

FEDERATIVE REPUBLIC OF BRAZIL

MINISTRY OF MINES AND ENERGY



**CONCESSION CONTRACT FOR AREAS WITH MARGINAL ACCUMULATIONS
FOR THE REHABILITATION AND PRODUCTION OF OIL AND NATURAL GAS**

"MARGINAL_ACCUMULATION_AREA"

NO. "PROCESS_CONTRACT"

BETWEEN

NATIONAL AGENCY FOR PETROLEUM, NATURAL GAS AND BIOFUELS - ANP

E

"SIGNATORY_01_OPERATOR"

"SIGNATARIA_02"

BRAZIL

2026 (Version 04.06)

CONCESSION CONTRACT FOR THE REHABILITATION AND PRODUCTION OF OIL AND NATURAL GAS

between themselves

AGÊNCIA NACIONAL DO PETRÓLEO, GÁS NATURAL E BIOCOMBUSTÍVEIS - ANP (hereinafter referred to as "ANP"), a special agency created by Law no. 9.478, of August 6, 1997, part of the Indirect Federal Administration, linked to the Ministry of Mines and Energy, with headquarters at SGAN (Setor de Grandes Áreas Norte) Quadra 603, Módulo I, 3º andar, Brasília, DF, and Central Office at Avenida Rio Branco, nº 65, Centro, Rio de Janeiro, RJ, hereby represented by its Director-General, "general director",

"signatory_01_operator" incorporated under the laws of Brazil, with registered office at "endereco_01" registered with the National Register of Legal Entities (CNPJ/MF) under no. "cnpj_01" (hereinafter referred to as the "Concessionaire"), hereby represented by "signatory_01_representative_01", «signataria_01_cargo_01», e "signataria_01_representante_02", «signatory_01_position_02»,

e

"signatory_02", a commercial company incorporated under the laws of Brazil, with its registered office at "address_02" registered with the National Register of Legal Entities (CNPJ/MF) under no. "cnpj_02" (hereinafter referred to as the "Concessionaire"), hereby represented by "signatory_02_representative_01", «signatory_02_position_01», e "signatory_02_representative_02", «signataria_02_cargo_02».

WHEREAS

that, under the terms of articles 20, V and IX, and 176, caput, of the Constitution of the Federative Republic of Brazil and article 3 of Law 9.478/1997, oil and natural gas deposits existing in the national territory, on the continental shelf and in the exclusive economic zone belong to the Union;

that, under the terms of art. 177, I, of the Constitution of the Federative Republic of Brazil and art. 4 of Law no. 9.478/1997, the Exploration and Mining of Petroleum and Natural Gas Reserves existing in the national territory, on the continental shelf and in the exclusive economic zone constitute a monopoly of the Union;

that, under the terms of Article 177, Paragraph 1, of the Constitution of the Federative Republic of Brazil and Article 5 of Law No. 9.478/1997, the Federal Government may allow state-owned or private companies, incorporated under Brazilian law, with headquarters and administration in the country, to carry out Oil and Natural Gas Exploration and Production activities, by means of a concession, in the manner established by the legislation in force;

that, under the terms of Article 21 of Law No. 9.478/1997, all Oil and Natural Gas Exploration and Production rights in national territory, on the continental shelf and in the exclusive economic zone belong to the Federal Government, and are administered by the ANP, with the exception of the powers of other bodies and entities expressly established by law;

that, under the terms of Article 8 of Law No. 9.478/1997, the ANP's purpose is to promote the regulation, contracting and inspection of the economic activities that make up the Oil, Natural Gas and Biofuels Industry;

that it is the responsibility of the ANP, representing the Federal Government, to enter into Concession Agreements with the Concessionaire for the Rehabilitation and Production of Oil and Natural Gas that comply with the provisions of articles 23 and 24 of Law No. 9.478/1997;

that, under the terms of articles 25 and 26 of Law 9.478/1997, and having met the requirements established in Section I of Chapter V, the ANP and the Concessionaire are authorized to enter into this Concession Agreement, which shall be governed, where applicable, by the general rules of Section I and the provisions of Section VI, both of Chapter V of the aforementioned Law;

that, under the terms of articles 36 to 42 of Law No. 9.478/1997, the Concessionaire took part in the bidding process for the award of this Concession Contract, having been awarded and ratified the bidding process in which it was declared the winner, of the Area with Marginal Accumulation defined in Annex I;

that, pursuant to Article 46 of Law No. 9.478/1997, the Concessionaire has paid the ANP the Signature Bonus in the amount indicated in Annex VI;

that, under the terms of the Permanent Offer bid notice and article 43, V, of Law No. 9.478/1997, the Concessionaire submitted to the ANP the financial guarantee required to support compliance with the Initial Work Program;

The ANP and the Concessionaire enter into this Concession Agreement for the Rehabilitation and Production of Oil and Natural Gas in the Area with Marginal Accumulation, defined in Annex I, in accordance with the following clauses and conditions.

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CHAPTER I - BASIC PROVISIONS

CLAUSE ONE - DEFINITIONS

Legal definitions

- 1.1. The definitions contained in Article 6 of Law No. 9.478/1997, Article 2 of Law No. 12.351, of December 22, 2010, and Article 3 of Decree No. 2.705, of August 3, 1998, are hereby incorporated into this Agreement and, consequently, shall apply for all purposes and effects, whenever they are used in the singular or plural, in the masculine or feminine.

Contractual definitions

- 1.2. Also for the purposes and effects of this Agreement, the definitions contained in this paragraph shall apply in addition whenever the following words and expressions are used in the singular or plural, in the masculine or in the feminine:

- 1.2.1. **Affiliate:** a legal entity that carries out a business activity and is linked to the Concessionaire as a subsidiary, controlling shareholder or through a direct or indirect common control relationship.
- 1.2.2. **Area with Marginal Accumulations:** Concession **area** with known discoveries of oil and/or natural gas, where there has been no production or production has been interrupted or early termination of the contract has been requested due to lack of economic interest.
- 1.2.3. **Concession Area:** area of the Block whose surface projection is delimited by the polygon defined in Annex I to this Contract.
- 1.2.4. **Development Area:** any portion of the Concession Area retained for the Development Stage.
- 1.2.5. **Area of the Camp:** the area circumscribed by the polygon that defines the Camp when the Development Plan is approved.
- 1.2.6. **Appraisal:** an exploratory activity that aims to investigate a Discovery in the Concession Area in order to verify its commerciality, using technologies that may be accepted by the ANP, in accordance with the Best Practices of the Petroleum Industry.
- 1.2.7. **Well Evaluation:** profiling and formation testing activities carried out between Drilling Completion and Well Completion which, together with other activities previously carried out on the well, will enable the occurrence of zones of interest to be verified for the presentation of any Declaration of Commerciality.
- 1.2.8. **Assignment:** total or partial transfer of ownership of rights and obligations arising from the Agreement; merger, demerger and incorporation, when the corporate reorganization results in a change of any of the Concessionaires; change of Operator; and exemption from and replacement of the performance guarantee.
- 1.2.9. **Concessionaire:** individually or collectively, the legal entities carrying out business activities that are members of the consortium, including the Operator.

- 1.2.10. **Well Completion:** the moment when activities directly related to the drilling of a well (including, where applicable, profiling, casing and cementing) have been completed and the final depth has been reached, from which point all Operations refer exclusively to the dismantling, demobilization or movement of the unit. For cases in which the Well Evaluation and/or completion is started up to 60 (sixty) days after the end of the activities directly related to the drilling of the well or its temporary abandonment, the moment in which the dismantling, demobilization or movement of the unit used to carry out the Well Evaluation and/or completion begins will be considered.
- 1.2.11. **Contract:** main body of this document and its annexes.
- 1.2.12. **Consortium Agreement:** a contractual instrument governing the rights and obligations of the Concessionaires with regard to this Agreement.
- 1.2.13. **Declaration of Commerciality:** formal written notification submitted to the ANP declaring one or more deposits to be a Commercial Discovery in the Concession Area.
- 1.2.14. **Discovery:** any occurrence of Oil or Natural Gas in the Concession Area, regardless of quantity, quality or commerciality, verified by at least two methods of detection or Evaluation.
- 1.2.15. **Decommissioning of facilities:** a set of activities associated with the definitive interruption of the operation of facilities, the permanent abandonment and razing of wells, the removal of facilities, the proper disposal of materials, waste and tailings and the environmental recovery of the area.
- 1.2.16. **Development Stage:** a contractual stage that begins with the ANP's approval of the Development Plan and continues during the Production Stage as long as investments are required in wells, equipment and facilities for the Production of Oil and Natural Gas in accordance with the Oil Industry's Best Practices.
- 1.2.17. **Production Phase:** contractual period in which Development and Production must take place.
- 1.2.18. **Rehabilitation Phase:** contractual period beginning with the signing of the Contract and ending with the Declaration of Commerciality or the expiry of the period defined in Annex II.
- 1.2.19. **Brazilian supplier:** any manufacturer or supplier of goods produced or services provided in Brazil, through companies incorporated under Brazilian law or those that make use of goods manufactured in the country under special customs regimes and tax incentives applicable to the Oil and Natural Gas Industry.
- 1.2.20. **Individualization of Production:** a procedure aimed at dividing the results of Production and the rational use of the Union's natural resources, by unifying the Development and Production of the deposit that extends beyond the Concession Area;
- 1.2.21. **Applicable Legislation:** a set of Brazilian laws, decrees, regulations, resolutions, ordinances, normative instructions or any other normative acts that affect or may affect the Parties or the activities of Exploration, Appraisal, Development and Production of Oil and Natural Gas, as well as the Decommissioning of Facilities.
- 1.2.22. **Oil Industry Best Practices:** the best and safest procedures, technical standards, recommendations and technologies drawn up by standardizing institutions, bodies

and associations in the Oil and Natural Gas Industry around the world, which stand out among the generally accepted ones, adopted in similar conditions and circumstances, and which make it possible to: (i) guarantee the operational safety of facilities, preserving life, physical integrity and human health; (ii) preserve the environment and protect affected communities; (iii) avoid or reduce as far as possible the risks of leaks of Oil, Natural Gas, derivatives and other chemical products that may be harmful to the environment; (iv) the conservation of oil and gas resources, which implies the use of appropriate methods and processes to maximize the recovery of hydrocarbons in a technically, economically and environmentally sustainable manner, with the corresponding control of the decline of reserves, and the minimization of surface losses, avoiding or reducing them; (v) minimizing the consumption of natural resources in Operations; (vi) avoiding or reducing greenhouse gas emissions as much as possible.

- 1.2.23. **New Reservoir:** accumulation of Oil or Natural Gas other than those already in Production or under Evaluation.
- 1.2.24. **Operation:** any Exploration, Appraisal, Rehabilitation, Development, Production or Facility Decommissioning activity carried out in sequence, jointly or alone by the Concessionaire, for the purposes of this Agreement.
- 1.2.25. **Operator:** Concessionaire appointed, in the form of Annex VII, to conduct and execute all the Operations provided for in this Agreement on behalf of the Concessionaires.
- 1.2.26. **Party:** signatory to the Contract.
- 1.2.27. **Development Plan:** a document specifying the work program, schedule and respective investments required for the Development and Production of a Discovery or set of Discoveries of Oil and Natural Gas in the Concession Area, including its abandonment.
- 1.2.28. **Annual Production Program:** a document detailing production forecasts and the movement of oil, natural gas, water, special fluids and waste from the production process in each development area or field.
- 1.2.29. **Annual Work Program and Budget:** document specifying the set of activities to be carried out by the Concessionaire for the next five-year period, including details of the investments required to carry out the activities.
- 1.2.30. **Facility Decommissioning Program:** document presented by the Concessionaire whose content must include the information, projects and studies necessary for planning and carrying out Facility Decommissioning.
- 1.2.31. **Initial Work Program:** program of activities defined by the ANP in the bidding notice and in accordance with Annex II, to be carried out by the Concessionaire during the Rehabilitation Phase.
- 1.2.32. **Rehabilitation:** activities and investments necessary to re-establish the operational conditions of an area with a view to its Production.
- 1.2.33. **Re-entry:** activities carried out in wells to re-establish their operational conditions for Production or injection.
- 1.2.34. **Quarterly Expenditure Report:** document to be submitted by the Concessionaire to the ANP detailing the amounts spent on Rehabilitation, Development and Production Operations.

- 1.2.35. **Final Report for the Rehabilitation Phase:** document presented by the Concessionaire at the end of the Rehabilitation Phase, which describes the execution of the activities committed to in the Initial Work Program and the additional activities to this program, presents its results and, if approved by the ANP, gives effect to the Declaration of Commerciality.
- 1.2.36. **Facility Decommissioning Report:** document submitted by the Concessionaire describing all the activities carried out during Facility Decommissioning and the associated costs.
- 1.2.37. **Early Production System:** temporary installation with limited capacity, aimed at anticipating Production and obtaining data and information to better characterize the Reservoir, for the purposes of adjusting the Development Plan.
- 1.2.38. **Drilling Completion:** the moment when the final depth of the well is reached, with no prospect of further progress.
- 1.2.39. **Decommissioning Commitment Agreement:** an instrument through which the Concessionaire undertakes to carry out Facility Decommissioning activities, identifying the wells, facilities and other equipment.
- 1.2.40. **Long Duration Test:** a test in a well with a total free-flow time of more than 72 (seventy-two) hours, carried out with a view to obtaining data that allows interpretations to be made in order to subsidize the Deposit Evaluation.

CLAUSE TWO - OBJECT

Rehabilitation and Oil and Natural Gas Production

2.1. The purpose of this Contract is:

- a) the execution, in the Concession Area, of Operations committed to in the Initial Work Program or additional to it, aimed at the Rehabilitation of the Area with Marginal Accumulation and the Production of Oil or Natural Gas under commercial conditions;
- b) in the case of a Discovery, at the Concessionaire's discretion, the execution of Discovery Evaluation activities under the terms of an Annual Work Program and Budget approved by the ANP; and
- c) if the Concessionaire verifies that the Discovery is commercial, the Production of Oil and Natural Gas in the Concession Area under the terms of a Development Plan approved by the ANP .

Costs, Losses and Risks Associated with the Execution of Operations

- 2.2. The Concessionaire shall at all times assume, on an exclusive basis, all costs and risks related to the execution of the Operations and their consequences.
- 2.3. The Concessionaire shall bear all losses it may incur, including those resulting from acts of God or force majeure, as well as accidents or natural events affecting the Rehabilitation and Production of Oil and Natural Gas in the Concession Area.

- 2.4. The Concessionaire shall not be entitled to any payment, reimbursement, restitution, refund or indemnity in the event of the failure of the Rehabilitation Phase or the lack of commerciality of any Discoveries in the Concession Area.
- 2.5. The Concessionaire shall be solely liable for its own acts and those of its agents and subcontractors, as well as for compensation for any damage caused by the Operations and their execution, regardless of fault.
- 2.5.1. The Federal Government and the ANP must be reimbursed for any costs they may incur as a result of any claims motivated by acts for which the Concessionaire is responsible.
- 2.6. The Federal Government and the ANP will not assume any operational risks or losses, nor will they bear the costs and investments related to the execution of the Operations and their consequences.

Ownership of Oil and Natural Gas

- 2.7. Oil and natural gas deposits in the national territory, on the continental shelf and in the exclusive economic zone belong to the Federal Government, in accordance with articles 20, V and IX of the Constitution of the Federative Republic of Brazil and 3 of Law 9.478/1997.
- 2.7.1. The Concessionaire shall only own the Oil and Natural Gas that is actually produced and delivered to it at the Production Measurement Point, by means of original acquisition and under the terms of this Agreement.
- 2.7.2. The Concessionaire will be subject to charges relating to taxes and Government Participation, as well as other charges provided for in Applicable Legislation.

Other Natural Resources

- 2.8. The Concessionaire is prohibited from using, enjoying or disposing of, in any way and for any reason, in whole or in part, any other natural resources that may exist in the Concession Area other than Oil and Natural Gas, except when authorized by the competent bodies, under the terms of the Applicable Legislation.
- 2.8.1. The chance encounter of natural resources other than oil and natural gas must be notified to the ANP within a maximum of 72 (seventy-two) hours.
- 2.8.2. The Concessionaire must comply with the instructions and allow the execution of the relevant measures determined by the ANP or other competent authorities.
- 2.8.3. Until such instructions are presented to it, the Concessionaire must refrain from any measures that could jeopardize or in any way damage the natural resources discovered.
- 2.8.4. The Concessionaire shall not be obliged to suspend its activities, except in cases where these put the discovered natural resources or the Operations at risk.
- 2.9. Any interruption of Operations, exclusively due to the fortuitous encounter of other natural resources, shall have its period computed and recognized by the ANP for the purpose of extending this Contract.

CLAUSE THREE - CONCESSION AREA

Identification

3.1. Operations must be carried out exclusively in the Concession Area, described and delimited in Annex I.

3.1.1. If the ring fence of the Area with Marginal Accumulations is located partly onshore and partly in shallow waters, the Concessionaire wishing to carry out maritime Operations must submit this claim to the ANP and obtain the minimum qualification required, without prejudice to obtaining the relevant environmental licenses, under penalty of the sanctions provided for in this Agreement and in the Applicable Legislation.

Data Collection on Non-Exclusive Basis

3.2. The ANP may, at its sole discretion, authorize third parties to carry out geological, geochemical, geophysical and other work of the same nature in the Concession Area, with a view to gathering technical data for commercialization on a non-exclusive basis, under the terms of art. 8, III, of Law nº 9.478/1997 and the Applicable Legislation.

3.2.1. The execution of these services, except in exceptional situations approved by the ANP, may not affect the normal course of Operations.

3.2.2. The Concessionaire shall have no liability whatsoever in relation to the performance of said services by third parties or any damage related thereto.

CLAUSE FOUR - DURATION

Duration and Division into Phases

4.1. This Contract will be in force and effective from the date it is signed by all those who enter into it and is divided into two phases:

a) Rehabilitation Phase, the duration of which is defined in Annex II; and

b) Production Phase, with a duration defined in Clause Seven.

4.2. The term of this Contract shall correspond to the period elapsing from the date on which it was signed by all those entering into it until the end of the Rehabilitation Phase, unless there is a Declaration of Commerciality of one or more Discoveries, in which case there shall be an increase under the terms of Clause Seven.

4.3. To this total duration shall be added any extensions that may be authorized by the ANP under the terms of the Contract.

4.4. The expiry of the term, subject to the provisions of paragraph 4.3, shall result in the termination of the Contract by operation of law.

CHAPTER II - REHABILITATION

CLAUSE FIVE - REHABILITATION PHASE

Start and Duration

- 5.1. The Rehabilitation Phase will begin on the date of signature of this Contract and will last for the period set out in Annex II.
- 5.2. At the end of the Rehabilitation Phase, the Concessionaire will have to return the entire Concession Area to the ANP or Declare the Area with Marginal Accumulation Commercial.

Initial Work Program , Additional Activities and Term of Commitment of Decommissioning

- 5.3. The Concessionaire shall carry out the obligations relating to the Initial Work Program in full during the Rehabilitation Phase, within the terms and conditions described in Annex II.
 - 5.3.1. The Concessionaire may carry out activities in addition to the Initial Work Program, provided that they are included in the Annual Work Program and Budget.
- 5.4. The activities of the Initial Work Program and those additional to it will be monitored by means of the Annual Work Program and Budget, in accordance with the procedures and deadlines established in Clause Eight.
- 5.5. The Concessionaire must carry out all the activities necessary to decommission the wells and facilities that it assumes responsibility for abandoning or that it carries out interventions aimed at restoring their operational conditions for production or injection, the wells it uses for other reasons, as well as the facilities it takes over or implements, necessary for the Operation of the Field, in accordance with Applicable Legislation.
 - 5.5.1. The Concessionaire must submit the Decommissioning Commitment Agreement within 180 (one hundred and eighty) days of signing the Agreement, stating which wells and facilities it will assume responsibility for decommissioning.
 - 5.5.2. Pursuant to paragraph 15.1, the Concessionaire shall deliver the relevant decommissioning guarantees.
- 5.6. At the end of the Rehabilitation Phase, the Concessionaire must submit to the ANP the Final Report for the Rehabilitation Phase, covering the Initial Work Program and the activities already carried out.
- 5.7. The Concessionaire may contract, at its own risk, data acquisition companies (EAD) for the acquisition of exclusive data, under the terms of the Applicable Legislation.
- 5.8. The ANP will issue a quality control report for the return or acceptance of the data received within 180 (one hundred and eighty) days from the date of delivery of the last shipment of compliant data by the Concessionaire.
- 5.9. For the purposes of complying with the Initial Work Program, only data whose acquisition, processing or reprocessing has been delivered and evaluated by the ANP will be accepted by the ANP.

Extension of the Rehabilitation Phase and Suspension of the Contract

- 5.10. In the event of proven operational difficulties in complying with the Initial Work Program during the Rehabilitation Phase, the Concessionaire may request the ANP to extend this Phase.
- 5.10.1. The request must be sent to the ANP at least 60 (sixty) days before the end of the Rehabilitation Phase.
- 5.10.1.1. The ANP will have a period of 30 (thirty) days from the date of the request to give its opinion on the request.
- 5.11. The Contract will be automatically suspended if the ANP does not decide, before the end of the Rehabilitation Phase, on the request for suspension of the Contract, extension of the Rehabilitation Phase or changes to the Initial Work Program.
- 5.11.1. The Contract will be suspended from the end of the Rehabilitation Phase until the ANP makes a final decision.
- 5.11.2. If the contract is suspended, the deadline for submitting the Declaration of Commerciality will also be suspended.
- 5.11.3. During the suspension of the Agreement provided for in paragraph 5.11, the Concessionaire may not carry out any activities in the area, except with the prior express authorization of the ANP, in which case the suspension shall be converted into a precautionary extension of the Agreement.

Options for the Closure of the Rehabilitation Phase

- 5.12. The Concessionaire may terminate the Rehabilitation Phase at any time by notifying the ANP.
- 5.12.1. Termination will not release the Concessionaire from compensation for any failure to comply with the Initial Work Program.
- 5.13. Non-performance of the Initial Work Program shall result in the full termination of the Contract and the enforcement of the compensatory penalty clause provided for in Clause Fourteen, and no other penalties shall be applicable as a result of such non-performance.
- 5.13.1. The amounts of the activities in the Initial Work Program that have not been carried out are defined in Annex II and are net, and may be demanded from the Concessionaire or the guarantor, always monetarily adjusted by the General Price Index - Internal Availability (IGP-DI) of the Getúlio Vargas Foundation or another index that may replace it, under the terms of paragraph 14.8.

Concessionaire Options after Completion of the Initial Work Program

- 5.14. After completion of the Initial Work Program and until the end of the period set for the Rehabilitation Phase, the Concessionaire may, upon prior notification to the ANP:
- a) declare the Discovery Commercial, in compliance with the provisions of Clause Six of this Contract, and begin the Production Phase;

- b) retain the areas in which a postponement of the Declaration of Commerciality is applicable under the terms of paragraphs 6.4 and 6.5; or
- c) fully return the Concession Area.

CLAUSE SIX - DECLARATION OF COMMERCIALITY

Declaration of Commerciality

- 6.1. Once the Initial Work Program has been completed, the Concessionaire may, at its discretion, make a Declaration of Commerciality of the Discovery , under the terms of the Applicable Legislation.
 - 6.1.1. If it has not yet been submitted to the ANP, the Rehabilitation Phase Final Report must accompany the Declaration of Commerciality.
 - 6.1.2. The Declaration of Commerciality will only become effective once the ANP has approved the Final Report on the Rehabilitation Phase.
- 6.2. Failure to submit the Declaration of Commerciality by the end of the Rehabilitation Phase will result in the full termination of the Contract in relation to the respective area withheld for Discovery Evaluation.
- 6.3. The presentation of a Declaration of Commerciality will not exempt the Concessionaire from complying with the Initial Work Program.

Postponement of the Declaration of Commerciality

- 6.4. If the main accumulation of hydrocarbon discovered and evaluated in a Concession Area is Natural Gas, the Concessionaire may request authorization from the ANP to postpone the Declaration of Commerciality by up to 5 (five) years, in the following cases:
 - a) the lack of a market for the natural gas to be produced, with the expectation of its creation in less than 5 (five) years;
 - b) lack or insufficiency of transportation infrastructure to handle the Natural Gas to be produced by the Concessionaire, with the expectation of its implementation in less than 5 (five) years;
 - c) the volume of the Discovery is such that its commerciality depends on additional Discoveries in the Block itself or in adjacent Blocks, with a view to the joint Development of the Operations.
- 6.5. If the main accumulation of hydrocarbon discovered and evaluated in a Concession Area is Petroleum, the Concessionaire may request authorization from the ANP to postpone the Declaration of Commerciality by up to 5 (five) years, in the following cases:
 - a) lack of Production, Flow or Refining technology expected to emerge in less than 5 (five) years;

- b) the volume of the Discovery is such that its commerciality depends on additional Discoveries in the Block itself or in adjacent Blocks, with a view to the joint Development of the Operations.

- 6.6. During the postponement of the deadline for submitting the Declaration of Commerciality, the Contract will be suspended.
- 6.7. If the ANP considers that the reason for the postponement referred to in paragraphs 6.4 and 6.5 has been overcome, it will notify the Concessionaire to submit, at its discretion, a Declaration of Commerciality within a period of up to 30 (thirty) days.
 - 6.7.1. If the Concessionaire decides to submit a Declaration of Commerciality, it must submit a Development Plan for approval by the ANP within a maximum period of 180 (one hundred and eighty) days from said notification, and the provisions of paragraph 8.2 shall not apply.

CHAPTER III - PRODUCTION

CLAUSE SEVENTH - PRODUCTION PHASE

Start and Duration

7.1. The Field Production Phase will begin on the date of submission of the Declaration of Commerciality and will last for 15 (fifteen) years.

Extension at the request of the Concessionaire

7.2. The Concessionaire may request an extension of the period set out in paragraph 7.1, and must submit a request to the ANP at least 24 (twenty-four) months before the end of this period, accompanied by a revision of the Development Plan.

7.2.1. The ANP will rule on the request to revise the Development Plan and extend the Production Phase within a maximum period of 180 (one hundred and eighty) days, and may justifiably refuse the Concessionaire's proposal or make it conditional on modifications to the revised Development Plan.

Extension by ANP

7.3. The ANP may ask the Concessionaire to continue operating the field by notifying it at least 270 (two hundred and seventy) days before the scheduled end of production.

7.3.1. The ANP's request can only be refused on justification based, among other reasons, on proven uneconomicality.

7.3.1.1. If the Concessionaire refuses, the ANP will have a period of 60 (sixty) days from receipt of the justification to analyze the arguments presented and decide on the matter.

7.3.2. After 90 (ninety) days from the ANP's proposal, the absence of a response from the Concessionaire shall be considered tacit acceptance.

7.3.3. The Contract will be extended for the additional time indicated by the ANP.

Consequence of the Extension

7.4. In the event of an extension of the Production Phase, pursuant to paragraphs 7.2 or 7.3, the Parties shall continue to be bound by the exact terms and conditions of this Contract, with the sole exception of any modifications agreed upon as a result of and for the purposes of such extension.

7.4.1. At the end of the Production Phase, paragraphs 7.2 or 7.3 shall apply, where applicable, for the purposes of any new extension.

CLAUSE EIGHTH - DOCUMENTS FOR MONITORING THE PRODUCTION PHASE

Plans and Programs - general provisions

8.1. The plans and programs for monitoring the Production Phase are as follows:

- a) Development Plan;
- b) Annual Work Program and Budget; and
- c) Annual Production Program.

8.1.1. Plans and programs must be drawn up in accordance with the applicable legislation.

8.1.2. Untimely delivery of the plans and programs will subject the Concessionaire to the sanctions provided for in Clause Twenty-Five and the Applicable Legislation.

8.1.3. The Concessionaire will be obliged to comply with the plans and programs with any modifications determined by the ANP.

8.1.4. The Parties may request a review of the plans and programs at any time.

Development Plan

8.2. The Concessionaire must submit the Development Plan to the ANP within 180 (one hundred and eighty) days of submitting the Declaration of Commerciality or receiving notice of approval of the Final Report on the Rehabilitation Phase, whichever is the later.

8.2.1. If it is found that the Development Plan has not been submitted within the established deadline, the ANP will notify the Concessionaire to submit it within a maximum of 30 (thirty) days.

8.3. The ANP will have one hundred and eighty (180) days from receipt of the Development Plan to approve it or request the Concessionaire to make any changes it deems appropriate.

8.3.1. If the ANP does not make a decision within this period, the Development Plan will be considered approved, without prejudice to the ANP's power/duty to demand revisions whenever necessary.

8.3.2. If the ANP requests modifications, the Concessionaire must submit the modified Development Plan within the time limit set by the ANP, repeating the procedure set out in paragraph 8.3.

8.4. Failure by the ANP to approve the Development Plan, after exhausting the appropriate administrative appeals, shall result in the full termination of the Contract.

8.5. The Concessionaire must present development alternatives in the Development Plan, also taking into account the reduction of the carbon intensity of the asset's life cycle.

Annual Work Program and Budget

8.6. The Annual Work Program and Budget are subject to the same provisions as the Annual Production Program in terms of delivery, approval and review procedures.

8.7. The first Annual Work Program and Budget must cover the remainder of the current year and be submitted by the Concessionaire within 60 (sixty) days of the date of signature of this Agreement.

8.7.1. If there are more than 6 (six) months to go until the end of the year, the Annual Work Program and Budget must be sent, with the current year as the reference year.

8.7.2. If there are less than six (6) months to go until the end of the year, only the Annual Work Program and Budget for the following year must be sent by October 31st of that year, or by the deadline set in paragraph 8.7 if it is later than October 31st.

8.7.3. An exception may be made to paragraph 8.7.2 if there are activities to be effectively carried out by the Concessionaire in the second half of the current year, provided that the presentation of the Annual Work Program and Budget is preceded by prior consultation with the ANP as to its real need.

Annual Production Program

8.8. The Concessionaire shall submit to the ANP the Annual Production Program for the calendar year in which Production begins at least 60 (sixty) days prior to the Production Start Date, under the terms of the Applicable Legislation.

8.9. The Concessionaire must submit the Annual Production Program for the following year to the ANP by October 31st of each calendar year, under the terms of the Applicable Legislation.

8.10. The ANP will have a period of 30 (thirty) days from receipt of the Annual Production Program to approve it or request any modifications it deems appropriate from the Concessionaire.

8.10.1. If the ANP requests changes, the Concessionaire must resubmit the Annual Production Program including such changes within 30 (thirty) days of the request, repeating the procedure set out in paragraph 8.10.

8.10.2. If the Concessionaire disagrees with the proposed changes, it may discuss them with the ANP, with a view to adjusting the changes to be implemented in the Annual Production Program, to the extent that the ANP deems pertinent and in accordance with the Best Practices of the Petroleum Industry.

Newsletters

8.11. The bulletins for monitoring the Production Phase are as follows:

a) monthly Production bulletin; and

b) annual Reserves bulletin.

8.11.1. The bulletins must be drawn up in accordance with the applicable legislation.

- 8.11.2. The monthly Production Bulletin must be submitted by the 15th (fifteenth) day of each month, starting from the month following that in which the Field Production Start Date occurs.
 - 8.11.2.1. In the event of a variation of more than 15% (fifteen percent) in relation to the volume forecast for the corresponding month in the Annual Production Program, the Concessionaire must submit a justification to the ANP by the 15th (fifteenth) day of the month following the variation, in accordance with Applicable Legislation.
- 8.11.3. The Concessionaire must submit the annual Reserves Bulletin to the ANP by January 31st (thirty-one) for the previous year.

CLAUSE NINTH - INDIVIDUALIZATION OF PRODUCTION

Agreement of Individualization of Production

- 9.1. An Oil and Natural Gas Production Individualization Procedure must be set up, under the terms of the Applicable Legislation, if it is identified that a Reservoir extends beyond the Concession Area .

CHAPTER IV - IMPLEMENTATION OF OPERATIONS

TENTH CLAUSE - DISCOVERY, EVALUATION AND DEVELOPMENT OF A NEW RESERVOIR

- 10.1. Any Discovery of a New Oil or Natural Gas Reservoir must be notified by the Concessionaire to the ANP, exclusively, within a maximum of 72 (seventy-two) hours. The notification must be accompanied by all the relevant data and information available.
- 10.2. The Concessionaire may, at its discretion, carry out a New Reservoir Discovery Assessment at any time.
- 10.2.1. If the Concessionaire decides to carry out an Evaluation of the Discovery of a New Reservoir, it must present the Evaluation activities in the Annual Work Program and Budget, observing the procedures set out in Clause Eight.
- 10.3. If the Concessionaire decides to proceed with the Development of a New Reservoir, it must notify the ANP and, within 180 (one hundred and eighty) days of the notification, submit a Development Plan to the ANP, under the terms of the Applicable Legislation.
- 10.4. The Development or Production of a New Reservoir will only be authorized after approval by the ANP, under the terms of the Applicable Legislation.
- 10.5. The execution of the Long Duration Test without the use or re-injection of Natural Gas will be limited to a period of 180 (one hundred and eighty) days, except in exceptional cases, at the discretion of the ANP.

ELEVENTH CLAUSE - EXECUTION BY THE CONCESSIONAIRE

Dealer exclusivity

- 11.1. The Concessionaire, subject to the terms, conditions and duration of the Agreement, shall hold the exclusive right to carry out Operations in the Concession Area.

Appointment of the Operator by the Concessionaire

- 11.2. The Operator is appointed by the Concessionaire to, on its behalf:
- a) conduct and execute the Operations provided for in this Agreement;
 - b) submit plans, programs, guarantees, proposals and communications to the ANP;
 - c) receive responses, requests, proposals and other communications from the ANP.
- 11.3. The Operator shall be responsible for full compliance with all obligations of the Concessionaire set forth in this Agreement relating to any aspect of the Operations and the payment of Government Participations.
- 11.3.1. In the event of a consortium, all the Concessionaires will be jointly and severally liable for full compliance with all the obligations of the Contract.

- 11.4. The Operator may transfer responsibility for the Operation at any time by submitting an application to the ANP under the terms of Clause Twenty-Three and the Applicable Legislation.
- 11.5. The Operator may be dismissed by the ANP in the event of non-compliance with any of the clauses of this Agreement, if it does not remedy its fault within 90 (ninety) days of receiving notification from the ANP indicating the alleged non-compliance .
- 11.6. In the event of transfer of responsibility for operation and dismissal of the Operator, the Concessionaire must appoint a new Operator, in compliance with the provisions of the Applicable Legislation.
- 11.6.1. The new Operator will only be able to carry out its activities, assuming all the rights and obligations provided for in this Agreement, after authorization from the ANP and signature of the respective amendment to the Agreement.
- 11.7. The Operator referred to in paragraphs 11.4 or 11.5 shall transfer to the new Operator custody of all assets used in the Operations, accounting records, files and other documents relating to the Concession Area and the Operations in question.
- 11.8. The Operator referred to in paragraphs 11.4 or 11.5 shall remain liable for any acts, occurrences or circumstances relating to its status as Operator that occur during its management.
- 11.8.1. Said Operator shall also remain liable for all obligations and responsibilities arising from its status as Operator until the transfer provided for in paragraph 11.7.
- 11.9. The ANP may, as a condition for the approval of a new Operator, require the latter and the resigning or dismissed Operator to adopt the necessary measures for the full transfer of information and other aspects related to this Agreement.
- 11.9.1. The ANP may require an audit and inventory to be carried out until the Operations are transferred to the new Operator.
- 11.9.2. The costs of the audit and inventory must be paid by the Concessionaire.
- 11.10. In the case of an individual Concessionaire, it shall be deemed, for the purposes of this Agreement, to be the designated Operator of the Concession Area.

Diligence in Conducting Operations

- 11.11. The Concessionaire shall plan, prepare, execute and control the Operations in a diligent, efficient and appropriate manner, in accordance with Applicable Law and Petroleum Industry Best Practices, respecting the provisions of this Agreement and not engaging in any act that constitutes or may constitute an infringement of the economic order.
- 11.11.1. The Concessionaire must, in all Operations:
- a) adopt the necessary measures for the conservation of petroleum resources and other natural resources and for the protection of human life, property and the environment, under the terms of Clause Seventeen;

- b) comply with the relevant technical, scientific and safety standards and procedures, including fluid recovery, with the aim of rationalizing Production and controlling the decline of reserves;
- c) use, whenever appropriate and economically justifiable, at the ANP's discretion, more advanced technical experiences and technologies, including those that better increase the economic yield and production of the deposits.

11.12. The Operator's duties are:

- a) maintain a minimum number of staff domiciled in Brazil, fluent in Portuguese and capable of conducting day-to-day operations efficiently and effectively, as well as responding to incidents appropriately and immediately;
- b) to monitor, without interruption, all activities involving operational, environmental or human health risks.

Goods, Equipment, Facilities and Materials

11.13. It is the exclusive obligation of the Concessionaire to directly supply, purchase, rent, lease, charter or otherwise obtain, at its own risk and expense, all goods, movable and immovable, including installations, buildings, systems, equipment, machinery, materials and supplies, which are necessary for the execution of the Operations.

11.13.1. The purchase, rental, lease or acquisition may be carried out in Brazil or abroad, under the terms of the Applicable Legislation.

11.14. If pre-existing wells or infrastructure are used, the Concessionaire will assume, in relation to these, the responsibilities set out in the Agreement and in the Applicable Legislation.

Licenses, Authorizations and Permits

11.15. The Concessionaire shall, at its own risk, obtain all licenses, authorizations and permits required under Applicable Law.

11.15.1. If licenses, authorizations and permits depend on agreements with third parties, the negotiation and execution of such agreements shall be the sole responsibility of the Concessionaire, and the ANP may provide assistance in accordance with paragraph 12.5.

11.16. The Concessionaire shall be liable for infringement of the right to use materials and execution processes protected by trademarks, patents or other rights, and shall bear the payment of any obligations, liens, commissions, indemnities or other expenses arising from said infringement, including legal costs.

11.17. The Concessionaire shall be fully responsible, pursuant to paragraph 11.15, for obtaining all licenses, authorizations and permits necessary for the acquisition or use of the goods referred to in paragraph 11.13.

Expropriations and easements

- 11.18. The Concessionaire shall, at its own expense and risk, subject to the provisions of paragraph 11.15, carry out the expropriations and create the easements for real estate required to comply with this Agreement, as well as pay any and all compensation, costs or expenses arising therefrom.
- 11.19. The ANP shall initiate proceedings with a view to declaring the real estate referred to in paragraph 11.18 to be of public utility, for the purposes of expropriation and the creation of an administrative servitude, at the reasoned request of the Concessionaire.

Free Access to the Concession Area

- 11.20. During the term of this Agreement, the Concessionaire shall have free access to the Concession Area and the facilities located therein, subject to the provisions of paragraph 11.18.

Start of Production

- 11.21. The Concessionaire shall notify the ANP of the Production Start Date no later than 72 (seventy-two) hours after its occurrence.

Temporary interruption of production

- 11.22. The Concessionaire may request the ANP to voluntarily halt production in the field for a period of one (1) year, which may be extended at the ANP's discretion.
- 11.22.1. The ANP will assess the request within 60 (sixty) days, renewable for the same period, and may request clarifications from the Concessionaire.
- 11.22.2. The evaluation period will restart once the requested clarifications have been submitted.
- 11.23. The voluntary interruption of Production shall not entail the suspension of the term of the Contract.

Measurement

- 11.24. From the Field Production Start Date, the Concessionaire shall periodically and regularly measure the volume and quality of the Oil and Natural Gas produced at the Production Measurement Point.
- 11.24.1. The methods, equipment and measuring instruments provided for in the respective Development Plan and in accordance with the Applicable Legislation must be used.

Making Production Available

11.25. Ownership of the volumes of Petroleum and Natural Gas measured pursuant to paragraph 11.24 shall vest in the Concessionaire at the Production Measurement Point.

11.25.1. The quantification of volumes will be subject, at any time, to inspection and to the corrections provided for in the Applicable Legislation.

Free disposal

11.26. The Concessionaire is assured free disposal of the volumes of Petroleum and Natural Gas awarded to it under the terms of paragraph 11.25.

Consumption in Operations

11.27. The Concessionaire may use oil and natural gas produced in the Concession Area as fuel when carrying out its operations, provided that this is in quantities authorized by the ANP.

11.27.1. The Concessionaire must inform the ANP, in the monthly Production bulletin, of the quantity of Oil and Natural Gas consumed in the Operations and the purpose for which it was used.

11.27.2. The volumes of Oil and Natural Gas consumed in the Operations shall be computed for the purpose of calculating the Government and third party Participations due, as provided for in Clause Nineteen.

Test Results

11.28. The data, information, results, interpretations, static and dynamic Reservoir models and flow regimes obtained from the formation tests, Long Duration Tests or Early Production Systems during the execution of the Operations under this Contract must be sent to the ANP within 5 (five) days of their being obtained, concluded or in accordance with the deadline defined in the Applicable Legislation or another deadline defined by the ANP.

11.28.1. Among the documents submitted, the volumes of oil, natural gas and water produced must be included.

11.28.2. In the case of Long Duration Tests, the information must be sent to the ANP in accordance with the periodicity established in the approved Annual Work and Budget Programs.

11.28.3. Production and movements resulting from Long Term Tests and Early Production Systems must be reported using the monthly Production bulletin.

11.29. The volumes of Petroleum and Natural Gas produced during the Long Term Tests shall be vested in the Concessionaire under the terms of paragraph 11.25 and computed for the purpose of calculating the Government and third party Participations due under Clause Nineteen.

- 11.30. Royalties are due as a result of Oil and Natural Gas Production from Long Duration Tests, which must be calculated monthly, starting from the month in which production occurs, and paid, in national currency, by the last working day of the following month.

Oil and Natural Gas Losses and Natural Gas Flaring

- 11.31. Losses of Oil or Natural Gas incurred under the Concessionaire's responsibility, as well as the flaring of Natural Gas in flares, shall be included in the Total Production Volume to be calculated for the purpose of payment of Government Participations and third parties, without prejudice to the application of the provisions of Clause Twenty-Five and Clause Twenty-Six.
- 11.32. Burning Natural Gas in *flares* will only be permitted for safety, emergency and commissioning reasons, with the maximum volume being that specified in the Applicable Legislation.

Drilling and Abandoning Wells

- 11.33. The Operator shall notify the ANP in advance of the start of drilling of any well in the Concession Area.
- 11.34. The Concessionaire may stop drilling the well and abandon it, subject to Applicable Law and in accordance with Petroleum Industry Best Practices.
- 11.35. The ANP may, exceptionally, authorize the drilling of wells in a location outside the Concession Area, due to Production Individualization Agreements or environmental issues.

Data Acquisition outside the Concession Area

- 11.36. The Concessionaire may carry out Operations outside the limits of the Concession Area, under the terms of the Applicable Legislation.
- 11.37. Data acquired outside the boundaries of the Concession Area will be classified as public immediately after its acquisition.
- 11.38. The Concessionaire shall deliver to the ANP data and information acquired outside the limits of the Concession Area, under the terms of the Applicable Legislation.
- 11.39. Operations outside the boundaries of the Concession Area will not be considered for the purpose of complying with the Initial Work Program.

Facilities or Equipment outside the Concession Area

- 11.40. The ANP may authorize the positioning or construction of facilities or equipment in a location outside the Concession Area, with a view to complementing or optimizing the logistical structure related to the Operations.
- 11.40.1. The Concessionaire must submit a reasoned request to the ANP to position facilities or equipment outside the boundaries of the Concession Area.

11.40.1.1. The justification must include technical and economic aspects, as well as the positioning or construction project, as appropriate.

11.40.1.2. If the installation or equipment needs to be located in another area under contract, there must be the consent of the contractor holding the rights to that area for the authorization to be requested, in addition to other authorizations from other bodies and the consent of entities possibly impacted by the installation.

11.40.2. The provisions of Clause Seventeen shall also apply to equipment and installations located outside the Concession Area.

CLAUSE TWELVE - CONTROL OF OPERATIONS AND ASSISTANCE BY ANP

Monitoring and Inspection by the ANP

12.1. The ANP, directly or through agreements with federal, state or federal district bodies, will permanently monitor and supervise the Operations.

12.1.1. Action or omission in monitoring and inspection shall not exclude or reduce the Concessionaire's liability for the faithful fulfillment of the obligations assumed in this Agreement.

Access and Control

12.2. The ANP will have free access to the Concession Area and ongoing Operations, equipment and facilities, as well as all available records, studies and technical data.

12.2.1. The Concessionaire must provide ANP representatives with transportation, food, personal protective equipment and accommodation during rentals, on the same terms as those provided to its own staff.

12.2.2. For the purposes of gathering data, information or ascertaining responsibility for operational incidents, access will be provided by the Concessionaire through the unrestricted and immediate provision of transportation, food, personal protective equipment and accommodation for ANP representatives.

12.3. The Concessionaire must allow free access to the authorities that have jurisdiction over any of its activities.

12.4. The Concessionaire shall provide the information requested by the ANP within the established period and in the established manner.

Dealer assistance

12.5. Upon request, the ANP may assist the Concessionaire in obtaining the licenses, authorizations, permits and rights referred to in paragraph 11.15.

- 12.5.1. The ANP will instruct the procedures for the declaration of public utility referred to in paragraph 11.19.

ANP Disclaimer

- 12.6. The Concessionaire, at its own risk, is fully responsible for carrying out the Operations, and the ANP is not liable for any assistance requested or provided.

CLAUSE TEN THIRD - DATA AND INFORMATION

Supply by the Dealer

- 13.1. The Concessionaire shall keep the ANP informed of the progress, results and deadlines of the Operations.
- 13.1.1. The Concessionaire shall send to the ANP, in the manner and by the deadlines stipulated by the ANP, copies of maps, sections, profiles, studies, interpretations, other geological, geochemical and geophysical data and information, including well data, static and dynamic Reservoir models and flow regimes obtained from tests, as well as reports or any other documents defined in specific regulations and obtained as a result of the Operations and this Agreement that contain information necessary to characterize the progress of the work and the geological knowledge of the Concession Area.
- 13.1.2. Under the terms of Article 22 of Law No. 9.478/1997, the technical collection consisting of data and information on the Brazilian Sedimentary Basins is an integral part of national oil resources, and such data and information, including those relating to geological, geophysical and geochemical modeling of the Concession Area, must be delivered by the Concessionaire to the ANP.
- 13.1.3. The ANP must ensure that confidentiality periods are complied with, under the terms of the applicable legislation.
- 13.2. The quality of the copies and other reproductions of the data and information referred to in paragraph 13.1.1 must maintain absolute fidelity and standards equivalent to the originals, including with regard to color, size, legibility, clarity, compatibility and other relevant characteristics.

Processing or Analysis Abroad

- 13.3. The Concessionaire may, with the prior express authorization of the ANP, send samples of rocks and fluids abroad for the purposes of analysis and other studies, under the terms of the Applicable Legislation.

CLAUSE FOURTEENTH - COMPENSATORY PENALTY CLAUSE FOR FAILURE TO COMPLY WITH THE INITIAL WORK PROGRAM

Compensatory Penalty Clause for Failure to Comply with the Initial Work Program

- 14.1. As a compensatory penalty clause for non-compliance with the Initial Work Program, the Concessionaire shall be subject to payment of a contractual fine in an amount equivalent to the Initial Work Program not complied with, as provided for in paragraphs 14.13 and 14.14.

Initial Work Program Financial Guarantee

- 14.2. In the Rehabilitation Phase, the Concessionaire shall provide the ANP with one or more financial guarantees for the Initial Work Program in accordance with the amount set out in Annex II, within the period established in the bidding notice.
- 14.3. The financial guarantees submitted must be accompanied by a letter signed by all the Concessionaires expressing their full awareness of paragraph 11.3.1 and that the obligations of the Initial Work Program are indivisible, with each Concessionaire jointly and severally liable for compensation in the event of non-compliance.

Types of Financial Guarantees

- 14.4. The Concessionaire may provide the ANP with the following types of financial guarantee for the compensatory penalty clause for non-compliance with the Initial Work Program:
- a) letter of credit;
 - b) guarantee insurance;
 - c) Oil and Natural Gas pledge contracts; and
 - d) security deposit.
- 14.5. The financial guarantees may be cumulated in order to total the guaranteed amount.
- 14.6. The financial guarantees must be in the form indicated in the call for tenders.
- 14.7. Financial guarantees can only be replaced or altered after approval by the ANP.

Updating Financial Guarantees

- 14.8. The value of the Initial Work Program, secured by a financial guarantee, will be automatically monetarily adjusted on January 1st of each calendar year by the IGP-DI variation for the immediately preceding year, except on the January 1st immediately following the publication of the call for tenders, when there will be no adjustment.
- 14.8.1. If a new financial guarantee is issued, the amount guaranteed may not be less than the amount set out in Annex II.

14.9. The Concessionaire must submit the updated financial guarantees to the ANP, reflecting the update provided for in paragraph 14.8, by February 15 of each calendar year.

14.9.1. The annual presentation of the guarantee update is waived if the type of guarantee presented already contains in its instrument a clause for automatic monetary update by the IGP-DI.

Validity of Financial Guarantees

14.10. The validity of the financial guarantee must exceed by at least 180 (one hundred and eighty) days the date set for the end of the Rehabilitation Phase.

14.10.1. The financial guarantees must be renewed whenever necessary, already in the monetarily updated amount, subject to the provisions of paragraph 14.8.

14.10.2. If the Rehabilitation Phase is suspended, the financial guarantees must be updated or renewed to cover a period of no less than one (1) year, and must be renewed at least one hundred and eighty (180) days before their expiry date.

14.11. If the financial guarantees deteriorate, the Concessionaire must replace them or provide additional guarantees.

14.11.1. If the guarantee has been presented in the form of an Oil and Natural Gas pledge contract, the ANP may notify the Concessionaire to, under the terms of the bidding notice and the pledge contract signed between the parties, call in the guarantee margin or, alternatively, request that a new guarantee be presented to the ANP, in order to cover any difference between the required guarantee and the actual guarantee, within 60 (sixty) days of receiving the notification.

Return of Financial Guarantees

14.12. At the end of the Rehabilitation Phase and once the Final Report on the Rehabilitation Phase has been approved, the ANP will return the financial guarantees to the Concessionaire.

Execution of Compensatory Penalty Clause

14.13. In the event of non-compliance with the Initial Work Program, the ANP will order the Concessionaire to pay, as a compensatory penalty clause, within 30 (thirty) days, the amount corresponding to the unfulfilled portion of the Initial Work Program, updated by the IGP-DI, without any discount for voluntary payment.

14.13.1. In the event of voluntary non-payment, the ANP will execute the financial guarantee within the limit of the amount due and will register the remaining debt relating to the Initial Work Program as an active debt, plus the applicable legal charges.

14.13.2. The amount equivalent to the unfulfilled Initial Work Program will be updated by the IGP-DI until the date on which the actual payment is made.

- 14.13.3. The ANP's declaration of non-compliance with the contract is immediately effective and constitutes sufficient cause for the enforcement of the guarantee offered, including guarantee insurance.
 - 14.13.4. The suspension of the execution of the financial guarantee by decision of the ANP, under the terms of paragraph 30.5 "m", or of an arbitration or court decision in force, does not prevent the ANP from reporting the claim to the insurer, within the term of the respective guarantee.
 - 14.13.5. When the suspension is terminated without reversal of the administrative decision referred to in paragraph 14.13.4, the effective enforcement of the financial guarantee shall take place when the suspension is terminated, even if the original term of the guarantee has expired.
- 14.14. Receipt of the amount corresponding to the compensatory penalty clause for non-performance of the Initial Work Program:
- a) does not exempt the Concessionaire from complying with the other obligations arising from the Contract;
 - b) does not prejudice the ANP's right to seek other reparations and apply any applicable sanctions for acts other than mere non-performance of the Initial Work Program; and
 - c) does not entitle the Concessionaire to proceed to the Production Phase.
- 14.15. In the form of a security deposit, the guarantee will be enforced by withdrawing the updated value of the penalty clause corresponding to the portion of the Initial Work Program that has not been enforced, by means of correspondence from the ANP to the depository, regardless of prior authorization from the depositor.

FIFTEENTH CLAUSE - DECOMMISSIONING FINANCIAL GUARANTEE

- 15.1. For the Production Phase, the Concessionaire will provide the ANP with one or more financial guarantees to ensure the decommissioning of the wells and facilities that it assumes responsibility for abandoning or that it carries out interventions aimed at restoring their operational conditions for production or injection, of the wells it uses for other reasons, as well as the facilities it assumes or implements, necessary for the Operation of the Field, in the form of Applicable Legislation.
- 15.2. The Concessionaire shall submit a guarantee for decommissioning within 180 (one hundred and eighty) days of the Production Start Date. To this end, it may use the guarantees or terms to ensure the Decommissioning of Facilities provided for in the Applicable Legislation, at the ANP's discretion.
- 15.2.1. The guarantees and terms presented to ensure the Decommissioning of Facilities must comply with the requirements set out in the Applicable Legislation.
 - 15.2.2. The Concessionaire must keep the guarantee or term valid throughout the term of the Contract and must renew it 180 (one hundred and eighty) days before its expiration date.

- 15.2.3. The ANP may, at any time, order the replacement of the guarantee or term whenever the technical analysis concludes that it is inefficient or inadequate in the specific case.
- 15.3. The amount of the decommissioning guarantee for a Development Area or Field will be paid progressively throughout the Production Phase in the manner, within the time limits and at the updating intervals provided for in the Applicable Legislation, and the amount sufficient to cover the total cost of Decommissioning Facilities must be paid into the guarantee at the time indicated in the Applicable Legislation.
- 15.4. Notwithstanding the provisions of paragraph 15.3, the ANP may require that the total amount to be guaranteed, corresponding to the estimated cost of Decommissioning Field Facilities, be placed in full in a guarantee at any time during the Contract, provided that it is motivated to do so, in cases of serious risk and difficult repair.
- 15.5. The value of the decommissioning guarantee for a Development Area or Field may be revised, at the request of the Concessionaire or at the request of the ANP, when events occur that alter the cost of Facility Decommissioning Operations, respecting the limit set out in the applicable legislation.
- 15.6. In the case of a guarantee presented by means of an accrual fund:
- a) the Concessionaire must submit to the ANP, every year, documentation proving the contributions made, as well as informing the updated balance of the fund;
 - b) the ANP may audit the procedure adopted by the Concessionaire in managing the financial provisioning fund; and
 - c) the balance calculated after carrying out all the necessary operations for the decommissioning of the Field will revert exclusively to the Concessionaire.
- 15.7. The presentation of a decommissioning guarantee does not release the Concessionaire from carrying out, at its own risk, all the Operations necessary for the Decommissioning of Field Facilities.
- 15.8. The financial guarantees for decommissioning may be cumulated in order to total the amount to be guaranteed, in compliance with the Applicable Legislation.

CLAUSE TEN SIX - STAFF, SERVICES AND SUBCONTRACTS

Staff

- 16.1. The Concessionaire shall recruit and hire, directly or indirectly, at its own risk and expense, all the labor required to carry out the Operations, and shall be the sole and exclusive employer for all purposes of this Agreement.
- 16.1.1. Recruitment and hiring may be carried out in Brazil or abroad and according to the Concessionaire's selection criteria, under the terms of the Applicable Legislation.

- 16.2. The Concessionaire will be exclusively and fully responsible, in Brazil and abroad, for the arrangements regarding the entry, exit and stay in the country of its foreign personnel.
- 16.3. The Concessionaire must comply with the applicable legislation with regard to the hiring, maintenance and dismissal of personnel, accidents at work and industrial safety, and shall be exclusively and fully responsible for the payment of social, labor and social security contributions and other relevant charges and supplements due under any title, in accordance with Brazilian law.
- 16.4. The Concessionaire must ensure adequate food, personal protective equipment and accommodation for its staff when they are on duty or traveling, specifically with regard to quantity, quality, hygiene conditions, safety and health care, under the terms of the Applicable Legislation.
- 16.5. The Concessionaire must, at any time, withdraw or replace any of its technicians or team members due to improper conduct, technical deficiency or poor health.

Services

- 16.6. The Concessionaire shall directly perform, contract for or otherwise obtain, at its own risk and expense, all the services necessary for the performance of this Agreement.
- 16.6.1. Services may be contracted in Brazil or abroad, under the terms of the applicable legislation.
- 16.6.2. If it contracts with its Affiliates to supply services, the prices, deadlines, quality and other terms agreed must be competitive and compatible with market practices .
- 16.7. The Concessionaire shall ensure that all its subcontractors and suppliers comply with the provisions of this Agreement and the Applicable Legislation.
- 16.8. The Concessionaire shall be fully and objectively liable for the activities of its subcontractors that result, directly or indirectly, in damage or loss to the environment, the ANP or the Federal Government.
- 16.9. The Concessionaire shall keep an up-to-date inventory and records of all the services referred to in paragraphs 16.1 and 16.6, in accordance with Applicable Law.

CLAUSE SEVENTEENTH - OPERATIONAL SAFETY AND THE ENVIRONMENT

Operations Safety and Environmental Control

- 17.1. The Concessionaire must, among other obligations:
- a) ensure the preservation of an ecologically balanced environment;
 - b) minimize the occurrence of impacts and/or damage to the environment;

- c) to ensure the safety of operations in order to protect human life, the environment and the Union's assets;
- d) to ensure the protection of Brazil's historical and cultural heritage;
- e) recovering degraded areas, in compliance with Applicable Legislation and Oil Industry Best Practices;
- f) minimize natural gas flaring and strive for routine zero flaring; and
- g) adopt practices and technologies to reduce greenhouse gas emissions and the carbon intensity of activities.

- 17.2. The ANP may, at any time, request copies of the environmental licenses and studies submitted for approval by the competent environmental agency, if knowledge of their content becomes necessary for the instruction/management of the Contract.
- 17.3. If there is an environmental licensing process in which the competent body deems it necessary to hold a public hearing, the Concessionaire must send the ANP copies of the studies drawn up with a view to obtaining the licenses at least 30 (thirty) working days before the hearing is held.
- 17.4. The Concessionaire must submit to the ANP copies of the environmental licenses and their respective renewals, in accordance with the deadlines defined in the specific regulations issued by the ANP or, before that, when necessary to instruct an authorization procedure that requires such documents.
- 17.5. The Concessionaire must inform the ANP and the competent authorities of any occurrence arising from an accidental fact or intentional act involving risk or damage to the environment or human health, material damage to its own property or that of third parties, fatalities or serious injuries to its own personnel or to third parties or unscheduled interruptions to Operations, under the terms of the Applicable Legislation and in accordance with the guidelines set out in interpretative manuals issued by the ANP, if any.

From Liability for Damages

- 17.6. The Concessionaire shall assume full and objective liability for all damage to the environment resulting directly or indirectly from the execution of the Operations.
- 17.6.1. The Concessionaire shall make good any damage resulting from the Operations.
 - 17.6.2. The Concessionaire shall reimburse the Federal Government and the ANP, under the terms of paragraphs 2.2 to 2.6, for any and all actions, appeals, lawsuits or legal challenges, arbitration, audits, inspections, investigations or controversies of any kind, as well as for any indemnities, compensation, punishments, fines or penalties of any kind related to or arising from such damages.

CLAUSE EIGHTEENTH - INSURANCE

Insurance

- 18.1. The Concessionaire shall take out and maintain in force, throughout the term of this Agreement, insurance cover for Exploration and Production activities, contracted with an insurance company duly registered with the Superintendence of Private Insurance (SUSEP), for all cases required by Applicable Law, without this implying any limitation of its liability under this Agreement.
- 18.1.1. The coverage of these insurances must cover:
- a) goods;
 - b) staff;
 - c) extraordinary expenses in the operation of wells;
 - d) cleaning resulting from an accident;
 - e) decontamination resulting from an accident; and
 - f) civil liability for damage to the environment and the Union's assets.
- 18.1.2. The Concessionaire shall include the ANP as a co-insured in the civil liability coverage policies, which shall not prejudice the ANP's right to obtain full compensation for losses and damages that exceed the compensation received as a result of the coverage provided for in the policy.
- 18.2. The Concessionaire must obtain from its insurers the inclusion, in all policies, of a clause by which they expressly waive any rights, implicit or explicit, of subrogation against the ANP or the Federal Government.
- 18.3. Insurance through Affiliates is allowed provided that it is provided by a company authorized to carry out this activity by Susep and previously authorized by the ANP.
- 18.4. The Concessionaire's global insurance policies and programs may be used for the purposes of this Eighteenth Clause, provided that they are previously authorized by the ANP.
- 18.5. The Concessionaire shall deliver to the ANP, upon request, within five (5) working days, copies of all policies and contracts relating to the insurance referred to in paragraph 18.1, as well as any and all amendments, alterations, endorsements, extensions or extensions thereof, and any and all related occurrences, claims or notices of loss.

CHAPTER V - GOVERNMENT SHARES

CLAUSE NINETEENTH - SHARES

Government and third-party holdings

- 19.1. In addition to the Signature Bonus, paid prior to the date of signature of the Agreement, the Concessionaire will pay the Union and third parties the following stakes, in accordance with the Applicable Legislation and Annex V:
- a) Royalties;
 - b) payment for the occupation or retention of areas; and
 - c) payment of a share to the landowner.
- 19.2. The Concessionaire will not be exempt from payment in respect of Government and third-party Participations in the event of:
- a) production earned during the Formation Test period, in the Rehabilitation Phase, only if there is economic use of the production;
 - b) production earned during the Training Test period, in the Production Phase;
 - c) production earned during the Long Term Test period;
 - d) suspension of the term of this Contract;
 - e) unforeseeable circumstances, force majeure and similar causes.

CLAUSE TWENTIETH - TRIBUTE S

Tax regime

- 20.1. The Concessionaire will be subject to the federal, state and municipal tax regime and will be obliged to comply with it under the terms, deadlines and conditions defined in the Applicable Legislation.

Certificates and Proof of Good Standing

- 20.2. Whenever requested by the ANP, the Concessionaire must submit all certificates, registration acts, authorizations, proof of registration in taxpayer registers, proof of tax compliance, proof of compliance with social charges established by law, registration with professional bodies or associations, and any other similar documents or certificates.

CLAUSE TWENTY FIRST - CURRENCY

Currency

21.1. The currency unit for all purposes and effects of this Agreement shall be the Real.

CLAUSE TWENTY SECOND - ACCOUNTING AND FINANCIAL AUDIT BY ANP

Accounting

22.1. The Concessionaire must, under the terms of the Applicable Legislation:

- a) keeping all documents, books, papers, records and other items;
- b) maintain the supporting documents needed to assess government and third-party holdings that support the bookkeeping;
- c) make the appropriate entries;
- d) present the accounting and financial statements; and
- e) submit to the ANP the Quarterly Expenditure Report or any document that may replace it.

Auditing

22.2. The ANP may carry out an audit, including of the statements for calculating Government Participations, under the terms of the Applicable Legislation.

- 22.2.1. Audits can be carried out directly or through contracts and agreements, under the terms of the applicable legislation.
- 22.2.2. The Concessionaire will be notified at least thirty (30) days in advance of the audits.
- 22.2.3. The ANP shall have broad access to books, records and other documents referred to in paragraph 22.1, including contracts and agreements entered into by the Concessionaire and related to the acquisition of goods and services for the Operations, for the last 10 (ten) years.
- 22.2.4. The Dealer is responsible for the information provided by third parties.
- 22.2.5. The ANP may request from the Concessionaire any documents necessary to resolve any doubts.
- 22.2.6. Any absence of an audit or omission of its conclusions shall not exclude or reduce the Concessionaire's responsibility for the faithful fulfillment of the obligations of this Agreement, nor shall it represent tacit agreement with methods and procedures at variance with this Agreement or the Applicable Legislation.

CHAPTER VI - GENERAL PROVISIONS

CLAUSE TWENTY THIRD - ASSIGNMENT OF THE CONTRACT

Assignment

- 23.1. The rights and obligations of the Concessionaire under this Agreement may be assigned, in whole or in part, subject to the prior and express authorization of the ANP .
- 23.1.1. Requests for authorization to carry out the following acts will be submitted to the Assignment procedure provided for in the Applicable Legislation:
- a) transfer, in whole or in part, of ownership of rights and obligations arising from the Contract, including as a result of the execution of a guarantee on the contractual position;
 - b) change of Dealer due to merger, demerger or incorporation;
 - c) change of Operator; and
 - d) exemption or replacement of the performance guarantee.
- 23.2. The parties shall maintain the terms and conditions of the Contract unchanged until the respective amendment is signed, and any form of:
- a) transfer of rights relating to the Exploration and Production Contract that is the subject of the Assignment or execution of any encumbrance thereon; and
 - b) the assignee's influence over the management of the Exploration and Production Contract and its execution.
- 23.3. Failure to comply with the provisions of paragraph 23.2 shall constitute an Assignment without the prior express approval of the ANP.
- 23.4. The Operator and the other members of the consortium must hold, respectively, at least 30% (thirty percent) and 5% (five percent) stakes in the Contract throughout its term.
- 23.5. The Concessionaire must notify the ANP of the change in its corporate control within 30 (thirty) days of the filing of the corporate act with the competent registration body, under the terms of the Applicable Legislation.

Individual Participation in Rights and Obligations

- 23.6. The Assignment of the Concession Area, in whole or in part, will always be an undivided interest in the rights and obligations of the Concessionaire, respecting the joint and several liability between the assignor and the assignee, under the terms of Applicable Legislation.

Assignment of Area

23.7. The assignment of part of a field will not be allowed, except as an alternative to a Production Individualization agreement that has not been concluded, provided that it has been approved by the ANP, under the terms of the applicable legislation.

Nullity of the Assignment of Rights and Obligations and Need for Prior and Express Approval

23.8. Any Assignment that does not comply with the provisions of this Clause Twenty-Three or the Applicable Legislation shall be null and void and subject to the penalties provided for in this Agreement and the Applicable Legislation.

Approval of Assignment

23.9. The ANP will have a period of 90 (ninety) days from the presentation of the complete documentation and as required, under the terms of the Applicable Legislation, to decide on the Assignment.

23.10. The Assignment of the Contract will only be authorized, except in the case of paragraph 26.5.2, when:

- a) the technical, economic-financial and legal requirements established by the ANP have been met;
- b) the object and other contractual conditions are preserved;
- c) in compliance with the provisions of Article 88 of Law No. 12,529, of November 30, 2011, if applicable;
- d) the obligations of the Exploration and Production Contract that is the subject of the request are being fulfilled;
- e) the obligations related to any Facility Decommissioning activities are provided for in accordance with Applicable Legislation; and
- f) the assignor and the assignee, or the guaranteed party, in cases of exemption or substitution of a performance guarantee, are in compliance with all their obligations relating to Government Participations and third parties under all concession contracts and government revenues under all Production Sharing contracts to which they are parties.

23.10.1. If the assignor is in default and the Assignment is not voluntary, determined by the ANP or due to the execution of a contractual clause with third parties, the Assignment will be permitted if the assignee or the executor of the guarantee pays the obligations relating to the contracts to be assigned.

23.10.2. In the event of paragraph 23.10.1, the assignee or the executor of the guarantee must undertake to pass on any amount that may be owed to the assignor as a result of the Assignment directly to the ANP, until the assignor's entire debt to the ANP is settled.

- 23.11. In the event of a non-voluntary assignment, the assignment to an affiliate or to a company over which the defaulting concessionaire has potential influence, as determined in an administrative process, will not be approved.

Duration and Effectiveness of the Assignment

- 23.12. Following approval of the Assignment by the ANP , the Contract must be amended in order for the act to be consummated, except in cases of exemption or replacement of the performance guarantee, under the terms of the Applicable Legislation.
- 23.13. The amendment to the Contract shall become effective from the date it is signed by all those who enter into it, in accordance with the applicable legislation.
- 23.13.1. The transfer by the assignor to the assignee of the operational safety and environmental data, documents and information relating to the contracted area and the Exploration and Production facilities included in the Assignment and defined by the ANP is a condition for signing the amendment to the Contract, except in the event of a non-voluntary Assignment.
- 23.14. Within 45 (forty-five) days of signing the addendum, the Concessionaire must deliver to the ANP a copy of the Consortium Agreement or its amendment filed with the competent commercial registry.
- 23.15. As of the signing of the addendum, the former concessionaire will have a period of 90 (ninety) days to transfer to the new concessionaire all exclusive data relating to the Contract assigned, regardless of whether it is public or confidential.
- 23.15.1. The new concessionaire will become the holder of the rights to the exclusive data, and the confidentiality periods already in force will remain unchanged, under the terms of the applicable legislation.

Guarantee of Rights Arising from the Concession Contract

- 23.16. The Concessionaire may, within the scope of credit operations or financing agreements, provide security for the rights arising from this Agreement, under the terms of the Applicable Legislation.
- 23.17. The Concessionaire must notify the ANP of the guarantee operation provided for in paragraph 23.16, sending a copy of the respective guarantee instrument within 30 (thirty) days of the date on which it was signed.
- 23.18. The execution of the guarantee shall be carried out under the terms of the Applicable Legislation and upon notification to the ANP, under the terms of the guarantee instrument, observing that the transfer of ownership resulting from the execution of the guarantee constitutes Assignment and depends on the prior and express consent of the ANP.

CLAUSE TWENTY-FOUR - RETURN

Returns

- 24.1. The Concessionaire may return the area in its entirety if it decides to cease Operations after the Rehabilitation Phase, by notifying the ANP.
- 24.1.1. The return will not release the Concessionaire from the obligation to comply with the Initial Work Program.
- 24.1.2. The Concessionaire will not be reimbursed for the investments made.

Disposal by the ANP of the Returned Area

- 24.2. The ANP, once notified by the Concessionaire of the return of an area under Rehabilitation or after the process of returning an area under Development or Production has begun, may dispose of it, including for the purposes of new bids.

Return of the Concession Area in the Rehabilitation Phase

- 24.3. The Concessionaire may, at any time during the Rehabilitation Phase, return the Concession Area by notifying the ANP.
- 24.4. Within 60 (sixty) days of the end of the Rehabilitation Phase, if the Concessionaire does not submit a Declaration of Commerciality, it must submit a Facility Decommissioning Program to the ANP, under the terms of the Applicable Legislation.
- 24.4.1. The delivery of the Facility Decommissioning Program does not imply any type of recognition or discharge by the ANP, nor does it exempt the Concessionaire from complying with the Initial Work Program.

Return of the Concession Area in the Production Phase

- 24.5. The Concessionaire may, at any time during the Production Phase, return the Field by notifying the ANP.
- 24.6. At the end of the Production Phase, under the terms of paragraph 7.1, the Field must be returned to the ANP.
- 24.7. The Concessionaire shall submit to the ANP a Facility Decommissioning Program in accordance with Applicable Legislation and Petroleum Industry Best Practices.
- 24.8. The total or partial termination of this Agreement or the end of the Production Phase shall not release the Concessionaire from its obligations relating to the Decommissioning of Facilities, in particular compliance with the Facilities Decommissioning Program, until the ANP approves the respective Facilities Decommissioning Report.
- 24.9. At its discretion, the ANP may adopt the necessary measures to continue operating the field, and may even promote new contracts over the last 5 (five) years before the date set for the end of production.
- 24.9.1. The Concessionaire shall make every effort and take all appropriate measures to properly transfer the Operations to the new concessionaire, so as not to jeopardize the administration and Production of the Field.

24.10. The Concessionaire shall submit to the ANP a Facility Decommissioning Program in accordance with the Applicable Legislation.

24.10.1. The Contract is automatically extended if the schedule for the execution of the Facility Decommissioning Program is later than the end of the Production Phase, for the period necessary for its approval and implementation.

24.11. At the end of the term of the Agreement and if there are commercially extractable reserves, the ANP may order the Concessionaire not to permanently abandon certain wells or to decommission or remove certain installations and equipment, without prejudice to its right to return the area.

24.12. In the case of a Field, the planning for the Decommissioning of Facilities and the mechanisms for making the necessary funds available will be provided for in the respective Development Plan and reviewed periodically throughout the Production Phase by means of the Annual Work and Budget Programs.

24.12.1. The cost of Facility Decommissioning Operations must be provided for in order to cover the activities of permanently abandoning wells, deactivating and removing lines and facilities and rehabilitating areas, in accordance with Applicable Legislation.

Assets to be Reversed

24.13. Pursuant to articles 28 and 43, VI, of Law No. 9.478/1997 and the Applicable Legislation, any and all assets, movable and immovable, main and accessory, which are part of the Concession Area and which, at the sole discretion of the ANP, are necessary to allow the continuity of Operations or whose use is considered to be in the public interest, shall revert to the possession and property of the Federal Government and to the administration of the ANP in the event of termination of this Agreement.

24.14. If assets are shared for the Operations of two or more Fields, these assets may be retained until all Operations are closed.

Removal of non-reverted assets

24.15. Assets that will not be reverted, including unserviceable assets, shall, in accordance with Applicable Law and Petroleum Industry Best Practices, be removed and/or given an appropriate destination by the Concessionaire, at its own risk and expense, in accordance with the provisions of this Agreement and in accordance with Applicable Law.

Return conditions

24.16. The return of the Concession Area, as well as the consequent reversion of assets, will be definitive and will be made by the Concessionaire without any burden of any kind for the Federal Government or the ANP, under the terms of article 28, §§ 1 and 2, of Law 9.478/1997, and the Concessionaire will not be entitled to any compensation.

24.17. The return of areas or Fields forming part of the Concession Area does not release the Concessionaire from the liability provided for in paragraph 17.6.

Return on termination of contract

- 24.18. Termination of this Agreement for any reason shall oblige the Concessionaire to return the entire Concession Area to the ANP immediately.
- 24.19. The Facility Decommissioning Program must be submitted to the ANP for approval, under the terms of the Applicable Legislation.

CLAUSE TWENTY FIFTH - DEFAULT AND PENALTIES

Sanctions Legal and Contractual

- 25.1. In the event of non-compliance with the obligations established in the Applicable Legislation and in this Agreement, or if they are performed in a place, time or manner other than that agreed, the Concessionaire shall incur the specific sanctions provided for in this instrument and in the Applicable Legislation, without prejudice to liability for any losses and damages arising from the non-compliance.

CLAUSE TWENTY-SIX - TERMINATION OF CONTRACT

Extinction of Full Rights

26.1. This Agreement shall terminate as of right:

- a) by the expiry of the term provided for in Clause Four;
- b) the end of the Rehabilitation Phase without the Initial Work Program having been fulfilled;
- c) at the end of the Rehabilitation Phase, if no Declaration of Commerciality has been submitted;
- d) if the Concessionaire returns the Concession Area;
- e) the non-approval of the Development Plan by the ANP, as provided for in Clause Eight;
- f) in whole or in part, by the Concessionaire's refusal to sign the Production Individualization Agreement, following a decision by the ANP; or
- g) the decree of bankruptcy or the non-approval by the competent court of any Concessionaire's application for judicial reorganization, subject to the provisions of paragraph 26.5.2.

Termination at the will of the parties: Resignation bilateral and unilateral

- 26.2. This Agreement may be terminated at any time by mutual agreement between the Parties, without prejudice to compliance with the obligations set out in this Agreement.
- 26.3. At any time during the Production Phase, the Concessionaire may request the termination of this Agreement, in whole or in part, at least 180 (one hundred and eighty) days prior to the intended date of termination, which must be approved in advance by the ANP.
- 26.3.1. The ANP will have 90 (ninety) days from the date of receipt of the termination request to analyze the request.
- 26.3.2. Until the effective termination of the contract, the Concessionaire may not interrupt or suspend the Production committed in the Annual Production Programs of the Fields or Development Areas in question, unless authorized by the ANP.
- 26.4. Termination of the Agreement shall not release the Concessionaire from the liability provided for in paragraph 17.6.

Termination for Absolute Default: Resolution

26.5. This Contract shall be terminated in the following cases:

- a) non-compliance by the Concessionaire with the contractual obligations, if this is not a case of termination by operation of law; or
- b) judicial or extrajudicial reorganization, without submitting an approved reorganization plan capable of demonstrating to the ANP the economic and financial capacity to fully comply with all contractual and regulatory obligations.

26.5.1. In the case of paragraph 26.5(a), prior to termination of the Agreement, the ANP shall notify the Concessionaire to comply with the non-complying obligation within a period of not less than 90 (ninety) days, except in cases of extreme urgency.

26.5.2. In the event of absolute default, if the period stipulated in paragraph 26.5.1 has elapsed without the defaulted obligation having been fulfilled, a new period of 90 (ninety) days will be granted, or less in cases of extreme urgency, for the defaulting Concessionaire to formalize before the ANP the request for the Assignment of its undivided interest in the rights and obligations of this Agreement, under penalty of the penalties provided for in this Agreement, in addition to contractual termination.

26.5.3. If there is more than one Concessionaire and if the Assignment provided for in paragraph 26.5.2 is not made, the ANP shall only terminate this Agreement in respect of the defaulting Concessionaire, and its undivided interest in the rights and obligations of this Agreement shall be divided among the other defaulting Concessionaires in proportion to their interests, subject to prior and express approval by the ANP.

Consequences of Extinction

- 26.6. In any of the cases of termination provided for in this Agreement or in the Applicable Legislation, the Concessionaire shall not be entitled to any compensation.
- 26.7. In any of the cases of termination provided for in this Agreement or in the Applicable Legislation, the provisions of paragraphs 24.7 to 24.11 must be observed for the return of the area.
- 26.8. If this Agreement is terminated, the Concessionaire shall be liable for all losses and damages arising from its default and termination, and shall bear all applicable indemnities and compensation, in accordance with the law and this instrument.

CLAUSE TWENTY-SEVENTH - UNFORESEEABLE CIRCUMSTANCES, FORCE MAJEURE AND SIMILAR CAUSES**Total or Partial Exoneration**

- 27.1. Exoneration from the obligations assumed in this Contract shall only occur in the event of unforeseeable circumstances, force majeure and similar causes justifying non-performance, such as the fact of administration, the fact of the prince and unforeseen interference.
- 27.1.1. The obligations of the Concessionaire in debt shall be discharged exclusively in relation to the obligations of this Agreement whose performance becomes impossible due to unforeseeable circumstances, force majeure or similar causes recognized by the ANP.
- 27.1.2. The ANP's decision recognizing the occurrence of unforeseeable circumstances, force majeure or similar causes shall indicate the portion of the Contract whose performance shall be waived or postponed.
- 27.1.3. Recognition of the incidence of unforeseeable circumstances, force majeure or similar causes does not exempt the Concessionaire from the payment of Government Participations and third parties.
- 27.2. Notification of events that may be considered unforeseeable circumstances, force majeure or similar causes shall be immediate and shall specify such circumstances, their causes and consequences.
- 27.2.1. The events must also be notified that they have ceased.

Amendment, Suspension and Termination of Contract

- 27.3. Once the unforeseeable event, force majeure or similar causes have been overcome, it will be up to the Concessionaire to fulfill the obligations affected, extending the deadline for fulfilling these obligations by the period corresponding to the duration of the event.
- 27.3.1. Depending on the extent and severity of the effects of unforeseeable circumstances, force majeure or similar causes:

- a) the Parties may agree to amend the Contract or terminate it;
- b) the ANP may suspend the course of the contractual term in relation to the portion of the Contract affected.

27.3.2. During the suspension of the contractual term, all the obligations of the Parties that have not been affected by unforeseeable circumstances, force majeure and similar causes shall remain in force and enforceable.

Environmental licensing

27.4. The ANP may extend or suspend the contractual term if there is evidence of a delay in the environmental licensing process.

27.4.1. Suspension or extension of the contract may be granted at the reasoned request of the Concessionaire.

27.4.2. For the course of the contractual term to be suspended or extended, the regulatory deadline for the licensing body's decision in the environmental licensing process must have been exceeded.

27.4.3. The Concessionaire must prove that the delay was due solely to the responsibility of the competent public bodies and that it took the appropriate measures and acted with reasonable diligence to ensure that the environmental licensing process was carried out in a regular manner, and therefore did not cause the delay.

27.4.4. If the ANP's request for suspension of the contract is granted, the course of the contractual term will be considered suspended until the environmental agency has made its final decision.

27.4.5. If the ANP's request for suspension of the contract is granted, the restitution of time due to delays on the part of the environmental agency will be accounted for from the date of the environmental agency's finding of a delay until the date of suspension of the contract.

27.4.6. The suspension of the contractual term will be interrupted at any time if the ANP deems it unjustified.

27.4.7. Once the ANP's request for an extension of the contract has been granted, the refund of time due to the environmental agency's delay will be counted from the time the environmental agency notices the delay until the date of the request for an extension.

27.4.8. The final opinion of the environmental agency must be communicated to the ANP within five (5) days of its receipt by the Concessionaire.

27.5. If requested by the Concessionaire, suspension of the contractual term for more than five (5) uninterrupted years may result in termination of the contract, without the Concessionaire being entitled to any type of compensation.

27.5.1. The request referred to in paragraph 27.5 must be submitted to the ANP within 90 (ninety) days of the date on which the suspension of the course of the contractual term completed 5 (five) years.

- 27.5.2. It will be up to the Concessionaire to prove that, in the five (5) years from the date of suspension of the contractual term, the delay was due exclusively to the responsibility of the competent public bodies and that it took the appropriate measures and acted with reasonable diligence to ensure that the environmental licensing process was carried out in a regular manner, and therefore did not cause the delay.
- 27.6. Provided the Concessionaire so requests, a definitive rejection by the competent environmental agency of the licensing essential for carrying out the activities may result in the termination of the contract, without the Concessionaire being entitled to any type of compensation.
- 27.6.1. In order for the rejection of the environmental license to be classified as unforeseeable circumstances, force majeure and similar causes, the Concessionaire must prove that it did not contribute to the rejection of the environmental licensing process.

Losses

- 27.7. The Concessionaire shall individually and exclusively assume all losses arising from unforeseeable circumstances, force majeure or similar causes.

CLAUSE TWENTY-EIGHTH - CONFIDENTIALITY

Obligation of the Concessionaire

- 28.1. All data acquired, processed, produced, developed or in any way obtained as a result of the Operations and the Contract are confidential.
- 28.2. The data and information referred to in paragraph 28.1 may be disclosed by the Concessionaire, but may not be commercialized.
- 28.3. In the event of disclosure of the data and information referred to in paragraph 28.1, the Concessionaire must send notification to the ANP within 30 (thirty) days of the disclosure .
- 28.3.1. The notification must be accompanied by the data and information disclosed, the reasons for the disclosure and the list of third parties who have had access to such data and information.
- 28.3.2. In the event of disclosure of data and information to Affiliates, consortium members participating in contracts and third parties who will work directly with the data and with whom the applicant maintains a contractual relationship, including for the purposes of carrying out research, development and innovation projects, the Concessionaire will be exempt from sending notification to the ANP.
- 28.4. The provisions of paragraphs 28.1, 28.2 and 28.3 shall remain in force and shall survive the termination of this Agreement.

ANP's commitment

28.5. The ANP undertakes not to disclose data and information relating to the Operations of the areas retained by the Concessionaire, the exposure of which may represent a competitive advantage to other economic agents, under the terms of article 5, paragraph 2, of Decree No. 7,724, of May 16, 2012.

28.5.1. This provision shall not apply if disclosure is required by law or court.

CLAUSE TWENTY-NINTH - NOTIFICATIONS , REQUESTS, COMMUNICATIONS AND REPORTS

Notifications, Requests, Plans, Programs, Reports and other Communications

29.1. The notifications, requests, forwarding of plans, programs, reports, as well as any other communications provided for in this Contract must be formal and in writing, in compliance with Applicable Legislation.

29.1.1. If there is no specific provision in the Applicable Legislation, the communications provided for herein must be delivered in person, by protocol, or sent by post, with proof of receipt.

29.1.2. Acts and communications related to this Agreement must be written in Portuguese, signed by the Concessionaire's legal representative or by an attorney-in-fact with specific powers.

Addresses

29.2. In the event of a change of address, the Parties undertake to notify the other Party of the new address at least thirty (30) days prior to the change.

Validity and Effectiveness

29.3. The notices provided for in this Agreement shall be deemed valid and effective on the date on which they are actually received.

Amendments to Articles of Association

29.4. The Concessionaire must notify the ANP of any changes to its articles of incorporation, bylaws or articles of association, sending copies of these, the documents electing its administrators or proof of the board of directors in office within 30 (thirty) days of their becoming effective.

CLAUSE THIRTIETH - LEGAL SYSTEM

Applicable Law

30.1. This Agreement shall be executed, governed and construed in accordance with the laws of Brazil.

30.1.1. The Parties shall comply with the Applicable Legislation in the execution of the Contract.

Conciliation

30.2. The Parties undertake to make every effort to settle amicably between themselves any dispute or controversy arising out of or in connection with this Contract.

30.2.1. Such efforts must include at least the request for a specific conciliation meeting by the dissatisfied Party, accompanied by its request and its reasons of fact and law.

30.2.2. The request must be complied with by scheduling a meeting with the other Party within 15 (fifteen) days of the request, at the ANP's offices. The representatives of the Parties must have the power to compromise on the issue.

30.2.3. After the meeting, if no agreement is reached immediately, the parties will have at least another 30 (thirty) days to negotiate an amicable solution.

Mediation

30.3. The Parties may, by written agreement and at any time, submit the dispute or controversy to mediation by an entity authorized to do so, under the terms of its regulations and in accordance with Applicable Law.

Independent expert

30.4. The Parties may, by written agreement, have recourse to an independent expert in order to obtain a reasoned opinion that may lead to the closure of the dispute or controversy.

30.4.1. If such an agreement is signed, recourse to arbitration can only be exercised after the expert opinion has been issued .

Arbitration

30.5. After the procedure provided for in paragraph 30.2, if one of the Parties considers that the conditions for an amicable settlement of the dispute or controversy referred to in that paragraph do not exist, such matter shall be submitted to arbitration .

- a) The arbitral proceedings shall be administered by a notoriously recognized arbitral institution of unblemished reputation, with the capacity to administer arbitration in accordance with the rules of this Thirtieth Clause, and preferably with its registered office or case management office in Brazil;
- b) The parties to the dispute shall choose the arbitral institution by mutual agreement. If the Parties cannot agree on the choice of the arbitral institution, the ANP shall appoint one of the following institutions: (i) the International Court of Arbitration of the International Chamber of Commerce; (ii) the International Court of Arbitration in London; or (iii) the Permanent Court of Arbitration in The Hague. If the ANP does not make the appointment within twenty (20) days, the other party to the dispute may use any of the three institutions mentioned in this paragraph;
- c) Arbitration shall be conducted in accordance with the rules of the arbitral institution chosen, insofar as they do not conflict with this Thirtieth Clause. Expedited or sole arbitrator procedures shall only be adopted in the event of express agreement between the Parties;
- d) Three arbitrators must be chosen. Each party to the dispute shall choose one arbitrator. The two arbitrators so chosen shall appoint the third arbitrator, who shall act as chairman;
- e) The city of Rio de Janeiro, Brazil, will be the seat of the arbitration and the place of delivery of the arbitral award;
- f) The language to be used in the arbitration process will be Portuguese. The parties to the dispute may, however, submit testimony or documents in any other language, as decided by the arbitrators, without the need for an official translation;
- g) On the merits, the arbitrators will decide on the basis of Brazilian substantive law;
- h) The arbitral award shall be final and its content shall be binding on the Parties. Any amounts owed by the ANP will be paid by means of a court-ordered payment order, except in the event of administrative recognition of the claim;
- i) The expenses necessary for the installation, conduct and development of the arbitration, such as the costs of the arbitral institution and the advance payment of arbitral fees, shall be advanced exclusively by the Party requesting the installation of the arbitration. The Party complained against shall only reimburse such amounts in proportion to the outcome of the arbitration, as decided in the arbitral award;
- j) If expert evidence is required, the independent expert shall be appointed by mutual agreement between the parties to the dispute or, failing agreement, by the Arbitral Tribunal. The costs of such expertise, including expert fees, shall be advanced by the Party requesting it or by the party requesting arbitration, if proposed by the Arbitral Tribunal. Such costs shall ultimately be borne by the losing party, in accordance with the preceding paragraph. The parties to the dispute may appoint expert assistants of their confidence at their own expense, but such costs shall not be reimbursed;
- k) The Arbitral Tribunal shall order the wholly or partially unsuccessful Party to pay attorneys' fees, in accordance with articles 85 and 86 of the Brazilian Code of Civil Procedure, or any successor rule. No other compensation shall be due for expenses incurred by a Party in connection with its own representation;
- l) If precautionary or emergency measures are required before the arbitration is instituted, the interested party may request them directly from the Judiciary, on the

basis of the Applicable Law, and they will cease to be effective if the arbitration is not requested within 30 (thirty) days of the effective date of the decision;

- m) The ANP may, at the request of the Concessionaire and at its sole discretion, suspend the adoption of enforcement measures, such as the execution of guarantees and registration in debtors' registers, provided that the Concessionaire keeps the guarantees in force for the periods provided for in this Agreement, for a sufficient period for the Arbitration Tribunal to be set up, in order to avoid the unnecessary filing of the judicial measure provided for in the preceding paragraph;
- n) The arbitration procedure must comply with the principle of publicity, under the terms of the Applicable Legislation, with confidential data being safeguarded under the terms of this Agreement. Disclosure of information to the public shall be the responsibility of the arbitral institution administering the proceedings and shall preferably be done electronically.

30.6. The Parties hereby declare that they are aware that the arbitration referred to in this Thirtieth Clause refers exclusively to disputes arising out of the Contract or related thereto, and is only possible to settle disputes relating to available property rights, under the terms of Law No. 9,307, of September 23, 1996.

30.6.1. For the purposes of this Thirtieth Clause, disputes over available property rights are deemed to arise from:

- a) the incidence of contractual penalties and their calculation;
- b) enforcement of guarantees;
- c) the calculation of indemnities arising from the termination or transfer of the Contract;
- d) breach of contractual obligations by either Party; and
- e) of claims related to contractual rights or obligations.

Forum

30.7. For the purposes of subparagraph "I" of paragraph 30.5 and for matters that do not deal with available property rights, under the terms of Law No. 9.307/1996, the Parties elect the Federal Court - Judicial Section of Rio de Janeiro, Brazil, as the sole competent court, expressly waiving any other, however privileged.

Suspension of Activities

30.8. The ANP will decide whether or not to suspend the activities involved in the dispute or controversy.

30.8.1. The criterion for the decision must be the need to avoid personal or material risk of any kind, especially with regard to Operations.

Justifications

30.9. The ANP undertakes, whenever it exercises its discretionary power, to explain the justifications for the act, observing the Applicable Legislation and complying with the Best Practices of the Petroleum Industry.

Continuous Application

30.10. The provisions of this Thirtieth Clause shall remain in force and shall survive the termination of the Contract.

CLAUSE THIRTY FIRST - FINAL PROVISIONS

Contract execution

31.1. The Concessionaire must maintain all the conditions and qualifications required in the bidding process throughout the performance of the Agreement, in compatibility with the obligations it has undertaken.

Modifications and Additives

31.2. The omission or toleration by either Party of the requirement to comply with the provisions of this Contract, as well as the acceptance of performance other than that contractually required, shall not imply novation and shall not limit the right of such Party to, on subsequent occasions, impose compliance with these provisions or require performance compatible with that contractually required.

31.3. Any modifications or amendments to this Contract must comply with Applicable Law and shall only be valid if formally made in writing and signed by the representatives of the Parties.

Advertising

31.4. The ANP shall publish the full text or extract of the terms of this Agreement in the Federal Official Gazette, for its *erga omnes* validity.

In agreement, the Parties electronically sign this Contract, together with the witnesses indicated below.

OR

In agreement, the Parties sign this Contract in XX (insert number of copies) counterparts, of equal form and content and for a single purpose, in the presence of the witnesses indicated below.

Rio de Janeiro, "signature_date".

National Agency for Petroleum, Natural Gas and Biofuels - ANP

"signatory_anp_name"

"signatory_anp_position"

"sign"

"signatory_representative01_name"

"signatory_representative01_position"

"sign"

"signatory_representative02_name"

"signatory_representative02_position"

Witnesses:

Name: "witness_01_name"

CPF: "witness_01_cpf"

Name: "witness_02_name"

CPF: "witness_02_cpf"

ANNEX I - AREA CONCESSION

The Concession Area of this Contract is the Area with Marginal Accumulation "area_acumulação marginal" following the ANP grid pattern and the SIRGAS 2000 Geodetic Reference System, whose Geographic Coordinates in Latitude and Longitude are listed below.

CARTOGRAPHIC PARAMETERS USED FOR THE COORDINATES

ANNEX II - INITIAL WORK PROGRAM

The Rehabilitation Phase will last "duracao fase" years and will consist of a single period.

The activities to be carried out by the Concessionaire in order to comply with the Initial Work Program (PTI) are described in this Annex.

Table 1 - Description of Activities in the Initial Work Program

Area	PTI
"marginal_accumulation_area"	"pti"

Table 2 - Monetary Value of PTI and Financial Guarantee

Initial Work Program Value (R\$)	Value of the Financial Guarantee (R\$)
"pti_value" ("extended_pti_value")	"guarantee_pti" ("extended_guarantee")

The ANP, at its sole discretion, may accept other activities proposed by the Concessionaire with due technical justification.

ANNEX III - FINANCIAL GUARANTEE INITIAL WORK PROGRAM

(Attach a copy of the Financial Guarantee for the Initial Work Program)

ANNEX IV - PERFORMANCE GUARANTEE

(Attach a copy of the document submitted, if applicable)

ANNEX V - GOVERNMENT HOLDINGS AND THIRD PARTIES

Under the terms of Clause Nineteen, the Concessionaire will pay the following Government and third-party Participations:

- a) Royalties, in the amount corresponding to 5% (five percent) of Oil and Natural Gas Production in the Concession Area;
- b) Payment for Occupation or Retention of Area¹ : i) in the Rehabilitation Phase, in the amount of R\$ "retencao_reabilitacao" ("retencao_reabilitacao_extenso") per square kilometer or fraction of the Concession Area, with the increase provided for in Decree No. 2.705/1998 in the event of an extension; ii) during the Development Stage of the Production Phase, in the amount of R\$ "retencao_development" ("retencao_desenvolvimento_extenso"); and iii) in the Production Phase, in the amount of R\$ "retencao_producao" ("retencao_producao_extenso"); e
- c) Payment to landowners of a share equivalent to 0.5% (half a percent) of Oil and Natural Gas Production, under the terms of the Applicable Legislation.

¹ Payment for the Retention or Occupation of the Area, in Reais per square kilometer, under the terms of the bidding notice.

ANNEX VI - PAYMENT OF THE SIGNATURE BONUS**Table 1 - Subscription Bonus Amounts Offered and Paid by the Concessionaire**

Area	Value offered (R\$)	Amount Paid (R\$)
"marginal_accumulation_area "	"bonus_offered" ("bonus_offered_extended")	"bonus_paid" ("bonus_paid_extenso")

ANNEX VII - DESIGNATION OF OPERATOR

The initial Operator is "sign". A new Operator may be appointed in accordance with the provisions of Clause Eleven and subject to the conditions of Clause Twenty-Three.