

ATTACHMENT 8

CONTRACT AGREEMENT WITH THE TRUSTEE BANK

ANEXO 1.8

PREÂMBULO

A versão em língua inglesa deste Anexo é meramente referencial, não vinculante. A única versão oficial do documento está redigida em língua portuguesa, cujo conteúdo é vinculante para todos os interessados. Em caso de dúvidas de interpretação entre a versão traduzida do Anexo 1.8, em inglês, e a versão oficial, redigida em língua portuguesa, prevalecerá a versão em língua portuguesa, documento oficial da licitação.

ATTACHMENT 1.8

PREAMBLE

The English version of this Attachment is not binding to the parties. The Portuguese version of the document is the only official version of the public bidding, and it is binding to all stakeholders. In case any questions regarding interpretation arise between this English version and the Portuguese version of this Attachment 1.8, the Portuguese version shall prevail, as the only official document for public bidding.

**DRAFT CONTRACT AGREEMENT FOR ACCOUNT MANAGEMENT, TRUSTEE
BANK’S APPOINTMENT AND OTHER COVENANTS**

Aos [●] dias do mês de [●] do ano de [●]:

THE MUNICIPALITY OF FOZ DO IGUAÇU, through the **Municipal Secretariat of Finance** headquartered at Juscelino Kubitscheck Avenue, nº 337 – in teh City of Foz do Iguaçu/PR, represented by Mr. [NAME], [nationality], [marital status], [occupation], registered with CPF (Individual Taxpayer ID) under No. [●] (“**MUNICIPALITY**”)

The **GRANTING AUTHORITY**, through the **Municipal Secretary of Public Works**, headquartered at Juscelino Kubitscheck Avenue, nº 3287 - Vila Portes, Foz do Iguaçu/PR, represented by Mr. [NAME], [nationality], [marital status], [occupation], Secretary of Public Works registered with CPF under No. [●] (“**GRANTING AUTHORITY**”);

CONCESSIONAIRE [NAME], headquartered at [address], in the City of [●], State of [●], registered with CNPJ (Corporate Taxpayer ID) under No. [●], represented, under the terms of its Articles of Incorporation, by Messrs. [NAME], [nationality], [marital status], [occupation], registered with CPF under number [●], and [NAME], [nationality], [marital status], [occupation], registered with CPF under No. [●], (“**CONCESSIONAIRE**”); and

FINANCIAL INSTITUTION [●], institution authorized to operate in Brazil by the Central Bank of Brazil, headquartered in [●], registered with CNPJ under number [●], hereby represented by [●] (“**TRUSTEE BANK**”);

The MUNICIPALITY, GRANTING AUTHORITY, CONCESSIONAIRE and TRUSTEE BANK are hereinafter individually referred to as “PARTY TO THIS INSTRUMENT”, and jointly and “PARTIES TO THIS INSTRUMENT.”

Whereas:

- i. The GRANTING AUTHORITY and the CONCESSIONAIRE signed, on [date], the Public-Private Partnership Contract Agreement in the form of Administrative Concession No. [●], hereinafter understood as “CONTRACT AGREEMENT” and attached hereto;
- ii. The CONTRACT AGREEMENT provides for the establishment of a LIQUIDITY SYSTEM to ensure the faithful, full, and timely fulfillment of the obligations undertaken, including:

- a. the EFFECTIVE MONTHLY PAYMENTS;
 - b. BONUS ON THE ELECTRICITY BILL;
 - c. CAPEX EXPANSION PAYMENTS; and
 - d. other indemnities and compensations owed to the CONCESSIONAIRE, in any capacity, especially those that may arise from the early termination of the CONTRACT AGREEMENT.
- iii. The Contribution for the Costing of the Public Lighting Service (CIP) was instituted in the MUNICIPALITY with the purpose of paying for the SERVICES;
- iv. Municipal Law No. [●] authorized the earmarking of CIP in favor of the CONTRACT AGREEMENT;
- v. According to the CONTRACT AGREEMENT, the BOUND ACCOUNT, the RESERVE ACCOUNT and the EXPANSION ACCOUNT cannot be freely operated by any agent or authority of the MUNICIPALITY until full compliance with the obligations undertaken in the CONTRACT AGREEMENT, except as a result of the presence of excess value, in the manner provided for in this INSTRUMENT;
- vi. The MUNICIPALITY arranged for the opening, with the TRUSTEE BANK, of a BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, as shown in the table below:

Account Name under the terms of the CONTRACT AGREEMENT	Bank	Branch	Account Number
RESERVE ACCOUNT	[●]	[●]	[●]
BOUND ACCOUNT	[●]	[●]	[●]
EXPANSION ACCOUNT	[●]	[●]	[●]

vii. the performance of the TRUSTEE BANK may also assist in the financial management of other relevant obligations pertaining to the MUNICIPAL STREET LIGHTING NETWORK and the accomplishment of the CONTRACT AGREEMENT, with the payment of the amount referring to the consumption of electricity of the STREET LIGHTING POINTS and the amount that may be due to the CIP collection activity by the ENERGY DISTRIBUTION COMPANY.

The PARTIES TO THIS INSTRUMENT RESOLVE, by mutual agreement, to appoint the **TRUSTEE BANK** and enter into this revenue earmarking contract agreement (“INSTRUMENT”), which shall be governed by the following clauses:

1. Defined Terms

1.1. Unless expressly provided otherwise in this INSTRUMENT, terms in capital letters and not otherwise defined shall have the same meanings assigned to them in the DEFINITIONS OF THE REQUEST FOR PROPOSAL AND CONTRACT AGREEMENT. Terms defined in the singular have the same meaning when used in the plural and the other way around. The terms that designate the masculine gender also designate the feminine gender and the other way around.

2. Purpose

2.1. This INSTRUMENT establishes the set of rules, procedures, rights, and obligations intended to enable the use of BOUND REVENUE for the establishment of a LIQUIDITY SYSTEM, to be managed by the TRUSTEE BANK, the purpose of which is to ensure the full, timely, and faithful fulfillment of the obligations undertaken by the GRANTING AUTHORITY.

2.2. In order to fulfill this purpose, the subject-matter of this INSTRUMENT is to:

- i. appoint the TRUSTEE BANK and regulate the terms and conditions under which it shall act as agent of the MUNICIPALITY;
- ii. ensure that the BOUND REVENUE is used to pay the obligations set forth in this INSTRUMENT; and
- iii. establish the rules for operating the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, by the TRUSTEE BANK, as well as the obligations and prerogatives of each of the PARTIES TO THIS INSTRUMENT with regard to the LIQUIDITY SYSTEM.

3. Payment obligations protected by the LIQUIDITY SYSTEM

3.1. The pecuniary obligations undertaken by the GRANTING AUTHORITY as a result of the CONTRACT AGREEMENT before the CONCESSIONAIRE, protected by the LIQUIDITY SYSTEM provided for in this INSTRUMENT (“PAYMENT OBLIGATIONS”), are:

- i. EFFECTIVE MONTHLY PAYMENT;
- ii. BONUS ON THE ELECTRICITY BILL;
- iii. CAPEX EXPANSION PAYMENT;

iv. fines: the fine(s) that may be due to the CONCESSIONAIRE, as a result of delay or non-payment of any amount, for any reason, under the terms of the CONTRACT AGREEMENT;

v. late payment interest and charges: late payment interest and charges that may be due to the CONCESSIONAIRE, as a result of delay or non-payment of any amount, for any reason, under the terms of the CONTRACT AGREEMENT; and

vi. indemnities: indemnities owed to the CONCESSIONAIRE, especially those arising from the early termination of the CONTRACT AGREEMENT.

3.2. In addition to the PAYMENT OBLIGATIONS, the LIQUIDITY SYSTEM shall also manage the payment of the remuneration of the TRUSTEE BANK referred to in Clause 14.1 and, if applicable, the amounts owed to the ENERGY DISTRIBUTION COMPANY pertaining to the consumption of electricity at the STREET LIGHTING POINTS and the CIP collection activity.

4. Appointment of TRUSTEE BANK and account opening

4.1. The MUNICIPALITY, exclusively with regard to the management and operation of the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, hereby appoints [•], as TRUSTEE BANK, granting it sufficient powers to perform the obligations established in this INSTRUMENT, as agent, especially:

i. to carry out all material acts necessary for the discharge of the PAYMENT OBLIGATIONS, as listed in Clause 3.1 and other amounts that may be owed to the CONCESSIONAIRE;

ii. to make payments to the ENERGY DISTRIBUTION COMPANY, pursuant to municipal legislation or agreements entered into between it and the MUNICIPALITY;

iii. to act as trustee of the funds allocated in the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, as well as the BOUND REVENUE, and the proceeds resulting from its application;

iv. to apply the BOUND REVENUE while it is deposited in the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT;

v. to administer and manage the BOUND ACCOUNT, RESERVE ACCOUNT, EXPANSION ACCOUNT, the BOUND REVENUE and proceeds resulting from its application exclusively for the purposes set forth in this INSTRUMENT;

vi. to withhold BOUND REVENUE in the cases expressly provided for in this INSTRUMENT;

vii. to release the funds, in the cases expressly provided for in this INSTRUMENT and in the CONTRACT AGREEMENT, to the CONCESSIONAIRE, MUNICIPALITY, FINANCIERS or the ENERGY DISTRIBUTION COMP.

4.2. The TRUSTEE BANK hereby accepts its appointment, with the powers defined in this INSTRUMENT to act as agent of the MUNICIPALITY, pursuant to Article 653 et seq. of the Brazilian Civil Code and as trustee, pursuant to Article 627 et seq. of the Brazilian Civil Code, of the amounts disbursed into the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, which shall be held in its custody and released, strict pursuant to the terms of this INSTRUMENT and the CONTRACT AGREEMENT.

4.2.1. In fulfilling its appointment, the TRUSTEE BANK undertakes to comply with all the terms and conditions set forth in this INSTRUMENT and in the applicable legislation, using, in the execution of the proxy hereby granted, the same diligence that it would use in the management of its own businesses.

4.3. Except in the cases expressly provided for in this INSTRUMENT, the TRUSTEE BANK's duties and responsibilities shall be limited to the terms of this INSTRUMENT, and it cannot be required to perform any act that implies the advance of its own funds.

4.4. The proxy warranted to the TRUSTEE BANK constitutes an essential condition of the business and is irrevocable and irreversible during the period between its execution and the CONCESSION TERM or until full compliance and settlement of all PAYMENT OBLIGATIONS.

4.4.1. The powers granted in this INSTRUMENT shall be exercised without the need for any other authorizations or approvals, in addition to those expressly provided for herein.

4.5. The MUNICIPALITY shall maintain the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, all held by the MUNICIPALITY itself, with movement restricted by the TRUSTEE BANK and specifically dedicated to fulfilling the pecuniary obligations set forth in this INSTRUMENT, and enabling the perfection of the mechanism of guarantee of the pecuniary payments undertaken by the GRANTING AUTHORITY in the CONTRACT AGREEMENT.

4.5.1. The BOUND ACCOUNT may be located in a financial institution authorized to operate by the Central Bank of Brazil, other than the TRUSTEE BANK, provided that the rule of restricted and exclusive movement by said TRUSTEE BANK is fulfilled.

4.6. The BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT cannot be operated by the MUNICIPALITY or by the GRANTING AUTHORITY under any circumstances.

4.7. The MUNICIPALITY may request the TRUSTEE BANK to invest the funds existing in

the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT in investments available at the TRUSTEE BANK, provided that they are backed by federal public securities remunerated at the Average Reference Rate of the Special Settlement and Custody System (Selic) or other fixed income investment, pegged to the Brazilian reais, with the possibility of redemption in up to 2 (two) business days.

4.7.1. The proceeds and income arising from the investments referred to in the previous Clause shall be incorporated into the RESERVE ACCOUNT or EXPANSION ACCOUNT, and may be returned to the MUNICIPALITY, in the case the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT have been achieved.

4.7.2. The risks of financial investments shall be fully undertaken by the MUNICIPALITY, which shall be responsible for the immediate and full replacement of the MINIMUM BALANCE OF THE RESERVE ACCOUNT and MINIMUM BALANCE OF THE EXPANSION ACCOUNT in the case of any losses.

4.8. The TRUSTEE BANK shall provide access keys and passwords to the MUNICIPALITY and the CONCESSIONAIRE for unlimited consultation via self-service on the internet to the statements of the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT.

4.8.1. The MUNICIPALITY and the CONCESSIONAIRE shall inform the TRUSTEE BANK of the qualification of the persons authorized to access referred to in the previous Subclause.

5. Composition and maintenance of the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the EXPANSION ACCOUNT

5.1. From the ASSUMPTION DATE until the end of year 1, the amount of the BOUND REVENUE that is processed through the BOUND ACCOUNT shall be withheld by the TRUSTEE BANK for the formation of the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT.

5.1.1. The withholdings and deposits referred to in the previous Clause shall be made (i) in monthly installments of 1/12 (one twelfth) of the total corresponding to 3 (three) MONTHLY OFFERED PAYMENTS, for the period of 12 (twelve) consecutive months and (ii) 1/12 (one twelfth) of the total corresponding to 3 (three) MONTHLY CAPEX EXPANSION PAYMENT LIMITS, for a period of 12 (twelve) consecutive months.

5.1.1.1. The values of the MONTHLY OFFERED PAYMENT and the MONTHLY CAPEX EXPANSION PAYMENT LIMIT used as a reference for Subclause 5.1.1 shall be kept updated.

5.1.1.2. The INDEPENDENT CERTIFIER shall inform the TRUSTEE BANK of the updated values of the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT, within 10 (ten) business days from the occurrence of the change.

5.1.2. From the 13th month of the CONCESSION until the expiry of the CONCESSION TERM, the TRUSTEE BANK shall maintain the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT.

5.2. Whenever necessary and following the order of priority provided for in Clause 6, the TRUSTEE BANK shall withhold and transfer from the BOUND ACCOUNT:

- i. to the RESERVE ACCOUNT the amount necessary to maintain the MINIMUM BALANCE OF THE RESERVE ACCOUNT;
- ii. to the EXPANSION ACCOUNT the amount necessary to maintain the MINIMUM BALANCE OF THE EXPANSION ACCOUNT.

5.3. If the procedures provided for in Subclauses 5.1 and 5.2 above are not sufficient to ensure the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT, the TRUSTEE BANK shall notify the GRANTING AUTHORITY and the MUNICIPALITY, within 48 (forty-eight) hours from the ascertainment of a volume lower than the minimum balances.

5.3.1. The GRANTING AUTHORITY and the MUNICIPALITY shall, within 60 (sixty) days from the notification, make the deposit in the amount necessary for the recomposition.

6. Description of the general flow of the BOUND REVENUE

Deposit of BOUND REVENUE by the ENERGY DISTRIBUTION COMPANY

6.1. From the date of execution of the CONTRACT AGREEMENT WITH THE TRUSTEE BANK, the monthly CIP amounts collected in the electricity consumption bill shall be deposited by the ENERGY DISTRIBUTION COMPANY in the BOUND ACCOUNT, under the terms of this ATTACHMENT and the CIP LAW.

6.1.1. The MUNICIPALITY shall ensure that the ENERGY DISTRIBUTION COMPANY or any agent that may replaces it in CIP collection activity directs the amounts of the CIP monthly collection to the BOUND ACCOUNT.

6.1.2. From the CIP amounts to be deposited, under terms of Clause 6.1, the amount due

for the consumption of electricity by the STREET LIGHTING POINTS and the amount eventually for the CIP payment owed by the ENERGY DISTRIBUTION COMPANY shall be deducted, if there is a municipal law or agreement between this and the MUNICIPALITY that provides for the withholding of these amounts.

6.1.3. If the municipal legislation or the agreement signed between the ENERGY DISTRIBUTION COMPANY and the MUNICIPALITY do not provide for withholding referred to in the previous Clause, the amounts of CIP paid monthly shall be deposited in their entirety in the BOUND ACCOUNT.

Priority for the use of the BOUND REVENUE

6.2. As of the ASSUMPTION DATE and until the end of PHASE 0, the BOUND REVENUE shall be processed through the BOUND ACCOUNT in order to carry out, successively:

- i. the payment of remuneration owed to the TRUSTEE BANK, pursuant to Clause 14.1.;
- ii. the formation of the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT, under the terms of Clause 5.1;
- iii. the costing of maintenance and operation of the MUNICIPAL STREET LIGHTING NETWORK during PHASE 0, according to values informed by the MUNICIPALITY on a monthly basis;
- iv. payment of the electricity consumption bill for the STREET LIGHTING POINTS and of other amounts that may be owed by the CIP collection activity, if there is no withholding of these amounts as provided for in Clause 6.

6.3. As of PHASE 1, the BOUND REVENUE shall be used to pay the following amounts, abiding by the order of priority below:

- i. of the remuneration owed to the TRUSTEE BANK, pursuant to Clause 14.1.;
- ii. of the EFFECTIVE MONTHLY PAYMENT of the reference month;
- iii. any BONUS ON THE ELECTRICITY BILL of the reference month;
- iv. any CAPEX EXPANSION PAYMENT of the reference month;
- v. the amounts necessary for the establishment or resumption of the MINIMUM BALANCE OF THE RESERVE ACCOUNT, if necessary, under the terms of Clause 5;

vi. the amounts necessary for the establishment or resumption of the MINIMUM BALANCE OF THE EXPANSION ACCOUNT, if necessary, under the terms of Clause 5;

vii. of the electricity consumption bill for the STREET LIGHTING POINTS and of other amounts that may be owed by the CIP collection activity, if there is no withholding of these amounts as provided for in Subclause 6.

6.4. In the event of early termination of the CONCESSION, the BOUND REVENUE shall be used to pay the following amounts, abiding by the order of priority below:

i. the remuneration owed to the TRUSTEE BANK, pursuant to Subclause 14.1.;

ii. the indemnities owed to the CONCESSIONAIRE, as provided for in the CONTRACT AGREEMENT, abiding by, accordingly, the precedence in relation to the payment of amounts directly to the FINANCIERS, as defined by the CONTRACT AGREEMENT;

iii. the amounts necessary to the costing of the maintenance and operation of the MUNICIPAL LIGHTING NETWORK;

iv. of the electricity consumption bill for the STREET LIGHTING POINTS and of other amounts that may be owed by the CIP collection activity, if there is no withholding of these amounts as provided for in Clause 6.

6.5. After making the payments provided for in Clauses 6.2 and 6.3, if there is no notification or communication provided for in this INSTRUMENT pending full compliance, the remaining funds shall be transferred by the TRUSTEE BANK to the free movement account to be appointed by the MUNICIPALITY, and may be the object of guarantee of any other projects or contract agreements of the MUNICIPALITY, subject to the legislation that regulates CIP.

Procedure for payment of PAYMENT OBLIGATIONS

6.6. Within the deadlines established in the PAYMENT MECHANISM, the CONCESSIONAIRE shall forward to the TRUSTEE BANK, with a copy to the GRANTING AUTHORITY and the INDEPENDENT CERTIFIER, the monthly invoice with the amount of the EFFECTIVE MONTHLY PAYMENT and any BONUS ON THE ELECTRICITY BILL and CAPEX EXPANSION PAYMENT, indicated in the QUARTERLY KPI REPORT.

6.6.1. The QUARTERLY KPI REPORT shall be forwarded to the TRUSTEE BANK, prior to issuing the invoice, by the INDEPENDENT CERTIFIER, within the deadlines set forth in the PAYMENT MECHANISM.

6.6.2. It shall be up to the INDEPENDENT CERTIFIER to inform the TRUSTEE BANK of changes in the amount of the MONTHLY OFFERED PAYMENT of the CAPEX EXPANSION PAYMENT and of the BONUS ON THE ELECTRICITY BILL, including those changes pertaining to the incidence of adjustment and resulting from any processes of recomposition of the economic-financial balance of the CONTRACT AGREEMENT.

6.6.2.1. The communication referred to in Clause 0 shall be submitted within 10 (ten) business days from the occurrence of the change.

6.6.2.2. In the absence of an INDEPENDENT CERTIFIER, the CONCESSIONAIRE shall inform the TRUSTEE BANK of the alterations in the value referred to in the previous clause, subject to the provisions of the CONTRACT AGREEMENT, being held liable under civil and criminal instances for their veracity.

6.7. The TRUSTEE BANK shall carry out, within two (2) business days from the communication referred to in the previous Clause, the transfer of the value of the EFFECTIVE MONTHLY PAYMENT and any BONUS ON THE ELECTRICITY BILL and CAPEX EXPANSION PAYMENT to the account held by the CONCESSIONAIRE, regardless of any prior statement by the GRANTING AUTHORITY or the MUNICIPALITY.

6.7.1. Any divergence of the PARTIES TO THIS INSTRUMENT regarding the value of the PERFORMANCE FACTOR, the EFFECTIVE MONTHLY PAYMENT, the BONUS ON THE ELECTRICITY BILL, the CAPEX EXPANSION PAYMENT or any other amount owed shall not cause the payment process to be interrupted.

6.7.2. Differences shall be dealt with within the scope of the dispute resolution mechanisms provided for in the CONTRACT AGREEMENT and any differences owed between the PARTIES TO THIS INSTRUMENT shall be paid or compensated upon payment of future EFFECTIVE MONTHLY PAYMENTS, after issuing of a binding decision on the subject matter of the dispute.

Procedure for payment of ENERGY DISTRIBUTION COMPANY

6.8. If the municipal legislation of the agreement entered into between the ENERGY DISTRIBUTION COMPANY and the MUNICIPALITY does not provide for the withholding referred to in Clause 6, the MUNICIPALITY shall monthly submit to the TRUSTEE BANK and to the INDEPENDENT CERTIFIER information on the amount referring to the invoice for the electricity consumption by the STREET LIGHTING POINTS and the value charged by the CIP collection activity.

6.8.1. The information shall be submitted by the MUNICIPALITY at least 5 (five)

business days before the due date of the invoice.

6.8.2. The TRUSTEE BANK, in consideration of the order of priorities provided for in this clause 6, shall pay the amounts to the ENERGY DISTRIBUTION COMPANY within two (2) business days from the communication referred to in the previous clause.

Insufficiency of Revenue

6.9. In the event that the BOUND REVENUE for a given month is insufficient to pay the EFFECTIVE MONTHLY PAYMENT, any BONUS ON THE ELECTRICITY BILL and CAPEX EXPANSION PAYMENT, the TRUSTEE BANK shall transfer funds from the RESERVE ACCOUNT or the EXPANSION ACCOUNT, accordingly, to the account appointed by the CONCESSIONAIRE, in an amount sufficient to pay the total amount owed to it at that time, following the order of priority provided for in Subclause 5.3.

Movement Restrictions

6.10. The BOUND REVENUE that is processed through the BOUND ACCOUNT and those deposited in the RESERVE ACCOUNT and the EXPANSION ACCOUNT cannot be moved or used for any other purpose than those provided for in this INSTRUMENT, regardless of any notification otherwise received by the TRUSTEE BANK from any PARTIES TO THIS INSTRUMENT or third parties.

6.11. The TRUSTEE BANK is prohibited from directing the BOUND REVENUE to any other account other than the BOUND ACCOUNT; the CONCESSIONAIRE account; if applicable, the account of the ENERGY DISTRIBUTION COMPANY and the free movement account of the MUNICIPALITY, in the cases expressly provided for in this INSTRUMENT, even if such transfer has been determined by the MUNICIPALITY.

6.11.1. The CONCESSIONAIRE, subject to the provisions of the CONTRACT AGREEMENT, may request the TRUSTEE BANK, by means of notification, with a copy to the GRANTING AUTHORITY, the payment of the PAYMENT OBLIGATIONS to be made directly to the FINANCIERS, in which case the BOUND REVENUE may be directed to the account of the FINANCIERS.

7. Resignation and Dismissal of the TRUSTEE BANK

7.1. The MUNICIPALITY may not revoke the proxy granted through this INSTRUMENT, or change its scope and terms, without the prior and express consent of the CONCESSIONAIRE.

7.2. The TRUSTEE BANK may waive the powers conferred upon it by means of this INSTRUMENT.

7.2.1. In the event of resignation, the TRUSTEE BANK shall guarantee the other PARTIES TO THIS INSTRUMENT a minimum period of 120 (one hundred and twenty) days, counted from the receipt of the notice of resignation by the last of the interested PARTIES TO THIS INSTRUMENT.

7.2.2. The period provided for in the clause above may be extended, if it proves to be insufficient to hire a new TRUSTEE BANK.

7.2.3. During the replacement phase, the TRUSTEE BANK shall be responsible for fulfilling all its obligations set forth in this INSTRUMENT.

7.3. In the event of resignation owing to the occurrence of conflicts of interest or any other circumstance that prevents the exercise of its assignments, the notification referred to in the previous sub-clause shall:

7.3.1. inform the nature of the conflict of interest or impediment found;

7.3.2. describe the procedures that shall be adopted by the TRUSTEE BANK during the period of 120 (one hundred and twenty) days referred to in subclause 7.2.1, extendable under the terms of clause 7, to prevent that, during the performance of its obligations, the conflict of interest or the impediment found may cause damage to the PARTIES TO THIS INSTRUMENT.

7.4. The CONCESSIONAIRE and the MUNICIPALITY may, by mutual agreement, choose to remove the TRUSTEE BANK from its assignments, at any time, without just cause and without any burden for all those involved, upon notification.

7.4.1. In the event of the previous subclause, the TRUSTEE BANK shall guarantee to the other PARTIES TO THIS INSTRUMENT a minimum period of 120 (one hundred and twenty) days, counted from the receipt of the notice of dismissal, for its replacement to be performed, period during the which the TRUSTEE BANK shall fulfill its obligations under this INSTRUMENT.

7.4.2. The period provided for in the clause above may be extended if it is insufficient to contract a new TRUSTEE BANK.

7.5. In the event of impediment, resignation, dismissal, intervention, judicial or extrajudicial liquidation, bankruptcy, or any other case that makes the activities of the TRUSTEE BANK impossible, within a maximum period of 120 (one hundred and twenty) days from the event, the contracting of a new TRUSTEE BANK, in accordance with the rules defined in the CONTRACT AGREEMENT, to which all amounts held in custody shall be transferred, as well as all possible financial revenue arising from financial investments made during the term of this INSTRUMENT.

7.6. It is hereby established, as a condition for the consummation of the TRUSTEE BANK's resignation or dismissal, in any event, compliance by the TRUSTEE BANK with any remaining obligations pertaining to the payment of PAYMENT OBLIGATIONS, initiated prior to the request for resignation or dismissal.

7.7. The CONCESSIONAIRE and the MUNICIPALITY, by common agreement, may exempt the TRUSTEE BANK from complying with the provisions of clauses 7.2.1 and 7.4.1.

8. Obligations of the MUNICIPALITY and GRANTING AUTHORITY

8.1. Without prejudice to the other obligations undertaken in this INSTRUMENT and in the CONTRACT AGREEMENT, during the term of this INSTRUMENT, the MUNICIPALITY and the GRANTING AUTHORITY undertake to:

i. until full compliance with the PAYMENT OBLIGATIONS, maintain the present earmarking of BOUND REVENUE, without any restriction or condition, in accordance with the terms of the CONTRACT AGREEMENT;

ii. not to practice or attempt to practice any act that implies breach, repudiation, annulment, revocation or that could affect the effectiveness of the present earmarking of BOUND REVENUE;

iii. not assign, earmark, transfer, lend, lease, establish usufruct or trust, or in any way voluntarily dispose of the BOUND REVENUE, nor perfect any burden, encumbrance or security interest or dispose of, in any way, totally or partially, directly or indirectly, free of charge or for consideration, without the CONCESSIONAIRE's prior and express written consent;

iv. not enter into any contract or perform any act that may restrict the rights or capacity of the TRUSTEE BANK to make transfers or otherwise dispose of the BOUND REVENUE;

v. communicate the TRUSTEE BANK and the CONCESSIONAIRE, within a maximum period of 48 (forty-eight) hours from the moment it becomes aware of any act or fact that may depreciate or threaten the security, liquidity, and certainty of the obligations undertaken, including the earmarking dealt with herein;

vi. defend itself, in a timely and effective manner, against any act, action, procedure or process that may, in any way, have an adverse impact on the earmarking object of this INSTRUMENT, or even on the BOUND REVENUE or on this INSTRUMENT, in such a way that threatens the full and timely fulfillment of the PAYMENT OBLIGATIONS;

vii. not alter, close or encumber, without the prior and express consent of the

CONCESSIONAIRE, the BOUND ACCOUNT, the RESERVE ACCOUNT and the EXPANSION ACCOUNT or allow any clause or condition of the respective contract for opening a checking account to be amended, nor perform any act that may, in any way, result in the alteration, closure or encumbrance of said account or the funds deposited therein;

viii. not to withdraw, transfer or request movement of amounts deposited in the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT in breach of the provisions of this INSTRUMENT;

ix. make, whenever notified, the necessary deposit to recompose the MINIMUM BALANCE OF THE RESERVE ACCOUNT and the MINIMUM BALANCE OF THE EXPANSION ACCOUNT, according to clause 5.3.1;

x. carry out all the registries, authorizations, and annotations that may be required by the applicable law, in order to operationalize the LIQUIDITY SYSTEM, under the terms of the CONTRACT AGREEMENT, or to allow the CONCESSIONAIRE to fully exercise all the rights guaranteed herein.

9. CONCESSIONAIRE's Obligations:

9.1. Without prejudice to the other obligations undertaken in this INSTRUMENT, the CONCESSIONAIRE undertakes to:

i. forward a copy of the invoice to the TRUSTEE BANK, abiding by the rules set forth in the PAYMENT MECHANISMS;

ii. inform the TRUSTEE BANK about hiring an INDEPENDENT CERTIFIER and the main data and information pertaining thereto, by forwarding the contract agreement signed with the INDEPENDENT CERTIFIER, including a copy to the MUNICIPALITY;

iii. inform the TRUSTEE BANK regarding the termination or suspension of any contract agreement in force with the INDEPENDENT CERTIFIER.

10. TRUSTEE BANK's Obligations

10.1. Without prejudice to the other obligations undertaken in this INSTRUMENT, the TRUSTEE BANK undertakes to:

i. inform the CONCESSIONAIRE, in writing, within a maximum period of 48 (forty-eight) hours after the moment it becomes aware of any act or fact that may depreciate, harm or threaten the security, liquidity, and certainty of the LIQUIDITY SYSTEM, as well as that constitutes noncompliance by the MUNICIPALITY with its

obligations established in this INSTRUMENT;

ii. not raise to the CONCESSIONAIRE or third parties any revocation, nullity or annulment of the CONTRACT AGREEMENT to justify the noncompliance with the transfers of the BOUND REVENUE under this INSTRUMENT;

iii. provide or send to the CONCESSIONAIRE and the MUNICIPALITY information and documents associated with the management of the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, especially a copy of the monthly account statements when the access key system is unavailable and also a consolidated report informing the detailed movement of the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT, within a maximum period of 5 (five) business days from the request, or longer period as necessary, depending on the nature of the information to be provided, which, however, cannot exceed 30 (thirty) days, providing that, in the event of a court decision determining the said settlement of accounts or information, such information shall be provided within the established period;

iv. not perform any act that may, in any way, affect the BOUND ACCOUNT, the RESERVE ACCOUNT and the EXPANSION ACCOUNT, the transfer of funds or the ability to fulfill the obligations set forth in this INSTRUMENT;

v. ensure the faithful performance of the obligations set forth in this INSTRUMENT;

vi. if replaced, remain in the performance of its assignments, under the terms established in Clause 7; and

vii. render accounts of its performance, within a maximum period of 60 (sixty) days from the date of formalization regarding the termination of this INSTRUMENT, maintaining the obligation to provide timely and specific information that may be requested by the PARTIES TO THIS INSTRUMENT after that date.

11. Representations and Warranties

11.1. The MUNICIPALITY represents and warrants that:

i. this INSTRUMENT constitutes a legal, valid, and effective obligation, enforceable in accordance with its respective terms;

ii. is authorized to earmark the revenue arising from the collection of CIP, as well as to comply with the provisions of this INSTRUMENT;

iii. the execution and performance of this INSTRUMENT do not breach any contract agreement to which it is bound, or laws and regulations to which it is subject;

- iv. the signatories of this INSTRUMENT have powers to enter into it;
- v. there is no legal impediment pertaining to the earmarking of the revenues from the CIP collection in favor of the CONCESSIONAIRE; and
- vi. the BOUND REVENUE is, from the signature of this INSTRUMENT, exempt from any charges, except those arising from the LIQUIDITY SYSTEM provided herein, and shall remain so under the terms of this INSTRUMENT and the CONTRACT AGREEMENT.

11.2. The CONCESSIONAIRE and the TRUSTEE BANK represent and warrant that:

- i. are authorized, under the terms of their corporate or incorporation documents, the law and the applicable government authorities, to comply with and perform all the provisions contained in this INSTRUMENT and no other authorization, consent or approval, notification or registration is required or shall be obtained or made for due execution, delivery, protocol, registry or fulfillment of this INSTRUMENT or any operation contemplated herein; and
- ii. the execution, delivery and fulfillment of this INSTRUMENT does not breach any provision of its corporate or incorporation documents, any obligation previously undertaken by them or any laws and regulations to which they are subject.

11.3. If the PARTIES TO THIS INSTRUMENT sign an amendment to this INSTRUMENT, the representations and warranties described above shall also be provided in relation to the amendment, and shall be correct, valid and effective on the date of signature of the respective amendment.

11.4. The MUNICIPALITY, at its own expense, shall enter into any and all additional documents and instruments that may be from time to time required to allow the proper functioning of the LIQUIDITY SYSTEM and the full and integral accomplishment of the PAYMENT OBLIGATIONS.

12. Third-party claims and possible court freeze

12.1. The TRUSTEE BANK shall notify the CONCESSIONAIRE and the MUNICIPALITY, within a maximum period of 48 (forty-eight) hours, of the receipt of any judicial freeze order or determined by an arbitral tribunal, seizure or attachment of BOUND REVENUE, whether it has been deposited or not on the BOUND ACCOUNT, RESERVE ACCOUNT or EXPANSION ACCOUNT.

12.2. The MUNICIPALITY shall defend, at its own expense, all the CONCESSIONAIRE's rights and interests, in relation to the BOUND REVENUE, against any claims and demands from any third parties.

12.2.1. It is incumbent upon the MUNICIPALITY to take all administrative or judicial measures necessary for the withdrawal of any freeze, attachment or attachment of the BOUND REVENUE.

12.3. The MUNICIPALITY hereby represents that it consents to the intervention, as a co-party, by the CONCESSIONAIRE or third parties to whom it has assigned its rights, whenever it deems necessary, in lawsuits or extrajudicial or arbitration proceedings that may be initiated involving any discussion about the LIQUIDITY SYSTEM provided for in the CONTRACT AGREEMENT and in this INSTRUMENT.

13. Effectiveness

13.1. This INSTRUMENT takes effect on the date of its signature and shall remain in force until the expiry of the CONTRACT AGREEMENT, and after the settlement of the PAYMENT OBLIGATIONS.

13.2. Upon full discharge of all PAYMENT OBLIGATIONS provided for in the CONTRACT AGREEMENT, this INSTRUMENT shall be automatically extinguished and the payment rights established herein shall be discontinued.

13.2.1. As long as there is any dispute that may give rise to PAYMENT OBLIGATIONS, this INSTRUMENT shall remain in force.

13.3. As soon as the CONTRACT AGREEMENT is terminated, and provided that after settlement of the pecuniary obligations undertaken by the GRANTING AUTHORITY before the CONCESSIONAIRE, any remaining balance located in the RESERVE ACCOUNT and in the EXPANSION ACCOUNT shall be transferred by the TRUSTEE BANK to the free movement account of the MUNICIPALITY, and may be the object of guarantee of any other projects or contract agreements of the MUNICIPALITY, subject to the legislation that regulates CIP.

14. Remuneration of the TRUSTEE BANK

14.1. The monthly remuneration to which the TRUSTEE BANK is entitled for the performance of activities and maintenance of the BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT shall be R\$ [●].

14.1.1. The monthly remuneration shall be adjusted annually according to the IPCA variation between the months of [●] and [●], or another index that may replace it.

14.1.2. The payment of the monthly remuneration shall be made using the BOUND REVENUE, in keeping with the order of priority provided for in Clause 6.

15. Waiver of the right of withholding or offset

15.1. The BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT shall be used solely and exclusively to implement the LIQUIDITY SYSTEM, so that, with the exception of the remuneration provided for in clause 14.1, the TRUSTEE BANK hereby waives to any right to withhold or offset outstanding amounts with the funds deposited in the said BOUND ACCOUNT, RESERVE ACCOUNT and EXPANSION ACCOUNT.

16. Communications and Notifications

16.1. All notifications, consents, requests, and other communications from one PARTY TO THIS INSTRUMENT to the other shall always be made in writing, following any of the following forms:

- i. electronic message with proof of receipt, considered received on the day of the respective sending if sent by 5:00 pm, or, if after this time, on the next business day;
- ii. in person, considering it received on the date of its delivery and receipt;
- iii. by notary public, considering it received on the date certified by the notary public;
or
- iv. letter with acknowledgment of receipt, deemed received on the date stated on the acknowledgment of receipt.

16.1.1. For the purposes of complying with the provisions of this clause, present their contact details below:

For the CONCESSIONAIRE:	[address and email]
For the TRUSTEE BANK:	[address and email]
For the INDEPENDENT CERTIFIER:	[address and email]
For the MUNICIPALITY:	[address and email]
For the GRANTING AUTHORITY	[address and email]

16.2. Any of the PARTIES TO THIS INSTRUMENT may change the data referred to in this

clause upon prior written notice to the other PARTIES TO THIS INSTRUMENT, under the terms established herein and without the need for an amendment to this INSTRUMENT, and at least 5 (five) days in advance, under penalty of considering the notifications made according to the outdated data valid.

17. General Provisions

17.1. The PARTIES TO THIS INSTRUMENT equally undertake to implement the clauses and conditions agreed in relation to third parties.

17.2. The PARTIES TO THIS INSTRUMENT mutually and expressly represent that this INSTRUMENT was entered into in compliance with the principles of honesty and good faith, by free, aware, and firm expression of will of the Parties and in perfect equity.

17.3. The PARTIES TO THIS INSTRUMENT also undertake to actively cooperate with each other, in order to fulfill the obligations and accomplish the objectives set forth herein, through conduct grounded on mutual trust, good faith and business loyalty.

17.4. In the case of occurrence of Force Majeure situations (Article 393, sole paragraph, of the Brazilian Civil Code) that prevent the development of this INSTRUMENT, the PARTIES TO THIS INSTRUMENT, by mutual agreement, shall take the necessary measures to meet or restore their interests.

17.5. If any of the PARTIES TO THIS INSTRUMENT fails to comply with this INSTRUMENT, it shall be subject to the payment, in favor of the other PARTY OF THIS INSTRUMENT, of damages.

17.5.1. The PARTIES TO THIS INSTRUMENT recognize that the attribution of damages shall not constitute sufficient redress for the breach of the obligations set forth in this INSTRUMENT, and any PARTIES TO THIS INSTRUMENT may demand in court the specific fulfillment of the defaulted obligation.

17.6. If any provision of this INSTRUMENT is deemed invalid, illegal or unenforceable under the terms of the applicable legislation, the provision shall be considered ineffective only to the extent of such invalidity, illegality or unenforceability and shall not affect any other provisions of this INSTRUMENT nor the validity, legality or enforceability of the provision in question in any other jurisdiction. To the extent permitted by applicable legislation, the PARTIES TO THIS INSTRUMENT, in good faith, shall negotiate and enter into an amendment to this INSTRUMENT in order to replace said provision with a new one that: (i) reflects its original intent, and (ii) is valid and binding.

17.7. Except for changing data for the purpose of sending notification, any and all modifications,

alterations or additions to this INSTRUMENT shall only be valid if performed in a written instrument, signed by all PARTIES TO THIS INSTRUMENT, and when applicable, with the consent of the CONCESSIONAIRE's FINANCIERS to which the credit rights pertaining to the PAYMENT OBLIGATIONS, assigned under the terms authorized by the CONTRACT AGREEMENT, have been offered as guarantee.

17.8. This INSTRUMENT shall also bind the successors and assignees of the PARTIES TO THIS INSTRUMENT.

17.9. The PARTIES HEREBY declare that they are aware, know and understand all the terms of the anti-corruption rules, especially Law 12846/2013, undertaking to refrain from any activity that stands as a breach of the provisions of the anti-corruption rules and other provisions relating to the matter.

17.10. The PARTIES TO THIS INSTRUMENT, by themselves and by their managers, officers, employees and agents, as well as by their partners, undertake to conduct their commercial practices, during the performance of this INSTRUMENT, ethically and in accordance with the applicable legal tenets.

17.11. In the performance of this INSTRUMENT, the PARTIES TO THIS INSTRUMENT, any of its officers, employees, agents or members acting on its behalf shall not give, offer, pay, promise to pay or authorize the payment of, directly or indirectly, any money or any amount to government authority, consultants, representatives, partners, or any third parties, with the purpose of influencing an act or decision of the agent or the government, or to secure any undue advantage, or direct business that violates anti-corruption rules.

17.12. The waiver of any of the rights arising from this INSTRUMENT is not presumed. Hence, no delay, omission or liberality in the exercise of any right, option or remedy that belongs to any PARTIES TO THIS INSTRUMENT due to any breach of obligations under this INSTRUMENT shall prejudice such rights, powers or remedies, nor shall it be interpreted as a waiver to them or agreement with such default, nor shall it constitute novation or modification of any other obligations undertaken by any PARTY TO THIS INSTRUMENT or precedent regarding any other default or delay.

17.13. This INSTRUMENT constitutes an instrument enforceable out of court, giving rise to its specific performance, pursuant to the Law.

17.14. This INSTRUMENT constitutes the sole and complete agreement between the PARTIES TO THIS INSTRUMENT, regarding the purpose of this INSTRUMENT, superseding all other documents, letters, memoranda or proposals exchanged, as well as the oral understandings maintained between them, prior to this date.

17.15. There shall be no assignment to third parties, by any of the PARTIES TO THIS INSTRUMENT, of the rights and obligations provided for in this INSTRUMENT, without the prior consent of the other PARTIES TO THIS INSTRUMENT, except for the assignment by the CONCESSIONAIRE to its FINANCIERS, under the terms authorized by the CONTRACT AGREEMENT.

18. Applicable Law and Jurisdiction

18.1. This INSTRUMENT shall be governed and interpreted in accordance with the laws of Brazil.

18.2. Any divergences between the PARTIES TO THIS INSTRUMENT, regarding the interpretation and performance of this INSTRUMENT, may be resolved amicably through the mediation procedure or resolved through arbitration, pursuant to Federal Law 9307/96, waiving any other procedure, regardless of being preferable.

18.3. The PARTIES TO THIS INSTRUMENT appoint the Court of Arbitration and Measurement of the International Chamber of Commerce (CCI) as competent to solve disputes submitted to arbitration, under the terms of this INSTRUMENT, applying mutatis mutandis the arbitration procedures described in the CONTRACT AGREEMENT.

18.4. The District Court of [●]/[●] is hereby elected to resolve any disputes arising from this INSTRUMENT that cannot be resolved by arbitration.

18.5. In order to sign this INSTRUMENT, the use of a qualified electronic signature (ICP-Brazil standard) or a digital certification capable of verifying its authenticity is allowed.

18.6. In witness whereof, this INSTRUMENT is signed by each of the PARTIES TO THIS INSTRUMENT in an equal number of copies, of equal content and form, together with two witnesses.

TRUSTEE BANK

Name:	Name:
Position:	Position:

MUNICIPALITY

Name:	Name:
Position:	Position:

GRANTING AUTHORITY

Name:	Name:
Position:	Position:

CONCESSIONAIRE

Name:	Name:
Position:	Position:

Witnesses:

Name:	Name:
CPF:	CPF: