

UNION

SECRETARIAT OF PORTS OF THE PRESIDENCY OF THE REPUBLIC- SEP/PR

NATIONAL WATERWAY TRANSPORTATION AGENCY- ANTAQ

ANNEX 1 - AUCTION NOTICE - SPECIFIC CONDITIONS

**AUCTION Nº 1/2015-ANTAQ FOR LEASING OF PUBLIC AREA AND INFRASTRUCTURE IN ORDER TO
HANDLE AND STORAGE VEGETABLE SOLID BULK, LOCATED WITHIN THE ORGANIZED PORT OF
SANTOS, STATE OF SÃO PAULO, ENTITLED STS04**

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References to Chapters, Sections and Subsections in this Annex indicate the respective Chapters, Sections and Subsections of the General Conditions of the Auction Notice.

1. Chapter I – Initial Provisions

Section II - Object

1.1. The objective of this Auction is leasing of public areas, infrastructures and port facilities located in the Port of Santos, in Ponta da Praia, for purposes of performance of the Activities.

1.1.1. The total area of the Ponta da Praia Lease – identification code STS04 – encompasses approximately 46,800 m² (forty six thousand, eight hundred square meters), composed of land areas in which the equipment and edifications to be utilized in unloading (unloading, internal movement, storage and dispatch) and loading operations (reception, storage, internal movement and loading) of dry bulk grain have already been or will be implemented according to the rules set down in the Contract and its Annexes.

1.2. The complete description of the port areas, infrastructures and facilities is found in the respective Annexes to the Draft of the Lease Contract, in the Auction Notice Annexes.

1.3. The Activities to be performed by the Lessee consist of movement and storage of dry bulk grain, according to the terms and conditions stated in the Contract and its Annexes.

Section VII – General Provisions

1.4. The Proponent declares that it has expressed knowledge of all judicial demands involving the area of Lease Site STS04, including the action against the violation of a fundamental constitutional right 316/DF, now before the Federal Supreme Court.

Section V – Technical Visits

1.5. The Technical Visits shall be scheduled with the Gerência de Promoção Comercial e Instalações – GEPCO from Companhia Docas do Estado de São Paulo – CODESP, established at Av. Rodrigues Alves, s/n, Portão 23, Bairro Macuco, Santos/SP, and submitted at: visitas@portodesantos.com.br, according to the a standard form .

2. Chapter IV – Documentation

Section III – Proposal Guarantee

2.1. The Proposal Guarantee should be provided in the amount R\$ 27.399.113,34 (twenty seven million, three hundred and ninety nine thousand, one hundred and thirteen reais and thirty four centavos).

Section IV – Lease Proposal

2.2. The Proponent should submit its Proposal for the Lease site according to the model in Appendix 1.

2.3. The Lease Proposal will consist of the largest Bid Value to be paid to Union.

2.4. In its Lease Proposal, the Proponent should indicate the Bid Value in reais to be paid to Union expressed with a maximum of 2 (two) decimal points. Submission of amounts of less than R\$ 1,00 (one real) is prohibited.

3. Chapter V – Auction Stages

Section III - Public Auction Session

3.1. The Public Auction of the Lease Site governed by this Notice will occur through a Public Tender Session, encompassing opening of the Proposals, classification of the Proponents and, should the case arise, an open-outcry Auction.

- 3.2. The Auction judgment criterion is the largest Bid Value to be paid to Union for the assign with consideration of the Lease Area, such amount being presented in reais with a maximum of up to 2 (two) decimal points.
- 3.3. Once the Proposals have been opened, they will be organized according to the criterion of largest Bid Value.
- 3.4. The classified Proponents will be those whose Proposals comply with the totality of the demands defined in applicable legislation and that have submitted to the conditions and terms foreseen in the General Conditions and in these Specific Auction Conditions.
- 3.5. If a proposal is received for the Lease Site from only one classified Proponent, that proponent will be considered the winner of the Lease site.
- 3.6. If the Lease site receives 2 (two) or more proposals, an open-outcry Auction will be held.
- 3.7. The classified Proponents whose bids have complied with at least one of the following conditions will participate in the open-outcry Auction:
- 3.7.1. The participant must be classified among the 03 (three) largest bids for the Lease site;
 - 3.7.2. The value of the bid must be equal to or greater than 90% (ninety percent) of the Bid Value offered by the Proponent whose Proposal corresponds to the largest bid for the Lease site.
- 3.8. Only those Proponents whose bids have satisfied the terms of item 3.7. may present bids in the open-outcry auction.
- 3.9. Each bid should surpass the amount of the bid put forward by that Proponent for that Lease site, considering that the bid:

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- 3.9.1. should respect the minimum interval between bids, which will be defined by the Director of the Public Auction Session;
- 3.9.2. should respect the maximum time between bids defined by the Director of the Public Auction Session;
- 3.9.3. should alter the classification of the Proponent; and
- 3.9.4. cannot be an amount that is identical to the bid of another Proponent.
- 3.10. The Director of the Public Auction Session will declare the Auction adjourned when the time period allowed for new bids has expired and no Proponent has made a new bid that meets the conditions determined in item 3.9.
- 3.10.1. The Proponent who has submitted the largest Bid Value to be paid to the Port Administration for the assign with consideration of the Lease site will be declared the winner of the Lease site.
- 3.11. Immediately following closing of the Auction, the Proponent declared winner of the Lease site should ratify its Proposal through presentation of a letter, in the terms of the model in Appendix 2, stating the winning bid.
- 3.12. In the case of a tie between Proposals for the same Lease site, the tie will be broken by means of a drawing to take place in the same Public Session.

4. Chapter VI – Lease Contract

Section I – Obligations Prior to Formalization of the Contract

- 4.1. Convocation of the Winning Bidder for signing of the Contract will be preceded by a formal manifestation on the part of the appropriate environmental entity for the purpose of

determining the environmental licensing of the Lease site, according to the terms of article 14, item III of Law no. 12,815/2013.

4.2. Corroboration of payment to BM&FBOVESPA of its remuneration in the amount of R\$ 233.489,00 for each Winning Bidder must be submitted.

4.3. Corroboration of payment of the Bid Value to Union must be submitted.

4.4. Based on the orientation to be issued by ANTAQ, corroboration of payment to the company charged with performing the studies underlying this Notice must be presented, as authorized by article 21 of Federal Law no. 8987/95, SEP/PR Directive no. 38/or 2013 and the General Conditions of the Notice, in the amount of R\$ 302.086,52:

Appendix 1

Model for Submitting Lease Site Proposal

[locality], [•] de [•]2015

To the National Waterway Transportation Agency – ANTAQ

Re.: Auction Notice no. 03/2015 – Lease Proposal

Dear Sirs,

1. In response to the convocation issued on [date] to an **Auction**, we hereby present our **Lease Proposal** for the Lease site [indicate the Lease site identification code of interest].

2. We irrevocably and irreversibly propose the Bid Value of R\$ [-] ([-]) reais, considering the **Date for Reception of the Envelopes** as the base date, for the lease that is the object of the proposal], according to the terms and conditions stated in the **Notice** and its **Annexes**.

3 We expressly declare that:

3.1 this **Lease Proposal** was elaborated with due consideration of all the applicable conditions for payment of the Bid Value and the **Lease Value** (fixed and variable), in the precise terms of the Notice and its Annexes.

3.2 this **Lease Proposal** is valid for 1 (one) year, as of the **Date for Reception of the Envelopes**, and said period can be extended for an equal period, as specified in the **Notice**;

3.3 we fully agree and have no restrictions whatsoever regarding the obligation of Minimum Required Movement in item 5 of the Annex 2 - Technical Guidelines and Lease Parameters Contract, as well as the contracting conditions determined in the **Notice and its Annexes** and in the **Contract and its Annexes**;

3.4 we hereby acknowledge that any extension of the validity of the **Contract** is a decision that is the exclusive right of the Grantor Authority and that there is no subjective right to such an extension;

3.5 we hereby confirm that we are fully knowledgeable of the subject of the Lease, of the Activities to be performed, of the conditions for submitting this Proposal and of execution of the work;

3.6 from this point forward, we assume full responsibility for the Activities in keeping with the provision in the Contract and in its Annexes, ANTAQ regulations and those of the Organized Port, and any and all other applicable legislation; and

3.7 we have fully complied with all the obligations and demands contained in the **Notice and its Annexes**.

4. The Terms indicated in capital letters contained in this **Lease Proposal** and not defined otherwise will have the meanings attributed to them in the **Notice**.

Cordially,

[Proponent]/[Legal Representatives]

Appendix 2

Model for Ratification of the Lease Proposal

[locality], [•][•]2015

To the National Waterway Transportation Agency – ANTAQ

Re.: **Auction Notice no 03/2015 – Letter of Ratification of Proposal.**

Dear Sirs,

1. For purposes of notice no. 03/2015, the (Name and characterization of the Proponent) hereby ratifies its Lease Proposal submitted in the Auction, irrevocably and irreversibly proposing the Bid Value of R\$ [-] ([-] reais), which will be paid to Union, according to the conditions foreseen in the Notice and its Annexes.

Cordially,

[Proponent]/[Accredited Representative]