

NOTICE FOR THE SELECTION OF A PPP FOR THE MANAGEMENT OF THE PTC D

DEVELOPMENT AGENCY FOR THE FEDERAL DISTRICT – TERRACAP

BID NOTICE NO. 002/2013-TERRACAP

Administrative Record No. 111.000.971/2013

DEVELOPMENT AGENCY FOR THE FEDERAL DISTRICT - TERRACAP, a state-owned enterprise under the Federal District Government, hereby announces that its Special Commission for Bids will be receiving bids and related documentation for participation in a “bid for the lowest amount of consideration to be paid in by the Government” until **May 28th, 2013, at 05:59 p.m.**, in its headquarters located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000. The purpose of this invitation to bid is to establish a **PUBLIC-PRIVATE PARTNERSHIP (PPP)** in the form of a Sponsored Concession through establishment and subscription by the relevant state-owned corporation and the winning bidder – the latter being referred to as **WINNING BIDDER (LV)** – of shares of a special purpose company to be called **SPE PARQUE TECNOLÓGICO CAPITAL DIGITAL S.A. (SPE)**, whose purpose will be to provide, for a period of twenty (20) years, which can be renewed for an additional period of fifteen (15) years, business administration, deployment, development, operation, maintenance, and management services for **PARQUE TECNOLÓGICO CAPITAL DIGITAL (PTCD)**’s facilities. The Winning Bidder shall design, create and build the PTC D on land currently owned by TERRACAP, located at Lot 1 of the PTC D, and shall operate it at least according to the parameters set forth in this Notice and its Annexes.

In consideration of the above, the SPE may exclusively negotiate, engage and sell the products and services described in item 4.1 of Technical Report 5_9 – Feasibility Analysis – TEFS’ s Conclusion (Annex I), with the partners entitled to their respective interests in form of the successful bid pursuant to this Notice and its Annexes. Once the PPP ceases to exist, the company and its total assets of any kind (tangible and intangible assets; movable and immovable assets; fungible and non-fungible assets; contracts with third parties; necessary, useful or superfluous accessions and improvements, etc.) shall be owned and controlled by TERRACAP or shall be disposed of at the discretion of TERRACAP, all in accordance with the terms and conditions set forth in this Notice and its related documentation.

This bidding process shall be governed according to the relevant regulations in force and applicable, in particular: **Federal Legislation:** Law No. 11079/2004 (PPP Act), Law No. 8987/95 (Concessions Act), Law No. 9074/95 (regulates the granting of concessions), Law No. 8666/93 (Procurement Act), Law No. 6404/76 (Corporate Law), Complementary Law No. 101/2000 (Fiscal Responsibility Act), Decree No. 5385/2005 (regulates the Steering Committee under the PPP Act), and Decree No. 5977/2006 (regulates the enforcement of the Concessions Act vis-a-vis the PPP Act); **Federal District Legislation:** Complementary Law No 734/2006, Law No. 3792/2006 (establishes the PPP Program in the Federal District), Law No. 4167/2008 (Amends Law No. 3792/2006), Decree No. 27.965/2007 (endorses the Internal Regulations for the PPP Steering Board in the Federal District), Decree No. 28.813/2008 (declares the unenforceability of Decree No. 17733/96 regarding PPPs), Resolution No. 189/2008 (regulates the Control and Supervision of Bidding Procedures, Contract

Award and Contract Implementation of PPPs by TCDF) and Decree No. 33.157/2011 (provides for the political coordination of PPPs in the Federal District).

The documentation concerning this bidding process was subject to **Public Consultation**, which was held from July 6th, 2012 to August 22nd, 2012, pursuant to a Notice published in the Federal District Official Gazette (D.O.D.F.) on July 6th, 2012 and August 10th, 2012, as well as **Public Hearing**, held on August 29th, 2012, pursuant to a Notice published in the Federal District Official Gazette (D.O.D.F.) on August 10th, 2012. It was also submitted for review and approval by all supervisory bodies pursuant to the legislation, in particular the Public-Private Partnership Steering Board (CGP), the Federal District Audit Court (TCDF), the Public Prosecution Service for the Federal District and Territories (MPDFT, and TERRACAP's Management Bodies.

Further information may be obtained until **May 14th, 2013**, from **08:00 a.m. to 06:00 p.m.** by telephone: (61) 3342-1297 or (61) 3342-1425; or in person at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000). Information is also available by sending an e-mail to: PTCDdipre@terracap.df.gov.br. or visiting the following website: <http://www.terracap.df.gov.br>.

IMPORTANT:

- **Registration of potential bidders:**

→ **Time:** From **08:00 a.m. to 06:00 p.m.** until **May 14th, 2013**.

→ **Venue of registration:** In person from **08:00 a.m. to 06:00 p.m.** until **May 14th, 2013**, at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000). Information is also available by sending an e-mail to: PTCDdipre@terracap.df.gov.br **by completing and signing a registration form, pursuant to requirements and template available on site or from the following website: <http://www.terracap.df.gov.br>.**

→ **Overall documentation:** Documents for this bidding process may be obtained on weekdays from **08:00 a.m. to 06:00 p.m.**, until **May 14th, 2013** in digital media at the headquarters of TERRACAP (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000), Directorate for New Project Prospecting and Design – DIPRE. They may also be obtained by the date indicated above from www.terracap.df.gov.br. This bidding process includes the following documents:

- Notice – Bidding Process;
- Annex I – Technical and Economic Feasibility Study – TEFS;
- Annex II – Master Project;
- Annex III – Construction License for the PTCD No. 021/2012 – IBRAM;
- Annex IV – Descriptive Memorandum – MDE 052/09;
- Annex V – Construction, Usage and Gauge Standards – NGB 002/07;
- Annex VI – Internal Regulations for the PTCD;
- Annex VII – Property Valuation Report;
- Annex VIII – Survey Report for the area covered by Lot 1 for the PTCD;
- Annex IX – Sample Letter of Authorization;

- Annex X – Sample Certificate of Competency;
- Annex XI – Sample Statement of Receipt of Notice Components;
- Annex XII – Sample Statement of Compliance with Decree No. 4358, of September 5th, 2002;
- Annex XIII – Sample Statement of Absence of Equivalent Documentation;
- Annex XIV – Sample Bid;
- Annex XV – Draft Minutes of the General Meeting for the Establishment of the SPE;
- Annex XVI – Draft Articles of Incorporation of the SPE;
- Annex XVII – Draft SPE Shareholders Agreement; and
- Annex XVIII – Draft PPP Agreement.

- **Other information:**

→ **Submission of inquiries:** Inquiries relating to this bidding process shall be made no later than the 15th day of the month prior to the session for the delivery of bid envelopes pursuant to Subitem 2.4. and subsequent subitems in the Notice.

→ **Reception of DOCUMENTATION and BID ENVELOPES:** At **05:59 p.m.** of **May 28th, 2013**, at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000), from the Special Commission for Bids.

→ **Opening of DOCUMENTATION and BID ENVELOPES:** At **09:00 a.m.** of **May 29th, 2013**, at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000), with the Special Commission for Bids.

→ **Cost of reproduction:** No cost is involved since the documentation will be available in digital form.

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Annex VII	Property Valuation Report;
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Annex XIV	Sample Bid;
Annex XV	Draft Minutes of the General Meeting for the Establishment of the SPE;
Annex XVI	Draft Articles of Incorporation of the SPE;
Annex XVII	Draft SPE Shareholders Agreement; and
Annex XVIII	Draft PPP Agreement.

DEVELOPMENT AGENCY FOR THE FEDERAL DISTRICT - TERRACAP, by means of its Special Commission for Bids and exercising the powers conferred upon it with a view to achieving its institutional objectives, hereby resolves to publish this Notice for a “bid for the lowest amount of consideration to be paid in by the Government” for the selection of a **WINNING BIDDER (WB)** to act as a member of a **PUBLIC-PRIVATE PARTNERSHIP (PPP)**, in the form of a Sponsored Concession through establishment of a special purpose company to be called **SPE PARQUE TECNOLÓGICO CAPITAL DIGITAL S.A. (SPE)**, whose purpose will be to provide, for a period of twenty (20) years, which can be renewed for an additional period of fifteen (15) years, business administration, deployment, development, operation, maintenance, and management services for **PARQUE TECNOLÓGICO CAPITAL DIGITAL (PTCD)**’s facilities, in order to support business, outsourcing and development activities, setting forth the selection criteria and dealing with other matters related to the purpose of this bidding process below.

1. PRELIMINARY PROVISIONS

1.1. For the purposes of this Notice and the contracts connected to it, the following terms and phrases have the following meanings, unless another definition is expressly provided:

Shareholders Agreement and Other Covenants of the SPE: An agreement for the reconciliation of interests entered into by the shareholding parties that is duly filed at the headquarters of the SPE. Its purpose is to govern the purchase and sale of its shares, the right of first refusal to acquire these, the exercise of voting rights or the power to control or other covenants, which shall always be observed by the SPE and its members. Such obligations and liabilities resulting from shareholder agreements are valid and enforceable against third parties as soon as such agreements have been duly registered in SPE’s books of shares, as provided in Art. 118 of Law 6404/76. These may not override the provisions in the Articles of Incorporation and in this Notice and its Annexes.

Minutes of the General Meeting for the Establishment of the SPE: Decision process for creating the SPE, taken by the shareholders’ deliberative body under the general meeting, which formalizes the intention to start the company and approves its Articles of Incorporation for registration with the relevant authorities.

Sponsored Concession: PPP type of concession for public services or public works when it involves, in addition to the amount charged to users, monetary compensation by the public partner to the private partner.

Comissão Especial de Licitação (CEL) [Special Commission for Bids]: Responsible for receiving, reviewing and judging all documents and procedures relating to the bidding process, including qualification, bids and qualification of bidders to remain in the bidding process. The commission’s membership is appointed by TERRACAP and it has a dedicated mandate.

Bidder, Bidding Company: Legal person participating in a bidding process, either on its own or as part of a consortium.

Concessionaire or Contractor: Special Purpose Company (SPE) established by TERRACAP and the winning bidder to sign the PPP Agreement.

Contracting Party or Grantor: DEVELOPMENT AGENCY FOR THE FEDERAL DISTRICT –

TERRACAP.

Winning Bidder (WB): Legal person or consortium of legal persons that is committed to the systematic use of innovation, well established in its industry or business sector, with great potential for generating wealth and development by attracting technology-based projects and intensive interaction with universities and science and technology research centers, which becomes the winning bidder and establishes the SPE along with TERRACAP to implement the provisions in this Notice and its Annexes.

Articles of Incorporation of the SPE: A legal instrument establishing the statutory rules and standards of the SPE, to be observed by all of its members.

Technical and Economic Feasibility Study (TEFS): This is the set of studies required for the determination of technical, economic and environmental feasibility for the development of infrastructure works, or a group of works, in the industries considered, considering the proposed options, embodied primarily in studies for the implementation of a Technology Park in the Federal District, coupled with additional research and similar work, as well as other engineering, socioeconomic and environmental studies and assessments required.

Public-Private Partnership (PPP): Special type of concession where the Government assigns the provision of a public service, either with or without the development of public works, against payments made simultaneously by users and the State, or solely by the latter. The first case is called Sponsored Concession and the second case is known as Administered Concession.

Technology Park: A science and technology organization that brings together technology companies and research and development institutions, fostering a culture of innovation, industrial competitiveness, business capacity building, and transfer of knowledge and technology between universities, research institutions and businesses, with a view to promoting development at local, regional and national level, and generating wealth for society.

Parque Tecnológico Capital Digital [Digital Capital Science and Technology Park] (PTCD): For the purpose of this Notice and its Annexes, this refers to the Technology Park to be developed in the group of areas and high availability facilities located in Lot 1 of the Digital Capital **Science and Technology Park** (also called “PTCD” for short in this Notice and its Annexes). It is designed to run twenty four (24) hours per day, seven (07) days per week, with full control and integrity of the Information Technology & Telecommunication infrastructure in it, regardless of external variables, to be implemented in the manner provided in this Notice and its Annexes.

Master Project: Master document that provides a systematic set of activities being carried out in order to accomplish an action, making up a tool that makes it possible to sort relevant information for the performance of a job. It is a sort of guide that establishes a correlation between partners, and human, financial, material, and technology resources available. It is a planning tool that provides a timeline and performance indicators; it outlines goals and objectives. The actions described in it provide for control and assessment.

Specific Urbanization Project: This term is used to describe the provision of an area with infrastructure and urban facilities (e.g. water, sanitation, gas, electricity, roads, entertainment areas, street lighting, etc.).

Technical Projects Developed or Executive Projects: This is a set of the necessary and sufficient elements to develop the project to be implemented by the SPE, to the maximum possible level of detail in all its stages in accordance with the relevant standards by the Associação Brasileira de Normas Técnicas [Brazilian Association of Technical Standards] – ABNT – and other national and international standards contained in the master project specifications.

Internal Regulations of the Digital Capital Science and Technology Park: This is the set of rules of coexistence to be observed and complied with by any user of the existing buildings in the area known as Lot 1 of the Digital Capital **Science and Technology Park**.

Technical and Condominium Maintenance Services: Services for the maintenance of the building and electromechanical facilities required to ensure continued operation of ICT equipment at all times in the areas for which they are intended. This includes, but is not limited to, the operation and maintenance of building and electromechanical facilities, surveillance, fire brigade, and cleaning and cleaning inputs, in addition to the entire administrative structure for the buildings, e.g. reception, concierge, etc.

SPE Parque Tecnológico Capital Digital S.A. (SPE): Special Purpose Company to be established by TERRACAP and the winning bidder with a view to executing the Public-Private Partnership Agreement. The SPE shall be responsible for implementing the PPP Agreement and for all other obligations arising from this bidding process, without prejudice to the responsibility of the winning bidder, i.e., the Winning Bidder (WB), all pursuant to this Notice and its Annexes.

Information and Communication Technology (ICT): This encompasses all Information Technology (IT) and Telecommunications Technology (TT) services and products.

Contractor: Legal person designated by the SPE as jointly liable for the satisfaction of any of the PTCDF needs that are not met by the SPE itself.

1.2. This bidding process shall be governed according to the relevant regulations in force and applicable, in particular:

Federal Legislation: Law No. 11079/2004 (PPP Act), Law No. 8987/95 (Concessions Act), Law No. 9074/95 (regulates the granting of concessions), Law No. 8666/93 (Procurement Act), Law No. 6404/76 (Corporate Law), Complementary Law No. 101/2000 (Fiscal Responsibility Act), Decree No. 5385/2005 (regulates the Steering Committee under the PPP Act), and Decree No. 5977/2006 (regulates the enforcement of the Concessions Act vis-a-vis the PPP Act).

Federal District Legislation: Complementary Law No 734/2006, Law No. 3792/2006 (establishes the PPP Program in the Federal District), Law No. 4167/2008 (Amends Law No. 3792/2006), Decree No. 27.965/2007 (endorses the Internal Regulations for the PPP Steering Board in the Federal District), Decree No. 28.813/2008 (declares the unenforceability of Decree No. 17733/96 regarding PPPs), Resolution No. 189/2008 (regulates the Control and Supervision of Bidding Procedures, Contract Award and Contract Implementation of PPPs by TCDF) and Decree No. 33.157/2011 (provides for the political coordination of PPPs in the Federal District).

1.3. The documentation concerning this bidding process was subject to Public Consultation, which

was held from July 6th, 2012 to August 22nd, 2012, pursuant to a Notice published in the Federal District Official Gazette (D.O.D.F.) on July 6th, 2012 and August 10th, 2012, as well as Public Hearing, held on August 29th, 2012, pursuant to a Notice published in the Federal District Official Gazette (D.O.D.F.) on August 10th, 2012. It was also submitted for review and approval by all supervisory bodies pursuant to the legislation, in particular the Public-Private Partnership Steering Board (CGP), the Federal District Audit Court (TCDF), the Public Prosecution Service for the Federal District and Territories (MPDFT, and TERRACAP's Management Bodies.

2. REGISTRATION, REVIEW OF NOTICE, CLARIFICATIONS AND CHALLENGES

2.1. Registration of potential bidders:

In person from 08:00 a.m. to 06:00 p.m. until May 14th, 2013, at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000). Information is also available by sending an e-mail to: PTCDdipre@terracap.df.gov.br by completing and signing a registration form, pursuant to requirements and template available on site or from the following website: <http://www.terracap.df.gov.br>.

2.2. Obtention of Notice and related Annexes:

Documents for this bidding process may be obtained on weekdays from 08:00 a.m. to 06:00 p.m., until May 14th, 2013 in digital media at the headquarters of TERRACAP (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000), Directorate for New Project Prospecting and Design – DIPRE. They may also be obtained by the date indicated above from <http://www.terracap.df.gov.br>. This bidding process includes the following documents:

I – Annex I – Technical and Economic Feasibility Study – TEFS;

II – Annex II – Master Project;

III – Annex III – Construction License for the PTCN No. 021/2012 – IBRAM;

IV – Annex IV – Descriptive Memorandum – MDE 052/09;

V – Annex V – Construction, Usage and Gauge Standards – NGB 002/07;

VI – Annex VI – Internal Regulations for the PTCN;

VII – Annex VII – Property Valuation Report;

VIII – Annex VIII – Survey Report for the area covered by Lot 1 for the PTCN;

IX – Annex IX – Sample Letter of Authorization;

X – Annex X – Sample Certificate of Competency;

XI – Annex XI – Sample Statement of Receipt of Notice Components;

XII – Annex XII – Sample Statement of Compliance with Decree No. 4358, of September 5th, 2002;

XIII – Annex XIII – Sample Statement of Absence of Equivalent Documentation;

XIV – Annex XIV – Sample Bid;

XV – Annex XV – Draft Minutes of the General Meeting for the Establishment of the SPE;

XVI – Annex XVI – Draft Articles of Incorporation of the SPE;

XVII – Annex XVII – Draft SPE Shareholders Agreement; and

XVIII – Annex XVIII – Draft PPP Agreement.

2.3 Bidders should pay a visit to the project site, which may be scheduled at least forty-eight (48) hours by written request submitted until **May 11th, 2012**, from **8:00 a.m. to 06:00 p.m.**, in person at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000). Alternatively, it can be submitted by e-mail (PTCDdipre@terracap.df.gov.br). Bidders should also conduct a review and analysis of the local relevant legislation, in addition to a detailed study, check and comparison of all information and other documents provided in this Notice and its Annexes.

2.3.1. Failure to pay a visit to the project site will not preclude participation in the bidding process. However, a bidder must bear the consequences of its omission and may not claim discrepancy, omission or errors; breach of technical standards, regulations or legal provisions currently in place that it may identify at a later stage.

2.4. Up to the fifteenth (15th) day of the month prior to the session for submission of bid envelopes, individuals and bidders are entitled to request from TERRACAP's Special Commission for Bids any clarifications regarding this bidding process, especially with regard to this Notice and its Annexes, by delivering a registered document in person to TERRACAP's headquarters (located at de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000), or by e-mail to PTCDdipre@terracap.df.gov.br directly to the President of the CEL for consideration.

2.4.1. All requests for clarification submitted to the TERRACAP's Special Commission for Bids will be considered as delivered on the date of their receipt by the recipient, except those received outside of CEL's regular hours of service, i.e., from **8:00 a.m. to 06:00 p.m.**, including in the case of requests submitted by e-mail, which will be considered as delivered on the following working day (regular hours of business) for all purposes.

2.4.2. Requests for information and clarification will be reviewed by TERRACAP's Special Commission for Bids, and their responses will be provided on the website www.terracap.df.gov.br, as well as posted on the Commission's publicly available notice board at the same location where this Notice was provided, until the fifth (5th) working day

prior to the session for submission of bid envelopes.

2.4.3. All responses by TERRACAP's Special Commission for Bids to requests for clarification made shall be recorded in minutes, which will be an integral part of this Notice.

2.5. Any individual or bidder has standing to challenge this Notice and its Annexes, and any challenges must be filed pursuant to Article 41, paragraphs 1 and 2 of Law No. 8666/93, i.e., on penalty of forfeiture of rights. Challenges must be filed at TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000) up to five (05) working days prior to the session for submission of bid envelopes in the case of an individual, and up to two (02) working days in the case of a bidding company.

2.5.1. Challenges should be addressed to the President of TERRACAP's Special Commission for Bids and delivered to TERRACAP's headquarters (located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, CEP: 70.620-000).

2.5.2. A timely challenge will not prevent a bidder from taking part in the bidding process until a decision is issued by TERRACAP's Special Commission for Bids.

2.6. TERRACAP's Special Commission for Bids will not respond to any enquiries that fail to comply with the provisions herein.

2.7. There being no requests for clarification or challenges within the timeframes provided herein, it is assumed that the elements provided are sufficient, clear and accurate so as to allow due participation in the bidding process and submission of bids, at which point no further objections to the Notice and its Annexes will be accepted considering the occurrence of legitimate estoppel.

3. PURPOSE

3.1. The purpose of this invitation to bid is to establish a **PUBLIC-PRIVATE PARTNERSHIP (PPP)** in the form of a Sponsored Concession through establishment and subscription by the relevant state-owned corporation and the winning bidder – the latter being referred to as **WINNING BIDDER (WB)** – of shares of a special purpose company to be called **SPE PARQUE TECNOLÓGICO CAPITAL DIGITAL S.A. (SPE)**, whose purpose will be to provide, for a period of twenty (20) years, which can be renewed for an additional period of fifteen (15) years, business administration, deployment, development, operation, maintenance, and management services for **PARQUE TECNOLÓGICO CAPITAL DIGITAL (PTCD)**'s facilities. The Managing Company shall design, create and build the PTCD on land currently owned by the TERRACAP, located at Lot 1 of the PTCD, and shall operate it at least according to the criteria set forth in this Notice and its Annexes.

3.1.1. The Annexes are an integral part of the purpose of this Notice and contain detailed information that is essential to the award of contracts; they must be fully observed, complied with and implemented by the LV and therefore by the SPE.

3.1.2. The project must meet the criteria, technical specifications and timelines set out in Annexes I and II of this Notice, and the projects to be developed, implemented and operated by the SPE must be based on concepts and requirements described in said Annexes.

3.1.3. Except for the management of the SPE, all other activities to be performed by the same may be outsourced, with unanimous consent of the shareholders, taking into consideration the joint responsibility of the LV in these cases and provided that the contractors are formally hired through a valid contractual arrangement, which must ensure compliance with the requirements described in this Notice and its Annexes, the failing of which would be a contractual breach and, as a result, would give rise to sanctions herein and contractual and legal sanctions.

3.2. The SPE to be incorporated shall have the following corporate purposes:

I - Observing, complying with and enforce the provisions of Bid Notice No. 002/2013-TERRACAP and its Annexes;

II – Design or duly hire contractors to design the PTCD so as to house innovative companies in the technology and/or specialized services industry, describing uses and purposes in detail, and developing its business model;

III - Developing or duly hiring contractors to develop all technical projects required to build the facilities and obtain the necessary approval with the relevant authorities in accordance with the legislation in place;

IV - Perform or duly hire contractors to perform the works related to the PTCD;

V - Operate or duly hire contractors to operate the PTCD, striving for excellence of products and services available on site;

VI – Perform or duly hire contractors to perform maintenance of the PTCD, ensuring that all of its needs are met;

VII – Exclusively manage or duly hire contractors to manage PTCD’s business, and may locally negotiate, engage and sell the following products and services described under Item 4.1 of Technical Report 5_9 Feasibility Analysis – TEFS’s Conclusion (Annex I).

3.3. The SPE described in this Notice shall be incorporated following the signing of the Term of Award, subject to the terms and conditions set out in Item 7 of this Notice, and should take the form of a privately held corporation indefinitely, observing the nature of private law and meeting all requirements and obligations under relevant legislation and this Notice and its Annexes.

3.4. TERRACAP will pay in its share in the equity capital with a piece of land in an estimated area of 95.89 hectares, approximately 958,898 square meters, valued at R\$1,164,390,000.00 (one billion, one hundred and sixty-four, three hundred and ninety reais), located in the northern end of Brasília, in a piece of land bordered by Estrada Parque Indústria e Abastecimento (EPIA) at the front, by a public thoroughfare at the back, by entry points to Parque de Exposições da Granja do Torto along the right and left sides, and by Balão do Torto at the corner. It is also designated as Lot 1 of the Parque Tecnológico Capital Digital (also referred to as PTCD in this Notice and its Annexes), which will be used to build the PTCD in its entirety, as well as for the implementation of the relevant activities.

3.5. The winning bidder will pay in its share of the equity capital in the form of a proposal, which shall observe the provisions in this Notice and its Annexes, in particular the provisions in Items 5 and 6 of this Notice.

3.6. Once the SPE has been established, the winning bidder, as the majority shareholder, shall fully comply with the terms and conditions set forth in this Notice and its Annexes, mainly with regard to the payment of its equity share in the SPE, subject to the minimum requirements described hereunder and the specifications provided in the proposal, and with regard to the completion, maintenance and development of the PTCF.

4. ELIGIBILITY

4.1. The following are eligible to participate in this bidding process: Brazilian and foreign legal persons, private pension entities, foundations and investment funds, either individually or in a consortium, provided that they comply with the legal terms and conditions set forth in this Notice and its Annexes.

4.1.1. For the purposes of this Notice, the following entities are comparable to natural persons and, therefore, are eligible to participate in this bidding process, either individually or as members of a consortium, provided that the conditions and any prohibitions described in this Notice are observed:

I - Organizations, foundations or funds whose purpose, pursuant to their internal regulations and the relevant legislation, allows them to assume the obligations set forth in this Notice and its Annexes;

II - Private Equity Investment Funds (FIPs) and Real Estate Investment Funds (FII's); and

III - Trusts and private equity funds established and governed under foreign legislation, as well as their equivalents under the applicable foreign legislation, provided that, pursuant to their articles of incorporation and bylaws and according to the legislation applicable in their jurisdiction, they are allowed to assume the obligations set forth in this Notice and its Annexes.

4.1.2. Consortia are eligible to participate subject to the following rules:

I – The members in a consortium must submit a public or private instrument of commitment attesting to the establishment of the consortium with a maximum of six (06) consortium members, to be signed by all of members, which shall contain at least:

a) name, description and purpose of the consortium;

b) full particulars of consortium members;

c) composition of the consortium with the respective shares of its members;

d) specification of the lead member, responsible for all relevant procedures during the bidding process until the special purpose company described in Section V of Subitem 4.1.2. is incorporated, subject to the provisions of Article 33, paragraph 1, of Federal Law No. 8666/93;

e) planned assignment of all powers necessary for the lead member to represent the consortium in the bidding process, including special powers to request, compromise, receive and grant release;

f) provision of the joint liability described under Section IV of Subitem 4.1.2.; and

g) commitment to the future creation of the special purpose company described under Section V of Subitem 4.1.2., including reference to the interest of each consortium member in the equity capital of said company, which should equate to participation in the consortium.

II - Joint submission of individual documentation attesting to legal and economic and financial qualification and to compliance with tax and labor regulations. Consortium members may add their quantitative economic and financial details commensurate to their participation in the consortium in order to attain the limits set forth herein with respect to economic and financial eligibility, and each member must provide proof of its good financial standing separately in accordance with Subitem 11.5., Sections IV, V, VI, and VII. The sum of the Overall Liquidity Ratio and Degree of Solvency is not allowed for qualification purposes;

III - Participation of a bidder (including its affiliates, subsidiaries, parent or other organization under common control) or an investment fund (including its managers) in more than one consortium is not allowed, as well as any other business, commercial or institutional arrangement resulting in the submission of more than one bid by a single bidder in this bidding process;

IV - Consortium members shall be jointly liable for the actions performed by the consortium, both during the bidding process and during their participation in the SPE described in this Notice and in Section V of Subitem 4.1.2. if they are awarded the contract; and

V – For the purpose of optimizing their performance and complying with the provisions in this Notice and its Annexes, the winning consortium members shall set up a special purpose company after approval of the contract award under any of the rules laid down by law, and shall file its articles of incorporation with the relevant Junta Comercial [Board of Trade] for execution of the Term of Award mentioned in Subitem 19.1. of this Notice, in which case all terms in the winning bid shall be fully respected and honored by said company once the contract is awarded, being said company designated as LV thereafter for all purposes set forth herein.

4.1.2.1. Ineligibility or disqualification of any consortium member will result in the entire consortium automatically becoming ineligible or disqualified for this bidding process.

4.1.2.2. Inclusion, replacement, removal or exclusion of consortium members shall not be permitted without prior consent of TERRACAP, as well as any acts that would result in failure to meet the requirements set forth in this Notice and its Annexes.

4.1.2.2.1. In the event of Subitem 4.1.2.2. applying, amendment for the purposes of consent consideration may only take place prior to the relevant session for submission of bid envelopes, or after this session if the bidders already included or remaining in the consortium already individually and fully complied with all the qualification and classification requirements described herein, in order to avoid violation of equality and competitiveness principles or untimely fulfillment of the requirements set forth in this Notice.

4.1.2.2.2. Any replaced, removed or excluded consortium member or members cannot participate on an individual basis or as a member of a different consortium in the same bidding process with a view to avoiding violations of equality or competitiveness principles.

4.1.2.2.3. Whichever the case in Subitem 4.1.2.2., amendments may only be accepted until the special purpose company mentioned in Section V of Subitem 4.1.2. in this Notice is established.

4.1.2.3. The special purpose company mentioned in Section V of Subitem 4.1.2. in this Notice shall be duly incorporated before the Term of Award for this bidding process is executed. Its composition may not be changed, either through transfer of shareholding control, merger, spin-off or takeover, failing which the penalties listed in this Notice and in the relevant legislation shall be imposed, without prejudice to any administrative, civil and criminal liabilities.

4.2. As a prerequisite for participation in this bidding process, the foreign bidders must have a resident representative in Brazil with the power to represent them in any procedures related to this bidding process, who may receive service of summons and be held administratively and legally liable for any actions performed on behalf of said bidders.

4.2.1. All terms and conditions set forth in this Notice and its Annexes are applicable to foreign bidders, and for participation on an individual basis or as a member of a consortium these must submit documentation that is equivalent to the documentation to attest to their qualification, including mandates, declarations and certificates authenticated by the consular authorities of their country of origin in Brazil and translated by a sworn translator.

4.2.2. The equivalent qualification documentation should be submitted so as to enable review of their validity and enforceability.

4.2.3. In the absence of documentation that is equivalent to that prescribed in this Notice or by any validating authority or authorities in the country of origin, a statement of this fact shall be submitted by the foreign bidder pursuant to the template provided under Annex XIII, except in the case of documents relating to compliance with tax and labor regulations, to be submitted even by means of corresponding documentation issued by the relevant authority from the

country of origin.

4.3. The following will not be accepted in this bidding process: bidders whose bidding privileges have been suspended, pursuant to the conditions and duration of suspension; bidders declared ineligible by the Direct or Indirect Public Administration at the municipal, state or federal level; bidders that have been banned for environmental offenses or are in a state of bankruptcy or receivership under court supervision or otherwise.

4.4. The following bidders will not be allowed: bidders whose directors, managers, officers, partners, employees or members of staff, including contractors, are servants, officers or contractors with the Direct Public Administration, an Autonomous Government Agency or Foundation, as well as State-Owned Enterprises and Semi-Public Corporations whose shareholding control lies with the State, or which have spun off from those agencies, bodies or enterprises during one hundred and eighty days prior to the date of this Notice.

4.4.1. The following will also not be allowed to participate: employees or directors from the entity responsible for this bidding process, members of its Special Commission for Bids and the agent responsible for the valuation of the property described in Subitem 5.2.1. of this Notice.

4.5. More than one bidder under the shareholding control of a single group of persons, whether natural or legal, will not be allowed to participate in the bidding process.

5. CAPITAL OF THE SPE TO BE INCORPORATED

5.1. The equity capital of the SPE described in this Notice shall be the sum of the value of the piece of land specified in Subitem 3.4 above, in the amount of R\$1,164,390,000.00 (one billion, one hundred and sixty-four million, three hundred and ninety thousand reais) to be paid up by TERRACAP, which shall correspond to 47.10% (forty-seven point ten percent) of the equity capital, the subscription for the winning bidder, in the amount of R\$1,307,879,208.00 (one billion, three hundred and seven million, eight hundred and seventy-nine thousand, two hundred and eight reais), which shall correspond to 52.90% (fifty-two point ninety percent) of the equity capital, and shall be represented by common, non-par nominative shares, the issue price being set at R\$1.00 (one real) per share.

5.2. TERRACAP shall subscribe common, non-par nominative shares corresponding to the value of the piece of land detailed in Subitem 3.4 above, which will serve as full payment of its interest in the SPE described herein.

5.2.1. Based on official evaluation performed on February 28th, 2013 by the Securities Chamber (CVI), the market value of the piece of land is R\$1,164,390,000.00 (one billion, one hundred and sixty four million, three hundred and ninety thousand reais) pursuant to Annex VII.

5.3. Calculation of the amount to be subscribed by the winning bidder to make up the equity capital of the SPE described in this Notice took into consideration the minimum value to be used for implementation of the PTCD in compliance with the specifications and guidelines required by TERRACAP in Annexes I and II and duly reviewed by the relevant supervisory authorities.

6. PAYING-IN OF CAPITAL FOR THE SPE

6.1. The winning bidder shall pay in the price of its shares in the SPE described under “PURPOSE” herein either outright or in installments, as stated in the bid it submits, subject to the following conditions:

I – Outright payment: as per the bid submitted by the winning bidder, the amount corresponding to all shares to be subscribed by the winning bidder will be payable, whose capital shall be paid-in in cash on the date of signature of the Minutes of the General Meeting for incorporation of the SPE (Annex XV) by means of a deposit in a checking account to be opened at Banco de Brasília (BRB), owned by SPE in accordance with Articles 80 and 81 of Law No. 6404/76 upon subscription of its shares, which shall be drawn within thirty (30) days from receipt of written notice issued by TERRACAP, pursuant to the provisions under Subitem 7.2.

II - In installments:

a) as per the bid submitted by the winning bidder, the amount corresponding to the value stated on the bid, this being at least ten percent (10%) of the amount subscribed by the winning bidder, shall be paid-in in cash as the first installment by means of a deposit in a checking account to be opened at Banco de Brasília (BRB), owned by SPE in accordance with Articles 80 and 81 of Law No. 6404/76, on the date of signature of the Minutes of the General Meeting for incorporation of the SPE (Annex XV) upon subscription of its shares, which shall be drawn within thirty (30) days from receipt of written notice issued by TERRACAP, pursuant to the provisions under Subitem 7.2.; and

b) the winning bidder shall make a payment for the remaining balance, also in cash, within a maximum of ten (10) years, as per its bid, from the date of signature of the Minutes of the General Meeting for incorporation of the SPE (Annex XV), and each installment shall be adjusted according to the National Construction Cost Index (INCC) from the date of submission of the bid to the date of each payment.

6.2. TERRACAP shall pay-in its capital by means of a transfer of the land described in Subitem 3.4 of this Notice, where the PTCO shall be built, duly described in Annexes I and II of this Notice, from the date of signature of the Minutes of the General Meeting for incorporation of the SPE (Annex XV), commensurate to the WB’s bid.

6.2.1. Payment of TERRACAP’s share capital shall be made by means of a transfer of the ideal plot or its entirety, according to the shares of payment proposed by the WB.

6.2.2. Once TERRACAP has paid-in its share into the equity capital pursuant to Subitem 6.2., TERRACAP will have no obligation to make any further contributions of capital into the SPE, and the whole project shall be completed and operate with assets or funds from the payment made by the WB as its share in the equity capital of the SPE and any funds in addition to the payment stated in the relevant winning bid, as well as other income from the

operation of the SPE itself or financing obtained by the SPE, provided that it is able to provide legal guarantees and unanimously approved in the Extraordinary General Meeting specially convened for this purpose.

6.3. In case of reimbursement, the amount will be adjusted according to the Extended Consumer Price Index – IPCA released by the Instituto Brasileiro de Geografia e Estatística – IBGE [Brazilian Institute of Geography and Statistics] – IBGE, or a different official index that may come to replace it, from the date of payment of the lump sum or the first installment, as appropriate, to be verified through submission of proof of deposit.

6.4. TERRACAP shall take any action it deems necessary in its sole discretion, in accordance with Article 107 of Law No. 6404/76 in case the payment of any amount or installment by the winning bidder has been overdue for more than ninety (90) days.

7. INCORPORATION OF THE SPE

7.1. Once the Term of Award mentioned in Subitem 19.1. has been executed, on the same occasion TERRACAP shall summon the winning bidder by written notice signed on the same date, which shall specify, within thirty (30) days, the venue, date and time for the signing of the Minutes of the General Meeting for incorporation of the SPE (Annex XV) as a corporation (*sociedade anônima*) pursuant to Annexes XVI and XVII, also signed on the same occasion and perform, and shall also on the same occasion pay-in the subscribed shares under the winning bid. All expenses relating to the execution of the Minutes of the General Meeting and subsequent filings with the Junta Comercial do Distrito Federal [Federal District Board of Trade] shall be incurred by the WB.

7.1.1. On the same date of the signing of the Minutes of the General Meeting for incorporation of the SPE (Annex XV), the WB shall, immediately following incorporation of the SPE as its manager, sign the PPP Agreement (Annex XVIII) and PTCDD's Internal Regulation (Annex VI), the latter thereafter becoming the document to be complied with by all users of the PTCDD, as internal statutory rules, which may only be rectified by unanimous consent of SPE's shareholders.

7.2. As a condition to the signing of the Minutes of the General Meeting for incorporation of the SPE (Annex XV) referred to in this Notice, the winning bidder shall submit the documents listed in Subitems 11.3., 11.4. and 11.5. thereof.

7.3. In case the winning bidder refuses or fails to sign the Minutes of the General Meeting for incorporation of the SPE (Annex XV) within the timeframe specified under Subitem 7.1. of this Notice, TERRACAP may, regardless of the relevant liability, enforcement of the guarantee and imposition of penalties or administrative sanctions to the winning bidder, call the remaining bidders in rank order to do so within the same timeframe and under the same conditions proposed by the original winner, subject to the provisions of paragraph 2 of Article 64 of Federal Law No. 8666/93, as well the provisions under Item 18 of this Notice.

7.4. The timeframes specified under Subitems 7.1 and 7.3. may be extended only once, by the same amount of time and with due cause, upon written request addressed to TERRACAP and accepted by the higher authority until the 2nd (second) working day before expiration of the deadline set forth herein.

7.5. The signing of the Minutes of the General Meeting for incorporation of the SPE (Annex XV) shall observe all the provisions, obligations and formalities set out in the applicable legislation, in particular those enshrined under Federal Law No. 6404/76.

8. SPE's ACTIVITIES AND OPERATIONS

8.1. Once the SPE has been incorporated, it should become operational in order to fulfill the objectives described in this Notice, pursuant to the procedures and timelines stipulated in Annexes I and II of this Notice, the failing of which would be a contractual and business breach and, as a result, would give rise to sanctions herein and contractual and legal sanctions.

8.2. Since its incorporation, management of the SPE shall be based on principles of sound corporate governance, due diligence, duty of loyalty, transparency and individual, social, environmental, administrative, civil, criminal, labor, tax, ethical, and professional responsibility, always in pursuit of full compliance with the provisions in this Notice and its Annexes.

8.2.1. Except for the management of the SPE, all other activities to be performed by the same may be outsourced, with unanimous consent of the shareholders, taking into consideration the joint responsibility of the WB in these cases and provided that the contractors are formally hired through a valid contractual arrangement, which must ensure compliance with the requirements described in this Notice and its Annexes, the failing of which would be a contractual breach and, as a result, would give rise to sanctions herein and contractual and legal sanctions.

8.2.2. The management shall follow the concepts, parameters, technical specifications and schedules for works and services described in Annexes I and II of this Notice. It may, however, request approval of amendments thereto at the General Meeting, on reasonable grounds and by unanimous approval of the shareholders.

8.2.3. The WB shall be responsible for representing, coordinating and taking any actions required at all stages of the constructions works and performance of services, internal activities related to managing the works, supervision, quality control and management of contractors pursuant to the guidelines set forth in this Notice and its Annexes so as to use the SPE for strict performance of all obligations outlined in this Notice.

8.2.4. As the manager of the SPE, the WB is hereby advised that it is solely responsible for obtaining from the competent authorities all permits required for implementation of the works and smooth functioning of the project to be built on Lot 1 of the Digital Capital **Science and** Technology Park, notwithstanding any outsourcing of services.

8.3. The SPE may locally negotiate, engage and sell the following products and services described under Item 4.1 of Technical Report 5_9 Feasibility Analysis – TEFS's Conclusion (Annex I), with the partners entitled to their respective interests in the form of the successful bid pursuant to this Notice and its Annexes.

8.3.1. The products and services for purposes of Subitem 8.3. above, when outsourced pursuant to Subitem 8.2.1. of this Notice, may be acquired by the SPE for a period exceeding

that of the PPP described herein or exceeding its expiration date with a view to ensuring continued operation of the PTCO, without prejudice to the fact that TERRACAP or the new management of the PTCO that succeeds the management arising out of this bidding process may review the contracts in place so as to revise them or terminate them according to the performance of contractors against their contractual obligations, as well as the conditions of their engagement, and this caveat should be stated explicitly in their contracts.

8.3.2. With regard to the real estate business in particular, the SPE is authorized to enter into contracts for a period exceeding the PPP described in this Notice or exceeding its expiration date so as to allow large companies whose business is related to the PTCO may set up business in the venue, with the exception of Subitem 8.3.1. of this Notice not applying in this case.

8.3.3. WB, as manager of the SPE, should promote the development of model contracts for celebration with vendors, customers and users of any kind, as appropriate, subject to the requirements of this Notice and its Annexes, cogent being made available to the same product PTCO and services with minimum parameters arranged in EVTEC (Annex I), but being permitted, however, in hiring with these parameters as lower interest thereof for the use and / or their installation on site.

8.4. As the manager of the SPE, the WB shall be in charge of the entire financial management of the enterprise pursuant to its statutory mission, and it is the WB's responsibility to manage the company's revenues and expenditures and ensure transparency and efficiency in its management, pursuant to Law 6404/76 and any amendments.

8.5. The SPE shall keep its own books, with records for individual operations specifically aimed at supporting the issuance of its financial statements.

8.7. The SPE's fiscal year shall coincide with the calendar year, beginning on January 1st and ending on December 31st.

8.8. The distribution of profits or determination of losses shall be consistent with the net income reported in the financial statements, and any early distributions of surplus funds to the SPE shall not be allowed. Any required additional contributions to the SPE shall be decided by unanimous vote of the shareholders, based on the financial statements and management's report.

8.9. All records shall be filed and maintained in good order under the SPE's custody and, at the request of any of the partners, a certified copy of the accounting and tax records must be forwarded to the requesting party within ten (10) days after the monthly determination conducted as provided in this Notice.

8.10. In case of any disputes arising from this PPP, the relationship between the partners, the implementation of the project, or any activities of or related to the SPE, the matter shall be referred for arbitration as provided in Federal Law No. 9307/96; the Articles of Incorporation and Shareholders Agreement and Other Covenants contain an arbitration related to the provisions of paragraph 1 of Article 4 of the Arbitration Act mentioned elsewhere.

8.11. For the purpose of Subitem 8.10. above, the Market Arbitration Chamber – MAC shall be

responsible for organizing and conducting the arbitration described herein, in accordance with its rules then in force, and the relevant procedures shall be undertaken in the city of Brasilia, Brazil, and reviewed by three (03) arbitrators selected as provided by said rules.

8.12. For the settlement of disputes that are subject to arbitration pursuant to Subitem 8.11., the arbitrators shall observe the following rules of law and in the order provided below:

I – The Brazilian law;

II – The general principles of law; and

III – Usage and practices for contracts of this nature.

8.13. The costs related to establishment of the arbitration shall be borne by the SPE. Once the arbitration award has been rendered, all expenses, including any attorneys' and expert's fees, shall be reimbursed to the SPE by the losing party. In the event of reciprocal attorney fees, the costs shall be allocated as provided in the arbitration award.

8.14. For as long as the PPP exists and pending resolution of any dispute subject to the arbitration proceedings described herein, the SPE agrees to maintain regular performance of the obligations under this Notice and its Annexes, unless otherwise decided by express agreement or pursuant to a cautionary measure taken by the arbitration panel in view of the circumstances under which arbitration takes place.

8.15. The courts of Brasilia, Brazil, shall be the sole courts of jurisdiction, to the express exclusion of any other, however privileged, for judicial enforcement of the arbitration award or any other dispute with regard to this PPP, as appropriate.

9. CONSIDERATION TO THE WINNING BIDDER BY TERRACAP

9.1. With a view to facilitating this project, TERRACAP agrees to waive a part of its share of profits from the SPE in favor of the WB pursuant to the winning bid as consideration for the PPP described herein under Section II of Article 6 of Federal Law No. 11079/2004.

9.1.1. The percentage share in TERRACAP's profits to be assigned shall be proposed by the bidders in accordance with the provisions of Item 12 of this Notice and in the manner of its Annex XIV.

9.1.2. For the purpose of compliance with Subitem 9.1, the profit sharing approach as per the winning bid shall be reflected in the SPE's Articles of Incorporation.

10. EXTENSION OF AGREEMENT AND TERMINATION OF THE PPP

10.1. Once the concession period provided under Subitem 3.1. ends, if good management by the WB, whose evaluation will be conducted objectively based on the criteria set forth in subitem 10.1.1 of this Notice, TERRACAP may to promote the extension of the PPP object of this Notice and its Annexes by means of a formal Addendum, for a maximum period of up to over 15 (fifteen) years, ie, bringing the partnership to the legal limitation of 35 (thirty five) years, keeping the SPE

unscathed until overtaken any termination or termination of the legal relationship between the parties for the extinction of the new contract term or legal term.

10.1.1. Are criteria for evaluating performance for purposes of the extension disposed in subitem 10.1. this Notice:

- a) The ROE (Return on Investment) real equal to or higher than 5.0% (five percent) per year;
- b) At least five (05) Cooperation Agreements with other Technology Parks; and
- c) At least three (03) Terms of Cooperation with incubators, primarily located in the Federal District, which consider the possibility of supporting the projects of external funds for investment in technological development projects, both for companies and for incubated companies PTCD installed in the area.

10.1.2. If such ROE is not reached, and if on the other hand such a situation does not arise from poor management by the WB, TERRACAP shall perform an evaluation of the PPP in place so that if at least fifty percent (50%) of ROE and seventy percent (70%) of the remaining goals and schedule outlined in Annexes I and II of this Notice are achieved, then a formal Addendum is executed to extend the relationship between the parties pursuant to Subitem 10.1.

10.1.3 The targets set in paragraphs "a" and "b" of subitem 10.1.1 shall be achieved within ten (10) years after the date of incorporation of the SPE, and should continue, with the minimum number of terms of cooperation there willing, by the end of the initial term of the PPP for the purpose of allowing the extension based on these criteria, unless accepted by TERRACAP just motivation that justifies the impossibility of compliance with such parameters as the possible addition.

10.2. Once the contractual relationship arising out of this Notice and its Annexes ends, all SPE's shares held by the WB shall be freely transferred to TERRACAP within one hundred and eighty (180) days, including in the same manner full transfer of possession and ownership of all assets of any kind (tangible and intangible assets; movable and immovable assets; fungible and non-fungible assets; contracts with third parties; necessary, useful or superfluous accessions and improvements, etc.), on behalf of said company, with termination of the existing PPP as a result.

10.2.1. Once the reversion of assets and ownership in favor of TERRACAP set forth in Subitem 10.2 above is complete, TERRACAP may, provided that the relevant legal requirements are observed, liquidate the SPE and assume all of its rights and obligations, or even transform the SPE into a public company or semi-public company; hold a new bidding process to set up a new PPP pursuant to criteria that are convenient; or even make an IPO. Such option shall be validated in due legal course in order to end the SPE or maintain it in regular operation, as appropriate.

11. QUALIFICATION

11.1. The bidders shall provide the documents specified below for the qualifying period:

I - Documentation on their legal qualification;

II - Documentation on their compliance with tax and labor regulations;

III - Documentation on their economic and financial eligibility.

11.1.1 In the same envelope containing the qualification documentation, bidders shall also provide applicable proof of formalization of the bid guarantee referred to in Subitem 13.1 of this Notice, with satisfaction of all requirements thereof, on pain of being barred from continuing in the bidding process, without prejudice to other applicable sanctions.

11.2. The documents submitted in any language other than Portuguese shall be accompanied by a translation performed by a sworn translator pursuant to the law.

11.3. The documentation on legal qualification includes the following documents:

I - Commercial permit (*registro comercial*) in the case of a sole proprietorship;

II – Articles of Incorporation or Articles of Organization, accompanied by proof of the directors in office, duly registered with the competent Board of Trade or Registry Office.

III - Certificate issued by the competent Board of Trade or Registry Office containing up-to-date information on the bidder's registered details.

IV - Registration of act of incorporation, in the case of civil associations, accompanied by proof of the directors in office as reflected in the Minutes of Election, both duly filed with the competent Office;

V - Public or private document verifying the commitment to set up the consortium, signed by all consortium members and with identification of the lead member in the manner described herein;

VI - Power of Attorney, if the bidder is represented by a proxy, and their relevant documentation, as set forth herein.

VII - Authorization decree and operation permit or business license (*ato de registro ou autorização para funcionamento*) issued by the competent authority if applicable in the case of foreign bidders;

11.3.1. If the bidder is an open or closed private pension entity, it shall also provide proof of explicit and specific business permit as to the structure and operation of the private pension entity granted by the competent supervisory authority.

11.3.2. If the bidder is an investment fund, it shall also provide the following documents:

a) Proof of registration of the investment fund with the Brazilian Securities and Exchange Commission (CVM);

- b) Consolidated bylaws of the investment fund;
- c) Proof of registration of the investment fund's bylaws with the relevant Registry of Deeds and Documents;
- d) Proof of registration of the director and manager, if any, of the investment fund with the Brazilian Securities and Exchange Commission (CVM); and
- e) Proof that the investment fund is currently duly authorized to participate in the bidding process.

11.3.3. The winning bidder, either individually or in consortium, is required – in the latter case by committing meet the requirement upon incorporation of the special purpose company pursuant to Section V of Subitem 4.1.2. of this Notice – to have an interest in other corporations as its corporate or institutional purpose, even if not exclusively, on pain of disqualification, in view of the impossibility of the winning bidder being a regular member of the SPE described herein.

11.3.4. Foreign bidders, either on their own or in a consortium, with no operations in Brazil shall submit the documentation listed in this Notice in accordance with the legislation of their country of origin, and are hereby advised that by agreeing to participate in this bidding process will be automatically subject to the Brazilian law, thereby voluntarily, unconditionally and irrevocably waiving all claims through diplomatic channels.

11.4. The documentation on compliance with tax and labor regulations includes:

I - Proof of registration in the Ministry of Finance's Cadastro Nacional de Pessoas Jurídicas [National Register of Corporate Taxpayers] – CNPJ/MF;

II - Proof of registration in the register of state or local taxpayers, if any, concerning the corporate domicile or headquarters of the bidder that is relevant to its industry and consistent with the contractual purpose;

III - Proof of good standing with the Federal Treasury by providing a Certificate of Discharge of Federal Taxes and Contributions, issued by an agency of the Secretaria da Receita Federal [Department of Revenue]; Federal Tax Clearance Certificate (*Certidão Negativa quanto à Dívida Ativa da União*) issued by the Federal Treasury's Procuradoria-Geral [Attorney General Office]; a Municipal, State and District Tax Clearance Certificate (CND) issued by the competent authorities in the jurisdiction where the bidder's corporate headquarters is located, as well as the Federal District's Department of Revenue, as appropriate. Only those certificates stating the expiration date or a date of issuance of not more than ninety (90) days will be accepted;

IV - Proof of good standing with Social Security by providing a Debt Clearance Certificate (CND) issued by the National Social Security Institute (INSS) that verifies compliance with social security contributions in accordance with Law No. 8212, of July 24th, 1991, stating the expiration date or a date of issuance of not more than ninety (90) days;

V - Proof of good standing regarding the Government Severance Indemnity Fund for Employees (FGTS) by providing a Certificate of Good Standing with the FGTS (CRF) issued by Caixa Econômica Federal in accordance with Law No. 8036, of May 11th, 1990, stating the expiration date or a date of issuance of not more than ninety (90) days;

VI – Express statement that the bidder complies with the provisions of Section XXXIII of Article 7 of the Constitution of the Federative Republic of Brazil, pursuant to the terms of Decree No. 4358, of September 5th, 2002, in accordance with the sample statement in Annex XII; and

VII - Proof of no outstanding labor-related lawsuits by providing a debt clearance certificate pursuant to Title VII-A of the Consolidation of Labor Laws (CLT), approved through Decree-Law No. 5452, of May 1st, 1943, as amended by Law No. 12440, of July 7th, 2011.

11.5. The documentation on economic and financial qualification includes the following documents:

I - Foreclosure clearance certificate (*certidão negativa de execução patrimonial*) stating the expiration date or a date of issuance of not more than ninety (90) days;

II - Bankruptcy or court receivership clearance certificate issued by the clerk or clerks of court from the seat of the judicial district of the bidder, stating the expiration date or a date of issuance of not more than ninety (90) days, along with a document issued by the relevant judicial authority listing the clerk or clerks of court from the seat of its judicial district who have the authority to issue Bankruptcy or Court Receivership Clearance Certificates;

III – Proof that the bidder has a minimum capital or net equity that is equivalent to ten percent (10%) of the price of shares that it subscribes to make up the equity capital of the SPE referred to in Subitem 3.1. of this Notice, duly indicated under Subitem 5.1., and such proof must be provided by the bidder upon production of the balance sheet for the latest fiscal year (including computations for assets and liabilities and other financial statements) or financial statements, according to the Commission Statement of Securities (CVM) applicable, as required and provided pursuant to the legislation. They must also attest to the good financial standing of the bidder, accompanied by the opening and closing terms duly validated by the Board of Trade with jurisdiction where the headquarters of the bidder or in accordance with the equivalent regulations issued by the CVM; their replacement by interim balance sheets or statements shall not be allowed, and they may be updated by official indices when ended for more than three (03) months from the designated date for submission of documentation under this bidding process;

IV – The good situation of the bidder will be checked:

a) In the case of companies or the like computing the Overall Liquidity Ratio (ILG) and Degree of Solvency (GS), represented as follows:

$$ILG = \frac{\text{Current Assets} + \text{Non-Current Assets}}{\text{Current Liabilities} + \text{Non-Current Liabilities}}$$

$$GS = \frac{\text{Total Assets}}$$

PC + PNC

Where:

PC = Current Liabilities

PNC = Non-Current Liabilities

b) b) in the case of Private Equity Investment Funds (FIPs) and Real Estate Investment Funds (FII 's), according to results presented in the financial statements, respectively contained in CVM Instruction n° 305 and your changes, and the CVM Instruction n° 516 and your changes. In these cases, the analysis will be based on the evaluation of the Fund's resources, rights against investors and proposed values for investment.

V - The formulas provided under Section IV above shall be duly applied to memorandum calculations added to the balance sheet submitted by the bidder;

VI - If the balance sheet requires updating, the corresponding memorandum calculations shall be submitted along with the documents in question;

VII - The result of the indices specified under Section IV above shall be equal to or greater than one (01).

12. THE BID

12.1. Bidders shall submit their bids in the manner provided herein, and each bid shall be submitted as two (02) copies that are typed, numbered, initialed, and page-numbered (e.g. 1/5, 2/5....5/5) on all pages, and they must be duly dated and signed.

12.2. The letter of bid submission shall include:

I – Corporate or trade name of the bidder;

II - Type and number of this bidding process;

III - An indication of the variables and result, as set forth in Subitem 12.6. of this Notice;

IV - Validity period of the bid;

V – Name, telephone number and e-mail of the person responsible for the bid.

12.3. Numeric figures shall be submitted in Arabic numerals and spelled out in full; in case of any conflict, the figure stated in full shall take priority, and it is up to TERRACAP's Special Commission for Bids to make the relevant corrections.

12.4. Bidders must not submit more than one (01) bid.

12.5. If the timelines set forth in this bidding process are not expressly stated in the bid, they shall be construed as accepted by the bidders for bid review purposes.

12.6. Only one (01) bid shall be declared the winning bid, which shall be the bid with the highest result (“*P*”), i.e., the least costly to TERRACAP as to the consideration to be provided to the private partner and whose guarantee of performance of the objectives of the PPP is the most advantageous to the Treasury, after due classification of all proposals submitted by applying the following mathematical formula:

$$P = \left\{ (TPT \times 5) + \left[\left(\frac{1}{TSIC} \right) \times 2 \right] + \left[\left[\sum_{i=1}^{11} ((100 - (20 \times i)) \times TCI_i) \right] : 50 \right] + \left[\frac{MQAP}{TMOT} \times 2 \right] \right\}$$

Where:

TPT: TERRACAP’s share ratio in the profits of the SPE, whose maximum value is 0.4710 (zero point four seven one zero) and minimum value is 0.2355 (zero point two three five five);

TSIC: time, in years, for payment of the total equity capital of the SPE, and if all the capital is paid-in upon incorporation of the company, one (1) instead of 0 (zero) shall be used;

i: year, with one (1) as the time of subscription of the equity capital of the SPE, and eleven (11) is the tenth (10th) year, the last allowed year to finish paying-in the total equity capital;

TCI_i: the ratio of equity capital paid-in in “*i*”, whose value for any “*i*” other than 0 (zero) is between 0 (zero) and 0.9 (zero point nine), and for “*i*” equal to 0 (zero) is between 0.1 (zero point one) and 1 (one);

MQAP: the supply of extra square meters for construction that the bidder is willing to fund at its sole expense (investment), in addition to the area to be built by using the funds from the payment of its interest in the SPE’s equity capital, limited to 692,865 m² (six hundred ninety-two thousand eight hundred sixty-five square meters);

TMOT: is the maximum occupancy ratio of Lot 1 for the PTCD, which corresponds to 958,898 m² (nine hundred and fifty-eight thousand eight hundred ninety-eight square meters); and

P: the final result, with four decimal places, which should be between 0 (zero) and 7.4001 (seven point one tenth of thousandths).

12.6.1. For the purposes of consideration in the final result, the proposed additional square meter area (“*MQAP*”) shall be constructed in a maximum period that is equivalent to the period for the full payment into the equity capital of the SPE.

12.6.2. Bidders shall submit their proposed initial payment ratio (“*TCI_i*”) as a minimum percentage that is equal or less than ten percent (10%) of the amount to be subscribed in the equity capital of the SPE to be incorporated, considering the amount of subscription stated under Subitem 5.1. of this Notice.

12.6.3. The proposed payment of the amount put forward by the winning bidder to make up

the equity capital of the SPE referred to in Subitem 3.1. of this Notice may be made as a lump sum upon subscription, or in installments as provided in Section II of Subitem 6.1., and in the case of installment-based payments the final payment must be made in no later than ten (10) years.

12.6.4. The negative results (“P”) shall be rounded to zero (0).

12.6.5. Bellow is an illustration of the formula:

Example 1: Suppose that a bidder submits the following bid:

- TERRACAP’s share in the profits of the SPE: 30% or 0.3;
- Full payment into the equity capital: in 3 years;
- Annual payment rate: 10% upon incorporation of the company; 40% after 1 year of incorporation; 30% after 2 years of incorporation; and 20% after 3 years of incorporation; and
- Additional construction works: 300,000 m2.

In this case, the formula would be as follows:

$$\left\{ (0,3 \times 5) + \left[\left(\frac{1}{3} \right) \times 2 \right] + \left[\left[\left((100 - (20 \times 1)) \times 0,1 \right) + \left((100 - (20 \times 2)) \times 0,4 \right) + \left((100 - (20 \times 3)) \times 0,3 \right) + \left((100 - (20 \times 4)) \times 0,2 \right) \right] : 50 \right] + \left[\frac{300.000}{958.898} \times 2 \right] \right\}$$

$$= \{ 1,5 + 0,6667 + 0,96 + 0,6257 \} = 3,7524$$

In this example, P = 3.7524.

Example 2: Suppose that a bidder puts forward the following bid:

- TERRACAP’s share in the profits: 47,1% or 0.471;
- Full payment into the equity capital: up to 1 year;
- Annual payment rate: 100%, upon incorporation of the company; and
- Additional construction works: 692,865 m2.

This provides the following formula:

$$\left\{ (0,471 \times 5) + \left[\left(\frac{1}{1} \right) \times 2 \right] + \left[\left[\left((100 - (20 \times 1)) \times 1 \right) \right] : 50 \right] + \left[\frac{692.865}{958.898} \times 2 \right] \right\}$$

$$= 2,355 + 2 + 1,6 + 1,4451 = 7,4001$$

P is therefore equal to 7.4001, which is the maximum possible score for a bidder.

12.7. Bidders are required to submit a bid that is valid for at least one hundred and eighty (180) days from the date of the relevant filing with TERRACAP's Special Commission for Bids.

13. GUARANTEE OF THE BID

13.1. The bid guarantee shall be provided together with the qualification documentation and shall state a minimum amount that is equivalent to the minimum ten percent (10%) of the initial payment of the winning bidder's share in the SPE's equity capital, considering the subscription amount outlined in Subitem 5.1 herein.

13.2. The bid guarantee may be paid in cash or as a performance bond or bank guarantee under the following conditions:

I - In case of a cash deposit, the deposit shall be made to the following bank account under the Terracap – CNPJ No. 00.359.877/0001-73, Branch 121, Account No. 900.102-0, Banco de Brasília (070), and no storage in an ATM or by check;

II – The amount for a bid guarantee in the form of a performance bond or a bank guarantee shall be expressed in reais, and display the signature of the directors of the issuer, with proof of their representation powers, and shall provide the following minimum details:

a) Performance Bond:

- **Issuer:** Bidder;

- **Bond holder:** TERRACAP;

- **Purpose of Insurance:** Ensuring compensation in the amount designated by the bidder in full should the bidder become subject to enforcement of the bid guarantee provided under Subitem 13.5 of Bid Notice No. 002/2013-TERRACAP;

- **Type of Agreement:** Performance Bond Policy issued by an insurance company that is duly incorporated and authorized to operate by the Private Insurance Superintendency – SUSEP, pursuant to SUSEP's regulations;

- **Amount of the Guarantee:** The Performance Bond Policy shall cover the amount of claims established pursuant to Subitem 13,1 of Bid Notice No. 002/2013-TERRACAP;

- **Term:** The minimum term of the Performance Bond Policy shall be one (01) year from the date of the session for submission of bid envelopes, which is renewable in the cases stipulated in Bid Notice No. 002/2013-TERRACAP;

- **Additional Provisions:** The Performance Bond Policy shall contain the following additional provisions: (i) a statement shall be provided by the Insurance Company

that it acknowledges and accepts the terms and conditions of Bid Notice No. 002/2013-TERRACAP; (ii) a statement shall be provided by the Insurance Company that it commits to pay the amounts set forth herein in no later than thirty (30) days from the date of delivery of all documents related to the Insurance Company that are required to duly file and process a claim; and (iii) in the case of actual breach of the obligations covered by the Performance Bond Policy by the Issuer, the Bond Holder shall be entitled to compensation from the Insurance Company in case the Issuer fails to act upon receipt of a claim.

b) Bank Guarantee:

- Preamble, as follows:

(venue), (date)

To: Companhia Imobiliária de Brasília – TERRACAP
Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal,
Brazil, CEP: 70.620-000.

- Reference, as follows:

Ref.: Letter of Bank Guarantee No. (please insert number) (“Letter of Guarantee”) (please insert amount defined by the bidder expressed numerically and in words) as per Subitem 1.13 of this Notice.

- Letter contents, as follows:

1. Bank (please insert corporate name), located at (please insert full address), with CNPJ/MF No. (please insert number) (“Guarantor Bank”), either directly by itself or its potential successors, commits with TERRACAP to act as joint guarantor of (please insert corporate name), located at (please insert full address), with CNPJ/MF No. (please insert number) (“Secured Party”), with express waiver of rights provided under Articles 827, 835, 837, 838, and 839 of Law No. 10406, of January 10th, 2002(Brazilian Civil Code), by fully performing all obligations undertaken by the Secured Party in the bidding process described in Bid Notice No. 002/2013-TERRACAP, whose terms, provisions and conditions are expressly acknowledged and accepted by the Guarantor Bank.

2. The Guarantor Bank undertakes to pay TERRACAP the total amount of up to R\$ (please insert amount defined by the bidder expressed numerically and in words) as per Subitem 13.1 of Bid Notice No. 002/2013-TERRACAP (“Deposit”) should the bidder become subject to enforcement of the bid guarantee provided under Subitem 13.5 of Bid Notice No. 002/2013-TERRACAP.

3. With regard to the amount stated above, the Guarantor Bank is also liable for any losses caused by the Secured Party, including, but not limited to, fines imposed by TERRACAP related to this bidding process, and commits to make any payments connected to such losses as required within forty eight (48) hours from receipt of written notice from TERRACAP to the Guarantor Bank.

4. The Guarantor Bank shall not entertain any objection or opposition by the Secured Party in order to relieve itself from the obligation undertaken with TERRACAP under this Letter of Guarantee.

5. In the event of TERRACAP filing suit in order to demand compliance with the obligation described in this Letter of Guarantee, the Guarantor Bank shall be required to pay for the arbitration, judicial or extrajudicial costs.

6. The minimum term of the Deposit shall be one (01) year from the date of the session for submission of bid envelopes, pursuant to the conditions set forth under Subitem 13.5 of Bid Notice No. 002/2013-TERRACAP.

7. The Guarantor Bank represents that:

7.1 This Letter of Guarantee has been properly accounted for, in full observance of the regulations laid out by the Central Bank of Brazil that are currently in place, in addition to complying with the provisions of the applicable Banking Law;

7.2 The signatories of this agreement are allowed to pay the Deposit on its behalf and under its responsibility; and

7.3 Its equity capital is R\$X,XXX,XXX,XXX.XX (please insert amount defined by the bidder expressed numerically and in words), and it is authorized by the Central Bank of Brazil to issue Letters of Guarantee, and that the amount in this Letter of Guarantee, R\$XXX,XXX,XXX.XX (please spell out in full), is within the limit that is authorized by the Central Bank of Brazil.

8. The terms that have not been expressly defined in this Letter of Guarantee shall have their definitions set forth in Bid Notice No. 002/2013-TERRACAP.

- Legal signature by the Bank: By the legal representative or representatives, with a notarized signature.

- Signature by the Witnesses: At least two (02) signatures.

III - If the bidder is participating on an individual basis, the bid guarantee shall be provided under its own name; and

IV - If the bidder is a consortium, the bid guarantee shall be provided on behalf of one or more consortium members, and shall expressly state the name of the consortium and of all members with their respective percentage interests, regardless of the bid guarantee having been provided by one or more members. In such case, it is also acceptable to pay in the total amount due broke down between the consortium members, which may opt for one of the types of guarantee, without prejudice to the other members should they opt for a different type.

13.3. The bid guarantee shall have TERRACAP as the beneficiary and the bidder as the issuer, and its minimum term shall be of one (1) year from the date of the session for submission of bid envelopes, and its expiration date shall be extended for at least fifteen (15) days prior to expiration, at the expense of the bidders themselves, should their bids expire before the timeframe specified under Subitem 13.8, on pain of being excluded from this bidding process.

13.4. In case of renewal, the bid guarantee shall be adjusted based on the Extended Consumer Price Index – IPCA, released by the Instituto Brasileiro de Geografia e Estatística – IBGE [Brazilian Institute of Geography and Statistics] – IBGE for the period from the date of the session for submission of bid envelopes to the month immediately prior to renewal of the bid guarantee.

13.5. The bid guarantees may be enforced by TERRACAP upon prior notification, without prejudice to other sanctions provided herein and under the applicable legislation in the following cases:

I - Total or partial failure by the bidders to fulfill their obligations arising from their participation in the bidding process;

II - Submission of qualification documents that fail to meet the requirements stated in the Bid Notice;

III – Submission of a bid that fails to comply with all the applicable legal requirements and the requirements herein.

IV - The bidder acts so as to cause the bidding process to fail;

V - The bidder withdraws its bid before its validity period ends;

VI - The winning bidder fails or refuses to comply with the obligations arising from it winning the bidding process;

VII - Coverage of any fines, penalties and damages payable by the bidders to TERRACAP as a result of their participation in the bidding process, the date of submission of the bid guarantee within the deadline stipulated under Subitem 13.8, without prejudice to other penalties and residual liability for the amount that exceeds the bid guarantee.

13.6. No changes to the terms and conditions of the bid guarantee shall be accepted after its submission to TERRACAP.

13.7. The bid guarantee may not contain any waivers of liabilities incurred by the issuer of the guarantee regarding participation in the bidding process.

13.8. The bid guarantee shall be returned to bidders within fifteen (15) days after signature of the Minutes of the General Meeting for incorporation of the SPE (Annex XV).

14. SUBMITTING THE DOCUMENTATION AND THE BID

14.1. Each bidder must submit two (02) separate envelopes – ENVELOPE #1 – QUALIFICATION,

containing the documents required for qualification; and ENVELOPE #2 – BID, containing the respective bid – which must be delivered properly closed and/or sealed **by no later than 05:59 p.m. of May 28th, 2013**, at TERRACAP’s Special Commission for Bids, located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil, with the following label on the outer part of each envelope:

ENVELOPE N.º 1 – HABILITAÇÃO
CEL – COMPANHIA IMOBILIÁRIA DE BRASÍLIA–TERRACAP
CONCORRÊNCIA PÚBLICA N.º 002/2013
PROCESSO N.º 111.000.971/2013
“RAZÃO SOCIAL OU DENOMINAÇÃO DO LICITANTE”

ENVELOPE N.º 2 – PROPOSTA
CEL – COMPANHIA IMOBILIÁRIA DE BRASÍLIA–TERRACAP
CONCORRÊNCIA PÚBLICA N.º 002/2013
PROCESSO N.º 111.000.971/2013
“RAZÃO SOCIAL OU DENOMINAÇÃO DO LICITANTE”

14.2. Regarding the documentation for qualification to be submitted in ENVELOPE No. 1, bidders may provide the original document or a notarized photocopy pursuant to Article 32 of Law 8666/93, or a photocopy with the original document to be authenticated by TERRACAP’s Special Commission for Bids, along with the relevant certificates of publication in the Official Gazette, as appropriate.

14.3. The bid for submission in ENVELOPE No. 2 shall be delivered in accordance with the sample contained in Annex XIV, which is an integral part of this Notice. It is provided by TERRACAP’s Special Commission for Bids, and must be prepared by the bidder itself, who must ensure that it contains all of its details. The bid shall be submitted in typed form, initialed and signed by the bidding company’s legal representative or representatives, or by a proxy with specific powers of attorney for this.

14.3.1 No corrections, erasures, smudges or interlineations may be made in the bid that would hinder its recognition, which is considered to be indispensable for its consideration.

14.4. A bidder may submit only one (01) bid, which shall contain the information listed under Subitem 12.2. of this Notice, in full observation of the parameters described under Subitems 12.6.1., 12.6.2 and 12.6.3.

14.4.1. The amounts in all bids must be expressed in local currency, according to the form of payment desired pursuant to the bid provided.

14.5. Under no circumstances will alterations or substitutions of the bid or any documents be permitted once the envelopes listed under Subitem 14.1. of this Notice have been delivered.

14.6. No bids submitted through telex devices, telegrams, radiograms, aerogrammes, electronic mail, facsimile, or any equivalent communication device will be accepted or considered, and the layout requirements provided herein must be observed by all bidders.

14.7. In no event shall a bid submitted after the designated date and time be accepted, even if it has been forwarded or shipped prior to the opening session of this bidding process, and a bid that is inconsistent with any other requirement in this Notice shall not be accepted either.

15. AUTHORIZATION

15.1. Only one (01) representative will be accepted for each bidder, with specific a credential provided separately, outside “ENVELOPE No. 1 – HABILITAÇÃO”.

15.2. The credentials are not mandatory, but only a duly authorized representative shall be allowed to make remarks at the envelope-opening sessions.

15.2.1. A bidder without a representative may not have its remarks recorded in the minutes, initial documents, or perform other actions in connection to the bidding process.

15.3. The bidder’s representative shall report for accreditation with TERRACAP’s Special Commission for Bids on the same venue, date and time designated for the public envelope-opening session, and shall produce their ID card (*carteira de identidade*) or some equivalent identification in addition to the proof of its representative status through:

I – A power of attorney conferring authority to perform all actions relating to this bidding process, such as preparing bids, filing and withdrawing appeals, accompanied by a document or documents verifying the grantor or grantors’ authority, and also considering that:

a) in the case of a consortium, the power of attorney shall be granted by the lead member and shall be accompanied by powers of attorney of consortium members to the lead member granting authority to represent them in the bidding process;

b) in the case of a private power of attorney, this must have a notarized signature; and

c) generic powers of attorney which do not clearly refer to this bidding process or referring to other bids or assignments will not be accepted.

II - Articles of Organization, Articles of Incorporation or an equivalent document in the case of a legal representative of the bidder.

15.3.1. In the case of a consortium, the lead member shall provide the representative, and shall provide the Articles of Organization, Articles of Incorporation or an equivalent document along with the powers of attorney granted by the consortium members to the lead member granting it authority to represent them in the bidding process.

15.4. The representation documents supplied the bidders will be retained by TERRACAP’s Special Commission for Bids and added to the bid file.

15.5. No person, even if holding a power of attorney, may represent more than one bidder in this bidding process, on pain of the represented bidders involved being summarily disqualified.

15.6. In the interest of a swift process, bidders are advised by TERRACAP's Special Commission for Bids to effectively have a representative at the envelope-opening session and that said representative have decision-making powers.

16. THE BIDDING PROCESS: QUALIFICATION OF BIDDERS AND CLASSIFICATION OF BIDS

16.1. The individual envelopes containing the bidders' qualification documents and the bid must be received **by no later than 05:59 p.m. of May 28th, 2013** by registered letter at TERRACAP's Special Commission for Bids, located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil.

16.1.1. TERRACAP's Special Commission for Bids may extend the deadline for submission of envelopes by releasing a new Notice or Erratum, through the same communication channels used for the publication of the Call for Bids. In this case, the rights and duties of TERRACAP and bidders concerning this bidding process previously subject to the original date shall be automatically transferred to the new date.

16.1.2. The envelopes containing the qualification documentation and bids shall be opened at a public session announced in advance, for which detailed minutes shall be prepared and signed by the duly authorized representatives of the bidders attending the session, as well as by the members of TERRACAP's Special Committee for Bids.

16.2. The envelopes containing the qualification documents will be opened at **09:00 a.m. of May 29th, 2013** at TERRACAP's Special Commission for Bids, located at Setor de Administração Municipal – SAM, Bloco “F”, Brasília, Distrito Federal, Brazil.

16.2.1. TERRACAP's Special Committee for Bids will open the envelopes containing the qualification documentation, which will be initialed and examined by the duly authorized representatives of the bidders attending the session and by the members of CEL.

16.2.2. TERRACAP's Special Commission for Bids shall check compliance with the requirements stipulated in the Notice and shall immediately disqualify, as appropriate, a bidder or bidders who fail to meet the eligibility and qualification criteria pursuant to this Notice.

16.2.2.1. TERRACAP's Special Commission for Bids may also suspend the session, if it deems necessary, for review and verification of the documents submitted or appeals filed. In such case, it shall designate the date, time and venue for announcing the results of the qualification phase, and shall ask the members of CEL and the duly authorized representatives of the bidders attending the session to initial “ENVELOPES N.º 2 – PROPOSTA”.

16.2.2.2. If this is indeed the case, TERRACAP's Special Commission for Bids and the

bidders shall initial “ENVELOPES No. 2 – PROPOSTA,” which will remain in possession of CEL.

16.2.3. Detailed minutes of the session for opening “ENVELOPE N.º 1 – HABILITAÇÃO” shall be prepared, which shall be signed by the members of CEL and by the duly authorized representatives of the bidders attending the session, and which will reflect any remarks.

16.3. With due consideration of the appeal period provided for in Article 109, Section I, paragraph “a” of Law No. 8666/93, the bidders shall be summoned by CEL for the session to open “ENVELOPES N.º 2 – PROPOSTA”.

16.3.1. On the designated day and time, TERRACAP’s Special Commission for Bids shall convene to open “ENVELOPES N.º 2 – PROPOSTA” supplied by the duly qualified bidders, at which time all bids shall be initialed and examined by the duly authorized representatives of the bidders attending the session and the members of CEL.

16.3.1.1. “ENVELOPE(S) N.º 2 – PROPOSTA” of any disqualified bidders will be available with an untouched seal for collection at CEL from the date referred to in Subitem 16.3.1 for a maximum period of thirty (30) days. If the disqualified bidder or bidders fail to collect them, they will be destroyed once the final result of the bidding process is released.

16.3.2. The bids shall be reviewed, evaluated and ranked in descending order by TERRACAP’s Special Commission for Bids based on the specifications and criteria laid out in this Notice and its Annexes.

16.3.3. In accordance with the procedure used in the previous session, detailed minutes of the session for opening the bids shall be prepared, which shall be signed by the members of CEL and by the duly authorized representatives of the bidders attending the session, and which will reflect any remarks.

16.4. The session for opening “ENVELOPES N.º 2 – PROPOSTA” may be held immediately after the opening of “ENVELOPE(S) N.º 1 – HABILITAÇÃO”, in which case the provisions of Subitems 16.3 to 16.3.3. shall not apply, subject to the following conditions:

I - The duly authorized representatives of the bidders must be present at the envelope opening session;

II - The qualification result shall be announced to all persons attending the session, which shall be duly recorded in the minutes; and

III - Said minutes shall reflect an explicit waiver of appeal by all bidders present.

16.5. TERRACAP’s Special Commission for Bids may, at its sole discretion, take steps to provide clarifications or additional supporting information at any stage of this bidding process.

16.5.1. Any formatting issues identified in the qualification documents and bids may, at the discretion of TERRACAP’s Special Commission for Bids and in observance of equal terms to

all bidders in the process, be rectified by the bidders within the fixed period of **twenty four (24) hours** as set forth in Section IV of Article 12 of Federal Law No. 11079/2004.

16.6. After the qualification and bid opening phases, TERRACAP's Special Commission for Bids will no longer be able to exclude from the bidding process any bidders for reasons related to the legal and economic and financial qualification and to compliance with tax and labor regulations, except where in the case of supervening events or developments that become known after a decision has been made.

16.7. Any failure by any bidder to attend the meetings scheduled by TERRACAP's Special Commission for Bids will not prevent such meetings from being held.

17. CRITERIA FOR THE QUALIFICATION AND ASSESSMENT OF BIDS

17.1. At the meeting for collation of qualification documents the following analyzes shall be conducted:

I - Quantitative and formal analysis of documents provided;

II - Content, validity and authenticity of the documents submitted in relation to the individual bidders;

17.2. The following constitute grounds for disqualification:

I - Failure to satisfy the conditions set forth herein;

II - Failure to produce documentation as prescribed in this Notice, or failure to provide notarized photocopies or original documents for authentication by TERRACAP's Special Commission for Bids;

III - Provide originals or photocopies of documents that contain erasures or smudges or are illegible or expired.

17.2.1. Disqualification of a bidder entails forfeiture of the right to participate in the subsequent phase.

17.3. The following are grounds for disqualification of a bid:

I - Quoting the minimum payment of its share in the equity capital of the SPE below the threshold specified under Subitem 12.6.2. of this Notice; failure to provide expressly any of the formula variables outlined under Subitem 12.6. within the thresholds stipulated in this Notice or not explicitly demonstrating the final result of the calculation provided under Subitem 12.6.;

II - Clear unfeasibility or financial inconsistency with the purpose of the bidding process;

III - Missing information that hinders proper identification and/or characterization of the quoted product;

IV – Failure to observe the conditions set forth herein to the extent of hindering performance of a comparative analysis;

V - Omissions, erasures, interlineations or illegibility;

VI - Drawing on bids from other bidders;

IV - Validity period of less than one hundred eighty (180) days;

VIII - Bidder being deemed impeached from bidding or contracting with the Government for any of the reasons set forth herein;

IX - Enforced disqualification in accordance with the law.

17.4. Only one (01) bid shall be declared the winning bid, which shall be the bid with the highest result (“P”), i.e., the least costly to TERRACAP as to the consideration to be provided to the private partner and whose guarantee of performance of the objectives of the PPP is the most advantageous to the Treasury, after due classification of all proposals submitted pursuant to Subitem 12.6. and subsequent subitems and Annex XIV of this Notice.

17.5. If only one (01) bid qualifies, it shall be deemed the winner provided that it meets all the criteria set forth in this Notice and its Annexes.

17.6. In case of a tie, the winning bidder shall be determined in a public lottery as stipulated in paragraph 2 of Article 45 of Federal Law No. 8666/93, after compliance with the provisions of paragraph 2 of Article 3 of Federal Law No. 8666/93 and, as a result, paragraph 4 of Art. 15 of Law No. 8987/95.

18. NOTIFICATION OF ACTIONS AND ADMINISTRATIVE APPEALS

18.1. Notification of actions shall be made by direct communication when the bidders’ representatives are present, provided that they are duly authorized to deal with the respective actions. Notifications shall be recorded in the minutes, or even in their absence or in the event of Subitem 15.2., via publication in the Official Gazette of the Federal District.

18.2. Actions by TERRACAP’s Special Commission for Bids responsible for processing and adjudication of this bidding process may be appealed to in the case of Section I of Article 109 of Federal Law No. 8666/93. Appeals shall be filed with TERRACAP’s Special Commission for Bids within five (05) working days from the date of issuance of the respective minutes or notification of the action via the Official Gazette of the Federal District.

18.2.1. Appeals related to qualification and disqualification of bidders, as well as the assessment of bids shall have suspensive effect pursuant to paragraph 2 of Article 109 of Federal Law No. 8666/93.

18.3. All appeals shall:

I - Be addressed to the competent authority to examine them;

II - Be typed and well informed, and no documents or information shall be accepted that should have already been provided in the respective qualification and bid envelopes whose omission has not been timely rectified as set forth herein; and

III - Be initialed and signed by the duly authorized legal representative of the bidder, or by a duly authorized proxy.

18.4. Any appeals that fail to comply with the designated timeframe or venue will not be accepted.

18.5. Once an appeal has been filed, the other bidders may challenge it within five (05) working days from the date of publication of notice of the appeal by TERRACAP's Special Commission for Bids in the Official Gazette of the Federal District, and also by registered letter of the challenge with TERRACAP's Special Commission for Bids.

18.6. Once the timeframe stipulated under Subitem 18.5. above has been elapsed, TERRACAP's Special Commission for Bids may reconsider its decision within five (05) working days or escalate it to the President of TERRACAP with proper prior notice. In such case, the decision shall be rendered within five (05) working days from receipt of the appeal by the higher authority mentioned above, and it shall be published in the Official Gazette of the Federal District.

18.7. Once a decision on the appeals has been made, or once the deadline for filing appeals has elapsed without an appeal being made by any of the bidders, those bidders that have been disqualified or excluded will have their respective envelopes returned. They may, however, be retained until the bidding process is concluded.

18.8. Appeals filed for delaying purposes or other purposes that are not germane to the right of bidders and to public interest will be deemed to be acts of disturbance to the bidding process, in which case a complaint may be filed with the Ministério Público [Public Prosecution Service], which is then able to present an indictment to Court for violation of Article 93 of Federal Law No. 8666/93.

19. THE AWARD

19.1. Award of the project to the winning bidder after due approval of the result shall be formalized through execution of the Term of Award with TERRACAP, which shall be governed by the terms of this Notice and its Annexes.

19.2. After the approval of the result of this bidding process and its publication in the Official Gazette of the Federal District, the winning bidder shall be notified in writing within ten (10) working days by TERRACAP via Registered Mail with Return Receipt to report to TERRACAP's headquarters and execute the Term of Award no later than thirty (30) working days from the date of receipt of the notice, subject to the provisions of Subitem 4.1.2. of this Notice as appropriate.

19.2.1. The winning bidder is released from the obligation of executing the Term of Award referred to in Subitem 19.1. of this Notice if the winning bidder is summoned to sign the Term of Award after the validity period of the bid stipulated under Subitem 12.7. of this Notice has

elapsed.

19.2.2. In the event of Subitem 19.2.1. applying, TERRACAP may call the remaining bidders in rank order to do so within the same timeframe and under the same conditions proposed by the original winner, subject to the provisions of paragraph 2 of Article 64 of Federal Law No. 8666/93, as well the provisions under Item 19 of this Notice.

19.3. The timeframe of thirty (30) days specified under Subitem 19.2 may be extended only once, by the same amount of time and with due cause, upon written request addressed to TERRACAP and accepted by TERRACAP's President until the second (2nd) working day before expiration of the deadline set forth herein.

20. ADMINISTRATIVE SANCTIONS

20.1. Without prejudice to the enforcement of the guarantees laid out in Item 13 herein due to partial or total failure to observe any provision of this Notice or its Annexes, TERRACAP may impose the following sanctions to bidders without prejudice to their right to present a defense and to adversarial proceeding:

I – A warning;

II – A fine;

III – Temporary suspension of the right to bid and contract with TERRACAP and its subsidiaries for a period not exceeding two (2) years;

IV – Declaration of ineligibility to bid and contract with the Government so long as the reasons for punishment remain or until eligibility is reinstated with the authority imposing the penalty.

20.2. No sanction shall be imposed without due administrative process.

20.2.1. Penalties shall be enforced after the bidder has presented its defense, within five (05) working days from notification of the action.

20.2.2. In case of a warning, fine for partial or total noncompliance of any provisions of this Notice or its Annexes and temporary suspension, an appeal may be filed within five (05) working days from notification of the action.

20.2.3. During the defense and appeal periods, interested parties shall be allowed to have access to the record.

20.2.4. Appeals against the imposition of penalties shall not have suspensive effect, and TERRACAP may make them suspensive.

20.3. A warning can be made in the following circumstances:

I - Any provisions of this Notice or its Annexes have been partially or totally violated that do

not result in any damage to the bidding process or to TERRACAP;

II - In the case of minor disturbances to the bidding process, provided that their severity does not also warrant enforcement of a fine, temporary suspension or declaration of ineligibility.

20.4. TERRACAP may impose on bidders a fine for partial or total noncompliance with any provisions of this Notice or its Annexes that corresponds to up to twenty per cent (20%) of the equity capital of the SPE.

20.4.1. The fine may be applied cumulatively with other sanctions, shall not be of a compensatory nature and its payment shall not relieve the bidder from the obligation to indemnify for any damages.

20.4.2. The fine enforced against bidders and the damage caused by it to TERRACAP shall be deducted from any credit due to it, collected in court or otherwise.

20.4.3. Bidders authorize TERRACAP at the outset to deduct the fines imposed on them from any amounts owed.

20.5. A temporary suspension may be imposed in the following circumstances:

I - Submission of false or counterfeit documents and any fraudulent act, except in the case of a declaration of ineligibility;

II - Repetition of partial or total failure to observe any of the provisions in this Notice or its Annexes;

III – Partial or total breach of any provision of this Notice or its Annexes that result in any damage to the bidding process or to TERRACAP;

IV – A repeat warning and/or fine; and

V - Other cases provided for by law or regulations.

20.6. Declaration of ineligibility may be proposed to the President of TERRACAP in case of proven bad faith, malicious and premeditated action to damage the bidding process or TERRACAP, evidence of vested interests or repetition of breaches that result in damage to TERRACAP or recurring application of other penalties.

21. FINAL PROVISIONS

21.1. Calculation of the timeframes set forth herein shall exclude the start date and shall include the expiry date, considering consecutive days, unless expressly provided otherwise.

21.1.1. The timeframes stipulated in this Notice shall only start and expire on working days for Federal District Government agencies.

21.2. The winning bidder is advised that it shall observe all applicable laws, and shall comply with

and ensure compliance with environmental and urban planning requirements set forth in Annexes I and II of this Notice and, most importantly, the provisions and conditions contained in the Environmental Licenses issued for said company, and those contained in its Environmental Impact Assessment – EIA and Environmental Impact Report – RIMA.

21.3. TERRACAP shall not be liable for any license and permit refusals for the implementation and execution of the project referred to under “PURPOSE” of this Notice.

21.4. This bidding process may be withdrawn in the public interest due to actual supervening event that is relevant and sufficient to justify such action, and it may also be made void for illegality either ex officio or at the instigation of others by means of a duly informed written report, as provided under the sole paragraph of Article 59 of Federal Law No. 8666/93.

21.5. For administrative, commercial or operating reasons in the best public interest, TERRACAP reserves the right to change the date of this bidding process, or to withdraw it either in whole or in part, without the bidders being entitled to compensation or to filing a complaint in court.

21.5.1. TERRACAP also reserves the right not to incorporate the SPE described in this Notice without prejudice to the other relevant injunctions as a result of the winning bidder not observing any of the provisions herein.

21.6. Bidders may obtain information and permission to visit the area to be used by TERRACAP for purposes of payment of its share in the equity capital with a view to checking the subscribed equity capital upon incorporation of the SPE described herein, and they may review its ownership documentation and obtain a full copy of this Notice and its Annexes on the date, time and venue outlined therein.

21.7. Submission of a bid implies full knowledge of the terms of this Notice as well as its Annexes.

21.8. TERRACAP’s Special Commission for Bids shall be exclusively responsible for solving any matters on which this Notice or the legislation in force is silent and that somehow are connected to the purpose of this bidding process.

Brasília, DF, March 13th, 2013.

**Special Commission for Bids – CEL
President**