the BIDDING PROCESS.
WINNING BIDDER	BIDDER declared the winner for having submitted the best classified proposal, and fulfilling all AUCTION NOTICE requirements, to which the BIDDING PROCESS was awarded.
MONUMENTS	Historical Monuments registered by the competent authorities, object of ANNEXES III and IV.
INSPECTION FEE	Amount resulting from the investment rate of 0.5% (five tenths percent) of REVENUE collected by the CONCESSIONAIRE, to be paid to SIMA, according to ANNEX X.
FIXED GRANT	Amount offered in the PRICE PROPOSAL submitted by BIDDERS during the bidding process, which shall be deposited in the RESTORATION ACCOUNT as a condition for entering into the CONTRACT, up to the limit of the RESTORATION FEE, whereas the surplus shall be paid by the WINNING BIDDER as instructed by the GRANTING AUTHORITY, and set forth in the regulations established in the AUCTION NOTICE.
VARIABLE GRANT	Sum to be paid by the CONCESSIONAIRE to the FOREST FOUNDATION, under the terms of ANNEX X, estimated at at 0.5% (five tenths percent) of the REVENUE collected by the CONCESSIONAIRE, payable starting from the 25th (twenty-fifth) month effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET by way of a price for the CONCESSION, as provided for under the CONTRACT, whereas the percentage payable may vary according to the mechanism described in ANNEX X of the CONTRACT.
OMBUDSPERSON'S OFFICE	Platform to be made available by the CONCESSIONAIRE for CAMINHOS DO MAR users to contribute with criticisms, suggestions and complaints aiming to promote ADEQUATE SERVICES.

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PARTIES	The GRANTING AUTHORITY and the CONCESSIONAIRE.
RELATED PARTIES	Regarding the CONCESSIONAIRE, anyone in their ECONOMIC GROUP, and those considered as such in accordance with current accounting standards.
DEMOBILIZATION PLAN	Document to be prepared by the CONCESSIONAIRE, submitted to be approved by the GRANTING AUTHORITY, providing the decommissioning process of the CONCESSIONAIRE's activities at the end of the CONCESSION, with the aim of enabling reversion of the REVERTIBLE ASSETS, as well as ensuring the continuous and adequate provision of activities that the GRANTING AUTHORITY deems reasonable.
MANAGEMENT AND OPERATION PLAN	Plan to be submitted by the CONCESSIONAIRE, pursuant to ANNEX II.
INTERVENTION PLAN	Plan to be submitted by the CONCESSIONAIRE, containing all civil construction works, RESTORATION activities, assembly of facilities or any other type of permanent physical intervention in the CONCESSION AREA, according to this AUCTION NOTICE, the CONTRACT and ANNEXES II and III.
MANAGEMENT PLAN	Technical document of the Serra do Mar State Park Conservation Unit, which establishes, among other things, zoning and regulations that govern the use of the area and the management of the Park's natural resources.
INSURANCE PLAN	Document to be devised by the CONCESSIONAIRE, containing the list of all mandatory insurance policies, as set forth under the CONTRACT and ANNEXES, and whose policies shall be valid and in effect throughout the CONCESSION PERIOD, being liable to review under CONTRACT.
POLICY FOR TRANSACTIONS WITH RELATED PARTIES	Document devised and approved by the CONCESSIONAIRE's administrative bodies, which shall contain the rules and conditions for carrying out transactions between the CONCESSIONAIRE and its RELATED PARTIES, as set forth hereunder.
CONCESSION TERM	The period of 30 (thirty) years, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET.
PRICE PROPOSAL OR PROPOSAL	Proposal in which the amount of the FIXED GRANT for exploiting the object of the CONCESSION is submitted, according to AUCTION NOTICE

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	regulations.
REVENUE	All gross amounts earned by the CONCESSIONAIRE for carrying out any economic activity, directly or through third parties, in the CONCESSION AREA.
RESTORATION FUNDS	Amount previously charged by the FOREST FOUNDATION OF THE STATE OF SÃO PAULO for supporting the CONCESSIONAIRE's RESTORATION-related investments, as provided for under article 21 of Federal Act number 4.320/1964 and the regulations of the AUCTION NOTICE, the CONTRACT and ANNEX XI.
RESTORATION	Specialized construction works that aim to repair the MONUMENTS described in ANNEXES II and IV.
EXTRAORDINARY REVIEW	Review of the CONTRACT, at the behest of the CONCESSIONAIRE or by official act of the GRANTING AUTHORITY, in order to adjust it to amendments, changes or conditions that shall influence fulfillment of the CONTRACT and restore its economic-financial balance, only applicable in exceptional cases foreseen under CONTRACT, when it is not possible to deal with the matter at the ORDINARY REVIEW.
ORDINARY REVIEW	Review of the CONTRACT carried out every four years, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, whose scope includes adapting PERFORMANCE INDICATORS, SPECIFICATIONS, INSURANCE PLAN and any CONCESSION conditions to changes perceived in this period, as provided for under Clause Thirty of this Contract.
SIMA	State Secretariat for Infrastructure and Environment.
ADEQUATE SERVICE	Defined as delivered services that meet the conditions of regularity, continuity, efficiency, safety, timeliness, generality and courtesy, in accordance with the best-quality parameters, using all means and resources for their execution to meet standards and procedures established under the CONTRACT, to those determined by GRANTING AUTHORITY.
SPECIAL PURPOSE COMPANY or SPC	A joint-stock company established under Brazilian law with the specific purpose of providing the object of this CONCESSION.

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TRANSFER CONTROL REQUEST	Request made by the CONCESSIONAIRE, subject to prior consent granted by the GRANTING AUTHORITY, for the TRANSFER OF CONTROL of the SPECIAL PURPOSE COMPANY.
SUCCESSOR	Concessionaire, winner of a concluded bidding process, whose purpose, in whole or in part, is CAMINHOS DO MAR, or a government body or entity that is the successor of the CONTRACTED PARTY.
TERM OF DELIVERY OF THE PUBLIC ASSET	Document signed by the PARTIES that formalizes the transfer of the direct possession and control of the CONCESSION AREA, allowing for the start of operations of this area by the CONCESSIONAIRE, and the revenue of the corresponding TICKETS, provided the conditions foreseen in this CONTRACT are met.
INSPECTION TERM	Document containing records of any and all occurrences verified during inspections carried out in the CONCESSION AREA, which the GRANTING AUTHORITY shall submit to the CONCESSIONAIRE, as set forth under the CONTRACT.
FINAL ACCEPTANCE CERTIFICATE	Document issued upon termination of the CONCESSION, provided all conditions determined in the PROVISIONAL ACCEPTANCE CERTIFICATE are met, or any compensations are borne with.
PROVISIONAL ACCEPTANCE CERTIFICATE	Document to be issued by the GRANTING AUTHORITY, which shall convey the context of the REVERTIBLE ASSETS, containing the terms of their acceptance, the eventual need for amendments or substitutions, under the responsibility of the CONCESSIONAIRE.
TRANSFER OF CONTROL	Any alteration in corporate composition that implies a change to the direct or indirect CONTROL of the CONCESSIONAIRE, subject to the provisions of Federal Law No. 6404/1976.
ARBITRATION COURT	Arbitration court to resolve disputes subject to arbitration, as set forth under Clause Fifty-Three.
CASH GENERATING UNIT or CGU	Asset or group of assets whose exploitation shall be carried out with the purpose of generating revenue.
USERS	Any individual or legal entity who visits the CONCESSION AREA.
RESTORATION COST	Amount corresponding to R\$ 4,251,853.31 (four million, two hundred and fifty-one thousand, eight hundred and fifty-three reais and thirty-one cents),

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	fixed and non-adjustable, and any variation in the amount actually spent on executing construction works is a risk undertaken by the CONCESSIONAIRE, according to the allocation of risks specified in this CONTRACT.
ESTIMATED VALUE OF THE CONTRACT	Estimated sum of the INVESTMENT and the FIXED GRANT, pursuant to Clause 6.1.
INDEPENDENT VERIFIER	Expert company hired by the CONCESSIONAIRE, and whose duties are provided for in this CONTRACT.

CLAUSE TWO – INTERPRETATION OF THE CONTRACT

2.1. For purposes of this CONTRACT, except when stated otherwise:

I. the definitions of this CONTRACT, as set out in Clause One, shall have the meanings attributed to them in that Clause, whether in plural or singular;

II. all references hereunder to designate Clauses, subclauses or other subdivisions refer to the Clauses, subclauses or other subdivisions in this CONTRACT, except when expressly provided for otherwise;

III. pronouns of both genders include the other two genders;

IV. all references to this CONTRACT or to any other document related to this CONCESSION shall be construed as covering any amendments and/or addendums that may be entered into between the PARTIES;

V. references made to the legislation and regulations shall be construed as the legislation and regulations in effect at the time of the specific case, applicable to them, from any branch of the federation, and considering their amendments;

VI. use in this CONTRACT of the terms "including" or "included" means "including, but not limited to" or "inclusive, but not limiting to";

VII. all deadlines established hereunder shall be construed as accounting for calendar days, unless working days are expressly indicated. Should deadlines fall on weekends, holidays or days when SIMA is not in service, the deadline shall be automatically postponed to the first subsequent working day;

VIII. references to CONTRACT refer to both this document and to other other documents that appear as ANNEXES, subject to the interpretation regulations established under this Clause;

IX. titles of clauses of the CONTRACT and ANNEXES shall not be used in their application or interpretation.

2.2. Any controversies in the application and/or interpretation of the provisions and/or documents related to this CONTRACT shall be settled as follows:

I. the wording of this CONCESSION CONTRACT shall take precedence, and shall supersede all other documents of the contractual relationship, including the AUCTION NOTICE and its ANNEXES;

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II. in case of any divergence between the ANNEXES and this CONTRACT, the ANNEXES issued by the GRANTING AUTHORITY, represented by SIMA, or FF, shall prevail;

III. in case of any divergence between the ANNEXES issued by GRANTING AUTHORITY, SIMA or FF, the one with the most recent date shall prevail.

THIRD CLAUSE - APPLICABLE LEGISLATION AND GENERAL CONDITIONS

3.1. This CONTRACT is governed by the regulations set forth in the body of this text and in its ANNEXES, as well as by State Law No. 16.260/2016 and, where applicable, by Federal Law No. 8.666/1993; Federal Law No. 9.985/2000; State Law No. 6.544/1989; by Federal Laws No. 8.987/1995 and 9.074/1995, and by State Law No. 7.835/1992.

3.2. Unless stated otherwise, the base date for the amounts in this CONTRACT shall be May/2020, which, depending on the case and pertinence, shall be corrected using the Consumer Price Index (IPC/FIPE) or any other index that may replace it.

CLAUSE FOUR – ANNEXES

4.1. The following ANNEXES are a part of this CONTRACT, for all purposes:

I	CONCESSION AREA
II	SET OF SPECIFICATIONS
III	AGREEMENT FOR ENGINEERING SERVICES
IV	EXECUTIVE RESTORATION PROJECT AND USE AND CONSERVATION MANUAL
V	COEXISTENCE GUIDELINES FOR THE CONCESSIONAIRE AND EMAE S.A.
VI	JOINT SIMA-SLT RESOLUTION
VII	PERFORMANCE INDICATORS
VIII	TERM OF DELIVERY OF THE PUBLIC ASSET
IX	TICKETING POLICY
X	ACCOUNT ADMINISTRATION CONTRACT - CENTRALIZER ACCOUNT
XI	ACCOUNT ADMINISTRATION CONTRACT – RESTORATION FUND ACCOUNT
XII	SPECIAL PURPOSE COMPANY DOCUMENTS
XIII	TIMETABLE FOR THE PAYING IN OF CAPITAL STOCK
XIV	DEMOBILIZATION AND TRANSITION PLAN
XV	INSURANCE PLAN AND INSURANCE POLICIES
XVI	INSPECTION AND PENALTY CONTRACT

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CHAPTER II – CONCESSION

FIFTH CLAUSE - OBJECT OF THE CONCESSION

5.1. The object of this CONCESSION is to delegate to the private sector activities for carrying out investments, conservation, operations, maintenance and economic exploitation of the CONCESSION AREA, which corresponds to the territorial area located within the perimeters of the Serra do Mar State Park Conservation Unit concerning CAMINHOS DO MAR, designated in accordance with the perimeters described and detailed in ANNEX I, including devising projects, carrying out construction works and making investments, rendering services and undertaking the economic exploitation of ecotourism and visitation activities, subject to the conditions established in this CONTRACT and in the ANNEXES, MANAGEMENT PLAN and applicable legislation.

5.1.1. The CONCESSIONAIRE shall also be responsible for carrying out RESTORATION works, as set forth under clause eighteen and ANNEX III.

5.2. The CONCESSION AREA shall be freely explored by the CONCESSIONAIRE, provided the provisions of ANNEX II of this CONTRACT are fulfilled, as well as:

- I. the nature of the communal use by the people and the purposes for creating the Serra do Mar State Park are upheld, particularly in regard to CAMINHOS DO MAR;
- II. the regulations, standards and procedures prescribed in the MANAGEMENT PLAN of the Serra do Mar State Park Conservation Unit, in this CONTRACT and its ANNEXES, and in State Law No. 16.260 of June 29, 2016 are fulfilled;
- III. the Joint SIMA-SLT Resolution no. 001 of September 11, 2020 is complied with;
- IV. construction works and interventions involving demolitions, renovations or constructions of new permanent facilities secure prior approval by the GRANTING AUTHORITY, as per ANNEX III;
- V. the premises contained in the Coexistence Guidelines for the CONCESSIONAIRE and EMAE S.A. are accounted for and developed.

5.2.1. The approval prescribed in item IV of Clause 5.2. aims to assess the compatibility of construction works, interventions and activities with the end purposes of the Park and CAMINHOS DO MAR, its MANAGEMENT PLAN and the impact on the landscape, thereby not resulting in any liabilities for the GRANTING AUTHORITY or changing the risk matrix provided for under this CONCESSION CONTRACT.

5.2.2. Renovations, restorations, improvements or any other intervention carried out on the MONUMENTS shall uphold specific RESTORATION conditions set forth in Clause Eighteen and in ANNEXES III and IV, and shall additionally uphold the provisions contained in Clause 5.2 and in the respective subclauses, as applicable.

5.3. The CONCESSIONAIRE shall ensure access by representatives of the GRANTING AUTHORITY, SIMA, FF and EMAE S.A. to the CONCESSION AREA, so as to guarantee that activities related to the park's environmental management and the exercise of local law enforcement duties are able to be carried out, as well as activities to support EMAE S.A. in its electrical power generation, pursuant to ANNEX V.

5.4. THE CONCESSION AREA, permitted activities and uses, as well as the MINIMUM STARTING INVESTMENTS and CONCESSION assignments, are foreseen and detailed under ANNEX II.

5.5. Notwithstanding the provisions of this CONTRACT and its ANNEXES, the CONCESSIONAIRE shall observe the following contractual milestones:

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I. up to 180 (one hundred and eighty) days from the DATE OF SIGNING, the CONCESSIONAIRE shall submit to the GRANTING AUTHORITY its proposal for an INTERVENTION PLAN, which, once approved, shall become part of ANNEX III, and shall always be kept up-to-date;

II. up to 120 (one hundred and twenty) days from the DATE OF SIGNING, the CONCESSIONAIRE shall submit to the GRANTING AUTHORITY its proposal for a MANAGEMENT AND OPERATION PLAN, which shall become part of ANNEX II, and shall always be kept up-to-date;

III. up to 60 (sixty) days from the DATE OF SIGNING, the CONCESSIONAIRE shall submit to the GRANTING AUTHORITY its proposal for an IMPLEMENTATION PLAN and a MANAGEMENT AND OPERATION PLAN specific to the Highway SP-148 stretch contained in the CONCESSION AREA, subject to the provisions of Joint SIMA-SLT Resolution No. 001/2020, or a standard to replace it, contained in ANNEX VI. As soon as the specific plans referred to in this item are approved, as set forth under this CONTRACT and ANNEX VI, they shall integrate, respectively, the CONCESSION's INTERVENTION PLAN and OPERATION AND MANAGEMENT PLAN;

IV. up to 90 (ninety) days from the DATE OF SIGNING, the PARTIES shall enter into the TERM OF DELIVERY OF THE PUBLIC ASSET, provided all the conditions established in this CONTRACT are observed;

V. up to 36 (thirty-six) months from the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, the CONCESSIONAIRE shall conclude the MINIMUM STARTING INVESTMENTS;

VI. up to 21 (twenty-one) months from the date of execution of the TERM OF DELIVERY OF THE PUBLIC ASSET, the CONCESSIONAIRE shall complete the RESTORATION works; and up to 90 (ninety) days from the DATE OF SIGNING, the CONCESSIONAIRE shall submit to the GRANTING AUTHORITY the RESTORATION works schedule.

CLAUSE SIX – ON THE GRANT

6.1. The amount payable by the CONCESSIONAIRE to the GRANTING AUTHORITY due to the delegation of the exploitation of CAMINHOS DO MAR is composed of the FIXED GRANT and the VARIABLE GRANT, according to regulations established in this CONTRACT and its ANNEXES, as follows:

I. the FIXED GRANT, with a value of R\$ [●] ([●]), base date of May/2020, corrected using the Consumer Price Index (IPC/FIPE), was deposited by the CONCESSIONAIRE in the RESTORATION FUND ACCOUNT up to the limit of the RESTORATION FEE, and any remaining balance was deposited in a bank account designated by the GRANTING AUTHORITY; and

II. the VARIABLE GRANT shall be paid to the GRANTING AUTHORITY, pursuant to Clause Thirteen, calculated at 0.5% (five tenths percent) of the REVENUE collected by the CONCESSIONAIRE, as of the 25th (twenty-fifth) month from entering into the TERM OF DELIVERY OF THE PUBLIC ASSET.

6.1.1. The CONCESSION value described in Clause 6.1 is not to be confused with amounts due by the CONCESSIONAIRE to the GRANTING AUTHORITY in view of inspection activities within its competence, particularly the INSPECTION FEE regulated in Clause Fourteen of this CONTRACT.

6.1.2. Failure to make payments within the manner and deadlines specified in this CONTRACT, shall make the CONCESSIONAIRE liable to relevant penalties, notwithstanding the possibility of execution, by the GRANTING AUTHORITY, of guarantees provided by the CONCESSIONAIRE, in addition to application of penalties and potential declaration of expiry of the CONCESSIONAIRE.

6.1.3. Allocation of amounts paid under the FIXED GRANT and the VARIABLE GRANT shall comply with State Law No. 16.260/2016.

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6.2. This CONCESSION assumes the provision of ADEQUATE SERVICES, deeming as such any and all services provided in accordance with this CONTRACT, while fully satisfying the PERFORMANCE INDICATORS specified in ANNEX VII.

6.3. To carry out the object of this CONTRACT, the CONCESSIONAIRE shall be entitled to obtain compensation compatible with the services and activities that it provides to USERS, upholding guidelines specified in this CONTRACT and its ANNEXES, as well as the MANAGEMENT PLAN and applicable legislation.

CLAUSE SEVEN – ON THE CONCESSION TERM

7.1. THE CONCESSION TERM is 30 (thirty) years, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET.

7.1.1. Signing of the TERM OF DELIVERY OF THE PUBLIC ASSET is a condition for achieving full effect of the CONTRACT.

7.1.1.1. The PARTIES shall do their utmost to ensure that the TERM OF DELIVERY OF THE PUBLIC ASSET is signed as soon as possible.

7.1.2. The period provided for under Clause 7.1 may be extended, exceptionally and at the sole discretion of the GRANTING AUTHORITY, to restore the economic and financial balance of CONTRACT in the cases provided for under this CONTRACT, or to ensure continuity of the provision of services, pursuant to article 16 of State Law No. 16.933/2019.

7.1.2.1. The period provided for under Clause 7.1 may also be extended upon a discretionary decision made by the GRANTING AUTHORITY aimed at including investments not provided for under the CONTRACT and its ANNEXES, pursuant to articles 4 and following of State Law No. 16.933/2019, subject to legal requirements required for an anticipated extension of the CONCESSION.

7.1.2.2. The application of subclause 7.1.2.1 shall not waive the required qualification of the CONCESSION as a project suited for anticipated extension by the competent State of São Paulo body or entity, as set forth under article 2 of State Law No. 16.933/2019.

7.1.3. The extension of the final period of the CONCESSION CONTRACT shall be carried out by signing an Addendum, in accordance with the content of its clauses and, complementarily or alternatively, by the legislation in force at the date of its signing.

7.2. The CONTRACT be terminated in advance, subject to the regulations established hereunder, in the following cases:

- I. either PARTY shall take the initiative, in the event of substantial fortuitous or force majeure events, when said events are uninsurable under regulations established in this CONTRACT, with irreparable consequences that extend for more than 90 (ninety) days, or for a period agreed upon by common accord of both PARTIES, when verified that said effects may irreversibly jeopardize exploitation of the CONCESSION;
- II. at the initiative of the CONCESSIONAIRE, if the GRANTING AUTHORITY unilaterally imposes limitations on prices charged by the CONCESSIONAIRE in the CONCESSION AREA, including TICKET prices, other than those provided for under this CONTRACT and its ANNEXES, notwithstanding the CONCESSIONAIRE's option to exercise its right to economic-financial restructuring to the detriment of early termination;
- III. at the initiative of the CONCESSIONAIRE, if RESTORATION FUNDS are not made available in the

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RESTAURATION FUND ACCOUNT within 360 (three hundred and sixty) days effective the DATE OF SIGNING, notwithstanding the CONCESSIONAIRE's option to exercise its right to economic-financial rebalancing in detriment of early termination;

- IV. at the initiative of the CONCESSIONAIRE, upon the occurrence of UNBALANCING EVENTS on the CONCESSION resulting exclusively from risks referred to in items XXXIII or XXXIV of Clause 24.1 effectively taking place, allocated to the CONCESSIONAIRE, which, individually or combined, result in a situation in which even eventual readjustments of amounts charged by the CONCESSIONAIRE to USERS are not sufficient to generate the REVENUE needed for the feasibility of the exploitation of CAMINHOS DO MAR by the CONCESSIONAIRE; and
 - V. at the initiative of the GRANTING AUTHORITY, in the event of economic-financial unbalancing event(s), the risk of which has been allocated to the GRANTING AUTHORITY, when the projection of the future impact of the event(s), brought to the present cost according to the criteria provided in Clause 28.5, exceeds the amount of R\$ 2,500,000.00 (two million and five hundred thousand reais), corrected using the same criteria foreseen for the readjustment of the FIXED GRANT, as per Clause 12.1.
- 7.2.1. In the event provided for under Clause 7.2, item IV, in case the CONCESSIONAIRE expresses its intention to terminate the CONTRACT in advance, the GRANTING AUTHORITY may choose, at its discretion, to take on itself the future economic and financial effects of the event(s) already occurred that classify the risk(s) foreseen under item(s) XXXIII or XXXIV of Clause 24.1 and, consequently, rebalance the CONTRACT, thereby preventing its early termination.
 - 7.2.2. For purposes set out under clause 7.2 of Clause 7.2, general normative changes made to ticket exemption or half-price policies that impact TICKET revenue at CAMINHOS DO MAR and related attractions shall not be deemed limitations to prices charged by the CONCESSIONAIRE, with this risk pertaining to the CONCESSIONAIRE, as set forth under item XXXIV of Clause 24.1, notwithstanding the possibility of the CONCESSIONAIRE exercising its prerogative to early termination, as specified in item IV of Clause 7.2, if its assumptions are fulfilled.
 - 7.2.3. For the exercise of the early contract termination prerogative referred to in item II of Clause 7.2, only limitations on amounts charged by the CONCESSIONAIRE that stem from GRANTING AUTHORITY's decisions related specifically to the CONCESSION shall be considered, and provided the economic-financial impact borne by the CONCESSIONAIRE as a result of said decision is greater than 10% (ten percent) of the TICKET revenue, using as grounds for calculation, TICKET revenue collected in the last 12 (twelve) months, corrected using the same criteria as that used for the FIXED GRANT, in accordance with Clause 12.1, or which impact over 10% of USERS.
 - 7.2.4. For specific GRANTING AUTHORITY decisions referred to in sub-clause 7.2.3, whose economic-financial impact is lower than that established for the exercise of the prerogative to carry out early termination of the CONCESSION, the CONCESSIONAIRE may claim economic-financial rebalancing of the CONTRACT.

CLAUSE EIGHT – ON TRANSFERRING THE PUBLIC ASSET TO THE CONCESSIONAIRE

- 8.1. Possession of the CONCESSION AREA shall be transferred to the CONCESSIONAIRE after fulfilling the requirements provided for under sub-clause 8.1.2., within 90 (ninety) days effective the DATE OF SIGNING of the CONCESSION CONTRACT, by entering into the TERM OF DELIVERY OF THE PUBLIC ASSET, and from that date onwards, the CONCESSIONAIRE shall be solely responsible for maintaining possession and use of the CONCESSION AREA, subject to the provisions of this CONTRACT and its ANNEXES.

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- 8.1.1. The TERM OF DELIVERY OF THE PUBLIC ASSET shall be submitted along with a photographic report and descriptive memorandum of all existing facilities, equipment, assets and building projects in the CONCESSION AREA devised by the CONCESSIONAIRE, and approved by the GRANTING AUTHORITY. After agreement is signed and the photographic report and descriptive memorandum are approved, these shall make up this CONTRACT as ANNEX VIII.
- 8.1.2. The following are conditions for signing the TERM OF DELIVERY OF THE PUBLIC ASSET: (I) proof that the CONCESSIONAIRE contracted insurance provided for under Clause Thirty-Seven of this CONTRACT, in accordance with the defined INSURANCE PLAN; and (II) if applicable, proof by the GRANTING AUTHORITY that it deposited, in the RESTORATION FUND ACCOUNT, the difference between the FIXED GRANT amount deposited by the CONCESSIONAIRE in the RESTORATION FUND ACCOUNT, and the amount set as the RESTORATION FEE.
- 8.1.3. The period established in Clause 8.1 may be extended for more successive periods of 60 (sixty) days, upon a grounded decision by the GRANTING AUTHORITY.
- 8.1.4. Effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, the CONCESSIONAIRE's representatives may enter the CONCESSION AREA upon prior request and scheduling with the GRANTING AUTHORITY, for any purposes relating to the future exploitation of the object of the CONCESSION, including to carry out all necessary steps for devising the photographic report and descriptive memorandum referred to in subclause 8.1.1, as well as to carry out preparatory measures for RESTORATION works.
- 8.1.5. Should the CONCESSIONAIRE submit a photographic report and specific descriptive memorandum for the MONUMENTS, and upon their approval by the GRANTING AUTHORITY, as well as its submission of the RESTORATION works schedule and contracting INSURANCE pertinent to said works, in accordance with the INSURANCE PLAN, the CONCESSIONAIRE, upon prior consent granted by the GRANTING AUTHORITY, may start the RESTORATION works prior to signing the TERM OF DELIVERY OF THE PUBLIC ASSET, maintaining the final deadline provided for under item VI of Clause 5.5, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET.
- 8.1.5.1. Upon its approval, the GRANTING AUTHORITY may set forth conditions to mitigate the impacts of construction works on CAMINHOS DO MAR's activities.
- 8.1.5.2. Upholding the deadline foreseen under item VI of Clause 5.5 does not rule out the need to comply with the initial and intermediate milestones established in the schedule submitted by the CONCESSIONAIRE, as set forth under Clause 18.5.
- 8.2. The direct possession of the existing facilities and equipment in the CONCESSION AREA, except for potential assets or equipments whose possession is not transferred to the CONCESSIONAIRE, pursuant to ANNEX II of this CONTRACT, shall be transferred to the CONCESSIONAIRE simultaneously with the transfer referred to in this Clause.
- 8.3. From the signing of the TERM OF DELIVERY OF THE PUBLIC ASSET until termination of the CONCESSION, it shall be the sole responsibility of the CONCESSIONAIRE to carry out all activities,

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make any investments and assignments included in the object of CONCESSION, and the CONCESSIONAIRE shall also be responsible for exploiting CAMINHOS DO MAR duly and within the limits of this CONTRACT and its ANNEXES, the MANAGEMENT PLAN and the applicable legislation.

CLAUSE NINE – ON THE ESTIMATED VALUE OF THE CONTRACT

9.1. THE ESTIMATED CONTRACT PRICE is R\$ [●] ([●]), base date of May/2020.

9.2. THE ESTIMATED VALUE OF THE CONTRACT is for reference purposes only, and cannot be used, by either PARTY, as grounds for restoring the economic-financial balance of CONTRACT, or for any other purposes that entail using the ESTIMATED VALUE OF THE CONTRACT as a parameter for compensation, reimbursements and the like.

CLAUSE TEN – ON REMUNERATION

10.1. The REVENUE of the CONCESSIONAIRE is deemed all amounts collected by the CONCESSIONAIRE, particularly those relating to the direct or subcontracted exploitation, pursuant to this CONTRACT, pertaining to CAMINHOS DO MAR and the rest of the CONCESSION AREA, including, but not limited to, ticket office exploitation and CASH GENERATING UNITS, as well as other related assets and rights, such as, but not limited to, image rights and sponsorships.

10.1.1. Revenues for purposes proposed hereunder shall not be deemed those arising from investments in the financial market, amounts received from insurance and from compensation or pecuniary penalties arising from contracts signed between the CONCESSIONAIRE and third parties, except for any compensation due by third parties to the CONCESSIONAIRE, whose costs would originally be deemed REVENUE for purposes of this CONTRACT.

10.1.2. The ticketing policy of CAMINHOS DO MAR shall take into account information specified in ANNEX IX, and the CONCESSIONAIRE shall be given full freedom to define its ticket prices, in compliance with ticket exemption and half-price policies set out under ANNEX IX.

10.2. The CONCESSIONAIRE hereby states to be aware of the costs, risks and conditions related to obtaining the REVENUE, acknowledging that these are sufficient to compensate all investments, costs and expenses related to the object of this CONTRACT, so that the conditions originally established hereunder enable economic-financial balance of the CONCESSION.

10.3. Economic exploitation of the CONCESSION AREA by the CONCESSIONAIRE is prohibited, whether directly or indirectly, in regard to the following:

I. installing antennas and telecommunications equipment for public or private legal entities that operate in telecommunications, radio and television as well as related industries, whereas only those for exclusive use by the CONCESSIONAIRE and/or by CAMINHOS DO MAR USERS shall be permitted. The FF may install antennas mentioned in the provision hereunder, provided it ensures that the safety of CAMINHOS DO MAR USERS is not jeopardized and does not interfere with its regular operations, and it shall additionally always check with the CONCESSIONAIRE in the event of installing antennas inside the CONCESSION AREA;

II. commercial exploitation of timber or forest by-products;

III. exploitation of activities or advertising that violates the current legislation, particularly environmental legislation, whether of political, religious nature or that may impair use and exploitation of the CONCESSION AREA;

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IV. marketing of “naming rights” that changes the official name of the Serra do Mar State Park Conservation Unit and that of CAMINHOS DO MAR.

10.4. All advertising-related activities undertaken shall be in compliance with the current legislation and regulations of the National Council for Advertising Self-Regulation - CONAR, not violating morals and proper conduct, and cannot have any religious or political nature, or refer to any kind of slander, discrimination or prejudice of any order, including prejudices of race, color, creed, gender and sexuality, of a social or xenophobic nature.

10.4.1. Economic exploitation of the CONCESSION AREA by the CONCESSIONAIRE is prohibited, whether directly or indirectly, with regard to activities or advertising that violates the current legislation or that may render unfeasible or impair use and exploitation of the CONCESSION AREA, pursuant to the terms of this CONTRACT and its ANNEXES.

10.5. The marketing of “naming rights” is permitted for specific areas, equipment, trails and other spaces of CAMINHOS DO MAR, provided that, in addition to fulfilling the impediments in Clause 10.3 as well as the guidelines set forth under Clause 10.4, where applicable, it is not contrary to proper practices, does not impair the rights of third parties, respects copyrights, and the rights holder submits documentation to CONCESSIONAIRE clearing it of any debts or outstanding issues with the Registry of Outstanding Credits of State Agencies and Entities - state CADIN (State Law No. 12.799/08), the National Registry of Ineligible and Suspended Companies- CEIS (Federal Act No. 12.846/12), the National Registry of Punished Companies - CNEP, and the State of São Paulo’s Registry of Punished Corporations – CEEP, and the Electronic System for Application and Registry of Administrative Sanctions - e-Sanctions of the State of São Paulo, and provided the rights holder has not suffered criminal or administrative sanctions derived from conduct and activities that are harmful to the environment, pursuant to Law No. 9.605/1998, State Law No. 997/1976, and State Decree No. 8.468/1976, except in the case of serving the sentence and rehabilitation, pursuant to applicable law.

10.5.1. All contracting by the CONCESSIONAIRE for purposes of marketing rights set forth under Clause 10.5 may not exceed the term of the CONTRACT.

10.5.2. The documentation required in Clause 10.5 shall be kept by the CONCESSIONAIRE, and shall be submitted to the GRANTING AUTHORITY upon request.

10.6. All contracts related to exploitation of REVENUE by the CONCESSIONAIRE shall be signed in writing and submitted to the GRANTING AUTHORITY for its acknowledgment.

10.6.1. All contracts that the CONCESSIONAIRE signs with subcontractors, including those for purposes of exploiting CAMINHOS DO MAR activities, shall be governed by private law, with no legal relationship being established between the subcontractors and the GRANTING AUTHORITY.

10.6.2. Upon termination of the CONCESSION CONTRACT, the CONCESSIONAIRE shall deliver the areas that are object to exploitation hereunder clear and free of any assets and rights, deploying, for this purpose, all necessary measures.

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10.6.3. No CONTRACT signed between the CONCESSIONAIRE and subcontractors, whose purpose is to exploit REVENUE in this CONCESSION CONTRACT, may exceed the CONCESSION TERM, unless a decision or express authorization is granted by the GRANTING AUTHORITY, whereas the CONCESSIONAIRE shall be solely and fully responsible, as a result of contracts of similar nature, for any taxes, charges, obligations, liens, costs, residual costs or other sources charged by its subcontractors, with the CONCESSIONAIRE being prohibited from imposing this responsibility on the GRANTING AUTHORITY, as well as charging any amount considered to be directly payable as a result of contracts signed with private parties.

10.6.3.1. The approval set forth under sub-clause 10.6.3 may not be granted, under any circumstances, for contracts to be signed with RELATED PARTIES, and it shall be subject to convenience and opportunity appraisals by the GRANTING AUTHORITY, whereas any denial does not, under any circumstances, give effect to economic-financial rebalancing of the CONTRACT.

10.6.3.2. After the approval set forth under sub clause 10.6.3 has been granted, maintenance of the CONTRACT at hand is also expressly approved in case of early termination of the CONCESSION, subject to the provisions in Clause 10.8.

10.6.3.3. Contracts previously approved, as set forth under sub-clause 10.6.3, shall provide for periodic compensation in equal or increasing installments throughout their term, and shall be corrected using the official inflation index, it being additionally prohibited to advance installments that exceed the CONCESSION TERM.

10.6.3.4. In the event that the business contract signed between CONCESSIONAIRE and subcontractors provides for variable compensation proportional to the turnover of the business, this compensation shall have an equal or increasing percentage cost and constant periodicity throughout the contract.

10.6.3.5. If the business contract signed between the CONCESSIONAIRE and subcontractors provides for forms of compensation that differ from those set forth under this item, this shall be notified in the approval request specified in subclause 10.6.3, and shall be subject to the GRANTING AUTHORITY's approval.

10.6.4 In the event of signing contracts with terms longer than the CONCESSION TERM, in addition to the approval provided for under sub-clause 10.6.3, the following conditions shall be fulfilled: (I) the GRANTING AUTHORITY shall be part of the correction as an Intervener, whereas the CONCESSIONAIRE shall not be entitled to any compensation, in any capacity, during the period that exceeds the CONCESSION TERM; (II) allocation of shares shall be established between the compensation perceived by the CONCESSIONAIRE, during the remainder of the CONCESSION TERM, and the projected compensation for the GRANTING AUTHORITY in the period subsequent to the effective CONCESSION TERM; and (III) after the CONCESSION TERM, the remuneration shall be due to the GRANTING AUTHORITY, whereas the business requirements and type of CONTRACT shall observe the requirements initially agreed upon with the CONCESSIONAIRE, and any and all changes that entail reducing or increasing said requirements in detriment to the GRANTING AUTHORITY shall be prohibited.

10.7. Any losses suffered by the CONCESSIONAIRE, the frustration of REVENUE expectations or any other failure to exploit CAMINHOS DO MAR may not be alleged for purposes of reviewing the CONCESSION

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CONTRACT or its economic-financial rebalancing, with the CONCESSIONAIRE being accountable for, with due regard to the risks allocated in this CONTRACT, fully taking on the risk of its execution.

10.8. In the event of early termination of the CONCESSION, including due to expiry and expropriation, the GRANTING AUTHORITY or the SUCCESSOR may report contracts signed by the CONCESSIONAIRE whose object is the use of spaces in the CONCESSION AREA, including those that have successfully secured the approval specified in sub-clause 10.6.3, ensuring indemnification in the event of investments not yet amortize by the CONCESSIONAIRE or subcontractors, regardless of whether signing of the CONTRACT was not previously approved by the GRANTING AUTHORITY.

10.8.1. In the event of contracts signed by the CONCESSIONAIRE with term periods exceeding the end of the CONCESSION TERM, without the necessary approval specified in subclause 10.6.3, the indemnification shall be estimated considering the straight line amortization between the start date of the exploitation of the investment and expiry of the CONCESSION TERM.

CLAUSE ELEVEN – LINKED ACCOUNTS OPERATION

11.1. As a condition for signing this contract, the CONCESSIONAIRE opened a CENTRALIZER ACCOUNT at the DEPOSITARY BANK, pursuant to the terms of ANNEX X, undertaking to ensure that all REVENUE collected by the CONCESSIONAIRE is exclusively transferred to the CENTRALIZER BANK ACCOUNT held by the CONCESSIONAIRE and with restricted transactions, whereas costs and fees related to contracting the DEPOSITARY BANK shall be borne by the CONCESSIONAIRE, in accordance with the terms of the aforementioned ANNEX X.

11.1.1. The PARTIES acknowledge that of all the CONCESSIONAIRE REVENUE, as set forth hereunder, and prior to allocation of said revenue to the CONCESSIONAIRE's free transaction bank account, amounts referring to VARIABLE GRANTS, INSPECTION FEES and PERFORMANCE INDICATORS shall be deducted, subject to the conditions established in this CONTRACT.

11.1.2. After the realization of the deductions mentioned in subclause 11.1.1 above, the remaining balance shall be immediately transferred to the free transaction account bank account held by the CONCESSIONAIRE.

11.2 The CONCESSIONAIRE shall arrange for the opening of a CENTRALIZER ACCOUNT with the DEPOSITARY BANK, as set forth under the draft CONTRACT in ANNEX X. Should there be any change to the terms and conditions submitted in the aforementioned draft, opening of the CENTRALIZER ACCOUNT shall be conditional upon the GRANTING AUTHORITY's prior consent.

11.3. After the due administrative proceeding, the penalty provided for under ANNEX XVI may be applied, which may trigger a process of declaring expiry of the CONCESSION, any act of the CONCESSIONAIRE that may represent fraud concerning the mandatory allocation of its REVENUE to the CENTRALIZER ACCOUNT, or false reduction of the CONCESSIONAIRE's REVENUE.

On the Restoration Fund Account

11.4. THE RESTORATION FUND ACCOUNT owned by the FOREST FOUNDATION OF THE STATE OF SÃO PAULO was constituted as a condition for signing this CONTRACT, and its guidelines are regulated under the terms specified in ANNEX XI. Also as a condition for signing the CONTRACT, the CONCESSIONAIRE deposited the FIXED GRANT amount in the RESTORATION FUND ACCOUNT, up to the limit of the RESTORATION FEE.

11.5. THE FOREST FOUNDATION OF THE STATE OF SÃO PAULO shall provide, if applicable, the deposit

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of the difference between the FIXED GRANT amount deposited by the CONCESSIONAIRE in the RESTORATION FUND ACCOUNT, and the RESTORATION FEE.

CLAUSE TWELVE – ON THE FIXED GRANT

- 12.1. As a condition for signing this CONTRACT, the CONCESSIONAIRE or the WINNING BIDDER(S) of the BIDDING PROCESS, as regulated by the AUCTION NOTICE, paid the sum due to the GRANTING AUTHORITY as a FIXED GRANT, in the amount of R\$ [●], corrected using the IPC/FIPE Consumer Price Index, whereas in regard to the total FIXED GRANT amount, the CONCESSIONAIRE made a deposit of the corresponding amount in the RESTORATION FUND ACCOUNT up to the limit of the RESTORATION FEE, and, if a remaining balance existed, made the deposit of this balance in a bank account designated by the GRANTING AUTHORITY.

CLAUSE THIRTEEN – ON THE VARIABLE GRANT

13.1. The CONCESSIONAIRE shall pay a VARIABLE GRANT to the FF corresponding to at least 0.5% (five tenths percent) of its REVENUES throughout the entire CONCESSION term, effective the 25th (twenty-fifth) month of this CONTRACT, as set forth in the provisions of Clause 13.3.

13.1.1. Revenue and payment of the amounts due under the VARIABLE GRANT, while upholding the maximum monthly periodicity, are regulated in ANNEX X, and the PARTIES shall take all necessary measures to ensure its effective compliance.

13.2. In the event of that an undue decrease in VARIABLE GRANT revenue due to operations aiming at artificially reducing the REVENUE of the CONCESSIONAIRE is verified, resulting from appropriation of this REVENUE by subcontractor(s), the GRANTING AUTHORITY shall use as grounds for estimating the VARIABLE GRANT, the gross revenue earned by subcontractors who have exploited activities that generate such REVENUE, notwithstanding the enforcement of applicable penalties.

13.2.1. In the event of Clause 13.2 above, and following the due administrative proceeding, the GRANTING AUTHORITY shall notify the DEPOSITARY BANK, pursuant to ANNEX X, so that it makes the additional payable discount on the REVENUE of the CONCESSIONAIRE, until the payable amount is settled, plus a late payment penalty of 2% (two percent), late payment interest equivalent to 1% per month (one percent per month), and monetary correction using the IPC/FIPE variation price index, *pro rata die*.

13.3. Annually, effective the 37th (thirty-seventh) month of the CONTRACT being in effect, the VARIABLE GRANT shall be increased to up to 1.5% of the REVENUE of the CONCESSIONAIRE, conditional upon fulfillment of the PERFORMANCE INDICATORS concerning exploitation of CAMINHOS DO MAR, pursuant to the terms of ANNEX VII, and in accordance with the formula described in the subclauses below.

13.3.1 If the score of the performance indicators is greater than or equal to 9, the percentage of the variable grant shall be 0.5% of the gross revenue.

13.2. If the score is less than 9, the percentage value of the variable grant shall be given by the following formula:

$$P = 1,5 - \frac{1}{9} \times N$$

So that:

P – represents the percentage value, which shall vary between a maximum of 1.5% and a minimum of 0.5% of

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the REVENUE of the CONCESSIONAIRE;

N – represents the score of the Performance Indicators, as assessed annually by the GRANTING AUTHORITY, with support from the INDEPENDENT VERIFIER.

13.3.3. The GRANTING AUTHORITY shall, in accordance with ANNEX X, notify the DEPOSITARY BANK, pursuant to the form and periodicity specified in the aforementioned ANNEX, regarding the percentage to be deducted from the REVENUE of the CONCESSIONAIRE for each annual period.

13.3.4. Fulfillment of the CONCESSIONAIRE's PERFORMANCE INDICATORS shall be assessed in accordance with Clause Fifteen of this CONTRACT and ANNEX VII.

CLAUSE FOURTEEN – ON INSPECTION FEES

14.1. The CONCESSIONAIRE shall pay INSPECTION FEES to the GRANTING AUTHORITY, corresponding to 0,5% (five tenths percent) of its REVENUE, throughout the entire CONCESSION TERM.

14.1.1. INSPECTION FEE collection and payables, subject to the maximum monthly periodicity, are regulated in ANNEX X, and the PARTIES shall take all necessary measures to fulfill them effectively.

14.2. The provisions contained in Clause 13.2 and sub clause 13.2.1 apply to the INSPECTION FEES.

CLAUSE FIFTEEN – ON THE INDEPENDENT VERIFIER

15.1. The CONCESSIONAIRE shall contract a company or consortium of companies to act as an INDEPENDENT VERIFIER to assess compliance with the PERFORMANCE INDICATORS of this CONTRACT.

15.2. The INDEPENDENT VERIFIER, in the exercise of its activities and under the guidance of the GRANTING AUTHORITY, shall carry out all necessary measures to fulfill its duties, carrying out surveys and field measurements, and collecting information from the PARTIES, and shall therefore have access to all CONCESSION-related information and documents.

15.3. The assessment carried out by the INDEPENDENT VERIFIER shall use ANNEX VII as its reference, and reports devised by it shall be submitted to the GRANTING AUTHORITY until the 5th (fifth) working day, effective the anniversary date of the CONTRACT. Application of PERFORMANCE INDICATORS with the corresponding correction in the VARIABLE GRANT shall start on the 1st (first) day of the month, immediately following the anniversary of the CONTRACT, subject to the regulations of ANNEX X.

15.3.1. The PARTIES may settle doubts or differences concerning the aforementioned report between the date of delivery of the report by the INDEPENDENT VERIFIER, as stated above, and the first day the corrected amounts are applied.

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15.4. For purposes of contracting the INDEPENDENT VERIFIER, the CONCESSIONAIRE shall submit, for prior approval by the GRANTING AUTHORITY, and within up to 15 (fifteen) days from the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, at least 3 (three) companies or consortia of companies of recognized competence to act as INDEPENDENT VERIFIERS, subject to the requirements set forth under Clause Fifteen of this contract.

15.5. The GRANTING AUTHORITY shall issue a statement, within a maximum period of 15 (fifteen) consecutive days, effective the receipt of the appointment specified in Clause 15.4 above, concerning the suitability of the companies or consortia of companies submitted by CONCESSIONAIRE, and shall approve a maximum of 3 (three) companies or consortia of companies to act as INDEPENDENT VERIFIERS. The CONCESSIONAIRE shall formalize, within a maximum period of 60 (sixty) days, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, the fact that 1 (one) of the companies or consortia of companies approved by the GRANTING AUTHORITY was contracted to act as the INDEPENDENT VERIFIER.

15.5.1. If the GRANTING AUTHORITY rejects the list of appointments submitted by the CONCESSIONAIRE or approves less than 3 (three) companies or consortia of companies, the CONCESSIONAIRE shall submit another list(s) with complementary appointments, in accordance with the provisions above.

15.5.1.1 If, after submission of the second list with appointments of companies or consortia to act as INDEPENDENT VERIFIERS, one or two entities are approved, then the CONCESSIONAIRE shall be exempted from submitting new appointments.

15.5.1.2. If, after the second list of appointments, the GRANTING AUTHORITY has failed to approve any company or consortium of companies, the CONCESSIONAIRE shall submit another list of appointments, and so on, under the same terms set forth in Clause 15.4, until the GRANTING AUTHORITY approves a company(s) or consortium(s) of companies to act as the INDEPENDENT VERIFIER in this CONCESSION.

15.5.2. The rejection, by the GRANTING AUTHORITY, of the choices for INDEPENDENT VERIFIERS designated by the CONCESSIONAIRE shall always be submitted in a motivated and reasonable manner, by signaling the requirement(s) that were not met by the CONCESSIONAIRE's designations.

15.6. The CONCESSIONAIRE shall, at each annual verification cycle, replace the contracted INDEPENDENT VERIFIER, provided it is replaced with another company or consortium of companies previously approved by GRANTING AUTHORITY.

15.6.1. Annually, at least 45 (forty-five) days before the date of delivery of the report produced by the INDEPENDENT VERIFIER on the annual assessment of the CONCESSIONAIRE's PERFORMANCE INDICATORS, the CONCESSIONAIRE shall submit new designations for INDEPENDENT VERIFIERS to be approved by the GRANTING AUTHORITY, in addition to or replacing those already approved, while upholding the same deadline set in Clause 15.4 above, and a maximum of 3 (three) companies or consortia of approved companies shall be maintained to act as the CONCESSION's INDEPENDENT VERIFIERS.

15.6.2. The list of companies or consortia of companies approved, as set forth in subparagraph 15.6.1 above, shall be valid effective the verification cycle immediately after the one in which the approval by the GRANTING AUTHORITY was given, and for the period during which the approval lasts.

15.7 THE INDEPENDENT VERIFIER shall fulfill the following requirements:

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I. have complete impartiality and no conflict of interest in regard to the PARTIES to this CONCESSION CONTRACT;

II. have provenly performed services of similar characteristics in ventures or projects compatible with the object of the CONCESSION;

III. submit a Work Plan demonstrating the methodology to be applied to assess the CONCESSIONAIRE's performance in complying with the CONTRACT, using ANNEX VII for reference purposes;

IV. not be a controlling, subsidiary or affiliated company, not be under common control in regard to the CONCESSIONAIRE, or belong to its ECONOMIC GROUP or shareholders;

V. not be subject to liquidation, intervention or Special Temporary Bankruptcy Management - RAET or having declared bankruptcy;

VI. have a technical staff composed of college degree experts, professionally qualified in areas related to the exploitation activity of the object of the CONCESSION.

15.8. The technical qualification of the members of the INDEPENDENT VERIFIER team, which deals with item VI of Clause 15.7, shall also include:

I. a statement by each designated professional in which he/she agrees to be a part of the team;

II. a resumé of each designated professional including at least the following information: full name, date of birth, nationality, proposed position, work relationship, education, extension and postgraduate courses, list of participation in services or projects indicating the client; and

III. declaration that he/she shall act with impartiality and technical independence concerning the PARTIES to the CONCESSION CONTRACT.

15.9 The company or consortium of companies, or members of the related technical team, may certify the experience that the INDEPENDENT VERIFIER needs to fulfill.

15.10 The INDEPENDENT VERIFIER may be replaced with another verifier on the list approved by the GRANTING AUTHORITY, as set forth under Clause 15.5, in case it fails to fulfill the requirements specified in this Clause while the CONCESSION CONTRACT is in effect.

15.11. Replacement of the INDEPENDENT VERIFIER does not exempt it from any of the responsibilities taken on until then.

15.12. The CONCESSIONAIRE shall be responsible for compensating the INDEPENDENT VERIFIER, without any expense to be borne by the CONCESSIONAIRE.

15.13. The PARTIES may, at any time, request information or clarifications directly from the INDEPENDENT VERIFIER, always submitting a copy of the request to the other PARTY.

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15.13.1. The PARTIES declare that the activity to be carried out by the INDEPENDENT VERIFIER shall consist in supporting oversight of the CONTRACT and, for this purpose, the INDEPENDENT VERIFIER shall submit its technical findings and appraisals together and at the same time to the GRANTING AUTHORITY and the CONCESSIONAIRE.

CLAUSE SIXTEEN – THE CONCESSION ASSETS REGIME

16.1. The CONCESSION is composed of:

- I. I. the CONCESSION AREA, pursuant to the terms of ANNEX I, with all the building projects and facilities thereunder, except or those expressly signalled as not included within the scope of the CONCESSION, pursuant to the terms of ANNEX II;
- II. all equipment, machinery, apparatus, accessories and facilities in general, as well as all other assets bound to CAMINHOS DO MAR's operations and maintenance transferred to the CONCESSIONAIRE or added by it to the CONCESSION AREA throughout the CONCESSION TERM;

III. movable and fixed assets, acquired, incorporated, prepared or built by the CONCESSIONAIRE throughout the CONCESSION TERM, as well as all improvements, regardless of being useful or decorative, accessions, physical or intellectual, added to the CONCESSION AREA throughout the CONCESSION TERM, as a result of construction works or investments made by the CONCESSIONAIRE, even if resulting from non-mandatory investments and which are used in CAMINHOS DO MAR's operations and maintenance;

IV. all MINIMUM STARTING INVESTMENTS, as well as ADDITIONAL INVESTMENTS that may be required throughout the CONCESSION TERM, including movable assets necessary for the exploitation of the CONCESSION AREA, according to how the CONCESSIONAIRE exploits them, provided they are linked to the MINIMUM STARTING INVESTMENTS or to the ADDITIONAL INVESTMENTS.

16.1.1. All specifications regarding assets to be added to the CONCESSION related to MINIMUM STARTING INVESTMENTS, in addition to specifications regarding conditions for making investments and general interventions in the CONCESSION AREA, are listed in ANNEXES II and III, and shall be fulfilled by the CONCESSIONAIRE, under penalty of verification of contractual default and enforcement of applicable penalties.

16.2. All assets that are part of or shall be part of this CONCESSION shall be considered REVERTIBLE ASSETS for purposes of this CONTRACT and the applicable legislation, and all concerning provisions shall apply to them.

16.2.1. All assets considered in this CONTRACT as REVERTIBLE ASSETS shall be owned by the CONCESSIONAIRE or the GRANTING AUTHORITY, subject to the applicable legal and accounting standards.

16.3. Possession, custody, maintenance and surveillance of the assets belonging to the CONCESSION are the responsibility of the CONCESSIONAIRE.

16.4. The CONCESSIONAIRE undertakes to maintain, in full conditions of use, conservation and security, at its expense, the CONCESSION ASSETS during the CONTRACT term, carrying out, for this purpose, repairs, renovations and adaptations required to ensure the quality and sound performance of all activities foreseen under this CONCESSION.

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16.5. The CONCESSIONAIRE is expressly authorized to recommend, on its behalf, legal measures to ensure or recover possession of CONCESSION ASSETS.

16.6. The CONCESSIONAIRE is fully responsible for maintaining the REVERTIBLE ASSET INVENTORY up-to-date, and any act that may denote an attempt or consummation of fraud, through fault or willful misconduct, in the characterization of the assets that make up this CONCESSION, shall be deemed an infraction subject to the penalties described hereunder, notwithstanding other sanctions resulting from the current legislation.

16.7. CONCESSION ASSETS shall be properly registered in the CONCESSIONAIRE's books, so as to enable their swift identification by the GRANTING AUTHORITY, including their distinction in regard to exclusively private assets, subject to current accounting standards.

16.8. At the end of the REVERTIBLE ASSETS' useful life, the CONCESSIONAIRE shall immediately replace them with new and similar assets of equal or superior quality, in compliance with the obligation to continue providing the services covered by this CONTRACT and, above all, the mandatory technological update and fulfillment of PERFORMANCE INDICATORS, subject to the applicable contractual provisions.

16.9. Replacement of REVERTIBLE ASSETS during the CONCESSION TERM does not allow either PARTY to claim economic-financial rebalancing of the CONTRACT.

16.9.1. The CONCESSIONAIRE hereby states, upon signing this CONTRACT, that all necessary costs for the replacement, substitution and ordinary maintenance of REVERTIBLE ASSETS have already been included in its PRICE PROPOSAL, reason why there shall be no compensation, as well as no contractual unbalancing due to replacement, maintenance or substitution of REVERTIBLE ASSETS by the CONCESSIONAIRE.

16.10. All originally planned investments in this CONCESSION CONTRACT, including maintenance and replacement of REVERTIBLE ASSETS, shall be depreciated and amortized by the CONCESSIONAIRE throughout the CONCESSION TERM, whereas claims or indemnification claims for any unamortized balance at the end of the CONCESSION TERM, in regard to these assets, shall not be permitted.

16.10.1. In the event of early termination of the CONTRACT, amortization of investments made by the CONTRACTED PARTY shall be subject to the provisions of Chapter IX.

16.11. The CONCESSIONAIRE gives, free of charge and definitely to the GRANTING AUTHORITY and future SUCCESSORS of CAMINHOS DO MAR, license to use the studies, projects and other works of intellectual nature, created and used while devising the project, as well as their respective intellectual property rights (including the right to make and use derivative works), including in future concession contracts, and without any restrictions in the event of conditioning the continuity of services provided to their updating and/or review.

16.11.1. The CONCESSIONAIRE authorizes the GRANTING AUTHORITY to use all collected and shared information as part of its inspection activities, for purposes of research, development and transparency, as well as for improving its inspection activities.

16.12. The disposal, encumbrance or transfer of REVERTIBLE ASSETS to subcontractors, in any capacity, shall depend on the prior consent granted by the GRANTING AUTHORITY, pursuant to the terms of this CONTRACT, except for replacement of movable assets, aiming at maintaining the respective useful life under the terms specified in Clause 16.8.

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16.12.1. When approval is required, the GRANTING AUTHORITY shall issue its decision on the disposal, encumbrance or transfer, of any kind, of the CONCESSION's REVERTIBLE ASSETS by the CONCESSIONAIRE to third parties, within a period compatible with the complexity of the situation, and which may not exceed 60 (sixty) days, effective receipt of prior approval granted by the CONCESSIONAIRE.

16.12.2. The GRANTING AUTHORITY may, throughout the validity of the CONTRACT, notify the CONCESSIONAIRE on situations where prior approval is waived, as mentioned in Clause 12.16, provided the requirements set forth in this notification are fulfilled.

16.12.3. All legal dealings that the CONCESSIONAIRE has with subcontractors concerning REVERTIBLE ASSETS shall expressly mention the REVERTIBLE ASSETS tied to the CONCESSION.

16.12.4. Any and all disposals or acquisitions of assets that qualify as REVERTIBLE ASSETS, and which the CONCESSIONAIRE intends to carry out in the last two (2) years of the CONCESSION TERM, shall have the GRANTING AUTHORITY's no-objection.

16.12.4.1. The GRANTING AUTHORITY shall issue a statement, in writing, within fifteen (15) days upon the CONCESSIONAIRE's request, whereas it shall be considered that should the GRANTING AUTHORITY fail to speak up, no objection has been granted.

16.13. Assets employed or used by the CONCESSIONAIRE that are not included in the INVENTORY, and which fail to qualify as REVERTIBLE ASSETS, shall be considered exclusively private assets, and may be freely used and transferred by the CONCESSIONAIRE, notwithstanding its duty to comply with the PERFORMANCE INDICATORS and other provisions in this CONTRACT.

CLAUSE SEVENTEEN – ON INTERVENTIONS AND INVESTMENTS

17.1. The CONCESSIONAIRE undertakes to carry out, at its own risk, whether directly or indirectly, the MINIMUM STARTING INVESTMENTS specified in ANNEX II, fulfilling the conditions set forth under ANNEX III, the deadlines and other conditions established thereunder, notwithstanding investments deemed necessary for the full development of this CONCESSION.

17.1.1. Within 180 (hundred and eighty) days from the DATE OF SIGNING, the CONCESSIONAIRE shall submit its INTERVENTION PLAN to the GRANTING AUTHORITY, which shall include the PHYSICAL-EXECUTIVE SCHEDULE and include detailed information, using initial, intermediate and final milestones on each one of the interventions foreseen by the CONCESSIONAIRE, including the MINIMUM STARTING INVESTMENTS.

17.2. The CONCESSIONAIRE is responsible for developing and keeping engineering projects up-to-date on all construction works, interventions and investments, as required under the conditions and specifications in ANNEX III.

17.3. Approval, "non-objection" or receipt, by the GRANTING AUTHORITY, of plans, projects or studies submitted by the CONCESSIONAIRE does not entail any responsibility to the GRANTING AUTHORITY, does not change the risk matrix provided for under this CONTRACT, and does not exempt the CONCESSIONAIRE, whether totally or partially, from its obligations arising from this CONTRACT or relevant legal or regulatory provisions, and it shall remain responsible for any shortcomings or flaws in the project or the quality of services provided.

17.3.1. The CONCESSIONAIRE may not object if the GRANTING AUTHORITY makes any exceptions or present defenses to exempt all or part of its contractual obligations, based on facts arising from the contractual relationships with any subcontractors.

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17.4. All milestones and stages, including initial and intermediate milestones submitted in the INTERVENTION PLAN and established to monitor the progress of the MINIMUM STARTING INVESTMENTS, shall be duly and timely fulfilled by the CONCESSIONAIRE, under risk of penalties applied, as provided for under this CONTRACT, as well as other applicable consequences.

17.4.1. Delays in fulfilling milestones set for attaining the MINIMUM STARTING INVESTMENTS, both those that indicate the beginning and those that establish the end of each construction stage of the construction works, may lead to penalties applied to the CONCESSIONAIRE, notwithstanding the possibility of rescheduling the schedule, subject to the regulations in Clause 44.6.

17.5. Together with devising or reviewing the INTERVENTION PLAN, the CONCESSIONAIRE shall carry out any potential reviews needed in the respective INSURANCE PLAN, which shall point to the list of assessments and instruments to be signed by the CONCESSIONAIRE, with the purpose of unconditionally ensuring all obligations and investments.

17.5.1. Contracting corresponding insurance and guarantees is a condition for starting the execution of each investment or construction work stage.

CLAUSE EIGHTEEN – ON MONUMENT RESTORATION

18.1. Pursuant to ANNEX III, the CONCESSIONAIRE shall carry out, whether directly or indirectly, the RESTORATION works.

18.1.1. The CONCESSIONAIRE may use monument facilities for purposes of commercial exploitation, pursuant to ANNEXES III, IV and IX.

18.2. To carry out these RESTORATION works, the CONCESSIONAIRE shall comply with the executive project duly approved before the competent authorities, as set forth under ANNEX IV.

18.3. The costs of RESTORATION works shall be the CONCESSIONAIRE's risk and responsibility, which shall receive the funds deposited in the RESTORATION FUND ACCOUNT as each DISBURSEMENT EVENT is fulfilled.

18.3.1. RESTORATION FUNDS to be potentially allocated by the FOREST FOUNDATION OF THE STATE OF SÃO PAULO in the RESTORATION FUND ACCOUNT shall correspond to the difference between the RESTORATION FEE and the amount deposited by the CONCESSIONAIRE in the RESTORATION ACCOUNT, from the FIXED GRANT included in its PRICE PROPOSAL.

18.3.2. Any variation between estimated costs hereunder as the RESTORATION FEE, and expenses actually incurred by the CONCESSIONAIRE for carrying out the RESTORATION works regulated in ANNEX IV, shall be the responsibility of the CONCESSIONAIRE, and no economic-financial rebalancing in favor of the CONCESSIONAIRE or the GRANTING AUTHORITY shall be owed.

18.3.3. The act of determining the RESTORATION FUND, as well as the DISBURSEMENT EVENTS, shall comply with the regulations in ANNEX IV.

18.4. The FF, whether directly or indirectly, shall be responsible for inspecting, verifying and monitoring RESTORATION works, as set forth under ANNEXES III and IV.

18.5. All milestones and stages, including initial and intermediary milestones included in the RESTORATION works schedule referred to in clause VII of Clause 5.5, shall be duly and timely fulfilled by the

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CONCESSIONAIRE, under penalty of suffering the penalties provided for in this CONTRACT, as well as other applicable consequences.

- 18.5.1. Delays in reaching milestones established for carrying out RESTORATION works, both those that indicate the beginning as well as those that establish the end of each construction stage of the works, may lead to penalties applied to the CONCESSIONAIRE, notwithstanding the possibility of rescheduling the schedule, subject to the regulations set forth under Clause 44.6.

CLAUSE NINETEEN – ON CAMINHOS DO MAR OPERATIONS AND FUNCTIONING CONDITIONS

- 19.1. The CONCESSIONAIRE is required to carry out CAMINHOS DO MAR's functioning activities and keep them constantly and permanently running, fulfilling, at its own risk, the minimum functioning and conservation conditions in compliance with the current legislation, the provisions of this CONTRACT and ANNEXES, the MANAGEMENT PLAN and the best practices recognized for these activities, in addition to the PERFORMANCE INDICATORS.

- 19.1.1. Within 120 (one hundred twenty) days effective the DATE OF SIGNING, the CONCESSIONAIRE shall submit its MANAGEMENT and OPERATION PLAN to the GRANTING AUTHORITY, which shall describe the processes and routines of CAMINHOS DO MAR's functioning, management and maintenance by the CONCESSIONAIRE, as set forth under ANNEX II.

- 19.2. Effective the signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, the CONCESSIONAIRE shall take over operations of CAMINHOS DO MAR until termination of this CONTRACT.

CLAUSE TWENTY – ON MECHANISMS TO PRESERVE THE UPDATEDNESS AND INCORPORATE NEW TECHNOLOGIES

- 20.1. The CONCESSIONAIRE shall consider current technologies to exploit the purpose of this CONTRACT, thus characterized by keeping modern and updated equipment, facilities and, as set forth under Clause 20.9, also in regard to techniques in providing services and performing activities related to exploitation of the CONCESSION AREA, provided the current technologies are needed due to the (i) obsolescence of CONCESSION ASSETS specified in Clause Sixteen or (II) need to fulfill PERFORMANCE INDICATORS and other requirements set forth hereunder and in the ANNEXES.

- 20.2. The CONCESSIONAIRE shall implement, regardless of the decision made by the GRANTING AUTHORITY, all necessary measures to fulfill its contractual obligations, including in regard to PERFORMANCE INDICATORS, subject to the provisions of the CONTRACT and ANNEXES hereunder.

- 20.3. The CONCESSIONAIRE shall take into account the useful life of the CONCESSION ASSETS and their adequate use and functioning, and shall, when necessary, replace them with more technologically modern assets and equipment whose functioning is equal to or better than those that were replaced.

- 20.4. Encompassed in the concept of technological updating are situations in which the CONCESSIONAIRE, in fulfillment of the provisions of Clause 20.3, and aimed at achieving the PERFORMANCE INDICATORS and other requirements set forth under the CONTRACT and its ANNEXES, performs updates and improvements on CONCESSION ASSETS when made available by their respective manufacturers.

- 20.5. The technological obsolescence of CONCESSION ASSETS shall be characterized when, during the CONCESSION TERM, significant losses to their initial functions are verified or, still, when they are unable to meet the PERFORMANCE INDICATORS and other requirements established in the CONTRACT and ANNEXES.

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- 20.6. Potential cases of poor conservation or absence of maintenance of the CONCESSION ASSETS by the CONCESSIONAIRE are not included within the scope of Clause 20.5, and said cases are to be governed by specific rules provided for in this CONTRACT and its ANNEXES.
- 20.7. CONCESSIONAIRE expenses and investments carried out in order to ensure that the CONCESSION is up-to-date, including compliance with PERFORMANCE INDICATORS and other requirements established in the CONTRACT and its ANNEXES, shall be amortized within the CONCESSION TERM, and shall not entitle the CONCESSIONAIRE to any right, compensation or to economic-financial rebalancing.
- 20.8. The provisions set forth under Clauses 20.1 to 20.7 of this CONTRACT are not to be confused with the possibility of the CONCESSIONAIRE, at its own discretion, deploying and incorporating technological innovations, or upon decision taken by the GRANTING AUTHORITY.
- 20.9. Subject to the provisions of Clause Twenty hereunder, technological innovations are considered, for purposes of the CONTRACT, any technologies that at the time of their potential deployment and incorporation by the CONCESSIONAIRE, constitute state-of-the-art technology and which are not commonly distributed in the commercial park industry, environmental assets or other assets intended for public use, and whose use, despite having the potential to provide efficiency and productivity gains within the CONCESSION, is essential for meeting PERFORMANCE INDICATORS and other elements initially provided for under the CONTRACT and its ANNEXES.
- 20.10. The CONCESSIONAIRE shall have full discretion to incorporate, throughout the CONCESSION, technological innovations in the context of the economical exploitation of CAMINHOS DO MAR, in compliance with the provisions of Section XVII of this CONTRACT, without the CONCESSIONAIRE being entitled to any right to economic-financial rebalancing.
- 20.11. The incorporation of technological innovations by the CONCESSIONAIRE, if decided as such by the GRANTING AUTHORITY, shall lead to the economic-financial rebalancing of the CONTRACT, as set forth under Clause XXVIII.
- 20.11.1. In the potential case specified in Clause 20.11, PERFORMANCE INDICATORS shall be updated by the GRANTING AUTHORITY so as to account for performance improvements, if these exist, relating to the incorporation of specific technological innovations.
- 20.12. The incorporation of technological innovations upon upon decision made by the GRANTING AUTHORITY, under any circumstances and in compliance with the provisions of Clause 20.11, may only occur within the scope of ordinary or extraordinary reviews, pursuant to Clauses Thirty and Thirty-one, and shall give rise to the previous rebalancing of the economic-financial balance of the CONCESSION.
- 20.13. The provisions of this Clause do not exempt the CONCESSIONAIRE from its obligations of adopting, implementing and defraying any and all procedural and/or operational measures, including those of tax, labor and/or environmental nature determined by inspection agents that are not of SIMA or FF, and shall not entitle the CONCESSIONAIRE to any right, compensation or economic-financial rebalancing as a result of said measures, in case these determinations fail to denote a risk or responsibility factor to the GRANTING AUTHORITY, under the terms of this CONTRACT.

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

CLAUSE TWENTY- ONE - MAIN RIGHTS AND OBLIGATIONS OF THE CONCESSIONAIRE

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21.1. The following are the main rights and obligations of the CONCESSIONAIRE, notwithstanding other obligations specified hereunder, whereas failure to comply with them shall lead to penalties in accordance with the regulations hereunder:

- I.using and exploring the CONCESSION AREA in accordance with the provisions set forth hereunder, in the ANNEXES, MANAGEMENT PLAN and applicable legislation;
- II.carrying out the MINIMUM STARTING INVESTMENTS specified in ANNEX II;
- III.carrying out RESTORATION works in accordance with the specifications and requirements specified in this CONTRACT and its ANNEXES;
- IV.using the CONCESSION AREA as it deems fit, provided all activities are attuned to its use, to the MANAGEMENT PLAN, to state and municipal regulations governing the matter, and not in breach of prohibitions provided for under this CONTRACT and its ANNEXES;
- V.using the Highway SP-148 stretch located in the CONCESSION AREA in accordance with the provisions of this CONTRACT, ANNEXES II and III, and the applicable legislation;
- VI.bearing all costs pertaining to electricity, water, and all utilities accrued in the CONCESSION AREA, as well as all taxes resulting from these activities;
- VII.ensuring free access, at any time, to GRANTING AUTHORITY personnel in charge of inspecting its facilities and places where activities related to the object of CONCESSION are developed;
- VIII.providing all information requested by the GRANTING AUTHORITY within the deadlines and time spans determined;
- IX.providing the Advisory Board of the Conservation Unit , annually , within 90 (ninety) days after each anniversary of the CONCESSION CONTRACT, with a general review on all activities undertaken and, upon request, attending regular Board meetings, with the consent of the GRANTING AUTHORITY;
- X.taking all measures and obtaining licenses related to the environmental legislation and other specific authorizations for the regular exercise of its activities;
- XI.ensuring the integrity of the CONCESSION ASSETS;
- XII.notifying all contracted companies that provide services related to the purpose of the CONCESSION on relevant issues concerning the execution of the contracted scope, the provisions of this CONCESSION CONTRACT, all regulations that apply to the development of activities for which they were contracted, and the provisions related to environmental protection, and use and exploitation of the CONCESSION AREA;
- XIII.repairing any and all damages in the CONCESSION AREA, in communication routes, water and sewage pipes, electricity, gas pipes, telecommunications grids and respective equipment, and any other INTERFERENCES, in compliance with Clause 21.3, as well as in any subcontractor assets, as a result of economic exploitation of CAMINHOS DO MAR or the performance of any activity under its responsibility , with the exception of damages resulting from the GRANTING AUTHORITY's fault or willful misconduct;
- XIV.making the payment of the VARIABLE GRANT to the FF, and INSPECTION FEES to the GRANTING AUTHORITY;

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- XV. notifying the GRANTING AUTHORITY whenever it is summoned or subpoenaed in any legal or administrative proceeding resulting from issues related to the CONCESSION CONTRACT, including terms and procedural deadlines, and employing its best efforts to uphold common interests, performing all procedural acts required for that purpose;
- XVI. keeping the GRANTING AUTHORITY free of any litigation, assuming , when accepted by the Judiciary, the position of the party, and when the procedural replacement is rejected or maintained jointly, assuming the conduct of the proceedings and sponsorship of any lawsuits filed by subcontractors due to the execution of the object of this CONCESSION CONTRACT;
- XVII. keeping, during the CONCESSION TERM, all capacity and qualification conditions required in the BIDDING PROCESS that are necessary for the continued exploitation of the CONCESSION ASSETS;
- XVIII. fulfilling legal determinations related to labor laws, social security, occupational safety and health regarding their employees, and being accountable for all payroll, labor and social security charges levied on the cost of labor of employed work, as well as insurance for occupational accidents;
- XIX. keeping, at the GRANTING AUTHORITY's disposal, if required, a copy of the contractual instruments signed by the CONCESSIONAIRE with subcontractors related to subcontracted services, as well as those related to investments, acquisitions and services of CONCESSION ASSETS;
- XX. forwarding a copy of the contractual instruments signed by the CONCESSIONAIRE with subcontractors for services and activities that generate or shall generate REVENUE to the GRANTING AUTHORITY immediately after they are signed and keeping them at the GRANTING AUTHORITY's disposal, if required;
- XXI. maintaining and preserving all assets, equipment and facilities of the CONCESSION AREA in perfect functioning conditions, replacing equipment due to wear and tear or outdated technology, or even carrying out repairs or renovations needed for the proper execution and preservation of adequate activities and services, as determined hereunder;
- XXII. in the event that earthmoving events take place, even if these are covered by the risk taken on by the GRANTING AUTHORITY, as set forth under Clause 25.1, item VII , taking all measures within its powers to resume regular operations, with the purpose of mitigating the impact of the event, ensuring, in accordance with Clause 25.1, item VII, the economic-financial rebalancing of the CONTRACT.
- XXIII. indemnifying and maintaining the GRANTING AUTHORITY indemnified due to any claim or loss that it may suffer due to, among other things:
- a. disbursements resulting from legal or arbitration orders of any kind, even if these are levied with additional interest rates and legal costs, to satisfy obligations originally attributable to the CONCESSIONAIRE, including labor claims filed by employees or third parties linked to the CONCESSIONAIRE, as well as damages to USERS or determinations made by control and inspection agencies;
 - b. any act practiced by the CONCESSIONAIRE, its administrators, employees, agents, service providers, third parties with whom it has contracted, or any other individual or legal entity related to it;
 - c. tax, labor, social security or accident-related issues related to CONCESSIONAIRE employees and contracted third parties;

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d. Environmental damages caused by the CONCESSIONAIRE in the CONCESSION AREA and its surroundings;

e. procedural expenses, legal fees and other costs which it may need to bear due to the events described in this paragraph;

f. the CONCESSIONAIRE's liability shall continue even after the CONTRACT is terminated, and the GRANTING AUTHORITY may seek reimbursement from the CONCESSIONAIRE's partners, in accordance with corporate law, in the event of liquidation of the legal person.

XXIV.maintaining accounting and financial statements in accordance with accounting practices adopted in Brazil, in regulations issued by the Federal Accounting Council – CFC, and in the Interpretations, Guidelines and Pronouncements of the Accounting Pronouncements Committee - CPC;

XXV.following up on any proposals for changes to the unit's MANAGEMENT PLAN, which may result in the hypothesis specified in Clause 25.1, item V , as well as notifying the GRANTING AUTHORITY, prior to the approval of these changes, on the impact that they will have on the CONTRACT;

XXVI.maintaining the contractual PERFORMANCE BOND in effect and all necessary insurance in accordance with the terms of this CONCESSION CONTRACT;

XXVII.ensuring that adequate visual communication is made available in all facilities and premises where USERS are allowed within the CONCESSION AREA, posting adequate legible signs containing telephone numbers, other electronic channels and addresses of the ombudsperson's office, so as to make clear that it is a different company than the GRANTING AUTHORITY;

XXVIII.adopting measures to prevent, restrict or discourage vehicles from parking or staying on the banks of Highway SP-148 in the CONCESSION AREA , notifying the competent authorities to take appropriate measures in checking potentially illicit conduct;

XXIX.adopting measures to prevent users from feeding animals;

XXX.providing an environmentally sustainable destination for all waste as well as deploying proper management aimed at attaining energy efficiency and reducing consumption of water resources in specific areas;

XXXI.notifying competent authorities immediately, and as soon as possible, on any occurrences in the exercise of their activities that jeopardize the environmental integrity of the CONCESSION AREA or of PESM;

XXXII.adopting all reasonably required measures to prevent occurrences of damages or accidents to CAMINHOS DO MAR USERS, employees, outsourced personnel or persons related in any way whatsoever to the CONCESSIONAIRE, or to any persons who are within the CONCESSION AREA, as well as adopting all necessary mobile urgent care or outpatient care measures available to mitigate any damages that have occurred or to assist injured people inside the CONCESSION AREA, immediately notifying the competent authorities;

XXXIII.taking all reasonable steps to prevent any kind of theft, robbery, damage or injury to CAMINHOS DO MAR USERS, employees, outsourced personnel or persons related in any way whatsoever to the CONCESSIONAIRE, or to any persons inside the CONCESSION AREA;

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XXXIV.submitting all data and information necessary to verify the PERFORMANCE INDICATORS to the INDEPENDENT VERIFIER and the GRANTING AUTHORITY;

XXXV.implementing and maintaining, within 360 (three hundred and sixty) days from the DATE OF SIGNING, a compliance program in its scope, consisting of internal mechanisms and procedures of integrity, auditing and encouraging the report of irregularities, as well as the effective application of codes of ethics and conduct, policies and guidelines in order to detect and remedy deviations, frauds, irregularities and illegal acts against the GOVERNMENT, all in prestige to Federal Act 12.846/2013 (Anti-Corruption Law);

XXXVI.providing, throughout the entire CONCESSION TERM, approvals from tangible and/or intangible asset heritage protection agencies needed due to present and future buildings listed as heritage in the area, as well as to deal with any financial-economic impacts regarding historic places and records already existing on the date of the PROPOSAL;

XXXVII.adopting all measures to mitigate and control epidemiological or health risks in the CONCESSION AREA arising from internal or external factors, notwithstanding the application of other provisions set forth under the CONTRACT for events constituting fortuitous or force majeure circumstances.

21.2. The CONCESSIONAIRE's responsibility shall persist even after this CONTRACT expires, allowing the GRANTING AUTHORITY, SIMA, the FF or other competent institution to claim reimbursement for any potential losses arising from obligations under this CONTRACT, including in regard to CONCESSIONAIRE shareholders, in accordance with corporate law in the event of extinction of the Special Purpose Company.

21.3. The obligation of the CONCESSIONAIRE to deal with any of the INTERFERENCES specified in item XIII of Clause 21.1 does not dismiss the right to economic-financial recovery in the event that the risk of the respective INTERFERENCE is allocated to the GRANTING AUTHORITY, provided other assumptions of the recovery are fulfilled.

21.4. The obligation of the CONCESSIONAIRE to provide, throughout the validity of the CONCESSION, approvals from tangible and/or intangible heritage bodies required due to sites listed as heritage and future listing registrations in the area after the date that the PROPOSAL is submitted, provided for under item XXXVI of Clause 21.1, does not impair the right to economic-financial rebalancing in the event that the risk of the respective registration or listing as a heritage site is allocated to the GRANTING AUTHORITY, provided other conditions for rebalancing are met.

CLAUSE TWENTY- TWO - MAIN RIGHTS AND OBLIGATIONS OF THE GRANTING AUTHORITY

22.1. The main rights and obligations of the GRANTING AUTHORITY, notwithstanding other obligations set forth hereunder, are:

I. transferring to the CONCESSIONAIRE, after signing the TERM OF DELIVERY OF THE PUBLIC ASSET, the direct ownership and control of the CONCESSION AREA, under the terms of the CONTRACT and its ANNEXES;

II.devising its best efforts to collaborate in securing all necessary licenses and approvals needed for the CONCESSIONAIRE to fulfill the object of this CONTRACT, including through joint participation in meetings and submitting any statements deemed necessary;

III.inspecting construction work projects to be implemented or modified in the CONCESSION AREA to verify the proper fulfillment in the performance of the object;

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- IV.monitoring compliance with standards and regulations relating to the implementation of the CONCESSION object;
- V.monitoring the execution of the CONTRACT, ensuring sound quality in the exploitation of CONCESSION , including receiving, investigating and referring complaints from USERS, in addition to appropriately applying all necessary measures, notwithstanding other regulation prerogatives, inspection and monitoring provided for under this CONTRACT and the applicable legislation;
- VI.inspecting all facilities with the purpose of verifying the full conservation of the granted asset, in addition to evaluating the technical resources used by the CONCESSIONAIRE in the exploitation of the CONCESSION ;
- VII.carrying out periodic auditing of accounting, economic and financial nature, or any other relevant aspect, and if deemed necessary, contracting an expert auditing company for the CONCESSIONAIRE's books and records, so as to prevent the occurrence of situations that might jeopardize the exploitation of the CONCESSION and the conservation and the public use of CAMINHOS DO MAR, notwithstanding the exercise of oversight activities under its competence;
- VIII.properly justify all its decisions, licenses, approvals, orders, or other acts hereunder;
- IX.monitoring the quality and performance of the CONCESSIONAIRE in carrying out the object of this CONTRACT;
- X.overseeing, in accordance with a program established jointly with the CONCESSIONAIRE, the development of engineering designs and studies, and expanding its best efforts to shorten deadlines for securing necessary approvals;
- XI.providing institutional support for necessary understandings, alongside other public agencies, whenever the performance of services that are under their responsibility interferes in the activities specified in the object of this CONTRACT, without any changes to the risks taken on by either PARTY under the terms of this CONTRACT; and
- XII.safeguard the economic-financial balance of the CONTRACT.
- XIII.conserve and manage the CONCESSION AREA during the period between the signing of the CONTRACT and the signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, in addition to enabling CONCESSIONAIRE representatives to access the CONCESSION AREA whenever said access does not impair on-site events or activities, in order to carry out studies, inspections and measures needed to secure licenses and approvals for carrying out construction works, notwithstanding the possibility of applying sub-paragraph 8.1.5.

CLAUSE TWENTY- THREE - MAIN RIGHTS AND OBLIGATIONS OF USERS

- 23.1. Notwithstanding the applicable legislation, the following are rights and obligations of CAMINHOS DO MAR USERS:
- I.receive an ADEQUATE SERVICES, pursuant to the quality and performance standards specified in this CONTRACT and its ANNEXES;
 - II.receive information from the GRANTING AUTHORITY and the CONCESSIONAIRE to uphold individual or collective interests and for the correct use of CAMINHOS DO MAR;

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- III.receive information from the CONCESSIONAIRE on prices charged at CAMINHOS DO MAR , including, but not limited to, TICKET prices;
- IV.communicate with the CONCESSIONAIRE through different Relationship Systems and Channels, especially through the OMBUDSPERSON's OFFICE and social-media services, among others;
- V.notifying the GRANTING AUTHORITY and the CONCESSIONAIRE on irregularities that they have become aware while carrying out services, managing CAMINHOS DO MAR, as well as other conditions of visitation and public use relating to the CONCESSION AREA;
- VI.notify the competent authorities on unlawful acts committed by the CONCESSIONAIRE in its exploitation of the CONCESSION;
- VII.contribute to keeping the assets comprising the CONCESSION, through which services are provided, in sound conditions;
- VIII.comply with legal and regulatory obligations related to the visitation and public use of CAMINHOS DO MAR;
- IX.and being covered by the insurance provided for hereunder, as applicable.

CLAUSE TWENTY- FOUR – RISKS OF THE CONCESSIONAIRE

24.1. The CONCESSIONAIRE assumes full responsibility for all risks inherent to operations and implementation of services and activities provided for in the object of this CONTRACT, except for those that are in express contradiction to this CONTRACT, and including the following major risks:

Engineering, Construction and Operational Risks

- I.errors, omissions or changes in engineering designs, including the CONCESSIONAIRE's execution and/or technology methodology;
- II.urban and environmental restrictions regarding projects that the CONCESSIONAIRE took into consideration to devise its PRICE PROPOSAL;
- III.risks arising from the technology(s) or technique(s) employed in executing the activities that are object of the CONCESSION, and failure of technological innovations introduced by the CONCESSIONAIRE;
- IV.seizure of construction works or activities pursuant to the object of CONCESSION;
- V.construction work errors, including damages resulting from safety failures at the construction site;
- VI.project errors, errors in estimating costs and/or expenses, errors in estimating time to complete the construction works, or failure in planning and undertaking activities that are the object of the CONCESSION, construction work or equipment defects, and errors or failures caused by the CONCESSIONAIRE, by third parties or subcontracted companies contracted by the CONCESSIONAIRE;
- VII.any problems arising from the CONCESSIONAIRE's relationship with its subcontractors or outsourced personnel, including in regard to business partnerships resulting thereof;
- VIII.interfacing and aligning construction works, equipment and systems with each other, and with the materials and equipment belonging to the GRANTING AUTHORITY;

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- IX.delays resulting from failure to secure permits, licenses and/or approvals of any kind to be issued by administrative authorities, and which are required for performing the activities that are object of this CONCESSION , as well as any court orders to suspend its performance, resulting in any of the cases mentioned in this item, concerning commissive or omissive acts committed by the CONCESSIONAIRE;
- X.provision of public utilities, such as electricity and water;
- XI.any interferences with GOVERNMENT entities, including its concessionaires, license holders and authorizers of public services or delegates of economic activities, for the performance of the activities that are the object of the CONCESSION ;
- XII.all risks inherent to the execution of the CONCESSION object with the quality required hereunder, including, but not limited to, investments, costs or additional expenses needed to fulfill the PERFORMANCE INDICATORS, in order to meet the requirement to preserve the updatedness in performing the activities that are object of the CONTRACT, as well as technical standards and regulations provided for by law or hereunder;
- XIII.economic inefficiencies or losses resulting from failures, negligence, ineptitude or omission in the execution of the activities that are object of the CONCESSION;
- XIV.problems, delays or inconsistencies in providing inputs needed for carrying out activities covered by the CONCESSION CONTRACT;
- XV.visible flaws or defects in the CONCESSION AREA and the CONCESSION ASSETS;
- XVI.geological situation of the CONCESSION AREA, with regard to the construction works to be carried out;
- XVII.earthmoving related to embankments that are found within the CONCESSION AREA;
- XVIII. embargo of the venture due to the CONCESSIONAIRE and/or its subcontractors' non-compliance with the guidelines and requirements resulting from the process of securing licenses;
- XIX.partial interventions on Highway SP-148 resulting specifically from public utility or social interest-related construction works specified in ANNEX II, concerning the Project to Reinforce the Baixada Santista Gas Infrastructure;
- XX.costs that may be due, including material and/or moral damages to CAMINHOS DO MAR USERS, employees, outsourced personnel or persons related in any way to the CONCESSIONAIRE, or to any persons who are within the CONCESSION AREA, even if due to accidents, including those that result in death;
- XXI.handling of INTERFERENCES that may be verified while carrying out interventions that are not part of the MINIMUM STARTING INVESTMENTS or ADDITIONAL INVESTMENTS, and all consequences related to them, including costs arising from the need to remove or move, as well as other costs associated with the measures that may be required.

Economic and Financial Risks

- XXII.REVENUE projections included in the PRICE PROPOSAL, and any type of rebalancing of the economic-financial balance of the CONCESSION CONTRACT shall not be possible due to alteration, non-confirmation or losses resulting from the frustration of the estimated REVENUE;

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- XXIII.prices charged by the CONCESSIONAIRE or third parties that have contracted with the CONCESSIONAIRE to exploit activities at CAMINHOS DO MAR;
- XXIV.costs from burglary, theft, destruction, regardless of whether partially, or loss of CONCESSION ASSETS derived from any event, except for those resulting from fortuitous or force majeure events, or administrative occurrences;
- XXV.the CONCESSIONAIRE's financial capacity and/or fundraising, as well as variations in costs of loans and financing that the CONCESSIONAIRE will secure to carry out activities, make investments or fund operations that are the object of the CONCESSION;
- XXVI.variations in visitor demand compared to estimates in any projection made by the CONCESSIONAIRE or by the GRANTING AUTHORITY;
- XXVII.variations in REVENUE collected by the CONCESSIONAIRE in regard to any projection made by the CONCESSIONAIRE or by the GRANTING AUTHORITY;
- XXVIII.errors in estimates and possible variations in input costs, operating costs, maintenance costs, investments, personnel expenses, or any other cost incurred by the CONCESSIONAIRE while carrying out activities that are object of the CONCESSION over time, or in regard to any projection made by the CONCESSIONAIRE or by the GRANTING AUTHORITY;
- XXIX.reductions in the total amount collected as REVENUE due to the absence of electronic records or any type of fraud committed by USERS who benefit from any activity performed by the CONCESSIONAIRE, including in regard to lack of electricity, equipment failures, acts of vandalism, and other events whose risk has been allocated to the CONCESSIONAIRE, as set forth in this CONCESSION CONTACT, except for cases where the risk of the occurrence of the event causing the reduction in the REVENUE perceived is exclusively attributed to the GRANTING AUTHORITY;
- XXX.costs corresponding to tax and other duties levied on activities performed by the CONCESSIONAIRE;
- XXXI.economic inefficiencies or losses arising from failures, negligence, ineptitude, omissions, or from the CONCESSIONAIRE's own activities in fulfilling the object of the CONCESSION;
- XXXII.changes in the macroeconomic scenario, changes in the cost of capital, changes in interest rates on the market, and changes in exchange rates;
- XXXIII.creation, termination or modification of taxes or legal costs that have repercussions, whether direct or indirect, on the CONCESSIONAIRE's revenues and expenses;
- XXXIV.changes in legislation and state regulations of general nature, from any branch of the federation, not specific to the CONCESSION or to the CONCESSIONAIRE, even though they constitute a government authority act which impacts the CONTRACT, provided they are not related to risks already expressly assumed by the GRANTING AUTHORITY under the scope of this CONCESSION CONTRACT;
- XXXV.posterior verification of errors or omissions in the PRICE PROPOSAL or any other of the CONCESSIONAIRE's projections or assumptions, or in surveys that subsidized them, including those required for assessing data and projects disclosed by the GRANTING AUTHORITY;
- XXXVI.damages, whether intentional or not, to CONCESSION ASSETS resulting from vandalism, depredation, theft, graffiti, or other acts committed by USERS or third parties;

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XXXVII.failure by USERS or third parties to pay amounts due to the CONCESSIONAIRE;

Legal Risks

XXXVIII.unpredictable factors, predictable factors of incalculable consequences, fortuitous or force majeure events that, under normal market conditions, may be covered by insurance offered in Brazil if, at the time of they took place, they were insurable for at least 2 (two) years, up to the limit of the average policy costs normally practiced in the market by at least two insurance companies, regardless of whether the CONCESSIONAIRE contracted them or not;

XXXIX.collective strikes and labour disputes from CONCESSIONAIRE employees, their suppliers, subcontractors or third-parties;

XL.civil, administrative, environmental and criminal liabilities for damages that may occur to third parties, or caused by third parties, whether these persons work for the CONCESSIONAIRE, its employees, agents, outsourced companies or subcontractors, resulting from the execution of the activities that are object of the CONCESSION ;

XLI.impacts arising from the creation, removal or review of regulatory standards issued by the GRANTING AUTHORITY or any other agency or entity that exercises regulation over the activities that are object of this CONCESSION, when strictly procedural;

XLII.the CONCESSIONAIRE's tax planning;

XLIII.compliance with court rulings concerning execution of the activities that are object of the CONCESSION CONTRACT, whenever these arise from commissive or omissive acts committed the CONCESSIONAIRE; and

XLIV.investments, costs and expenses resulting from heritage site listings and records already levied on existing physical and intangible assets in the CONCESSION AREA until the date that the PROPOSAL is submitted.

Environmental Risks

XLV.fines or payments for environmental liabilities generated during the execution of the activities that are object of the CONCESSION;

XLVI.embargo of the venture, new costs, non-compliance with deadlines, need to approve projects again with the competent authorities, including the GRANTING AUTHORITY, issuance of new approvals by the competent bodies, when due to non-compliance by the CONCESSIONAIRE and/or its subcontractors with all the requirements arising from the process of securing ENVIRONMENTAL LICENSES, including any payments;

XLVII.environmental costs and possible environmental liabilities related to environmental licenses and inspection of activities that are the object of the CONCESSION;

XLVIII.environmental liabilities and/or irregularities whose taxable event took place after the conclusion of the TERM OF DELIVERY OF THE PUBLIC ASSET;

XLIX. direct and indirect costs and deadlines for solving real estate squatting.

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- 24.2. All risks assumed by the CONCESSIONAIRE in this CONTRACT shall apply to all INTERVENTIONS, including RESTORATIONS, and shall not be excluded or altered should the the GRANTING AUTHORITY make the executive project available, except for the provisions of Clause 25.1, item XV.
- 24.3. The CONCESSIONAIRE hereby expressly states to have full knowledge of the nature and extent of the risks that it takes on under the CONCESSION CONTRACT, and has taken such risks into account while devising its PRICE PROPOSAL.
- 24.4. The CONCESSIONAIRE is fully responsible for the detailed surveying and knowledge of all risks that it takes on in the performance of its duties under the scope of this CONTRACT, and shall deploy all solutions, processes and techniques it deems most appropriate and efficient to mitigate risks assumed, taking responsibility for any resulting consequences.

CLAUSE TWENTY- FIVE – ON THE RISKS OF THE GRANTING AUTHORITY

- 25.1. Notwithstanding other risks expressly assumed by the GRANTING AUTHORITY in other clauses of this CONTRACT, the GRANTING AUTHORITY takes on the following CONCESSION-related risks:
- I. Positive or negative economic and financial impacts resulting from unilateral changes made to the MINIMUM STARTING INVESTMENTS or to the RESTORATION works, as well as in determining ADDITIONAL INVESTMENTS, establishing new costs, or changing any obligations under the CONCESSIONAIRE's responsibility, provided that, as a direct result of this change, the CONCESSIONAIRE certifiably suffers changes in costs or in REVENUE, whether upwards or downwards;
 - II. environmental liabilities resulting from previous activities in the CONCESSION AREA that have not been pointed out in BIDDING PROCESS documents;
 - III. court or administrative rulings that prevent or make it impossible for the CONCESSIONAIRE to collect the CONCESSION REVENUE, or to carry out construction works resulting from the MINIMUM STARTING INVESTMENTS or RESTORATION works, except in cases where the CONCESSIONAIRE has given rise to the decision;
 - IV. unilateral changes imposed by the GRANTING AUTHORITY on conditions for executing the CONTRACT;
 - V. changes to the unit's MANAGEMENT PLAN, provided that, as a direct result of the change, it is verified that the CONCESSIONAIRE suffers a substantial changes to its costs or REVENUE, whether upwards or downwards;
 - VI. availability of necessary funds for fulfilling obligations, if any, related to complementing amounts to be deposited in the RESTORATION FUND ACCOUNT;
 - VII. impacts on the CONCESSION AREA or on the CONCESSIONAIRE's activities resulting from earth movements related to embankments located outside the CONCESSION AREA;
 - VIII. impacts resulting from total or partial interventions on Highway SP-148 in the CONCESSION AREA, resulting from public utility or social interest construction works performed by subcontractors, except for cases expressly provided for under ANNEX III.
 - IX. unpredictable factors, predictable factors of incalculable consequences, fortuitous or force majeure events that, under normal market conditions, cannot be covered by insurance offered in Brazil and, at the time that the risk occurred, were not insurable for at least at least 2 (two) years in the Brazilian

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market by at least two insurance companies, or in regard to the installment that exceeds the average of costs insured by policies usually practiced in the market;

- X.damages caused to REVERTIBLE ASSETS, to the CONCESSIONAIRE, to third parties or to USERS, whether due to substantial risks attributed to the GRANTING AUTHORITY or due to its own fault;
- XI.archaeological or paleontological discoveries in the CONCESSION AREA;
- XII.handling of INTERFERENCES potentially verified while executing the MINIMUM STARTING INVESTMENTS, RESTORATION works or ADDITIONAL INVESTMENTS, and all consequences related to them, including costs arising from the need to remove or move, as well as other costs associated with all measures that may be deemed necessary;
- XIII.changes carried out by the GRANTING AUTHORITY on PERFORMANCE INDICATORS that cause a proven and effective impact on CONCESSIONAIRE costs that are greater than those experienced in case the object of the CONTRACT is carried out under updated and adequate circumstances;
- XIV.decision enforced upon the CONCESSIONAIRE to incorporate technological innovations, pursuant to Clause 20.11 and 20.12;
- XV.handling of hidden defects verified at any time by the CONCESSIONAIRE in the CONCESSION AREA, provided these result from activities prior to signing the TERM OF DELIVERY OF THE PUBLIC ASSET;
- XVI.the need to review the executive MONUMENT RESTORATION project(s), in the event of project defects or errors that make their technical execution unfeasible;
- XVII.costs inherent to carrying out the MINIMUM STARTING INVESTMENTS, RESTORATION works and ADDITIONAL INVESTMENTS arising from the need to implement unconventional building methods outside the standards specified in technical regulations and/or this CONTRACT or its ANNEXES, due to requirements drawn up in approving the ENVIRONMENTAL LICENSES, as set forth under sub clause 27.2 , item V;
- XVIII.delays or non-execution of the GRANTING AUTHORITY's obligations resulting from slowness or omission by the GRANTING AUTHORITY in carrying out the activities and obligations attributed to it hereunder;
- XIX.delays in executing the MINIMUM STARTING INVESTMENT, RESTORATION works or ADDITIONAL INVESTMENTS arising from delays in securing permits, licenses or approvals from PUBLIC ADMINISTRATION entities, and which are required for construction works or operating new facilities, unless due to a fact attributable to the CONCESSIONAIRE;
- XX.delays in construction works resulting from delays in securing environmental licenses, whenever the evaluation deadlines established by the environmental agency responsible for issuing the licenses exceed the legal provisions, except if due to a fact attributable to the CONCESSIONAIRE;
- XXI.state-owned actions specifically targeted to the CONTRACT, which effectively makes executing the contract more costly, except when the act or fact constitutes a risk that has already been specifically and expressly attributed to the CONCESSIONAIRE in this CONTRACT;

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XXII.closing of CAMINHOS DO MAR imposed by state-owned agencies due to epidemiological or health risks, or due to external factors, in cases where the CONCESSIONAIRE is unable to enforce measures capable of mitigating risks at a level that allows for the operations of the referred facilities;

XXIII.investments, costs and expenses arising from sites listed as heritage and records that are imposed on existing tangible and intangible assets at the CONCESSION AREA after the date of submission of the PROPOSAL, and which cause actual impacts on the CONCESSIONAIRE's costs or REVENUE; and

XXIV.acts of vandalism committed by third parties on the MONUMENT called Cruzeiro Quinhentista.

CLAUSE TWENTY- SIX - MAINTENANCE OF THE ECONOMIC-FINANCIAL BALANCE OF THE CONTRACT

26.1. Whenever the conditions of the CONTRACT are met, its economic-financial balance shall be deemed maintained.

26.2. The CONTRACT is deemed to have economic-financial imbalance whenever either PARTY suffers the effects, whether positive or negative, arising from any event whose risk has not been attributed to it, which certifiably leads to imbalance in the economic-financial balance of the CONTRACT.

26.2.1. Appraising the rebalancing of the economic-financial balance of CONTRACT entails verifying the global economic conditions of the CONCESSION CONTRACT, and is restricted to offsetting financial effects stemming from events that lead to contractual imbalances, as regulated under this Clause, while considering, for purposes of achieving the intended offsetting, the economic-financial, tax and accounting effects resulting from the selected rebalancing measure.

26.2.2. The CONTRACT shall also be deemed imbalanced in cases where either PARTY receives benefits due to non-compliance, or due to delays in fulfilling the obligations attributed to it.

26.2.3. Should an UNBALANCING EVENT occur, only the rebalancing of the economic-financial balance of the CONTRACT pertaining to the portion of the imbalance claimed, and whose exact measure is proven by the pleading party, shall apply.

26.3. In addition to the hypotheses provided for under Clause 26.2, restoration of the economic and financial balance of the CONTRACT shall also apply in the event of unilateral changes imposed by the GRANTING AUTHORITY to the conditions for executing the CONTRACT, provided that, as a direct result of this change, an effective change in the CONCESSIONAIRE's costs or REVENUE is verified, for more or for less.

CLAUSE TWENTY-SEVEN – IDENTIFICATION OF EVENTS GIVING RISE TO ECONOMIC-FINANCIAL IMBALANCE OF THE CONTRACT

27.1. The procedure for restoration of the economic-financial balance may be initiated at the request of the CONCESSIONAIRE or as determined by the GRANTING AUTHORITY, given that the requesting PARTY shall be responsible for timely demonstrating the occurrence and identifying the UNBALANCING EVENT.

27.1.1. The requesting PARTY shall identify the UNBALANCING EVENT and notify the other PARTY within a period not exceeding 180 (one hundred and eighty) days effective its occurrence, focusing on upholding the current contractual relations, as well as enabling the proper handling of the consequences of the UNBALANCING EVENT.

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27.1.1.1. In cases where the PARTY verified a hidden defect, the period identified in the previous sub-clause shall be counted effective the date of identification of the UNBALANCING EVENT.

On requests by initiative of the CONCESSIONAIRE

27.2. When the request for restoration of the economic-financial balance is initiated by the CONCESSIONAIRE, it shall be submitted by means of a reasoned request and be submitted with all documents needed to demonstrate the suitability of the claim, including in regard to:

I.precise identification of the UNBALANCING EVENT, along with, where appropriate, evidence that the responsibility is attributable to the GRANTING AUTHORITY;

II.quantitative assessment of the imbalances effectively identified in the cash flow, with the date of occurrence of each one of them, or the estimate, in case of new investments, for calculating the restoration of the economic-financial balance of CONTRACT, as provided for under Clause Twenty-eight, depending on the UNBALANCING EVENT;

III.proof of direct and indirect expenses actually incurred by the CONCESSIONAIRE, resulting from the UNBALANCING EVENT that triggered the claim, along with a brief explanation containing accounting and tax regimes applicable to the allegedly unbalanced revenues or costs;

IV.in the event of assessing potential future imbalances, a detailed statement of the assumptions and parameters used to estimate the impacts of the UNBALANCING EVENT on the CONCESSIONAIRE's cash flow;

V.if during the approval process of ENVIRONMENTAL LICENSES referring the MINIMUM STARTING INVESTMENTS the deployment of unconventional building methods is required, outside the specifications laid down in technical standards and/or this CONTRACT or its ANNEXES, the CONCESSIONAIRE shall prove (i) the nature of the determination, characterizing it as being reasonably outside the expected specifications; and (II) the direct impact of said requirement for purposes of requesting economic- financial rebalancing.

27.3. Faced with a claim submitted by the CONCESSIONAIRE, the GRANTING AUTHORITY shall, within a maximum period of sixty (60) days, issue a statement regarding the admissibility of the claim and assess whether the restoration procedure of the economic-financial balance of the CONTRACT shall be processed in an extraordinary manner.

27.3.1. Whenever the justification for urgency in the handling of the UNBALANCING EVENT is not justified or accepted by the GRANTING AUTHORITY, it shall be addressed in the subsequent ORDINARY REVIEW.

On accessing information needed for assessing claimed imbalances

27.4. In assessing claims initiated at the behest of the CONCESSIONAIRE and the GRANTING AUTHORITY, the PARTIES may, at any time, contract specific technical and/or economic certificates.

27.4.1. At the discretion of the respondent PARTY, an expert entity with notoriously recognized technical capacity may carry out auditing to verify the situation, giving effect to the request for economic-financial rebalancing with due participation of both PARTIES and transparency, so as to enable them, whether directly or by an equivalent entity, to be subject to technical rebuttal.

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27.5. The GRANTING AUTHORITY, or anyone appointed by it, shall have free access to information, assets and facilities of the CONCESSIONAIRE or third parties contracted by it, in order to assess the CONCESSIONAIRE's submitted claim for restoring economic-financial balance.

On requests by initiative of the GRANTING AUTHORITY

27.6. The claim for restoring the economic-financial balance initiated by the GRANTING AUTHORITY shall be notified to the CONCESSIONAIRE, along with a copy of relevant technical certificates and studies.

27.6.1. Upon receiving notification of the UNBALANCING EVENT, the CONCESSIONAIRE shall have 60 (sixty) days to submit a well-grounded statement regarding the claim for restoring the economic-financial balance of the CONTRACT submitted by the GRANTING AUTHORITY in its notification, under penalty of tacit consent to the claim.

27.6.2. Taking into account the response of the CONCESSIONAIRE to the claim submitted by the GRANTING AUTHORITY, the GRANTING AUTHORITY shall have thirty (30) days to review the suitability of restoring the economic-financial balance.

On events or grounds that do not give rise to CONTRACT imbalance

27.7. Restoration of the economic-financial balance in favor of the CONCESSIONAIRE shall not apply in the following cases:

I. when losses suffered derive from the occurrence of negligence, recklessness, malpractice, ineptitude or omission in the exploitation of the CONCESSION and handling of the risks attributed to it;

II. when, in any manner and to any extent, the CONCESSIONAIRE may have contributed, whether directly or indirectly, to the event causing the imbalance;

III. in case the events motivating the claim from the CONCESSIONAIRE occur and do not cause an effective impact on contractual conditions, and do not cause an effective loss resulting from the imbalance in the economic-financial equation of the CONTRACT.

27.8. If it is proven that the impacts of the events motivating the request to restore the economic-financial balance could have been mitigated or minimized by measures available to the CONCESSIONAIRE, or through reasonably demandable efforts by the CONCESSIONAIRE, the restoration of the economic-financial balance shall be calculated taking into account only the cost of the imbalance that would persist, even in the event of diligent proceedings undertaken by the CONCESSIONAIRE.

27.9. If it is found that more than one PARTY contributed directly or indirectly to the UNBALANCING EVENT due to negligence, ineptitude or omission of both PARTIES, restoration of the economic-financial balance shall consider only the amount of the damages to which the aggrieved PARTY has not caused.

CLAUSE TWENTY- EIGHT – ON THE RESTORATION OF THE ECONOMIC-FINANCIAL BALANCE

28.1. When a process is initiated to restore the economic-financial balance of the CONCESSION, the claims of both PARTIES deemed applicable shall be considered jointly in order to offset the positive and negative economic-financial impacts resulting from the UNBALANCING EVENTS.

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- 28.2. The eventual restoration of the economic-financial balance, even when the claim was made by the CONCESSIONAIRE, shall necessarily take into account potential impacts in favor of the GRANTING AUTHORITY.
- 28.3. The restoration of the economic-financial balance of the CONTRACT as a whole, or in regard to any specific UNBALANCING EVENT, shall be carried out in order to obtain the Net Present Value of the Cash Flow of balances equal to zero, considering the Internal Rate of Return - IRR inherent to each UNBALANCING EVENT, as determined in the subclauses below.
- 28.3.1. In the event of UNBALANCING EVENTS resulting from cancellations, delays or early MINIMUM STARTING INVESTMENTS set forth under ANNEX II, when caused by risk factors or responsibility pertaining to the GRANTING AUTHORITY, or when the benefit provided for in subclause 26.2.2 is characterized, restorations shall be carried out taking into account the costs attributed to the investments in the studies that supported the CONCESSION, according to the physical-executive distribution established, as well as the Internal Rate of Return of 8.31 %.
- 28.3.2. In the event of any other UNBALANCING EVENTS, restoration of the economic-financial balance shall take place by developing a marginal cash flow, considering: (I) positive or negative marginal cash flows calculated based on the difference between situations with and without the respective event; and (II) marginal cash flows needed to restore the economic-financial balance.
- 28.3.2.1. UNBALANCING EVENTS in new investments shall consider, for calculation of the restoration of the economic-financial balance of the CONTRACT, the Internal Rate of Return calculated on the date of signing of the respective amendment, as set forth under sub clause 28.5.3.
- 28.3.2.2. All other cases of UNBALANCING EVENTS shall consider, for purposes of calculating the restoration of the economic-financial balance of the CONTRACT, the Internal Rate of Return calculated for the contractual year in which the UNBALANCING EVENT occurred, as set forth under sub clause 28.5.3.
- 28.3.2.3. In case of an UNBALANCING EVENT as regulated by sub clause 28.3.2, which extends for more than one year, the Internal Rate of Return set forth under sub clause 28.5.3 shall be considered for calculating the economic-financial balance of the CONTRACT, calculated for the contractual year in which the UNBALANCING EVENT initially occurred, which shall be applied to the entire UNBALANCING EVENT period.
- 28.4. At each restoration of the economic-financial balance, the Internal Rate of Return of that calculation shall be definitely defined for the entire CONCESSION TERM, in accordance with the current rates for the UNBALANCING EVENTS considered thereunder.

Restoration of the Economic-Financial Balance using the Marginal Cash Flow

- 28.5. To restore the economic-financial balance of UNBALANCING EVENTS determined in sub clause 28.3.2, the following procedures shall be observed when setting the Marginal Cash Flow:
- 28.5.1. Restoration of the economic-financial balance shall be carried out in such a way that the Net Present Value of the Marginal Cash Flow projected in view of the event that gave rise to it is null, considering, on the same base date, (I) marginal cash flows resulting from the event that triggered the restoration, and (II) marginal cash flows resulting from restoration of the economic-financial balance.

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- 28.5.1.1. For purposes of determining the Net Present Value of calculated marginal cash flows, the internal rate of return shall take place at each new contractual year. If the beginning of each contractual year does not coincide with the 1st day of the month, for purposes of the IRR, then the 1st day of the subsequent month shall be considered.
- 28.5.2. For purposes of determining cash flows of marginal expenditures, the best available information shall be used to portray actual and effective current conditions to estimate the amounts of investments, costs and expenditures, as well as any revenue and other earnings resulting from the UNBALANCING EVENT;
- 28.5.2.1. The CONCESSIONAIRE shall submit estimates on the extent of the imbalance, even in cases where the claim is initiated by the GRANTING AUTHORITY, using, for this purpose, the best cost references from the public and/or private sector available at the time of the claim.
- 28.5.2.1.1. Except for the provisions of sub clause 28.3.1, the information shall preferably be based on public costs in force, or other documents that may replace it and, should there be a lack of more current information and at the discretion of the GRANTING AUTHORITY, the projections made at the time of the BIDDING PROCESS or other parameters, such as, for instance, those used and published in national and international engineering magazines.
- 28.5.2.2. The GRANTING AUTHORITY may request that the CONCESSIONAIRE to prove that costs required to comprise new investments are calculated based on market costs, considering the overall cost of construction works or similar activities in Brazil, or cost-based systems using as inputs market costs of the specific sector of the project, assessed, in any case, by means of a summarized budget based on efficient or parametric methodologies.
- 28.5.3. The yearly real Discount Rate to be used to calculate the present cost set forth under subclauses 28.3.2.1 and 28.3.2.2 shall be composed of the average of the gross interest rate for the last twelve (12) months on the sale of Treasury Bill IPCA + with Semiannual interest (NTN-B) or, in its absence, another one that replaces it, *ex-ante* the deduction of Income Tax, with maturity date in 2050 or the maturity date most compatible with the date of the contractual term, published by the National Treasury Department, capitalized on a spread or surcharge on interest equivalent to 207.40 % pa (two hundred and seven point forty percent) per year, base of 252 (two hundred and fifty-two) working days.
- 28.5.4. In the event that an extension of term is used to restore the CONTRACT balance, the methodology for measuring income and expenses for the extended term shall consider:
- 28.5.4.1. For the projection of revenue collection and cash inflow, from the actual data for the demand of USERS at the time of calculation, the projected demand for CAMINHOS DO MAR and its CASH GENERATING UNITS shall be carried out, which shall be multiplied by the average costs charged in the CONCESSION, both for admission costs and in regard to the costs practiced in CASH GENERATING UNITS, considering the 24 (twenty-four) months immediately prior to the date in question, thereby obtaining estimates for the REVENUE of CAMINHOS DO MAR's CONCESSIONAIRE. In order to carry out the projections referred to here, the form of exploitation of each of the CASH GENERATING UNITS by the CONCESSIONAIRE shall be considered, so that the projection reflects the projected revenue and expenses of the CONCESSIONAIRE, whereas the start date of operations of the last of the CASH GENERATION UNITS shall be adopted as a limit for retroaction.

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28.5.4.2. To calculate the projections of the CONCESSIONAIRE's costs and expenses and define the cash outflow, starting from the initial term of the marginal cash flow, including the formalized term extensions, the following shall be considered for purposes of determining the term to be extended:

28.5.4.2.1. Sums related to costs and expenses calculated by the CONCESSIONAIRE in the 24 (twenty-four) months immediately prior to the effective date of the cash flow, adopting, as a limit for such retroaction, the date of start of operations of the last of the CASH GENERATING UNITS.

28.5.4.2.2. Average costs shall serve as a reference for extending the CONCESSION term, without any variation or other type of alteration.

28.5.4.3. Costs and expenses related to the conservation and maintenance of any new construction works, as well as any revenue provided, shall also be considered for purposes of calculating the Marginal Cash Flow.

28.5.4.4. Projected sums for REVENUE, expenses and costs shall be considered as per their establishment, at the risk of the CONCESSIONAIRE, and shall not be reviewed or reconsidered under any circumstances.

28.5.4.4.1. For purposes of economic-financial recovery caused by events other than changes in tax or accounting legislation, taxes and accounting implications of any nature that effectively impact the entire CONCESSION TERM shall be considered, including the formalized extension of terms, regardless of the PARTY that has assumed the risk of changing tax or accounting legislations.

28.5.4.5. For purposes of the Marginal Cash Flow, calculations of amortization and depreciation shall be carried out in accordance with the applicable standards and legislation.

28.5.4.6. VARIABLE GRANT and INSPECTION FEE installments provided for in this CONTRACT may be kept at the discretion of the GRANTING AUTHORITY throughout the extension period, and included in the Marginal Cash Flow that is the object of this methodology.

28.5.5. For purposes of determining the amount to be rebalanced, the effects of direct and indirect taxes effectively levied on the flow of marginal expenditures shall be considered.

CLAUSE TWENTY- NINE - ON THE MODALITIES FOR RESTORATION OF THE ECONOMIC-FINANCIAL BALANCE OF THE CONTRACT

29.1. The GRANTING AUTHORITY shall have the prerogative to choose the modality by which the economic-financial balance of this CONTRACT shall be restructured, particularly, but not limited to, the following modalities:

I.extension or reduction of the CONCESSION TERM;

II.compensation or indemnification;

III.review of VARIABLE GRANT or INSPECTION FEE amounts;

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IV.changes in obligations or deadlines provided for hereunder and/or in the AUCTION NOTICE;

V.a combination of the above modalities or others permitted by legislation, at the discretion of the GRANTING AUTHORITY.

29.2. In addition to the modalities listed in Clause 29.1, restoration of the economic-financial balance of this CONTRACT may also be implemented using the following modalities, upon prior consent granted by the CONCESSIONAIRE:

I.donation in quittance of assets and/or assignment of equity revenues;

II.The GRANTING AUTHORITY's assumption of costs attributed under the CONTRACT to the CONCESSIONAIRE;

III.exploitation of REVENUE beyond the term of the CONCESSION CONTRACT;

IV.a combination of the above modalities or others permitted by legislation.

29.3. Restoration of the economic-financial balance of the CONTRACT shall be formalized in an Addendum to this CONTRACT.

CHAPTER IV – ON CONTRACT REVIEWS

CLAUSE THIRTY - ORDINARY CONTRACT REVIEW

30.1. At each four-year cycle, effective the date of signing of the TERM OF DELIVERY OF THE PUBLIC ASSET, ORDINARY CONCESSION REVIEW procedures shall be conducted, which may lead to:

I.review of the PERFORMANCE INDICATORS and of goals set, with the purpose of establishing proper economic incentives needed to foster a continued improvement in the execution of activities that are object of the CONCESSION ;

II.review of the INSURANCE PLAN developed by the CONCESSIONAIRE;

III.inclusion of ADDITIONAL INVESTMENTS, always in compliance with the economic-financial balance of the CONTRACT.

30.1.1. Requests for new investments made in the CONCESSION shall be implemented as a matter of priority during ORDINARY REVIEWS, with the aim of enhancing investment planning and execution, even in the event that they arise from events occurred or identified in moments prior to processing of the ORDINARY REVIEWS.

30.1.1.1. If there are urgent requests which for technical, economic-financial, security or public interest reasons call for immediate intervention, without waiting for the end of the 4 (four)-year contractual cycle term for each ORDINARY REVIEW, these new investments shall be implemented through an EXTRAORDINARY REVIEW, which shall observe the terms and procedures provided for under this CONTRACT and in the relevant legislation and regulations.

30.1.2. The review of the PERFORMANCE INDICATORS may take place during ORDINARY REVIEWS, and the GRANTING AUTHORITY may request, by means of proceedings established in subclause 30.2.1 and onwards for incorporating new technologies, that changes be made to the PERFORMANCE INDICATORS specified in ANNEX VII, or, instead, that new indicators be

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devised to reflect current, modern and innovative standards for executing construction works and services that are the object of this CONTRACT.

On Processing Ordinary Reviews

30.2. Within the scope of the ORDINARY REVIEW process, the PARTIES shall submit a report containing a proposal to review the PERFORMANCE INDICATORS, the technical assessment regarding the adequacy of the INSURANCE PLAN and potential needs for reviews, as well as proposals for reviewing or including COSTS in the CONCESSION, duly justified and with estimates of economic-financial impacts and expected improvements, if any, for the various parties that make up the CONCESSION.

30.2.1. For ORDINARY REVIEWS of the PERFORMANCE INDICATORS, the PARTIES shall carry out a joint assessment of the current indicators and goals set, taking into account the pursuit of continuous improvement in executing activities that are object of the CONCESSION, and establishing a reasonable period for adjusting the new required standards, leading to:

30.2.1.1. PERFORMANCE INDICATORS that prove to be ineffective being drawn up again, with the aim of fostering CONCESSIONAIRE activities and services to be performed in compliance with the quality required by both the GRANTING AUTHORITY and USERS;

30.2.1.2. When reviewing the targets set for each PERFORMANCE INDICATOR, based on data collected from periodic performance assessments, necessarily setting them at a level equivalent to or higher than that of the current level, and always upholding the purpose of fostering a continuous improvement in the quality of the activities rendered by the CONCESSIONAIRE; and/or

30.2.1.3. In creating new PERFORMANCE INDICATORS to meet requests made by the GRANTING AUTHORITY, pursuant to clauses 20.9 and 20.11, or as a result of fulfilling its current duties, pursuant to clauses 20.1 and 20.7, of new performance standards motivated by the invention of technological innovations or adjustments to national or international standards.

30.2.2. The ORDINARY REVIEW shall preferably take place before discussions for devising the Annual Budget Law, which shall come into force in the year following the ORDINARY REVIEW.

30.2.3. The ORDINARY REVIEW may not impact the allocation of risks established in this CONTRACT, unless it is proven that, as foreseen by the GRANTING AUTHORITY's projections that underscored the BIDDING PROCESS, the CONTRACT poses insurmountable inefficiencies.

30.2.4. Upon completion of the ORDINARY REVIEW procedure, and following ordinary administrative proceedings to observe the principles of opportunity to be heard and adversarial nature granted to the CONCESSIONAIRE, the GRANTING AUTHORITY shall be responsible for defining the new contractual guidelines, while taking into account the limits and procedures set forth in this Clause, whereas the CONCESSIONAIRE, in case of disagreement, has the choice of applying dispute settlement mechanisms provided in this CONCESSION CONTRACT.

30.2.5. The results of the ORDINARY REVIEW process referred to in this Clause shall give rise to the economic-financial recovery of the CONCESSION, whose restructuring procedure shall comply with the regulations provided for under Clauses 28.1 to 30.1 and onwards.

CLAUSE THIRTY- ONE - EXTRAORDINARY CONTRACT REVIEWS

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- 31.1. Either PARTY may request an EXTRAORDINARY CONTRACT REVIEW in case of the actual or imminent occurrence of any event whose consequences are severe enough to give rise to the need to evaluate and take urgent measures, submitting the provisions in this Clause to an EXTRAORDINARY REVIEW and, where applicable, ORDINARY REVIEW provisions.
- 31.2. In case the EXTRAORDINARY REVIEW process is initiated by the CONCESSIONAIRE, it shall submit the necessary support to prove to the GRANTING AUTHORITY that failure to immediately address the event shall result in aggravating circumstances and harmful consequences.
- 31.3. The GRANTING AUTHORITY has a term of sixty (60) days, effective the formalization of the request submitted by the CONCESSIONAIRE, to assess whether the submitted reasons justify immediate handling of the matter or not, and whether the severity of the consequences justify dismissing the ordinary CONTRACT REVIEW procedure, underscoring the importance of not abiding by the established time frame and waiting until the next ORDINARY REVIEW takes place.

CHAPTER V – ON THE CONCESSIONAIRE

CLAUSE THIRTY- TWO – ON THE LEGAL STRUCTURE OF THE SPECIAL PURPOSE COMPANY

- 32.1. The CONCESSIONAIRE's bylaws are listed as ANNEX XII and its specific and exclusive corporate purpose, throughout the duration of this CONTRACT, shall be to perform the object of this CONCESSION, with the CONCESSIONAIRE's headquarters and legal domicile located in the State of São Paulo.
- 32.1.1. The CONCESSIONAIRE's bylaws shall include a clause that:
- I. prohibits changes to its purpose, except to include activities involving the exploitation of REVENUE;
 - II. submits actions described in Clause 43.1 to the GRANTING AUTHORITY's prior approval;
 - III. submits the contracting of loans or obligations, whose amortization terms exceed the final term of the CONCESSION CONTRACT, to the GRANTING AUTHORITY's prior approval.
- 32.1.2. The CONCESSIONAIRE shall exploit, whether directly or indirectly, including through subsidiaries, activities that generate REVENUE, subject to the regulations of this CONTRACT and its ANNEXES.
- 32.2. The CONCESSIONAIRE shall comply with corporate governance standards and adopt standardized accounting and financial records, especially with regard to transactions with RELATED PARTIES, in accordance with accounting practices adopted in Brazil, based on Brazilian Corporate Law (Federal Law No. 6.404 of December 15 1976 and amendments), and the Accounting Standards issued by the Federal Accounting Council - CFC.
- 32.2.1. The CONCESSIONAIRE's financial information, balance sheets and statements, including working papers and additional information to be periodically submitted to the GRANTING AUTHORITY, shall be audited by a reputable expert independent auditing company with notable expertise.
- 32.2.2. The expert audit company shall also verify compliance with stipulations regarding the RELATED PARTIES, as set forth under Clauses 32.8 to 32.10, regardless of the CONCESSIONAIRE's accounting regime or governance structure.

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- 32.3. The minimum paid-up capital stock of the SPC shall be R\$ 1,250,000.00 (one million and two hundred and fifty thousand reais), on the base date of May/2020 .
- 32.3.1. For the signing of this CONTRACT, the SPC shall have no less than R\$ 125,000.00 (one hundred and twenty five thousand reais), on the base date of May/2020, in duly paid up capital stock, in Brazilian currency.
- 32.3.2. Paying up of the remaining capital stock shall comply with the Timetable for the Paying in of Capital Stock included in ANNEX XIII of the CONTRACT.
- 32.3.3. The CONCESSIONAIRE undertakes to keep the GRANTING AUTHORITY permanently informed on the SPECIAL PURPOSE COMPANY's shareholders' compliance with capital stock paid, allowing the GRANTING AUTHORITY to conduct investigations and auditing to verify the situation.
- 32.3.4. The SPC may not, throughout the CONCESSION TERM, reduce its capital stock below the minimum amount set forth in this Clause without previous and expressly written consent given by the GRANTING AUTHORITY.
- 32.3.5. Until the capital stock is not fully paid up, as per ANNEX XIII, the CONCESSIONAIRE's shareholders shall remain jointly and severally responsible, regardless of each one's stake, before the GRANTING AUTHORITY, in regard to the CONCESSIONAIRE's liabilities under this CONTRACT, up to the limit of the amount of the outstanding installment for the paying in of the initially subscribed capital.
- 32.3.5.1. In the event that the capital stock is not fully paid up, should the FINANCIERS take over CONTROL of the CONCESSIONAIRE, the former shareholder shall remain jointly and severally responsible for the amount of the missing installment within the limit of its respective stakes.
- 32.4. The business year of the CONCESSIONAIRE and the fiscal year of this CONTRACT shall be the calendar year.
- 32.5. Non-Brazilian capital in the SPC shall abide by the current Brazilian legislation.
- 32.6. Dissolution of the CONCESSIONAIRE can only occur after all activities described in ANNEX XIV have been carried out.
- 32.7. Even after termination of the CONCESSION, the CONCESSIONAIRE shall maintain the minimum subscription of capital stock referred to in this Clause until its dissolution.
- 32.8. The CONCESSIONAIRE shall, within one (month), effective the date of signing the TERM OF DELIVERY OF THE PUBLIC ASSET, develop, publish and deploy a TRANSACTION POLICY WITH RELATED PARTIES, observing, as appropriate, the best practices recommended by the Brazilian Corporate Governance Code - Publicly-Traded Companies, published by the Interagency Work Group coordinated by the Brazilian Corporate Governance Institute (IBGC), as well as the provisions of the New Market Regulation, or by those who may replace them as a reference before the Brazilian Securities and Exchange Commission - CVM, and containing at least the following elements:
- I. criteria to be observed in order to carry out transactions between the CONCESSIONAIRE and its RELATED PARTIES, requiring fulfillment of conditions that are fair and compatible with market practices;

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- II. procedures to help identify individual situations that may involve conflicts of interest and, consequently, determine voting impediments for the CONCESSIONAIRE's shareholders or administrators;
- III. procedures and those responsible for identifying RELATED PARTIES and for classifying operations with RELATED PARTIES;
- IV. indication of the approval levels of transactions with RELATED PARTIES, depending on the amount involved or other relevant criteria;
- V. requirement to carry out a bidding process within the market, pursuant to regulations approved by the CONCESSIONAIRE's administration, as a condition for contracting with RELATED PARTIES; and
- VI. duty of the CONCESSIONAIRE's administration to formalize, in a written document to be filed at the CONCESSIONAIRE's headquarters, the grounds for selecting the RELATED PARTIES at the expense of other market options.

32.9. The TRANSACTION POLICY WITH RELATED PARTIES shall be updated by the CONCESSIONAIRE as deemed necessary, while taking note of updates on the best practices set forth under Clause 32.8, as well as the need to include or change specific provisions aimed at providing greater transparency and commutability to transactions held with RELATED PARTIES.

32.10. The CONCESSIONAIRE's TRANSACTION POLICY WITH RELATED PARTIES shall foresee costs and circumstances of transactions with RELATED PARTIES in which the CONCESSIONAIRE shall disclose, on its homepage, the following information about contracts signed:

- I. general information about the RELATED PARTY contracted;
- II. purpose of the contract;
- III. contracting period;
- IV. general payment conditions and readjustment of contracting-related amounts; and
- V. description of the transaction negotiation with the RELATED PARTY and of the decision to enter into the transaction.

32.10.1. Disclosure referred to in Clause 32.10 shall occur within thirty (30) days effective the entering into the transaction with the RELATED PARTY and at least five (5) working days effective the start of execution of the obligations stemming from said transaction.

32.10.2. For purposes of Clause 30.10, the CONCESSIONAIRE's TRANSACTION POLICY WITH RELATED PARTIES shall fulfill the need to disclose the transaction or the set of related transactions whose total cost exceeds the minimum levels provided for under CVM Instruction No. 480 of December 2009, or a standard that replaces it, for cases of communicating transactions among RELATED PARTIES.

CLAUSE THIRTY- THREE – ON THE TRANSFER OF CONTROL FROM THE CONCESSIONAIRE

33.1. The CONCESSIONAIRE shall obtain prior approval from the GRANTING AUTHORITY for any change to its corporate structure involving direct TRANSFER OF CONTROL of company stock, under this CONTRACT.

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33.1.1. The prior required consent specified in Clause 33.1 covers actions that imply direct TRANSFER OF CONTROL of company stock from the CONCESSIONAIRE, even when the indirect control remains with the same ECONOMIC GROUP.

33.1.2. For purposes of this CONTRACT, the direct controller of the CONCESSIONAIRE shall be deemed an individual or legal entity, or the group of persons bound by a voting agreement, or under common control, that comprise the CONCESSIONAIRE's direct shareholding structure, fulfilling the conditions set forth under article 116 of Federal Law No. 6.404/1976.

33.2. Any act aimed at changing the CONCESSIONAIRE's shareholding structure shall not be subject to the GRANTING AUTHORITY's prior consent in the event that the companies originally in direct control of the CONCESSIONAIRE remain in a sufficient shareholding position to continue exercising the company's control, without participation from third parties that did not comprise, prior to the act, the CONCESSIONAIRE's CONTROLLING GROUP.

33.3. The CONCESSIONAIRE'S TRANSFER OF CONTROL of corporate stock shall only be approved by the GRANTING AUTHORITY when the transfer neither hinders nor jeopardizes the execution of the CONCESSION CONTRACT.

33.4. To obtain the GRANTING AUTHORITY's approval, in the cases set forth under this clause, the applicant shall submit to the GRANTING AUTHORITY a formal request of consent for the intended transfer, including the minimum following information:

I. explanation of the intended corporate transaction and the proposed stockholding structure for the period immediately following the TRANSFER OF CONTROL;

II. documents relating to the intended corporate transaction, such as copies of minutes of the CONCESSIONAIRE's partner's or shareholder's meetings, correspondence, auditing reports and financial statements;

III. justification for the change in CONTROL;

IV. appointing and qualifying the people who shall appear as CONTROLLERS or be part of the CONCESSIONAIRE's CONTROLLING BLOCK, submitting the list of members of the CONCESSIONAIRE's administration and its CONTROLLERS;

V. certificate of the CONCESSIONAIRE's board of shareholders after the intended TRANSFER OF CONTROL;

VI. certificate of the capacity of the companies that shall appear as CONTROLLERS or make up the CONCESSIONAIRE's CONTROLLING BLOCK, submitting documents equivalent to the QUALIFICATION DOCUMENTS necessary for the continued exploitation of the CONCESSION;

VII. expressed commitment from those who will become CONTROLLERS or make up the CONCESSIONAIRE's CONTROLLING BLOCK, signaling that they fully comply with all the obligations of this CONTRACT, and support the CONCESSIONAIRE as is needed for the full and complete timely payment of obligations attributed to it; and

VIII. commitment from all those involved stating that the operation for the TRANSFER OF CONTROL shall be suspended until approval is secured with the competent bodies, including CADE, according to the pertinence of each specific case.

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- 33.5. The GRANTING AUTHORITY shall examine the request for prior approval, as required under this Clause, within ninety (90) days, extendable for an equal period, and if necessary, shall, at its own discretion, require additional clarification and documents from the CONCESSIONAIRE and/or the FINANCIERS, notify the CONCESSIONAIRE's members or CONTROLLING shareholder, and carry out any and all remedies deemed appropriate.
- 33.6. If, due to the stage of the CONCESSION, some of the technical capacity requirements and financial capacities required in the AUCTION NOTICE are no longer needed for the proper provision of the services, the GRANTING AUTHORITY may forego its corroboration.
- 33.7. The prior consent for the TRANSFER OF CONTROL FROM THE CONCESSIONAIRE, if granted by the GRANTING AUTHORITY, shall be formalized in writing, signaling the conditions and requirements for its realization.
- 33.8. Prior consent procedures related to the events set forth under Clause 33.1 shall also comply with the following regulations:
- I. the prior consent request shall be submitted by the CONCESSIONAIRE sufficiently in advance to allow the GRANTING AUTHORITY to appraise and manifest itself on it in a timely and reasonable manner, taking into account necessary measures so as not to not jeopardize operation(s) initiated by the CONCESSIONAIRE, and which depend on authorization given by the GRANTING AUTHORITY;
 - II. the prior consent request to be submitted by the CONCESSIONAIRE shall be sent along with the relevant documentation for the characterization and explanation of the intended operation, as well as other documents that may be required by the GRANTING AUTHORITY, especially those needed to prove the following: (I) evidence of not jeopardizing the continuity of the execution of activities that are the object of this CONTRACT; and (II) evidence of not jeopardizing the quality of the performance of the activities covered by this CONCESSION CONTRACT;
 - III. in case the GRANTING AUTHORITY rejects the request or requires addendums, it shall do so by submitting justifications and an alternate proposal to comply with the intended operation.
- 33.9. Carrying out corporate transactions pursuant to this Clause while failing to secure the GRANTING AUTHORITY's before formalizing the operations shall result in the enforcement of the penalties provided for in this CONTRACT, whereas the GRANTING AUTHORITY, in addition to the penalties, may:
- I. determine, whenever the possibility for consent exists, that the applicant submits the pertinent documentation and resolves any pending issues, even if after the deadline;
 - II. determine that the CONCESSIONAIRE return to the *status quo ante* by action of the CONCESSIONAIRE, winding up the change to the incorporation documents or performing corporate actions that imply the return of equity capital to the original company holding the shares, or, on the other hand, by an action of the GRANTING AUTHORITY seeking to cancel the change made to the incorporation documents; and
 - III. in case it is not possible to overcome the flaw in the change to the CONCESSIONAIRE or its CONTROLLERS' shareholder composition, declaring expiry of the CONCESSION, with the consequences provided for hereunder.
- 33.10. The assumption of control of the CONCESSIONAIRE shall not alter the obligations that the CONCESSIONAIRE and its controllers have towards the GRANTING AUTHORITY.

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CLAUSE THIRTY- FOUR – ON SUBCONTRACTING

34.1. The CONCESSIONAIRE shall enter into contracts with third parties to develop inherent, accessory or complementary activities to those provided for in this CONTRACT, as well as to exploitation CAMINHOS DO MAR, promoting extensive visitation and public use within the guidelines of the legislation and the MANAGEMENT PLAN, and following the guidelines in this CONTRACT and its ANNEXES.

34.1.1. Contracting of third parties shall not entail a reduction in the quality or safety of services, or a transfer of the role held by the CONCESSIONAIRE in this CONTRACT, with the CONCESSIONAIRE remaining responsible for managing the provision of services.

34.1.2. The CONCESSIONAIRE shall remain fully responsible for all services rendered, even if by third parties, including, but not limited to, performance evaluation purposes, damages caused to the GRANTING AUTHORITY, USERS or third parties for compensation, and subject to penalties set forth in this CONTRACT.

34.2. The CONCESSIONAIRE is required to notify whenever it contracts third parties to provide relevant services and construction works for the development of inherent, accessory or complementary activities to the object of the CONCESSION, such as devising projects, maintenance, conservation, constructions, services and carrying out other activities that generate REVENUE to the CONCESSIONAIRE.

34.3. The fact that contracting with third parties is known to the GRANTING AUTHORITY may not be used by the CONCESSIONAIRE as grounds for evading full compliance with all or part of its obligations under the CONCESSION, or to justify any delays or changes to costs, or to claim that the GRANTING AUTHORITY bears any responsibility whatsoever.

34.4. The CONCESSIONAIRE holds itself accountable before the GRANTING AUTHORITY for all actions by third parties whom it contracts and may not invoke any provision to the contrary.

34.5. Contracts between the CONCESSIONAIRE and third parties shall be governed by private law, without establishing ties of any nature between the third party and the GRANTING AUTHORITY.

34.5.1. Service contracts or any other counterpart executed with third parties shall ensure consideration of costs to the CONCESSIONAIRE that are compatible with the market.

34.6. In case the CONCESSIONAIRE creates a subsidiary company to exploit economic activities in the CONCESSION AREA, revenue shall be consolidated for purposes of calculating the amounts of the VARIABLE GRANT and the INSPECTION FEES.

34.7. The CONCESSIONAIRE is responsible for labor, pension, fiscal and business charges resulting from the performance of this CONTRACT, as well as contracting third parties.

34.8. Any type of sub-concession concerning assets and services covered by this CONTRACT is prohibited.

CLAUSE THIRTY-FIVE – ON TECHNICAL AND THIRD PARTY RESPONSIBILITIES

35.1. The services required for the perfect adaptation, exploitation, operations, conservation and maintenance of CAMINHOS DO MAR shall be performed under the technical responsibility of professionals trained to

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do so, with the CONCESSIONAIRE being fully responsible for said professionals' performance, as indicated: [●].

- 35.2. The CONCESSIONAIRE shall answer, under the terms of applicable legislation, for any and all damages caused to third parties, on behalf of itself or its managers, employees, agents, service providers, contractors or outsourced personnel, or any other person or entity linked to it, while carrying out all activities covered by the CONCESSION, wherea the GRANTING AUTHORITY shall not take on any kind of responsibility of this kind.

CHAPTER VI – ON INSURANCE AND GUARANTEES

CLAUSE THIRTY- SIX – ON GENERAL REGULATIONS

- 36.1. The guarantees and insurances listed in the INSURANCE PLAN, which shall be opportunely contracted by the CONCESSIONAIRE as a condition for performing the corresponding constructive or operational steps, shall not contain clauses excluding responsibility, other than those resulting from legal or regulatory claims, and shall appoint the GRANTING AUTHORITY as the beneficiary, guaranteeing the possibility of claiming insurance and guarantees automatically through simple communication to the insurance company, in accordance with the legislation in force concerning the CONCESSIONAIRE's default in regard to a specific guaranteed contractual obligation.
- 36.2. Effectively to enter into a contract or formalize the documents which constitute the structure of insurance and guarantees for investments to be made, whether directly or indirectly, by the CONCESSIONAIRE, the latter shall submit to the GRANTING AUTHORITY, within no more than 60 (sixty) days prior to the start of the corresponding construction stages, all documentation, thereby allowing the GRANTING AUTHORITY time to approve and sign all necessary documents for contracting the insurance and guaranteeing facilities required for beginning each of the investments or operations of services and activities.
- 36.3. Once approved, insurance and guarantees shall be contracted and necessarily renewed, and kept current under conditions previously approved by the GRANTING AUTHORITY, at least throughout the entire period during which the main insured obligations persist.
- 36.4. The eventual infeasibility or unjustified difficulty on behalf of the GRANTING AUTHORITY claiming insurance and guarantees, in hypotheses giving rise to execution thereof, shall result in expiry of the CONCESSION CONTRACT, under the terms foreseen herein.

CLAUSE THIRTY-SEVEN – ON INSURANCE

- 37.1. The CONCESSIONAIRE shall, throughout the CONCESSION TERM, contract and maintain, with an insurance company authorized to function and operate in Brazil and of size compatible with the insured purpose, all insurance policies required to cover the risks inherent to developing the construction works, including RESTORATION works, as well as providing services that are the object of the CONCESSION, as offered in the Brazilian market, notwithstanding insurance required under the applicable legislation, on pain of expiry of the CONCESSION, under the terms of Clause Fifty.
- 37.1.1. The INSURANCE PLAN, which is part of this CONTRACT as ANNEX XV, shall be periodically revised in order to be compatible with the need to carry out adjustments or new investments, and shall observe the regulations of the federal insurance regulation and inspection entities in Brazil, it being prohibited to impose additional and/or delaying procedures upon payment of the guaranteed amounts;

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37.1.2. Insurance policies contracted by the CONCESSIONAIRE shall expressly contain clauses that automatically and unconditionally restructure the amounts insured, including for Civil Responsibility, while respecting the regulations established by the federal bodies that regulate and supervise insurance in Brazil, unless this coverage is not available on the insurance market, which shall be confirmed by a letter sent to the GRANTING AUTHORITY and signed by the reinsurance company.

37.1.3. In the event that there is no coverage and/or no automatic and unconditional restoration of amounts which are the object of insurance, and/or execution of the aggregate limit clause of the policy, as described in the INSURANCE PLAN, the GRANTING AUTHORITY shall demand alternatives to guarantee the main obligations taken on by the CONCESSIONAIRE, which shall be devised through a contract instrument containing provisions established by the GRANTING AUTHORITY or suggested by the CONCESSIONAIRE and approved by the GRANTING AUTHORITY.

37.2. The INSURANCE PLAN shall contain the grounds for contracting at least the following types of insurance, but not limited to them, indicating the estimated policy period, the risks to be mitigated by the respective policies, as well as the maximum limits for compensation in the case of claims:

I. "Full risk" insurance for material damage covering loss, destruction or damage to all or any of the CONCESSION ASSETS, and this insurance shall encompass that which is normally covered in accordance with international standards for companies of this nature, in the following modalities:

- a. property damage;
- b. small engineering construction works;
- c. riots, vandalism, wrongful acts;
- d. fire, lightning and explosions of any kind;
- e. damage to electronic equipment (low voltage);
- f. robbery and aggravated theft (except costs);
- g. electrical damage;
- H. windstorm, smoke damage;
- i. material damage to equipment;
- j. damage caused to glass objects;
- k. accidents of any nature; and
- l. flooding, inundations.

II. Insurance for civil responsibility:

- a. damage caused to third parties;
- b. additional coverage for joint responsibility;

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- c. accidents of any nature involving third parties;
- d. work accidents with employees involved, in compliance with the current legislation; and
- e. damage stemming from sudden pollution.

III. "Full-risk" insurance for engineering, which shall be in effect throughout the entire performance of works involving coverage of any investments, costs and/or expenses pertinent to civil works and infrastructure (construction and assembly of facilities, encompassing all acceptance trials), as well as at least:

- a. basic coverage of engineering risks;
- b. environmental damage caused by the construction works; and
- c. property damage.

37.3. The insurance coverage established in this Clause shall include coverage for damages classified as force majeure or fortuitous events, whenever insurable.

37.4. All insurance contracted for purposes of this CONTRACT shall be signed with insurance and reinsurance companies authorized to operate in Brazil, presenting, always, the Certificate of Operating License (Certidão de Regularidade Operacional) issued by the Superintendency for Private Insurance (Superintendência de Seguros Privados – SUSEP), in the name of the insurance company that issues each policy.

37.5. The GRANTING AUTHORITY shall feature as co-insured/beneficiary of all insurance policies contracted by the CONCESSIONAIRE, and shall pre-authorize any modification, cancellation, suspension or substitution of any insurance contracted by the CONCESSIONAIRE for purposes of this CONTRACT, and the CONCESSIONAIRE shall pledge to maintain the same conditions previously authorized by the GRANTING AUTHORITY, on pain of expiry of the CONCESSION, under the terms of this CONTRACT.

37.5.1. Insurance policies shall also foresee advance compensation directly to the GRANTING AUTHORITY in cases in which it is held responsible due to claims.

37.6. Amounts covered by insurance signalled in the INSURANCE PLAN shall be sufficient to restitute or correct damages caused due to claims.

37.7. Premiums contracted shall be those practiced by the Brazilian insurance market in businesses of this kind.

37.8. Upon contracting insurance, the CONCESSIONAIRE shall also observe the following:

I. all insurance policies shall be valid for at least twelve (12) months, excepting for specific engineering works and/or services, which shall have an execution period shorter than twelve (12) months;

II. the CONCESSIONAIRE shall provide, at the end of the term of the insurance policy and in the event that there is no new policy, a certificate issued by the respective insurance company confirming that the risks involved were put on the insurance market for the determined period, and in accordance with the required coverage and policies, pending only authorization from SUSEP to issue the new policy;

III. the CONCESSIONAIRE shall ensure that insurance policies state the obligation of the insurance company to inform in writing to the CONCESSIONAIRE and the GRANTING AUTHORITY, at least thirty (30) days prior to the actual occurrence, about any issues that may result in total or partial cancellation

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of the insurance contracted, reduction of coverage, increase in premiums or reduction in the amounts insured, observing situations foreseen in law;

IV. the CONCESSIONAIRE is responsible for the full payment of premiums and deductibles of the policy, in the event that any insurance claim foreseen in this CONTRACT is made. The CONCESSIONAIRE shall provide, within no more than thirty (30) days as of the start of each CONCESSION year, a certificate issued by the insurer(s) confirming that all contracted insurance policies are valid, and that the respective premiums have been paid;

V. any differences between the contracted amounts and payment of claims shall neither entail the right to economic-financial restructuring of this CONTRACT nor remove the CONCESSIONAIRE's obligation to maintain ADEQUATE SERVICES;

VI. differences mentioned in item V above shall not constitute grounds to avoid making any investment under this CONTRACT, including additional investments that may prove necessary, owing to occurrence of a claim of an amount not fully covered by the policy.

37.9. The CONCESSIONAIRE may alter coverage and policies, in addition to any conditions in the contracted policies, to adapt them to the development of activities under the CONCESSION; however, such changes require prior approval granted by the GRANTING AUTHORITY.

37.10. Insurance policies issued shall not contain obligations, restrictions or conditions that contradict clauses of this CONTRACT or the industry's regulations, and shall contain an express declaration that the insurance company is fully aware of this CONTRACT, including clauses referring to limits of the CONCESSIONAIRE's rights.

37.11. The insurance company shall waive all rights to appeal against the GRANTING AUTHORITY, SIMA or FF, even when applicable.

37.12. The CONCESSIONAIRE shall assume full responsibility for the scope or omissions stemming from signing insurance policies listed in this CONTRACT, including for purposes of risks assumed.

37.13. In the event that the CONCESSIONAIRE fails to comply with its obligation to contract and fully maintain the policies updated and in effect, the GRANTING AUTHORITY, regardless of its option to decree intervention or expiry of the CONCESSION under the terms of this CONTRACT, may contract and directly pay the respective premiums, attributing the totality of the costs and expenses to the CONCESSIONAIRE, which shall reimburse the GRANTING AUTHORITY, depending on the case, within 05 (five) working days as of the date the notification was received, on pain of incurring actualization of the IPC/FIPE Consumer Price index, as well as default interest corresponding to 1% per month, *pro rata temporis*, as of the respective expiration date and up to the date of effective reimbursement, notwithstanding execution of the PERFORMANCE BOND to reimburse costs of contracting said insurance, as well as the other applicable penalties.

CLAUSE THIRTY- EIGHT – ON GUARANTEES PROVIDED BY THE CONCESSIONAIRE

38.1. Thorough and timely fulfillment by the CONCESSIONAIRE, together with the GRANTING AUTHORITY shall be guaranteed under the terms, amounts and conditions established in this Clause by means of a PERFORMANCE BOND.

38.2. The CONCESSIONAIRE, as a condition for signing this CONTRACT, shall establish and maintain, in favor of the GRANTING AUTHORITY, throughout the entire CONCESSION TERM, a PERFORMANCE BOND covering the sum of R\$ 989,476.13 (nine hundred and eighty-nine thousand, four hundred and seventy

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six reais and thirteen cents), under the terms required by the AUCTION NOTICE, and shall comply with the provisions hereunder.

38.2.1. The amount designated in Clause 38.2 above shall be corrected monetarily, on an annual basis, using the IPC/FIPE Consumer Price index in the month of the CONTRACT's anniversary.

38.2.2. ORDINARY REVIEWS may give rise to new investments made by the CONCESSIONAIRE, which shall be considered for purposes of adjusting the PERFORMANCE BOND.

38.3. In addition to the bonds in favor of the GRANTING AUTHORITY, the CONCESSIONAIRE pledges to maintain fully in effect all guarantees provided in favor of contracted companies for rendering services and other activities to be performed at CAMINHOS DO MAR, appointing the GRANTING AUTHORITY as the beneficiary.

38.3.1. The CONCESSIONAIRE shall inform the GRANTING AUTHORITY if it chooses to request the guarantee established in this item, on the terms and conditions of the guarantee instruments signed with the companies contracted to execute the services and other activities to be performed at CAMINHOS DO MAR.

38.4. The purpose of the PERFORMANCE BOND is for payment and reimbursement of costs and expenses incurred, in the event of a possible breach of obligations assumed by the CONCESSIONAIRE, and may also be executed to pay fines applied to the CONCESSIONAIRE or for payment of other sums it owes to the GRANTING AUTHORITY.

38.4.1. Should the PERFORMANCE BOND be insufficient to cover all obligations foreseen in Clause 38.11, the CONCESSIONAIRE shall account for the difference.

38.5. Documents effectively formalizing the PERFORMANCE BOND shall be previously approved by the GRANTING AUTHORITY, under the terms of this CONTRACT, in addition to any changes, replacements and renewals that may be necessary, whereas the CONCESSIONAIRE shall, in all cases, be responsible for all risks relating to failure to contract, inappropriate contracting or insufficiency of required guarantees.

38.6. The PERFORMANCE BOND shall be offered and/or replaced, upon the GRANTING AUTHORITY's prior and express approval, in one of the following modalities, in accordance with article 56 of Federal Law No. 8.666/1993:

I. Bonds in current Brazilian currency;

II. Public Debt Bonds issued by the National Treasury (government bonds);

III. Guarantee Insurance;

IV. Bank-bonds/securities; or

V. A combination of two or more of the modalities stated in items I to IV above.

38.6.1. The PERFORMANCE BOND offered shall be unconditional and shall not contain any proviso which may hinder or obstruct its execution, or which may raise doubts concerning its claimability, respecting the rules of the federal bodies responsible for regulating and overseeing Insurance in Brazil, if offered in this modality.



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- 38.6.2. Expenses referring to the provision of the PERFORMANCE BOND shall be solely borne by the CONCESSIONAIRE.
- 38.6.3. The CONCESSIONAIRE is fully responsible for keeping and ensuring sufficiency of the PERFORMANCE BOND offered in this CONTRACT, including taking full responsibility for all costs stemming from their contracting.
- 38.6.4. The PERFORMANCE BOND, if offered in current Brazilian currency, shall be deposited in Bank [●], Branch number [●], account number [●], in the name of SIMA, CORPORATE TAXPAYER ID NUMBER [●], submitting the deposit slip or an administrative check from a national financial institution.
- 38.6.5. The PERFORMANCE BOND, if offered as Public Debt Bonds issued by the National Treasury (government bonds), shall not be encumbered with unenforceability, inalienability, non-transferability or compulsory acquisition clauses.
- 38.6.6. Bonds offered shall be issued in the form of securities/debentures, duly registered on the central system for liquidation and custody, authorized by the Brazilian Central Bank, at market price and submitted along with proof of current validity with respect to their liquidity and value.
- 38.6.7. Only the following titles shall be accepted:
- I. National Treasury Bills (LTN);
 - II. National Financial Treasury Bills (LFT);
 - III. National Treasury Notes Series B Principle (NTN-B Principle);
 - 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).
- 38.6.8. The PERFORMANCE BOND, if submitted in the guarantee-insurance modality, shall be proven upon submission of guarantee-insurance policies along with a receipt of premium payment, when pertinent, and a Certificate of Operational License (Certidão de Regularidade Operacional) issued by the Superintendency of Private Insurance - SUSEP, in the name of the insurance company issuing the policy, valid for at least 12 (twelve) months.
- 38.6.8.1. Whenever the modality is guarantee-insurance, the policy shall be issued by an insurance company authorized to operate in Brazil, and shall be submitted along with proof of contracted reinsurance, under the terms of current legislation at the time of the submission, valid for at least 12 (twelve) months.
- 38.6.8.2. The policy shall be compliant with the SUSEP Circular 477/2013 and shall not contain any clause exempting the CONCESSIONAIRE or the insurer from any liability, not even in its special or private conditions, other than those resulting from legal or regulatory requirements.
- 38.6.8.3. The special or private conditions of the respective policy shall expressly state the coverage of all events described in Clause 38.11 of this CONTRACT, or, exceptionally, be submitted

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along with a declaration signed by the insurer issuing the policy, verifying that the insurance guarantee presented is sufficient to cover all events described in Clause 38.11 of this CONTRACT.

38.6.8.4. THE PERFORMANCE BOND, when in the form of an insurance guarantee, shall encompass all facts occurring during its term, even if the event is notified by the GRANTING AUTHORITY after lapsing of the final term of the PERFORMANCE BOND, and shall encompass the coverage hypotheses foreseen in SUSEP Circular 477/2013, or another that may alter or succeed it, and also the hypotheses of the GRANTING AUTHORITY's liability for any act or fact stemming from actions of the CONCESSIONAIRE, its agents or subcontractors, including, but not limited to, environmental damages, civil, fiscal or labor liabilities, regulatory penalties, among others.

38.6.9. The PERFORMANCE BOND, if submitted in in the bank-bond modality, shall be issued by a financial institution duly organized and authorized to operate in Brazil, and submitted as originals along with proof of power of representation in the name of the person responsible for signing the document.

38.6.10. The PERFORMANCE BOND, if provided as a guarantee-insurance or bank-bond, shall be valid for at least one (01) year as of the signing of the policy, and the CONCESSIONAIRE shall be fully responsible for all necessary renewals and updates, and shall further notify the GRANTING AUTHORITY on each renewal and update, on pain of applying the applicable sanctions.

38.7. The CONCESSIONAIRE shall provide the GRANTING AUTHORITY with proof of renewal and update of the PERFORMANCE BOND at least thirty (30) days prior to the end of its validity, on pain of expiry of the CONCESSION, under the terms of Clause 50.

38.8. The PERFORMANCE BOND shall remain fully valid until the FINAL ACCEPTANCE CERTIFICATE is signed, as established in ANNEX XIV, and may be executed under the terms of this CONTRACT.

38.9. The PERFORMANCE BOND provided in any of the modalities foreseen in Clause 38.6 shall not contain clauses excluding any of the responsibilities contracted by the CONCESSIONAIRE relating to the provisions of this CONTRACT, and neither shall they contain any type of waiver or conditions that may hamper or impede their execution, or which may leave doubts as to the firmness of the guarantee provided, other than those waivers or exclusion clauses resulting from legal or regulatory requirements.

38.10. Whenever the PERFORMANCE BOND is totally or partially executed, the CONCESSIONAIRE shall be required to reimburse its full value, within 10 (ten) working days effective the notification given by the GRANTING AUTHORITY.

38.10.1. If the reimbursement does not take place within the deadline determined in Clause 38.10, the GRANTING AUTHORITY may declare expiry of the CONTRACT, under the terms of Clause 50.

38.10.2. The renewal, in a timely manner to guarantee its continuity, as well as the periodic replacement and readjustment of the PERFORMANCE BOND, shall be carried out by the CONCESSIONAIRE, regardless of previous notification given by the GRANTING AUTHORITY for constitution in arrears.

38.11. Notwithstanding other hypothesis in this CONTRACT or in legislation, the PERFORMANCE BOND may be executed, totally or partially, by the GRANTING AUTHORITY, following a standard administrative proceeding, pursuant to the following circumstances:

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- I. For payment of sums owned by the CONCESSIONAIRE to the GRANTING AUTHORITY that are not settled spontaneously due to failure to execute any investment established in this CONTRACT or potential addendums signed by both PARTIES, or executed in an inappropriate manner, in unjustifiable non-compliance with specifications and deadlines defined, refusing or failing to amend the flaws pointed out by the GRANTING AUTHORITY, in the manner established in this CONTRACT.
- II. For payment of sums not settled spontaneously, stemming from fines, compensation or other penalties which may be applied to it under this CONTRACT and within the established timeframes;
- III. for payment of sums owed by the CONCESSIONAIRE to the GRANTING AUTHORITY not settled spontaneously due to failure to comply with its contractual obligations, or due to the lack of measures required to meet the PERFORMANCE INDICATORS, refusing or failing to correct the flaws pointed out by the GRANTING AUTHORITY, as established in this CONTRACT;
- IV. for payment of the variable monthly sum owed by the CONCESSIONAIRE to the GRANTING AUTHORITY, not settled spontaneously;
- V. For payment of sums owned by the CONCESSIONAIRE to the GRANTING AUTHORITY that are not settled spontaneously, in the hypotheses of reversion of assets, if REVERTIBLE ASSETS are not delivered to the GRANTING AUTHORITY or to an appointed third party, in full operational and technical working order, also considering the specifications in this CONTRACT, including the hypothesis of failing to correct flaws pointed out by the GRANTING AUTHORITY, as established in this CONTRACT.
- VI. for reimbursement of costs and expenses suffered by the GRANTING AUTHORITY or SUCCESSOR while adjusting CAMINHOS DO MAR to the conditions specified in ANNEX XIV;
- VII. for payment of sums owed by the CONCESSIONAIRE to the GRANTING AUTHORITY, including for settlement of penalties, not settled spontaneously, if the CONCESSIONAIRE fails to contract the insurance required or refuses to do so, under the terms of this CONTRACT;
- VIII. for reimbursement of expenses paid if the GRANTING AUTHORITY is unduly held responsible for any act or fact resulting from actions of the CONCESSIONAIRE, its employees or subcontractors, including but not limited to, environmental damages, and civil, tax and labor responsibilities, regulatory penalties, among others.

38.12. The CONCESSIONAIRE shall remain fully responsible for complying with the object of this CONTRACT, as well as other obligations inherent to it, including payments of fines, damages and other penalties that apply to it, fulfilling, primarily, the payment of debts upon total or partial execution of the PERFORMANCE BOND.

38.13. THE PERFORMANCE BOND, upon the termination of the CONCESSION, shall only be satisfied after evidence that the CONCESSIONAIRE has complied with any and all amounts owed to the GRANTING AUTHORITY.

CLAUSE THIRTY- NINE - FINANCING AND FINANCERS' GUARANTEES

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Financing

- 39.1. The CONCESSIONAIRE is solely responsible for securing all financing necessary for normal development of the services encompassed by the CONCESSION so as to fulfill all obligations assumed in this CONTRACT fully and in a timely manner.
- 39.1.1. The CONCESSIONAIRE shall not claim any provision, clause or condition(s) of the Financing Contract(s), or any delay in the disbursement of funds, to exempt all or part of the obligations set forth hereunder, whose terms financing institution(s) shall be fully aware of.
- 39.2. After prior consent given by the GRANTING AUTHORITY, the CONCESSIONAIRE's financing contract(s) may grant to FINANCERS, according to applicable private law regulations, the right to assume control of the CONCESSIONAIRE in the event of contractual default by the CONCESSIONAIRE concerning said Financing contracts or this CONTRACT, observing the provisions of Article 27-A of Federal Law No. 8.987/1995.
- 39.3. Following prior approval given by the GRANTING AUTHORITY, the CONCESSIONAIRE shall also provide the FINANCER(S) with guarantees under the rights arising from the CONCESSION in art. 28 and art. 28-A of Federal Law No. 8.987/1995.

On structuring guarantees and signing the Centralizer Account Contract

- 39.4. The FINANCER(S), by means of their trustee(s), may join the contractual relationship established between the GRANTING AUTHORITY, the CONCESSIONAIRE and the financial institution managing the CENTRALIZER ACCOUNT as parties, upon signing an addendum contract to the account management contract specified in ANNEX X .
- 39.4.1. If the FINANCER(S), by means of their trustee(s), make use of this power, the parties shall enter into the addendum contract for the aforementioned CONTRACT in order to adapt the referred contract to standards, policies and internal approvals by FINANCER(S), provided these changes do not impair the rights, guarantees and options granted to the GRANTING AUTHORITY by way of the CONCESSION CONTRACT and its ANNEXES.
- 39.4.2. Either way, the GRANTING AUTHORITY's preference to receive credits due as deductions arising from the Performance Indicators, as well as from the VARIABLE GRANT and INSPECTION FEES, shall be complied with.

On guarantees established based on emerging rights stemming from the CONCESSION

- 39.5. The CONCESSIONAIRE may provide guarantees arising from this CONTRACT to its FINANCERS, to the extent permitted by law, provided they do not jeopardize the continuity and the adequate performance of the services that are the object of this CONTRACT, and provided the GRANTING AUTHORITY's prior approval has been secured.
- 39.5.1. The CONCESSIONAIRE may offer credit rights that it may potentially hold to the GRANTING AUTHORITY as a guarantee for financing, credit operations, market fundraising, debt operations or the like by of assignment, including fiduciary, usufruct or pledge or secured fiduciary sales of shares, stocks, securities or their concerning earnings relating to the Special Purpose Company, provided the financing operation is directly related to this CONTRACT.

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39.5.2. Guarantees foreseen in Clause 39.5, with prior consent given by the GRANTING AUTHORITY, may be provided in contracts of an accessory or complementary nature to the financing contracts, when intended to ensure the feasibility of the CONCESSION itself or to mitigate risks taken on by the CONCESSIONAIRE, as in the case of contracts executed to grant real or fidejussory guarantees, for market fundraising, to secure insurance or to protect the CONCESSIONAIRE from asset price variations (hedge).

39.5.3. Any and all rights revenues and receivables, including all CONCESSIONAIRE REVENUE, shall be deemed emergent rights of the CONTRACT.

39.6. Any payments owed by the GRANTING AUTHORITY to the CONCESSIONAIRE as indemnities or compensation may be paid directly to FINANCERS.

39.6.1. In the event that the GRANTING AUTHORITY makes direct payments to FINANCERS, said payments shall fully offset the GRANTING AUTHORITY's obligations to the CONCESSIONAIRE, in regard to the amount actually disbursed to FINANCERS.

CHAPTER VII - INSPECTIONS

CLAUSE FORTY – ON PAYMENT FOR INSPECTION

40.1. For providing inspection services under the CONCESSION, the GRANTING AUTHORITY shall be entitled to receive the INSPECTION FEES set forth under Clause Fourteen.

CLAUSE FORTY-ONE – ON INSPECTIONS UNDERTAKEN

41.1. The GRANTING AUTHORITY, represented by SIMA, and FF, shall, together with these entities, exercise full and comprehensive inspections under this CONTRACT, complying with all obligations set forth thereunder, as well as over the CONCESSIONAIRE, and shall have, while performing inspections, free access at all times to areas, facilities and sites related to the CONCESSION, books and documents related to the CONCESSIONAIRE, as well as to the books, records and documents related to activities and services encompassed by the CONCESSION, to data relating to the CONCESSIONAIRE's management, accounting and technical, economic and financial resources, and shall request clarifications or changes in case they find there are disconformities with obligations set forth under this CONTRACT, particularly those regarding fulfillment of PERFORMANCE INDICATORS and quality parameters specified in this CONTRACT and its ANNEXES.

41.1.1. Inspections undertaken during the term of the CONCESSION CONTRACT, and encompassing all of the CONCESSIONAIRE's activities, shall be conducted by the GRANTING AUTHORITY, which shall comprise a commission appointed in a SIMA resolution.

41.1.2. The CONCESSIONAIRE shall provide, within the deadline assigned to it, all clarifications that it is formally requested to provide.

41.1.3. Notwithstanding inspections that are the object of Clause Forty-One hereunder, the GRANTING AUTHORITY shall establish, together with CONCESSIONAIRE, a schedule for inspecting and overseeing construction works undertaken at the CONCESSION AREA.

41.2. Decisions concerning services where flaws, defects and/or inaccuracies are verified, and which are issued under the scope of inspections, shall be immediately applicable and binding to the CONCESSIONAIRE,

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notwithstanding other consequences set forth under the contract, as well as provisions on settling controversies established in this CONTRACT.

41.3. The GRANTING AUTHORITY's inspections shall comply with the standards set in ANNEX XVI of this CONTRACT with regard to applicable procedures and penalties under the scope of the CONCESSION's inspections.

41.3.1. All inspections shall write down, in a specific registration form, all occurrences verified during inspections carried out at CAMINHOS DO MAR, at the SPECIAL PURPOSE COMPANY and/or at the CONCESSION, sending the INSPECTION TERM to the CONCESSIONAIRE for purposes of rectifying verified breaches or flaws, notwithstanding the opening of sanctioning administrative proceedings.

41.3.2. Sanctioning administrative proceedings shall follow the procedures of State Law No. 10.177/1998, or any other that may replace it.

41.3.3. Rectifying breaches signaled in the INSPECTION TERM does not exclude dismissal the non-compliance that took place and, consequently, enforcement of the corresponding penalty.

41.4. Inspections may also be able to follow up on the INDEPENDENT VERIFIER's efforts to verify whether the CONCESSIONAIRE is fulfilling the PERFORMANCE INDICATORS.

41.4.1. The GRANTING AUTHORITY may follow the provision of services and may request detailed clarifications or changes in case of non-compliances with the obligations foreseen in this CONTRACT, particularly in regard to fulfilling PERFORMANCE INDICATORS, current schedules and quality parameters set forth in this CONTRACT.

41.5. Notwithstanding application of the PERFORMANCE INDICATORS, drawing up of the INSPECTION TERMS and issuance of the INFRACTION NOTICE, the CONCESSIONAIRE is required to repair, amend, interrupt, suspend or replace, at its expense and within the deadline defined by the GRANTING AUTHORITY, any and all services or activities pertaining to the CONCESSION in which flaws, defects and/or inaccuracies are verified.

41.5.1. The GRANTING AUTHORITY may request the CONCESSIONAIRE to submit an action plan to repair, correct, interrupt, suspend or replace any services or activities provided with flaws, defects and/or incorrectly, relating to the object of this CONTRACT, within a deadline to be defined.

41.5.2. In the event that the CONCESSIONAIRE fails to comply with the GRANTING AUTHORITY's determinations, the latter shall be allowed to correct the situation, to remedy flaws, defects and/or inaccuracies verified or to carry out unfulfilled investment obligations, whether directly or by means of a third party, including by deploying GUARANTEES set forth in this CONTRACT, with costs to be borne by the CONCESSIONAIRE.

On the obligations of the CONCESSIONAIRE to support inspections

41.6. To ensure an adequate performance of contractual inspections and oversight by the GRANTING AUTHORITY, and notwithstanding any other obligation to provide information established in this CONTRACT, under the applicable legislation or regulations, the CONCESSIONAIRE undertakes to:

I. immediately notify the GRANTING AUTHORITY on any and all events that may hinder or limit the prompt and timely fulfillment of the obligations emerging from this CONTRACT, and which may constitute grounds for intervention in the CONCESSIONAIRE, declaration of expiry of the CONCESSION or contractual rescission, which may constitute early payment of financing contracted,

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or which may significantly alter the normal development of services or exploitation of CAMINHOS DO MAR;

- a. The notification referred to in the item hereunder shall be submitted in writing, in the form of a detailed report on said situation, and notified within the minimum early term, including, if applicable, contributions by expert entities outside of the CONCESSIONAIRE, and describing measures taken or underway to overcome or rectify the issue;
- II. submit, by August 31st of each year, an audited report on its accounting situation, including, among other things, the Balance Sheet and Income Statement corresponding to the semester ending on June 30 of the respective year;
- III. submit, by April 30th of each year, and taking into account the provisions of Federal Law No. 6404/1976 and Federal Law No. 11,638/2007, financial statements relating to the preceding year ending on December 31st, including, among others, the Board of Administration's Report, the Balance Sheet, the Accumulated Profit and Loss Statement, Yearly Financial Statement and Cash Flow Records, explanatory notes for the Balance Sheet, opinions issued in Working Papers by Independent Auditors and the SPC's Fiscal Council, should there be one, and, if the SPECIAL PURPOSE COMPANY is Publicly Listed, the Added-Value Statement;
- IV. submit a report to the GRANTING AUTHORITY, on a monthly basis, containing detailed information on verified visitor numbers and REVENUE collected in the period, and the GRANTING AUTHORITY shall, if it deems necessary, establish standards and/or forms for filling out said information by the CONCESSIONAIRE;
- V. submit, within 90 (ninety) days after the end of each calendar semester, updated information on the CONCESSION's financial projections, i.e., the set of projections for all financial elements related to the performance of this CONTRACT, encompassing actual earnings collected obtained since the start of the CONCESSION until the end of the semester, and projected earnings until the end of the CONCESSION TERM;
- VI. submit within 45 (forty-five) days, effective the end of each quarter, accounting statements in accordance with corporate legislation, as well as closing monthly balance sheets duly signed by the accountant in charge;
- VII. submit, on a quarterly basis to the GRANTING AUTHORITY, an updated schedule of activities relating to performance of construction works and interventions at CAMINHOS DO MAR, including the list of completed construction works and those underway, indicating the respective stage and expected date of completion, as well as construction works yet to be started;
- VIII. submit, on a quarterly basis, a report with all measures used to settle USER complaints submitted by the GRANTING AUTHORITY, as well as the time frame needed for their implementation.

CLAUSE FORTY-TWO – ON THE RELATIONSHIP WITH EMAE S.A.

- 42.1. The PARTIES acknowledge that CAMINHOS DO MAR is located in an area with assets owned by EMAE S.A. In view of this, the PARTIES acknowledge that EMAE S.A. is an CONSENTING INTERVENING PARTY to this CONTRACT, pursuant to the exact boundaries set forth by the regulations concerning necessary interfacing between the CONCESSIONAIRE and EMAE S.A. for the harmonious coexistence of all ventures and respective operations, and the PARTIES and EMAE S.A. hereby undertake to employ their best efforts in order to ensure said coexistence.

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42.2. Regulations for interfacing between CONCESSIONAIRE and EMAE S.A. are compiled in ANNEX V of this CONTRACT, with it being hereby assured and agreed upon that EMAE S.A.'s participation in matters referring to this CONTRACT shall be restricted to the contents of said ANNEX; thus, EMAE S.A.'s participation in measures under the scope of this contract shall only be required when said actions concern matters specific to ANNEX V.

42.3. EMAE S.A. shall not be part of, nor subscribe to, any addendum to this CONTRACT if the provisions of the addendum do not entail any change to the regulations set forth under ANNEX V.

CLAUSE FORTY- THREE – ON ACTIONS DEPENDENT ON THE GRANTING AUTHORITY'S PRIOR CONSENT OR NOTIFICATION

Events that require prior approval given by the GRANTING AUTHORITY

43.1. Notwithstanding other events set forth hereunder and all applicable laws and regulations, the following actions that may be potentially performed by the CONCESSIONAIRE are conditional on the GRANTING AUTHORITY's prior approval, under penalty of sanctions set forth under ANNEX XV, including being able to give effect to declaring expiry of the CONCESSION:

I. changes to the articles of incorporation of the SPECIAL PURPOSE COMPANY, except those eminently formal and/or procedural, which shall be the subject of subsequent simple notification to the GRANTING AUTHORITY;

II. merger, consolidation, scission, transformation or any corporate reconstruction involving TRANSFER OF CONTROL;

III. provided they can, individually or collectively, portray changes in the CONCESSIONAIRE's shareholding CONTROL, directly or indirectly, the following are included, for instance, as an act(s) subject(s) to prior approval by the GRANTING AUTHORITY;

- a. Entering into of shareholders agreement;
- b. Issuance of securities convertible into shares; and
- c. Appointing third parties to have guarantees and rights over shares.

IV. disposal of CONTROL or transfer of the SPECIAL PURPOSE COMPANY run by FINANCIERS and/or Guarantors for purposes of financially restructuring the CONCESSIONAIRE;

V. creation of subsidiaries, including for purposes of exploiting REVENUE;

VI. reduction of the SPECIAL PURPOSE COMPANY's capital stock to levels below the minimum established in this CONTRACT;

VII. contracting or changes in insurance coverage, in the insurance company contracted and/or in the guarantees contracted by the CONCESSIONAIRE, and pursuant to this CONTRACT, even those whose contracting stems from what is defined in accordance with ORDINARY REVIEW procedures;

VIII. disposal, constitution of encumbrances or transfer, of any nature, of REVERTIBLE ASSETS by the CONCESSIONAIRE to third parties, including its FINANCIERS or guarantors, as set forth under Clause 16.12.

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- 43.2. Requests for prior approval shall be submitted by the CONCESSIONAIRE in sufficient time to allow for proper analysis and a statement to be issued by the GRANTING AUTHORITY in a timely and reasonable manner, considering all precautionary measures so as not to jeopardize operation(s) intended by the CONCESSIONAIRE, which depend on approval given by the GRANTING AUTHORITY.
- 43.3. Requests for prior approval submitted by the CONCESSIONAIRE shall be submitted along with relevant documentation for typifying and explaining all intended operations, as well as other documents that may be requested by the GRANTING AUTHORITY, especially those needed to convey the following things:
- I.evidence of not jeopardizing continuity of services rendered connected to the asset that is the object of this CONTRACT; and
 - II.evidence of not jeopardizing the quality of services rendered connected to the asset that is the object of this CONTRACT;
- 43.3.1. If the scope of the request for prior approval has any type of operation that impacts the CONCESSION's ASSETS, the CONCESSIONAIRE's commitment to perform, if necessary, immediate replacement of assets to be disposed of or transferred for new assets with similar functionality and equal or superior technology shall be submitted, unless the GRANTING AUTHORITY expressly agrees not to perform it.
- 43.3.2. The GRANTING AUTHORITY shall have 60 (sixty) days, effective the receipt of the prior consent request submitted by the CONCESSIONAIRE, to provide a written response to the request, and it may grant approval, reject the request or draw up requirements for granting it.
- 43.4. If the GRANTING AUTHORITY rejects the request or requires additions, it shall do so in a reasoned manner, and may submit an alternate proposal to the intended operation to be heeded.

Operations and situations to be reported to the GRANTING AUTHORITY

- 43.5. The following actions and operations potentially performed by the CONCESSIONAIRE depend on notifying the GRANTING AUTHORITY within 15 (fifteen) days of their performance, under penalty of the sanctions described in this CONTRACT being enforced:
- I.changes in the corporate structure of the SPECIAL PURPOSE COMPANY that do not entail TRANSFER OF CONTROL, but which do entail transferring at least 20% (twenty percent) of the SPC's shares with voting rights;
 - II.changes to the corporate structure of the SPECIAL PURPOSE COMPANY that do not entail TRANSFER OF CONTROL, but which do entail transferring at least 10% (ten percent) of the SPC's shares with voting rights held by a sole shareholder;
 - III.changes to voting arrangements applicable to any CONTROLLING BLOCK, provided they do not entail TRANSFER OF CONTROL;
 - IV.changes to the SPECIAL PURPOSE COMPANY's Bylaws of an eminently formal and/or procedural nature;
 - V.contracting any financing, issuing bonds and securities, and any and all debt operations contracted by the SPECIAL PURPOSE COMPANY;

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VI.penalties applied to the SPECIAL PURPOSE COMPANY by any competent agency or entity, especially regarding default in regard to tax, pension, occupational safety and medicine obligations, or those applied by any other competent body able to regulate and inspect the CONCESSIONAIRE'S activities, or of an environmental nature;

VII.substitution of the SPC's TECHNICIAN IN CHARGE;

VIII.loss of any condition essential for the SPC to provide its services;

IX.demands for judicial recovery; and

X.subcontracting or outsourcing construction works and services related to the exploitation of REVENUE and compliance with assignments specified in this CONTRACT and its ANNEXES .

CLAUSE FORTY- FOUR – ON PENALTIES

44.1. Penalties applicable under the scope of this CONTRACT, as well as their levels of severity, shall comply with the regulations established in ANNEX XVI, and said penalties shall be made effective by means of sanctioning administrative proceedings, which shall comply with the procedure established in State Law No. 10.177/1998, with the right to defense and contestation, under the legal terms and time frames.

44.2. Application of penalties shall not be confused with the assessment of PERFORMANCE INDICATORS and their respective consequences.

44.3. For purposes of this CONTRACT, recurrence shall be considered the practice of the infraction offense within a period of three (03) years.

44.3.1. In order to typify recurrences, it is insignificant whether there was no conviction, or even opening of a sanctioning administrative proceeding, at the time the infraction recurred, in regard to the previous infraction.

44.3.2. Conviction for the previous infraction is a condition for applying an aggravating recurrence circumstances on the previous penalty's infraction.

44.3.2.1. If, upon applying the subsequent penalty's infraction, the conviction for the previous infraction is not final in the administrative sphere, application of an aggravating recurrence circumstances on the subsequent penalty's infraction, whose effects shall be automatically disregarded, regardless of requests from the CONCESSIONAIRE, shall be considered on a temporary basis, in the event that the conviction for the previous offense no longer subsists, at any time and for any reason.

44.4. Failure to comply with the provisions of this CONTRACT, the ANNEXES and the AUCTION NOTICE, and with the applicable legislation and/or regulations shall result, notwithstanding applicable administrative, civil or criminal responsibilities, application of the following contractual penalties:

I.notifications;

II.monetary fines;

III.temporary suspension of the right to participate in bidding processes and impediment to enter into contracts with the directly or indirect Public Administration of the State of São Paulo, for a period not exceeding 2 (two) years;

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IV.declaration of ineligibility to participate in bidding processes or enter into contracts with the Public Administration, while the reasons for the punishment persist or until it is rehabilitated by the authority that applied the penalty.

44.4.1. The penalties provided for in this CONTRACT shall be applied individually or cumulatively, depending on the seriousness of the act.

44.4.2. The typification of infractions in ANNEX XVI does not rule out the possibility of denoting infractions that are not typified for violating CONTRACT, AUCTION NOTICE and ANNEX standards, as well as those of the applicable legislation and regulations, as set forth under ANNEX XVI.

44.4.3. In the event of expiry of the CONCESSION, the penalty set forth under items III and/or IV of Clause 44.4. shall be applied both to the CONCESSIONAIRE and to its CONTROLLING shareholder(s) who exercised CONCESSIONAIRE CONTROL at the moment that the illegal act that gave rise to the punishment took place.

44.5. The GRANTING AUTHORITY shall, in the cases specified in this CONTRACT, grant an additional time frame for the CONCESSIONAIRE to correct irregularities, thereby suspending the application of penalties to the CONCESSIONAIRE.

44.5.1. The additional time frame granted for correcting irregularities shall not suspend the sanctioning proceeding(s), unless expressly agreed otherwise.

44.5.2. The additional time frame for correcting irregularities shall extend for a term of up to 180 (one hundred and eighty) days, extendable at the discretion of the GRANTING AUTHORITY.

44.5.3. Once the additional period for correcting irregularities has come to an end, and the aggravating circumstances that caused it remain unresolved, application of penalties shall resume by computing daily fines due throughout the entire period of suspension, and assessing the suitability of opening a expiry proceeding, as set forth hereunder, in case it was not already in progress.

44.5.4. Once the additional period for correcting irregularities has come to an end, granted as per Clause 44.5, and with the aggravating circumstances that originated it having been settled, thereby ceasing the situation of breach of contract, the sanctioning proceedings related to the solved irregularity shall be terminated, without application of penalties.

44.6. Whenever a penalty stems from non-compliance with the initial or intermediate deadlines of the MINIMUM STARTING INVESTMENTS, RESTORATIONS or ADDITIONAL INVESTMENTS, the GRANTING AUTHORITY may accept a new schedule of services not yet performed in order to allow for the recovery of the breached deadline, provided the original end date on the schedule remains the same.

44.6.1. The decision on the acceptance of a new schedule, as set forth under Clause 44.6, shall be based on and guided by technical criteria.

44.6.2. Regardless of the acceptance of a new schedule set forth under sub clause 44.6.1, procedures for applying penalties set forth in this CONTRACT shall be complied with, whereas application of a penalty or enforceability, in the case of a fine, shall be suspended.

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- 44.6.3. The CONCESSIONAIRE's submission of a request to reschedule services not yet performed, referred to in Clause 44.6, shall correspond to its acknowledgment that the breach of the initial or intermediary time frame is in fact its responsibility, and the CONCESSIONAIRE may not engage, during the sanctioning process, in behavior incompatible with this acknowledgment.
- 44.6.4. Suspension of the application of penalties or enforceability of fines may only be granted when the time frame foreseen in the schedule referred to in Clause 44.6 does not entail prescription of the GRANTING AUTHORITY's punitive damage claims.
- 44.6.5. Compliance with the term established in the new schedule, as set forth under 44.6, and the recovery of the original timetable, shall lead to the sanctioning administrative proceeding being filed and/or to termination of the corresponding penalty.
- 44.6.6. In the event that the new deadline foreseen in the new schedule referred to in Clause 44.6 is not met, an invoice shall be drawn up on the working day immediately following the new schedule's breached deadline, accruing arrears as set forth under sub clause 44.6.6.2, and a new schedule may not be submitted in this case.
- 44.6.6.1. Any potential defense submitted by the CONCESSIONAIRE due to the encumbrance specified in subclause 44.6.6 shall restrict itself to proving that the breach of the deadline foreseen in the new schedule stemmed from a circumstance whose risk or responsibility was attributed to the GRANTING AUTHORITY, and it may not bring up again circumstances that have already been subject to appraisal and unappealable decisions made during the sanctioning proceeding.
- 44.6.6.2. The cost of the fine due by the CONCESSIONAIRE shall be adjusted for inflation using the *pro rata* index variation set forth under clause 3.2, plus the application of interest at 1% (one percent) per month, calculated *pro rata*, and comprising the time frame set forth under sub clause 44.6.3 as well as the date the invoice was drawn up.
- 44.7. The benefit potentially earned by the CONCESSIONAIRE due its practice of an action deemed an infraction shall be relayed to the GRANTING AUTHORITY so as to avoid the CONCESSIONAIRE's illicit enrichment, notwithstanding the applicable penalty.
- 44.8. Monetary amounts resulting from the application of fines certifiably due in a final administrative proceeding decision shall revert in favor of the GRANTING AUTHORITY, being preferably offset with amounts that the GRANTING AUTHORITY recognizes, administratively, as payable to the CONCESSIONAIRE, or deducted directly from the CENTRALIZER ACCOUNT, subject to the discount limit of 0.5% (five tenths percent) of the amount contained in the CENTRALIZER ACCOUNT, at time frames defined in the CENTRALIZER ACCOUNT management contract, pursuant to the terms of ANNEX X, until the debt has been fully settled.
- 44.8.1. Fines, when applied, shall be adjusted for inflation using the *pro rata die* index variation specified in Clause 3.2, in addition to the application of default interest of 1% (one percent) per month, calculated *pro rata die*, effective the expiration of the payment term specified in subclause 44.8.2, until the date of the actual payment.
- 44.8.2. In the event that a direct deduction from the CENTRALIZER ACCOUNT or offsetting with amounts due by the GRANTING AUTHORITY is not possible, the CONCESSIONAIRE shall make the payment within 30 (thirty) consecutive days, effective the notice of the final administrative decision, and the payment receipt shall be submitted with the sanctioning administrative proceeding files within the same period.

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- 44.8.3. Failure to collect any fine due, whenever direct discount from the CENTRALIZER ACCOUNT or its offsetting with amounts due to the GRANTING AUTHORITY is not possible, under the defined terms and deadlines, shall typify a serious breach, giving rise to the execution of the PERFORMANCE BOND, as set forth under Clause Thirty Eight, without additional steps being necessary.
- 44.9. In the event that any type of contractual breach in the exercise of oversight is verified, which leads to potential application of penalties to the CONCESSIONAIRE, the party in charge of overseeing the CONTRACT shall draw up the OVERSIGHT TERM, containing:
- I.description of the verified fact(s);
 - II.indication of possible recurrence, including the date of the last occurrence, if applicable;
 - III.classification of the verified fact with the triggering facts set forth under ANNEX XVI , or with the breach of obligations set forth under the CONTRACT, the AUCTION NOTICE and its ANNEXES, under the applicable legislation and/or regulations;
 - IV.photographic records, when compatible with the nature of the infraction;
 - V.indication and level of severity of the applicable penalty, observing the criteria of ANNEX XVI; and
 - VI.identification of the oversight agent.
- 44.9.1. Any and all errors in classifying or indicating the applicable fee made by the oversight agent may be settled under the scope of sanctioning administrative proceedings, and the CONCESSIONAIRE shall have its defense deadline returned to it in case the curative acts stage leads to any new information of a factual nature.
- 44.9.2. After the OVERSIGHT TERM has been drawn up, it shall be forwarded:
- I. to SIMA's competent administrative department for purposes of appraising whether sanctioning administrative sanctioning proceedings should be opened, following regular legal proceedings set forth under Article 63 of State Law 10.177/1998;
 - II. to the CONCESSIONAIRE, signalling the term to rectify the verified errors or defects, notwithstanding the simultaneous opening of sanctioning administrative proceedings under State Law No. 10.177/1998.
- 44.9.3. Rectification of errors specified in the OVERSIGHT TERM does not dismiss the fact that a breach occurred, and hence, application of the corresponding penalty in accordance with this CONTRACT, ANNEX XVI and the applicable legislation, notwithstanding hypotheses specified in Clauses 44.6 and 44.7, when applicable.
- 44.10. It is possible to gather, in the same sanctioning administrative proceeding, related cases involving infractions of the same type, in which case the eventual application of a penalty shall consider the number of infractions committed.
- 44.10.1. Given the occurrence of extenuating and/or aggravating circumstances for only one or part of the verified infractions, the GRANTING AUTHORITY shall enforce penalties separately.

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- 44.11. If the PERFORMANCE BOND in force is in the form of a guarantee insurance, the GRANTING AUTHORITY shall, at its own discretion, bring the insurer to open sanctioning administrative proceedings.
- 44.12. Summoned by receipt or by electronic means, the CONCESSIONAIRE shall be responsible for submitting its defense within the period set forth under article 63, item III of State Law No. 10.177/1998, producing any evidence it deems convenient.
- 44.12.1. The CONCESSIONAIRE's requests for producing evidence shall only be considered, pursuant to article 63, item IV, of State Law No. 10.177/1998, if the CONCESSIONAIRE, in its defense, specifically signals which evidence it intends to produce, its purpose, and the grounds for the evidentiary stage.
- 44.13. In the event that the CONCESSIONAIRE's arguments are rejected, or in case the legal deadline expires without a defense having been submitted, and with it having been concluded that contractual breach did take place, the appropriate sanction shall be applied, serving the CONCESSIONAIRE with a notification.
- 44.13.1. Notifications concerning the application of penalties shall take place by written notification, upon receipt or sent electronically.
- 44.13.2. The CONCESSIONAIRE shall keep the GRANTING AUTHORITY updated about the electronic mail address to receive any summons, notifications or communications relating to the CONTRACT hereunder, adopting as the initial date for the term the working day immediately following the sending of electronic communication.
- 44.14. In the event of a potential penalty applied by the GRANTING AUTHORITY, an appeal shall be made within 15 (fifteen) working days effective receipt of the notification by the CONCESSIONAIRE, only one time, directly to the hierarchically superior employee within the scope of the GRANTING AUTHORITY, who rendered the decision, subject to the provisions of Articles 40 and 47, paragraph 2, both of State Law No. 10.177/1998.
- 44.14.1. The term set forth under Clause 44.14 applies to requests for reconsideration, which shall be filed only once, and exclusively in the cases set forth under Article 42 of State Law No. 10.177/1998.
- 44.15. Unless specifically stated, the deadlines shall be counted consecutively, excluding the first day and including the maturity date, whereas if the deadline matures on a day when the oversight entity is off duty, then the deadline shall be postponed to the first subsequent working day.
- 44.15.1. Deadlines only start and expire on agency and entity working days.
- 44.15.2. The deadline shall be deemed postponed until the first subsequent working day if, upon its maturity date, working hours are concluded before the normal working hour.

Chapter VIII - INTERVENTION

CLAUSE FORTY-FIVE - INTERVENTION

- 45.1. The GRANTING AUTHORITY may, notwithstanding applicable penalties and incident responsibilities at any time, intervene in the CONCESSION to ensure regularity and aptness of works, continuity of the

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provision of services and/or compliance by the CONCESSIONAIRE with relevant contractual, regulatory and legal standards. Situations that may give rise to the intervention include:

I. Total or partial stoppage or interruption of construction works relating to the MINIMUM STARTING INVESTMENTS, RESTORATIONS or ADDITIONAL INVESTMENTS, or the provision of services and activities that are object of this CONTRACT, by the CONCESSIONAIRE;

II. serious shortcomings in the CONCESSIONAIRE's organization that may jeopardize compliance with obligations taken on within the scope of the CONCESSION;

III. serious shortcomings in the development of activities under this CONTRACT;

IV. situations in which the CONCESSIONAIRE's operations of CAMINHOS DO MAR pose risks to the continuity of adequate provision of services contracted;

V. situations that may jeopardize the environment, the safety of people or assets, the treasury, public health or that of the population;

VI. serious and/or recurring failure to comply with obligations under this CONTRACT;

VII. failure to submit or renew insurance policies necessary for full and regular contractual performance;

VIII. recurring inappropriate or inefficient actions by the CONCESSIONAIRE while performing the object of the contract, using the PERFORMANCE INDICATORS as reference, evaluated by the CONCESSIONAIRE being assigned performance scores below (a) 30% (thirty percent) of goals set by the PERFORMANCE INDICATORS for providing services, even without jeopardizing the CONCESSIONAIRE's financial situation, for 03 (three) consecutive years; or (b) 50% (fifty percent) of goals set by the PERFORMANCE INDICATORS for providing services, even without jeopardizing the CONCESSIONAIRE's financial situation, for 05 (five) non-consecutive years; and

IX. using CONCESSION facilities for illicit purposes.

45.1.1. The GRANTING AUTHORITY's decision to carry out the intervention in the CONCESSION, in one of the events set forth in Clause 45.1 are present, shall entail assessment of the convenience and opportuneness for the GRANTING AUTHORITY, and the GRANTING AUTHORITY may, in view of the peculiarities of the situation, decide to apply other measures foreseen under the CONTRACT that, in its opinion, better serve the public interest, such as application of penalties or declaring expiry of the CONCESSION, when admissible.

45.1.2. Upon identification of any situation that may give rise to intervention in the CONCESSION, the GRANTING AUTHORITY shall notify the CONCESSIONAIRE so it may, within the required time frame, rectify errors verified, notwithstanding the application of penalties.

45.1.2.1. Should the established time frame expire and the CONCESSIONAIRE have failed to rectify errors or take action that, at the discretion of the GRANTING AUTHORITY, would effectively prove a commitment to correcting them, it shall request intervention by the Governor of the State of São Paulo, who may decree said intervention.

45.2. Intervention in the CONCESSION shall be effected by an order of the Governor of the State of São Paulo, duly published in the State of São Paulo's Official Gazette (DOE/SP), indicating, at the minimum, the

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reasons for intervention, appointment of the Intervener, the time frame and the limitations of the intervention.

45.3. Intervention shall automatically entail compulsory and temporary transfer of the CONCESSIONAIRE's administration to the INTERVENTOR.

45.3.1. The role of Intervener may be performed by an agent of the GRANTING AUTHORITY's staff, a person specifically appointed, a corporation or company, and the CONCESSIONAIRE shall bear all costs of the respective remuneration.

45.4. After intervention has been decreed, the GRANTING AUTHORITY, within 30 (thirty) days, shall open administrative proceedings to assess the respective responsibilities and prove the causes that gave rise to the intervention, ensuring that the CONCESSIONAIRE has the right to due legal process, especially the right to defense and contestation.

45.4.1. The aforementioned administrative procedure shall be concluded within a maximum period of 180 (one hundred and eighty) days, under penalty of invalidation of the intervention.

45.5. With the intervention, the CONCESSIONAIRE undertakes to immediately make available to the GRANTING AUTHORITY the CONCESSION AREA, the CONCESSION ASSETS and everything needed for full provision of the services that are object of the CONTRACT.

45.6. During the intervention period, REVENUE shall be collected in the manner defined by the Intervener or by action of the intervention.

45.6.1. Revenue collected during the intervention period shall be used to cover encumbrances needed for the normal performance of activities corresponding to the object of the CONTRACT, as well as for paying encumbrances like insurance policies and guarantee charges, encumbrances for financing and reimbursing administrative costs.

45.7. Any potential costs resulting from the intervention shall be borne by the CONCESSIONAIRE, whereas the GRANTING AUTHORITY may use the PERFORMANCE BOND to secure missing funds needed to cover expenses for continued adequate working, maintenance and operations of CAMINHOS DO MAR under the intervention regime.

45.7.1. In the event that the PERFORMANCE BOND does not suffice, the CONCESSIONAIRE shall reimburse the GRANTING AUTHORITY.

45.8. Once the intervention has ceased, if the CONCESSION has not expired, provision of services covered by this CONTRACT shall revert back to the CONCESSIONAIRE, with any surplus of the REVENUE collected over the intervention period being transferred, preceded by rendering of accounts by the INTERVENTOR, who shall be responsible for acts practiced during its management, reverting to the CONCESSIONAIRE the possession of assets that have been assumed by the Intervener and the exercise of the contractual position, rights and obligations inherent to said provision.

45.9. Intervention shall not be grounds for termination or suspension of any of the CONCESSIONAIRE's obligations to third parties, including to FINANCERS.

45.10. If proven that legal and regulatory premises for intervention were not correctly observed, its annulment shall be declared, and the service shall revert back immediately to the CONCESSIONAIRE, notwithstanding the INTERVENTOR's rendering of accounts and any and all indemnifications that may apply.

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45.11. The GRANTING AUTHORITY shall compensate the CONCESSIONAIRE for any direct damages it may have caused during the intervention period.

CHAPTER IX – CONTRACT TERMINATION

CLAUSE FORTY- SIX - HYPOTHESIS FOR TERMINATION OF THE CONCESSION

46.1. The CONCESSION shall be terminated upon:

- I.end of the contractual term;
- II.termination for convenience;
- III.concessionaire default;
- IV.rescission;
- V.annulment resulting from unverifiable errors or irregularities verified in the proceedings or in the granting procedures;
- VI.bankruptcy or expiry of the CONCESSIONAIRE or legal recovery that entails non-performance of this CONTRACT;
- VII.fortuitous or force majeure, under the terms in this Chapter; and
- VIII.any of the possibilities for early termination listed in Clause 7.2 of this CONTRACT.

46.2. In the event of termination of the CONCESSION, the GRANTING AUTHORITY shall, depending on the event that caused termination of the CONTRACT, and according to the provisions in the Chapter of this CONTRACT:

- I.assume, directly or indirectly, operations of CAMINHOS DO MAR on the site and in the state it is located, and;
- II.occupate and utilize the premises, facilities, equipment, materials and make use of the personnel employed in the provision of Services, necessary for its continuity;
- III.enforce all applicable penalties; and
- IV.retain and execute guarantees and insurances, when pertinent, to receive administrative fines and reimburse losses caused by the CONCESSIONAIRE.

46.3. Upon expiry of the CONCESSION, the GRANTING AUTHORITY shall immediately take over the activities that are object of this CONTRACT and the REVERTIBLE ASSETS, and applicable assets and rights shall be reverted pursuant to Clause Fifty-Five.

46.3.1. In the case set forth under Clause 46.3, the GRANTING AUTHORITY shall maintain contracts executed by the CONCESSIONAIRE with third parties for the term and under the conditions initially adjusted, in compliance with the current legislation.

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46.4. The GRANTING AUTHORITY shall promote a new bidding process for the object of the CONTRACT, assigning to the new winner the burden of paying indemnifications directly to FINANCIERS of the old CONCESSIONAIRE, or directly to it, as the case may be.

CLAUSE FORTY-SEVEN – END OF THE CONTRACTUAL TERM

47.1. The CONCESSION shall be terminated when CONCESSION TERM has run its course, terminating, as a consequence, the contractual relations among the PARTIES, except for those expressly foreseen in this CONTRACT and post-contractual obligations attributed to the CONCESSIONAIRE.

47.2. Upon termination of the contract period, notwithstanding potential transfers to the SUCCESSOR under current contracts, the CONCESSIONAIRE shall be held fully and entirely responsible for terminating any and all contractual relationships signed with third parties to which it is a party, and the GRANTING AUTHORITY shall not assume any liability or burden in connection with said contracts.

47.2.1. The GRANTING AUTHORITY shall not assume, except when exercising the prerogative of subrogation in contracts signed by the CONCESSIONAIRE, any responsibility or liability relating to contracts signed by the CONCESSIONAIRE, and no indemnification to the CONCESSIONAIRE or third parties shall be due to the termination of said contractual relationships.

47.2.2. The CONCESSIONAIRE shall take all necessary measures to facilitate negotiations between the GRANTING AUTHORITY and third parties contracted by it, so as to ensure the possibility of exercising the right set forth under sub clause 47.2.1.

47.3. It shall be the CONCESSIONAIRE's obligation to cooperate with the GRANTING AUTHORITY to avoid any interruption in the provision of services or visitation to CAMINHOS DO MAR due to expiry of the contractual term and the consequent termination of this CONTRACT, under the terms of ANNEX XIII, and to cooperate, for instance, in the training of the GRANTING AUTHORITY's personnel, or of any other PUBLIC ADMINISTRATION entity appointed by it, or of any potential SUCCESSOR collaborating in the transition and in whatever is needed for the continued exploitation and maintenance of the REVERTIBLE ASSETS, upholding duly justified business secrecy situations that have the GRANTING AUTHORITY's consent.

47.4. Three (3) years before the CONCESSION TERM's final date, the CONCESSIONAIRE shall submit a DEMOBILIZATION PLAN for the GRANTING AUTHORITY's appraisal and approval, pursuant to Clause Forty-seven.

47.5. In the final ORDINARY REVIEW prior to the end of the CONCESSION TERM, the PARTIES shall establish any investments required for demobilization, and such investments shall be amortized before the end of the CONCESSION TERM, as set forth under Clause Forty- Seven.

47.6. At the end of the contract term, the CONCESSIONAIRE shall not be entitled to any compensation related to investments in REVERTIBLE ASSETS.

CLAUSE FORTY-EIGHT - GENERAL RULES FOR COMPENSATION

48.1. In the event of early termination of this CONTRACT, the CONCESSIONAIRE shall be entitled to be compensated with installments of investments not yet amortized and depreciated linked to the REVERTIBLE ASSETS, and shall consider, for purposes of calculating the compensation, the methodological premises below:

I.sums referent to economic-financial imbalances of the CONCESSION in favor of each of the PARTIES;

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- II. the amortization method used in the calculation shall be the straight-line (constant amortization) considering acknowledgment of REVERTIBLE ASSETS and the shortest period between (I) the CONTRACT term or (II) the useful life of the respective REVERTIBLE ASSET.
 - III. Any sums accounted for under the heading of interest expenses and other expenditures during the construction stages shall not be considered.
 - IV. any amounts accounted for under the heading of pre-operational expenditures shall not be considered.
 - V. Any amounts recorded accounted for under the heading of construction margin shall be considered.
 - VI. any premium paid upon acquisition shall not be considered.
 - VII. any sums accounted for under the title VARIABLE GRANT shall not be considered..
 - VIII. the value of installments of investments linked to un-amortize or undepreciated REVERTIBLE ASSETS shall be calculated based on the intangible assets of the CONCESSIONAIRE, with an expiry date for notification or termination of the CONTRACT with the CONCESSIONAIRE, according to Technical Interpretation ICPC 01 (R1), related pronouncements and guidelines and, also, respective reviews, issued by the Accounting Pronouncements Committee - CPC, duly updated according to the IPC/FIPE Consumer Index of the contract year of acknowledgment of the investment until the contract year of payment of the compensation.
 - IX. Costs accounted for in accordance with the system in the previous line-item shall have as a maximum limit sums provided for in the feasibility studies published by the GRANTING AUTHORITY, or costs approved by the GRANTING AUTHORITY pursuant to this CONTRACT, provided there is no provision in the feasibility studies disclosed by the GRANTING AUTHORITY and, in both cases, duly updated in accordance with the IPC/FIPE Consumer Index of the contract year of acknowledgment of the investment until the contract year of payment of the compensation.
- 48.2. REVERTIBLE ASSETS that have been incorporated into CONCESSIONAIRE assets through donations or through compensations of the GRANTING AUTHORITY shall not be part of the compensable sums.
- 48.2.1. Any costs for repairing and/or reconstructing the REVERTIBLE ASSETS delivered in a situation other than that established in this CONTRACT and its ANNEXES shall be deducted from compensable amount.
 - 48.2.2. Components indicated in items (i) and (ii) of Clause 48.1 shall be updated in accordance with the IPC/ FIPE Consumer Index for the period between (a) start of the contract year in which the investment is acknowledged or (b) the event that gave rise to the charges or liabilities and the contract year of the date of payment of the compensation.
- 48.3. Payment at the administrative level effected in the manner established in the clause hereunder, when accepted by the CONCESSIONAIRE, shall correspond to total, overall and unrestricted quittance of the sum owed by the GRANTING AUTHORITY as a consequence of the compensation, and the CONCESSIONAIRE shall not administratively or judicially demand, on any pretext, other compensations, including for lost profits and resulting damages.

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48.4. In any hypothesis, regarding the compensation due to the CONCESSIONAIRE, always in accordance with the following order of preference and regardless of consent granted by the CONCESSIONAIRE, the following shall be discounted:

I. the sum of fines imposed on the CONCESSIONAIRE within the scope of the CONTRACT, as a consequence of final and unappealable rulings and/or already concluded sanctioning procedures;

II. the sum of damages caused by the CONCESSIONAIRE to the GRANTING AUTHORITY, duly appraised and settled by means of a final decision in a regular administrative proceeding, observing the right to full and comprehensive defense and being heard;

III. the debt balance owed to FINANCERS relating to financing for investments linked to REVERTIBLE ASSETS, plus contractual interest agreed to in the respective contract instruments.

48.5. Release of the CONCESSIONAIRE from obligations originating from financing contracts signed for compliance with the CONTRACT, may be conducted through:

I. acceptance, by the GRANTING AUTHORITY or by third parties, by subrogation, to FINANCERS or creditors, of the CONCESSIONAIRE's remaining contractual obligations, up to the limit of the amount owed to the CONCESSIONAIRE after the deductions set forth under Clause 48.4; or

II. prior compensation to the CONCESSIONAIRE, limited to the sum of compensation calculated, as provided for in Clause 48.4, of the total of remaining debts it has with creditor FINANCERS.

48.5.1. The cost referring to the exemption set forth under Clause 48.5 above shall be deducted from the cost of the indemnification due.

48.6. The general rule for compensations set forth in the clause hereunder is applicable to all hypotheses of early termination, and payment of compensation for specific items in each of the early termination clauses below shall always be observed.

CLAUSE FORTY- NINE – TERMINATION FOR CONVENIENCE

49.1. The GRANTING AUTHORITY may, during the term of this CONTRACT, promote its resumption due to duly justified public interest, by means of a specific authoring law, and with prior payment of compensation, in accordance with this CONTRACT.

49.2. In case of termination for convenience, beyond the provisions set forth under Clause 48.1, compensation owed to the CONCESSIONAIRE shall cover:

I. all charges and liabilities stemming from fines, terminations and compensation owed to suppliers, contracted and third parties in general as a consequence of breaching the contractual ties, and said sums shall be compatible with those practiced in the market, especially in the case of RELATED PARTIES; and

II. lost profits.

49.2.1. Solely for purposes of compensation for the case contemplated in this clause, amounts accounted for as recognition of the FIXED GRANT shall be considered, provided they are actually disbursed by the CONCESSIONAIRE.

49.3. The component in item II of Clause 49.2 shall be calculated according to the following formula:

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Where:

LC = loss of profits indicated in item II of Clause 49.2.

A = the investments in Clause 48.1.

NTNB' = gross real interest rate on the sale of National Treasury Notes - Series B (NTN-B), *ex-ante* deduction of income tax, with maturity date compatible with the termination of the CONTRACT, if no early termination occurs, published by the National Treasury Secretariat, considering the average of quotations available in the 12 months prior to the indemnification payment date.

n = remaining period, in years, between the payment date of the compensation and the end of the contractual term, provided there was no early termination of the CONTRACT, on the same basis as *NTNB'*.

49.4. Solely for purposes of compensation for the situations described in this cause, sums accounted for as recognition of the FIXED GRANT shall be considered, provided they are actually disbursed by the CONCESSIONAIRE.

49.5. The compensation shall be disbursed up until the exact moment the CONCESSION resumes.

CLAUSE FIFTY – CONCESSIONAIRE DEFAULT

50.1. The total or partial failure to comply with this CONTRACT or to perform duties imposed by law or regulations shall give rise, at the discretion of the GRANTING AUTHORITY, and in compliance with the provisions of the CONTRACT hereunder, to expiry of the CONCESSION, which shall be preceded by prior competent administrative proceedings, ensuring due legal process, especially the right to ample defense and contestation, once all resolution possibilities established in this CONTRACT have been exhausted, without prejudice to application of contractual sanctions.

50.2. The decision of the GRANTING AUTHORITY to declare expiry of the CONCESSION, in the event of one of the situations set forth in clause 50.3, involving damages of convenience and opportunity to the GRANTING AUTHORITY, it may, in view of the specificities of the situation, decide to apply other measures set forth under the CONTRACT which, in its opinion, better serve the public interest, such as application of penalties or decree of intervention in the CONCESSION, when acceptable.

50.3. Invalidation of the CONCESSION may be declared in the following cases, besides those listed by Federal Law No. 8987/1995, with its amendments, and notwithstanding the other cases provided for hereunder:

I. loss or compromising the economic-financial, technical or operational, conditions required to render the adequate performance of the CONCESSION;

II. total failure or reiterated non-performance of the obligations under this CONTRACT;

III. non-compliance with contractual clauses, legal provisions or regulations related to the CONCESSION that may compromise the continuity of services or the safety of USERS, employees or third parties;

IV. suspension of services that are object of the CONTRACT due to the CONCESSIONAIRE's fault or willful misconduct, or if it has contributed thereto, except for fortuitous or force majeure events, as provided for in this CONTRACT;

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- V.the CONCESSIONAIRE's failure to comply with a request from the GRANTING AUTHORITY to submit documentation relating to tax and labor regulations within 180 (one hundred eighty) days, pursuant to art. 29 of Federal LAW No. 8.666/1993;
- VI.failure to comply with the obligation to replace the full amount of the CONTRACT's GUARANTEES, in the event of cancellation or rescission of the bank guarantee or insurance-guarantee policy and/or fail to effect their renewal within 30 (thirty) days prior to expiry, pursuant to Clause 38.7;
- VII.failure to maintain the required GUARANTEES and INSURANCE policies fully paid up and eventual infeasibility or unjustified difficulty in executing these the GRANTING AUTHORITY, in the events that give effect to its performance;
- VIII.repeated, inappropriate or inefficient actions by the CONCESSIONAIRE while performing the object of the contract, using the PERFORMANCE INDICATORS as reference, evaluated by the CONCESSIONAIRE being assigned performance scores below (a) 30% (thirty percent) of goals set by the PERFORMANCE INDICATORS for providing services, even without jeopardizing the CONCESSIONAIRE's financial situation, for 03 (three) consecutive years; or (b) 50% (fifty percent) of goals set by the PERFORMANCE INDICATORS for providing services, even without jeopardizing the CONCESSIONAIRE's financial situation, for 05 (five) non-consecutive years; and
- IX.failure to comply with penalties imposed by the GRANTING AUTHORITY within the prescribed deadlines;
- X.alteration of stock-capital CONTROL of the CONCESSIONAIRE or encumbrance of its shares without prior and express consent given by the GRANTING AUTHORITY, except in the case of FINANCIERS taking CONTROL, under the terms of this CONTRACT;
- XI.transferring the CONCESSION itself without prior and express written consent from the GRANTING AUTHORITY;
- XII.failure to comply with a request from the GRANTING AUTHORITY to regulate the provision of services;
- XIII.recurring opposition to inspection activities, failure to comply with the GRANTING AUTHORITY's determinations, recurrence or disobedience to observe operating standards, and if the other penalties set forth in the CONTRACT hereunder prove to be ineffective;
- XIV.deviation from the CONCESSIONAIRE's corporate purposes;
- XV.administrative notifications that give rise to application of contractual fines, the aggregate value of which amounts to 30% (thirty percent) of the value of the CONTRACT in its aggregate cost, considering fines that cannot be appealed at the administrative level;
- XVI.filing of administrative or judicial proceedings related to damages caused by the CONCESSIONAIRE to the GRANTING AUTHORITY, which are uninsurable or whose cost exceeds the amount covered by insurance, and the aggregate value of which corresponds to 30% (thirty percent) of the value of the CONTRACT; and
- XVII.the sum of items XVI and XVII above corresponds to 40% (forty percent) of the value of the CONTRACT.
- 50.4. In the event that the CONCESSIONAIRE performs an act that leads to an actual declaration of expiry of the CONCESSION, a fine in an amount equivalent to the PERFORMANCE BOND shall be applied,

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replacing the fine provided for the noncompliance that led to the forfeit, even if there is a specific fine provided for such action.

- 50.4.1. The application of the fine does not exempt the CONCESSIONAIRE from the indemnification payment for the losses it has caused to the GRANTING AUTHORITY or to third parties, even though its effects entrain after termination of the CONCESSION.
- 50.5. When the CONCESSIONAIRE's contractual default characterizes a continuous offense or delay on its behalf to fulfill contractual obligations, the fact that the GRANTING AUTHORITY applies, or has applied, any of the penalties provided for in this CONTRACT and in ANNEX XVI, shall not exempt it from penalty of declaration of expiry of the CONCESSION, when the CONTRACT hereunder permits, if the CONCESSIONAIRE, despite the penalty applied, persists in its breach of the contractual obligation.
- 50.6. The CONCESSION's declaration of expiry shall be preceded by verification of contractual default on the part of the CONCESSIONAIRE in standard administrative proceedings, assuring due legal process, especially the right to ample defense and contestation.
- 50.6.1. Prior to filing an administrative proceeding to decree expiry, the CONCESSIONAIRE shall be notified, pointing out, in detail, the contractual non-performance and the default situation, granting it a term of no less than 30 (thirty) days to correct irregularities verified.
- 50.6.2. Upon lapsing of the deadline, if the CONCESSIONAIRE has failed to correct irregularities or take measures that, at the discretion of the GRANTING AUTHORITY, demonstrate effective efforts to correct them, the latter shall propose that expiry be decreed.
- 50.6.3. Once the administrative proceeding has been installed and having proven the default, expiry shall be decreed by the Governor of the State of São Paulo, regardless of pre-payment of compensation, the amount of which shall be determined in the course of the administrative proceedings or in a separate administrative proceeding.
- 50.7. The decree of expiry shall imply immediate assumption, by the GRANTING AUTHORITY, of the possession of all REVERSIBLE ASSETS, and the responsibility of the CONCESSIONAIRE for any and all kinds of liabilities, fines, penalties, compensation, charges or commitments to third parties, notably in relation to labor, tax and pension obligations.
- 50.8. The CONCESSION's expiry shall result in retention, by the GRANTING AUTHORITY, of any and all credits from the CONCESSIONAIRE stemming from the CONTRACT, and the GRANTING AUTHORITY shall:
- I. assume the performance of the contractual object in the place and in the state it is located in;
 - II. occupy and use the location, facilities, equipment, materials and human resources employed to perform services necessary for its continuity;
 - III. retain and use the contractual GUARANTEES for reimbursement of losses suffered by the GRANTING AUTHORITY;
 - IV. retain possible credits of the CONCESSIONAIRE resulting from the CONTRACT, in events in which the PERFORMANCE BOND proves insufficient to reimburse the GRANTING AUTHORITY, and up to the limit of the losses incurred; and

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V. apply penalties.

50.9. From the amount set forth in clause 48.4, the following shall also be deducted:

- I. losses suffered by the GRANTING AUTHORITY, duly proven in a regular administrative proceeding;
- II. contractual fines applied to the CONCESSIONAIRE, which have not yet been paid;
- III. any amounts received by the CONCESSIONAIRE for insurance coverage related to the events or circumstances that gave rise to the declaration of expiry; and
- IV. other amounts, considered REVENUE, that the CONCESSIONAIRE may receive after expiry has been decreed.

50.10. Once expiry is declared and the respective compensation that shall be due is paid, the GRANTING AUTHORITY shall not be responsible for any kind of liability in regard to charges, encumbrances, obligations or commitments to third parties or to CONCESSIONAIRE employees, including labor and pension debts.

50.11. The compensation owed by the GRANTING AUTHORITY as a consequence of the expiry shall be limited to sums charged in the form established in the Clause hereunder and in Clause forty-eight, and no other costs are due as compensation, lost profits and/or consequent damages.

CLAUSE FIFTY-ONE - RESCISSION

51.1. The CONTRACT may be rescinded at the initiative of the CONCESSIONAIRE, in the event of failure to comply with contractual standards by the GRANTING AUTHORITY, by means of legal action filed exclusively for this purpose, except in the event of amicable rescission, as set forth under article 26 of State Law No. 7835/1992.

51.1.1. The CONCESSIONAIRE shall notify the GRANTING AUTHORITY on its intention to rescind this CONTRACT in the event of failure to comply with contractual standards on the part of the GRANTING AUTHORITY, exposing the grounds for filing legal action for this purpose, as set forth in the legislation.

51.2. The services provided by the CONCESSIONAIRE shall not be interrupted or suspended until a final ruling of an appeals court decreeing termination of the contract has been issued, except in the event of a common agreement between the CONCESSIONAIRE and the GRANTING AUTHORITY.

51.3. In the event that this CONTRACT is legally rescinded, compensation owed to the CONCESSIONAIRE shall be equivalent to that payable for expropriation, and is calculated in the same manner, in accordance with Clause Forty-Eight.

51.4. The assumptions described in Clause 7.2 shall give rise to amicable rescission, notwithstanding others that fall within the aforementioned legal provision.

51.5. In the event of amicable rescission, as set forth in Clause 51.4, upon occurrence of events set forth in clause 7.2 of this CONTRACT, compensation owed shall be calculated taking into account, for each case, the following elements:

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I.in the event that the CONTRACT is terminated as a result of the occurrence of an event referred to in item I of Clause 7.2 taking place, compensation shall be calculated according to the provisions applicable to cases of early termination of the CONTRACT due to it expiring;

II.in the event of termination of the CONTRACT resulting from the events referred to in items II, III and V of Clause 7.2 taking place, compensation shall be calculated according to the same rule and formula established contractually for the cases of expropriation, except for loss of profits, which shall be calculated according to the formula set forth under Clause 49.3, adding to the cost of NTNB' a spread, or surcharge on interest, equivalent to 207.40% (two hundred and seven point forty percent), base 252 (two hundred and fifty-two) working days;

III.in the event of termination of the CONTRACT resulting from the event referred to in item IV of Clause 7.2 taking place, compensation shall be calculated according to the same regulations and formula established in the contract for cases of expiry.

51.5.1. In any of the cases, amounts collected as REVENUE, and collected by the CONCESSIONAIRE after declaration of expiry of the CONCESSION, may be deducted from the compensation amount owed.

51.6. Fines, compensation and any other sums owed by the CONCESSIONAIRE to the GRANTING AUTHORITY, duly appraised and settled after a final decision is made on an ordinary administrative proceeding, upholding the right to defense and contestation, shall be deducted from the compensation foreseen for purposes of CONTRACT rescission.

51.7. For purposes of calculating compensations set forth under Clauses 51.3 to 51.5, sums received by the CONCESSIONAIRE as insurance coverage related to events or circumstances that gave rise to the rescission shall be considered.

51.8. Once rescission has been declared, the GRANTING AUTHORITY shall be responsible for immediately assuming the performance of the contractual object, if it has not already done so, or carrying out a new bidding process, awarding the CONCESSION to a winner, preferably before the final rescission of this CONTRACT.

CLAUSE FIFTY-TWO - ANNULMENT

52.1. The CONTRACT shall be annulled in the event of incontestable illegality revealed in the bidding process, in its formalization, or in an essential clause that jeopardizes provision of services, by means of due administrative proceedings starting from the notification sent by the GRANTING AUTHORITY to the CONCESSIONAIRE, while ensuring the right to contestation and ample defense.

52.1.1. If the illegality mentioned in Clause 52.1 above does not result from actions taken by the CONCESSIONAIRE, and actions already undertaken can still be made good, the CONCESSIONAIRE and the GRANTING AUTHORITY shall communicate with each other with the aim of maintaining the CONTRACT.

52.2. For purposes of assessing compensation, the regulations set forth under clause 48.1 shall be considered, and if the CONCESSIONAIRE or the WINNING BIDDER have not contribute to the error that led to the annulment, the sums accounted for by acknowledging the FIXED GRANT shall also be considered, and the payment of lost profits shall be forbidden.

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- 52.3. Fines and any other amounts owed by the CONCESSIONAIRE shall be deducted from the compensation foreseen in this CONTRACT, up to the limit of the unpaid balance for financing contracted by the CONCESSIONAIRE to fulfill investment obligations set forth hereunder, which shall take precedence over sums owed to the GRANTING AUTHORITY.
- 52.4. For purposes of assessing the compensation mentioned clause 52.2, sums received by the CONCESSIONAIRE as insurance coverage related to events or circumstances that gave effect to the annulment of the CONTRACT shall be considered.
- 52.5. The GRANTING AUTHORITY may hold a new bidding process for concession involving CAMINHOS DO MAR, attributing to the future winner the responsibility of paying compensation directly to FINANCIERS of the old CONCESSIONAIRE, or directly to the CONCESSIONAIRE, as the case may be appropriate.

CLAUSE FIFTY-THREE - BANKRUPTCY AND TERMINATION OF THE CONCESSIONAIRE

- 53.1. The CONCESSION shall be considered terminated in the hypothesis that the CONCESSIONAIRE is declared legally bankrupt by final and unappealable decision, or enters into composition with creditors that compromises the performance of this CONTRACT.
- 53.2. Upon declaration of bankruptcy, the GRANTING AUTHORITY shall take over the CONCESSION AREA, and shall immediately assume pursuit of the objectives of this CONTRACT.
- 53.3. In the event of termination of the CONCESSIONAIRE for declaration of bankruptcy, its composition with creditors that affects the performance of this CONTRACT, or dissolution of the CONCESSIONAIRE by decision of its shareholders, the same provisions regarding to expiry of the CONCESSION shall be applied, with installation of due administrative proceedings for appraisal of effective losses and determination of applicable sanctions.
- 53.4. No distribution of net assets of the terminated CONCESSIONAIRE among its shareholders shall occur prior to settlement of all obligations before the GRANTING AUTHORITY, or prior to issuing of the DEFINITIVE TERM OF RETURN, as set forth in this CONTRACT.

CLAUSE FIFTY- FOUR – FORTUITY AND FORCE MAJEURE

- 54.1. Fortuity or force majeure, with the consequences established in this CONTRACT, shall be considered an event thus defined under civil law and which directly impact performance of activities under the CONCESSION.
- 54.1.1. Examples of fortuity and force majeure include:
- I. national or international wars directly affecting contractual performance;
 - II. acts of terrorism;
 - III. nuclear, chemical or biological contamination, unless resulting from acts performed by the CONCESSIONAIRE;
 - IV. trade embargos by a foreign country; and
 - V. natural events, such as earthquakes, hurricanes or floods, when their impacts could not be avoided or mitigated by preventive measures reasonably required from the CONCESSIONAIRE .

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- 54.2. Failure to comply with contractual obligations duly proven to result from fortuity or force majeure, under the terms of this CONTRACT and ANNEXES, shall not invoke any penalty.
- 54.3. The PARTY whose performance is affected by fortuity or force majeure shall notify the other PARTY of the occurrence of said event within 48 hours of its occurrence.
- 54.4. An event classified as a case of fortuity or force majeure shall not be considered, for purposes of restoration of the economic-financial balance of this CONTRACT if, at the time of its occurrence, it represents an insurable risk in Brazil for at least 2 (two) years, up to the limit of the average of the indemnifiable amount for policies normally practiced in the market, by at least two companies in the industry, regardless of whether the CONCESSIONAIRE contracted them, observing the risk matrix established by this CONTRACT.
- 54.5. In the event of fortuity or force majeure, the consequences of which are not insurable in Brazil, or whose irreparable effects extend for more than 90 (ninety) days, or for a period defined by mutual agreement between the PARTIES, and when verified that they may irreversibly compromise performance of the CONCESSION, the PARTIES may opt for the mechanism described in clause 7.2.
- 54.5.1. In the event of termination of the CONCESSION as a consequence of an event characterized as fortuity or force majeure, compensation owed to the CONCESSIONAIRE shall be determined in accordance with regulations that apply to expiry.
- 54.6. Excepting if the GRANTING AUTHORITY issues other written instructions, the CONCESSIONAIRE shall continue performing its obligations under this CONTRACT, to the best of its abilities, and shall seek, by all means possible, to comply with those obligations not affected by fortuity or force majeure events, and it shall also be incumbent upon the GRANTING AUTHORITY to fulfill its obligations that have not been affected by fortuity or force majeure events.
- 54.7. In the hypothesis that a case of fortuity or force majeure is proven, without termination of the CONCESSION, appraisal requirements concerning the PERFORMANCE INDICATORS attributable to the event shall be suspended until normalization of the situation and cessation of its effects.
- 54.8. The PARTIES shall pledge to employ all necessary measures and means needed to minimize the effects of events stemming from fortuity or force majeure.

CHAPTER X - REVERSION

CLAUSE FIFTY- FIVE – ON REVERTIBLE ASSETS

- 55.1. Upon termination of the CONCESSION, the REVERTIBLE ASSETS are returned to the GRANTING AUTHORITY, as well as CONCESSION-related rights and privileges, transferred or made available under this CONTRACT, to the CONCESSIONAIRE, or built, deployed or acquired by it under the CONCESSION, free and clear of any liabilities or surcharges, regardless of any notifications or formalities.
- 55.2. Reversion shall be free of charge and automatic, with assets in adequate operational, usage and maintenance conditions, as well as free and unencumbered by any liabilities, surcharges, residual costs, taxes, obligations, legal injunctions, liens or collection of any cost by the CONCESSIONAIRE, with technical characteristics and prerequisites that enable full operations of CAMINHOS DO MAR.
- 55.3. Assets reverted to the GRANTING AUTHORITY shall be in proper conditions of conservation and operation, allowing the continuity of services that are object of this CONTRACT for a minimum additional period of 5 (five) years, effective the date of termination of the CONTRACT, except for those with a shorter useful life, as per ANNEX XIV.

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55.3.1. Any costs related to these investments shall be amortized and depreciated before the end of the CONTRACT, and the CONCESSIONAIRE shall not be entitled to compensation stemming therefrom.

55.3.2. All information on REVERTIBLE ASSETS, including descriptions, state of conservation and remaining useful life, shall be included in the INVENTORY to be maintained by the CONCESSIONAIRE throughout the CONCESSION and delivered, at the end, to the GRANTING AUTHORITY.

55.3.3. In the event of discrepancies between the INVENTORY and the actual situation of the REVERTIBLE ASSETS, the CONCESSIONAIRE shall, if such difference is detrimental of the GRANTING AUTHORITY, take all appropriate measures, including the acquisition of new assets or construction works, in order to deliver the REVERTIBLE ASSETS under the same conditions as described in the INVENTORY.

55.4. If reversion of assets does not occur under the conditions set forth in this CONTRACT, the CONCESSIONAIRE shall compensate the GRANTING AUTHORITY in accordance with assets' replacement costs, notwithstanding the applicable sanctions and the performance of any INSURANCE and GUARANTEE claims.

55.4.1. During the procedure for termination of the CONCESSION and of contractual transition, the GRANTING AUTHORITY shall inspect assets to be reverted, which shall include participation of at least one CONCESSIONAIRE representative to check the state of preservation and maintenance of assets, applying, as appropriate, the provisions in ANNEX XIV

CLAUSE FIFTY-SIX – ON DEMOBILIZATION (DISPOSAL OF ASSETS)

56.1. Within 36 (thirty six) months before the end of the CONCESSION or immediately, in case of early termination of this instrument, the CONCESSIONAIRE shall submit for the GRANTING AUTHORITY's approval the DEMOBILIZATION PLAN for CAMINHOS DO MAR, which shall establish the procedure for carrying out demobilization and due reversion of the REVERTIBLE ASSETS without any interruption to provision of services.

56.2. The DEMOBILIZATION PLAN shall foresee, at least, the following:

- I. the method for returning REVERTIBLE ASSETS;
- II. the state of conservation and maintenance of the REVERTIBLE ASSETS, with technical reports and opinions issued by a qualified professional;
- III. the state of depreciation of the REVERTIBLE ASSETS;
- IV. methods for replacing CONCESSIONAIRE employees for GRANTING AUTHORITY civil servants and/or SUCCESSOR employees;
- V. time period and training method for civil servants of the GRANTING AUTHORITY and/or the SUCCESSOR to operate CAMINHOS DO MAR .

56.3. The GRANTING AUTHORITY may conduct the inspections it deems necessary for the full execution of its activities, so as to ensure the contractual transition without any damage to the continuity of services that are object of the CONTRACT, as well as overseeing the drafting of technical opinions and reports.

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- 56.4.12 (twelve) months prior to the end of the term of the CONTRACT, the CONCESSIONAIRE shall train personnel appointed by the GRANTING AUTHORITY, and transfer the technical, administrative documentation and operational guidance related to CAMINHOS DO MAR that have not yet been delivered.
- 56.5. The CONCESSIONAIRE shall be entirely and exclusively responsible for termination of any contracts to which it is party at the end of the CONCESSION term, and the GRANTING AUTHORITY shall not assume any responsibility or liability thereto, nor shall any compensation be owed to the CONCESSIONAIRE, except if otherwise agreed upon under terms authorized in this CONTRACT.
- 56.5.1. In order to ensure continuity in the maintenance and exploitation of the CONCESSION's ASSETS, the PARTIES shall employ their best efforts to appraise the possibilities of subrogation, by the GRANTING AUTHORITY or by a future concessionaire, in the current contracts of interest to the CONCESSION that have been entered into by the CONCESSIONAIRE.
- 56.6. Until the DEFINITIVE TERM OF RETURN is issued, the PERFORMANCE BOND of the CONTRACT shall not be cleared.
- 56.7. Any compensations owed to the CONCESSIONAIRE at the termination of the CONCESSION shall not impede resumption of the CONCESSION, subject to the provisions in Clause 49.7.
- 56.8. The definitive receipt of the CONCESSION AREA shall not exclude any civil or ethical-professional responsibility related to the development of activities covered by this CONTRACT, within the limits established by law.
- 56.9. With the DEMOBILIZATION PLAN, transfer and reversion of assets shall occur without any mishaps or unforeseen events and the operation of CAMINHOS DO MAR shall not be negatively affected.
- 56.10. The CONCESSIONAIRE's omission in submitting the DEMOBILIZATION PLAN shall be deemed a serious infraction giving rise to application of penalties to the CONCESSIONAIRE.

CLAUSE FIFTY- SEVEN – ON THE TRANSITION

- 57.1. Without prejudice to provisions in ANNEX XIV hereto, the CONCESSIONAIRE, to properly operationalize the transition from CAMINHOS DO MAR to the GRANTING AUTHORITY or SUCCESSOR CONCESSIONAIRE, shall be obliged to:
- I. provide documents and agreements relating to the object of the CONCESSION;
 - II. provide operational documents related to the object of the CONCESSION;
 - III. provide other information about the operation of CAMINHOS DO MAR;
 - IV. cooperate with the SUCCESSOR CONCESSIONAIRE and the GRANTING AUTHORITY for the adequate transmission of knowledge and information;
 - V. allow the GRANTING AUTHORITY and/or the SUCCESSOR CONCESSIONAIRE to monitor operations of CAMINHOS DO MAR and regular CONCESSIONAIRE activities;
 - VI. promote the training of the GRANTING AUTHORITY and/or SUCCESSOR CONCESSIONAIRE personnel regarding operations of CAMINHOS DO MAR;

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- VII.collaborate with the GRANTING AUTHORITY and/or SUCCESSOR CONCESSIONAIRE in devising reports required for the transition;
- VIII.appoint professionals from relevant areas of knowledge for operational transition during the assumption of services by the GRANTING AUTHORITY or by the SUCCESSOR CONCESSIONAIRE;
- IX.provide a physical space for accommodating the GRANTING AUTHORITY and/or the SUCCESSOR CONCESSIONAIRE work groups during this period;
- X.assist in planning the list of personnel;
- XI.interact with the GRANTING AUTHORITY, the SUCCESSOR CONCESSIONAIRE and other players and agents involved in the operation of CAMINHOS DO MAR.

CHAPTER XI – DISPUTE SETTLEMENT

CLAUSE FIFTY-EIGHT – ON AMICABLE SETTLEMENT OF DISPUTES

- 58.1. The PARTIES shall exert their best efforts to amicably resolve any disputes or conflicts of interest resulting from this CONTRACT, through direct negotiation, observing the principle of good faith.
- 58.2. In the event of disputes or conflicts of interest as set forth under this Clause, the interested PARTY shall notify the other PARTY in writing, presenting all its allegations concerning the dispute or conflict of interest, accompanied by suggestion for settlement and/or elucidation.
- 58.2.1. The notified PARTY shall have a period of 10 (ten) business days, as of receipt of the notification, to answer whether it agrees or not to the proposed solution or elucidation.
- 58.2.2. If the notified PARTY agrees to the proposed solution or elucidation submitted, the PARTIES shall deem the dispute or conflict of interest settled, and shall take the necessary measures to implement which was agreed on.
- 58.2.3. If no agreement is reached, the notified PARTY shall present to the other PARTY, also within 10 (ten) business days, the reasons for which it disagrees with the solution or elucidation submitted, and shall, in this case, submit an alternative proposal for the case.
- 58.3. Adoption of procedures indicated above shall not release the PARTIES from continuing and complying with their contractual obligations, and the PARTIES shall be obliged to ensure the continuity of service provision and compliance with work schedules.
- 58.3.1. Suspension of works or services shall only be permitted when the subject of dispute or conflict of interest poses risks to the safety of people and/or the venture, securing, whenever possible and without compromising safety, the prior consent for stoppage from the GRANTING AUTHORITY.
- 58.4. Self-mediation of the dispute may also take place before an administrative chamber for dispute resolution or by mediation, as set forth under Law No. 13.140/2015.
- 58.5. In compliance with contractual regulations, the Parties may engage technical committees, an independent rapporteur, or other forms of amicable disputes resolution, over which the PARTIES shall formally agree upon, to resolve technical issues, including any possible doubts, requests for clarifications technical opinions and formal manifestations that serve to ensure full understanding of issues relating to:

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I.exploitation of REVENUE that originates impacts, even if still potential, on services that are object of the CONTRACT, the GRANTING AUTHORITY and/or CAMINHOS DO MAR;

II.incorporation of technological innovations that are relevant to provision of services or assignments that are the object of CONCESSION;

III.transition from CAMINHOS DO MAR to the GRANTING AUTHORITY or the SUCCESSOR CONCESSIONAIRE;

IV.calculations for any compensation owed to the CONCESSIONAIRE in the events regulated under this CONTRACT.

CLAUSE FIFTY-NINE - ARBITRATION

59.1. The PARTIES pledge to seek amicable solutions for any disputes that may arise during the performance of this CONTRACT.

59.2. The PARTIES shall meet within 10 (ten) business days as of the notification from any PARTY to the other, stating the dispute, with the aim of settling it.

59.2.1. The requirement for prior meeting is waived in urgent cases where there is risk of extinction of rights or of aggravating the situation.

59.3. If the meeting does not occur or the PARTIES fail to reach a consensus within 10 (ten) business days after the meeting is held, any of them may propose legal action at the District Court of the Capital or request filing of an arbitration proceeding, under the terms in Federal Law No. 9.307/1996 and State decree No. 64356/2019.

59.4. The PARTIES may submit to arbitration only disputes concerning available property rights related to the interpretation or execution of this CONTRACT, as defined by article 18, item 4 of State Law No. 16.933/2019.

59.4.1. Either PARTY may choose to submit the dispute to arbitration or legal review, and the other PARTY shall not invoke the arbitration clause to prevent this choice.

59.4.2. The choice of the method of solution for settling disputes described in subclause 59.4.1 is definitive and irreversible, as of the proposition of legal action before Court or upon request filing of an arbitration proceeding before the chamber selected to administer the procedure, and all other disputes that have a relation of connection or when the subject matter of one action subsumes that of other actions shall follow the same method.

59.5. Initiation of arbitration proceedings does not release the parties from fulfilling their contractual obligations.

59.6. The PARTY that applies for an arbitration proceedings shall indicate, at the time of filing of its plea, the chamber responsible for managing the disputes, which must be selected from among those registered with the State of São Paulo for settlement of disputes involving the Direct Administration and its municipalities.

59.6.1. In the event that there is no arbitration chamber registered with the State of São Paulo, the choice shall be made by the PARTY applying for an arbitration proceedings, based upon the following criteria:

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I. have sufficient space available for holding of hearings and secretarial services, without additional cost to the parties, in the city of São Paulo;

II. has been regularly established for at least five years;

III. fulfills the legal requirements to receive payment from the Public Administration of the State of São Paulo;

IV. possesses acknowledged impartiality reputation, competence and experience in management of arbitral proceedings with the PUBLIC ADMINISTRATION.

59.7. The arbitration proceeding shall comply with the Regulations of the Arbitration Chamber chosen, as well as with provisions of Federal Law No. 9.307/1996 and subsequent amendments, in addition to the provisions set forth in this CONTRACT.

59.8. The ARBITRATION TRIBUNAL shall be comprised of three members, appointed in accordance with the rules of the arbitration chamber, and, if agreed by the PARTIES, one single arbitrator may be appointed.

59.9. The ARBITRATION TRIBUNAL shall be installed in the city of São Paulo, State of São Paulo, and may meet at any venue, provided that all PARTIES are notified.

59.10. The arbitration shall be conducted in Portuguese, in accordance with the laws of the Federative Republic of Brazil. To facilitate appeals, technical documents in other languages may be used, with the possibility of sworn translation if there is disagreement between the parties as to their meaning.

59.10.1. Upon the CONCESSIONAIRE's request, and with the GRANTING AUTHORITY's consent, arbitration may be conducted partially in two languages, and rulings produced in Portuguese and English or another foreign language.

59.10.2. If the arbitration is partially conducted in two languages, the CONCESSIONAIRE shall be responsible for expenses related to the translation of documents, even when the translation is the result of actions conducted by the GRANTING AUTHORITY, and such costs shall not be included as legal expenses for purpose of fee awards.

59.10.3. If there are discrepancies concerning the content of documents in Portuguese and those translated, the content of the versions in Portuguese shall prevail.

59.11. The ARBITRATION COURT shall not rely on equity in its rulings pertaining to this CONTRACT.

59.12. Payment of costs and expenses related to the arbitration proceeding shall be paid by application, analogously of fee-award rules laid down in the Code of Civil Procedure, condemnation of the losing PARTY to reimburse the contractual legal fees of the winning PARTY being forbidden.

59.12.1. Regardless of the PARTY that has triggered initiation of arbitration proceedings, the advanced payment of expenses and costs that may be requested by the chosen arbitration chamber shall, pursuant to article 18, item 2, of State Law 16.933/2019, be complied with by the CONCESSIONAIRE, which may, when appropriate, be refunded according to a subsequent final decision in an arbitration body.

59.13. Should one of the PARTIES refuse to take the measures necessary for arbitration proceedings to begin, the PARTY that requested the arbitration proceedings may appeal to one of the Courts of the Court



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District of São Paulo, State of São Paulo, to obtain the applicable legal remedies, based upon article 7, of Federal Law No. 9.307/1996 and subsequent amendments.

- 59.14. The verdict and award shall be considered final with respect to the dispute between the PARTIES, and shall be unappealable and binding upon both PARTIES.
- 59.15. Arbitration proceeding records shall be public, except for cases of legal secrecy or closed proceedings.
- 59.16. Either PARTY may appeal to the Court District of São Paulo, State of São Paulo, to settle any dispute not subject to arbitration, as well as to obtain (a) the necessary precautionary measure before the establishment of the ARBITRATION TRIBUNAL, subject to the provisions in articles 22A and 22B of Federal Law No. 9.307/1996; or (b) to promote the execution of a precautionary measure, preliminary injunction or sentence issued by the ARBITRATION TRIBUNAL.
- 59.17. The decisions rendered by the ARBITRATION TRIBUNAL that impose a monetary fine on the GRANTING AUTHORITY shall be complied with according to the system of court-issued registered warrant or small cost bonds, under the same conditions imposed on other legal executive titles.
- 59.18. The PARTIES acknowledge that the decisions rendered by the ARBITRATION TRIBUNAL may be regularly enforced in Brazil, following the procedure for execution against the Public Treasury, and the GRANTING AUTHORITY shall not have any sovereign immunity that inhibits execution.

CLAUSE SIXTY - VENUE

- 60.1. The Courts of São Paulo, State of São Paulo, shall be venue for settlement of any dispute that cannot be resolved through arbitration, or to exercise the option in subclause 59.4.1, as set forth in this CONTRACT.

CHAPTER XIII - FINAL PROVISIONS

ARTICLE SIXTY- FIRST - FINAL PROVISIONS

- 61.1. The CONCESSIONAIRE shall be entitled to due administrative procedure in all matters established under this CONTRACT, the decisions made by the GRANTING AUTHORITY, under State Law 10.177/1998.
- 61.2. This CONTRACT shall be legally binding upon the PARTIES and their respective successors, in all aspects.
- 61.3. Amendments that may be made to this CONTRACT shall only be valid when accepted and signed by both PARTIES, by means of contractual Amendments and Modifications Terms, excepting the possibility of unilateral modification of the CONTRACT by the GRANTING AUTHORITY, under the terms of the applicable legislation.
- 61.4. If any PARTY, even by omission, allows full or partial non-performance of any of the Clauses or conditions in this CONTRACT and its ANNEXES, this shall not free, relieve, or in any way affect or impinge upon the validity and effectiveness of said Clauses and conditions, which shall remain unchanged, as if no tolerance had occurred.
- 61.4.1. If any PARTY waives any right, this shall not be valid if not effected in writing, and shall be restrictively interpreted, and its extension to any other right or obligation established in this CONTRACT is forbidden.



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61.4.2. Annulment or invalidation of any Clause of this CONTRACT shall not obstruct the validity and effects of any other Clause of this CONTRACT.

61.5. All communications related to this CONTRACT shall be in writing, to the addresses and in the names of the people listed below, according to the recipients' pertinence in each case:

For the CONCESSIONAIRE: [•]

For the GRANTING AUTHORITY: [•]

For FF: [•]

For EMAE SA: [•]

61.6. The PARTIES may change the information above under Clause 61.5 simply by means of written communication to the other PARTY.

61.7. Notifications and communications shall be considered duly received on the date (I) visible on the notice received; (II) the judicial or extrajudicial delivery notice; (III) proven fax delivery; (IV) proven e-mail delivery with acknowledgment of receipt to the address set forth under Clause 61.5; (V) proven protocol at the GRANTING AUTHORITY or at the address of the CONCESSIONAIRE specified in Clause 61.5; or (VI) proven receipt of a well-known international courier.

61.8. All documents relating to this CONTRACT and to the CONCESSION shall be written in Portuguese, or translated into Portuguese by a sworn translator when documents are of foreign origin.

61.9. Counting of deadlines or time-frames established in this CONTRACT, shall exclude the start date and shall include the final date, counting successive days, unless otherwise provided for.

61.9.1. When deadlines lapse on weekends, holidays or days on which the PUBLIC ADMINISTRATION of the State of São Paulo is not functioning, the deadline shall be automatically postponed to the next business.

61.10. The CONCESSIONAIRE shall, within fifteen (15) days from the DATE OF SIGNING the CONTRACT, submit, in writing, the names and positions of employees or representatives designated to be responsible for managing the CONTRACT in the technical and administrative aspects, and for receipt of correspondence provided for hereunder.

61.10.1. The GRANTING AUTHORITY shall appoint a technical unit responsible for overseeing and monitoring this CONTRACT, designating its manager.

IN WITNESS WHEREOF, dully, and mutually agreed, the PARTIES hereby sign this Agreement in four (4) copies of equal content and form, in the presence of two (2) undersigned witnesses identified below, for all legal purposes and effects.

São Paulo, [•].

PARTIES AND SIGNATURES: