

**EMPRESA BRASILEIRA DE ADMINISTRAÇÃO DE PETRÓLEO E GÁS NATURAL - PRÉ-SAL
PETRÓLEO S.A. – PPSA**

This document presents a free translation into English of the original document written in Portuguese. In the event of discrepancy, inconsistency or conflict between this document and the original contract in Portuguese, the original contract in Portuguese shall prevail over this translation.

**AGREEMENT FOR CONDITIONAL SALE OF CRUDE OIL TO
TRADING AGENT FOR SALE TO THIRD PARTY**

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**AGREEMENT FOR CONDITIONAL SALE OF
CRUDE OIL TO TRADING AGENT FOR SALE TO
THIRD PARTY**

**FIELD OR AREA:
AGREEMENT No.:**

By this private instrument:

Empresa Brasileira de Administração de Petróleo e Gás Natural - Pré-Sal Petróleo S.A. – PPSA, a state owned company linked to the Ministry of Mines and Energy, authorized by Law No. 12,304/2010 and instituted by Decree No. 8,063/2013, registered with CNPJ / ME under nº 18.738.727 / 0001-36 and Headquarters at Avenida Rio Branco, nº 1 - 4th floor - Centro, CEP: 20.090-003, Rio de Janeiro - RJ, registered with CNPJ / ME under 18.738.727 / 0002-17, hereby represented by the signatories identified at the end, (hereinafter referred to as “**PPSA**”), representing the Federal Union pursuant to article 4, item II, subitem “a” of Law No. 12,304/2010; and

[Trade Name of Trading Agent], a company organized and existing according to the laws of Brazil, with registered office in the city and State [insert full address], enrolled with the CNPJ/ME under No. [number] represented by the signatories identified at the end (hereinafter referred to as “**Trading Agent**”);

PPSA and Trading Agent hereinafter collectively referred to as “**Parties**”.

Whereas:

- I. pursuant to article 2nd, head provision, of Law No. 12,304/2010, the management of contracts for the sale of Crude Oil, Natural Gas and other fluid hydrocarbons of the Federal Union is attribution of PPSA.;
- II. pursuant to article 4th, item II, of Law No. 12,304/2010, it is incumbent upon PPSA to perform all the acts necessary for the management of agreements for the sale of Federal Union Crude Oil, especially to enter into agreements with Trading Agents representing the Federal Union; check compliance by contractors with the Trading Policy; and monitor and audit the operations, costs and sale prices of Crude Oil;
- III. the Federal Union Crude Oil will be traded according to the rules of private law, pursuant to article 45 of Law No. 12,351/2010, and according to the Trading Policy;
- IV. the purpose of PPSA is to maximize the economic result of agreements for the sale of Federal Union Crude Oil, pursuant to § 1st of article 5th of the PPSA’s Bylaws;

- V. the Trading Agent acts in the sale of Crude Oil, having sound knowledge and experience in the physical, futures and derivatives markets;
- VI. the Federal Union, represented by PPSA, is part of the Tupi Production Unitization Agreement (AIP), being entitled to the original acquisition of ownership of a portion of the Crude Oil produced in the Tupi Unitized Area; and
- VII. the Trading Agent was the winner of the bidding process that is the subject of PPSA Invitation to Bid **LI.PPSA.001/2020**, carried out for the purpose of this contracting process.

The Parties resolve to enter into this agreement ("Agreement"), according to the International Tender Notice LI.PPSA.001/2020, which shall be governed by the following terms and conditions:

1. DEFINITIONS

1.1. For the purposes of this Agreement, the following definitions of the Applicable Law apply:

- i. Law No. 9,478/1997:
Field, Natural Gas, Oil
- ii. Decree No. 2,705/1998:
Reference Price
- iii. Law No. 12,351/2010:
Production Unitization , Production Sharing
- iv. Production Sharing Agreements entered into in Brazil:
Production Unitization Agreement, Applicable Law
- v. ANP Resolution No. 25/2013:
Shared Deposit

1.2. In addition to these, the following terms are defined:

"AEE" or "EEA": European Economic Area.

"Anticorruption Legislation": any and all national legislation addressing topics on anticorruption and best anticorruption practices, including, but not limited to, Law No. 8,429/2020, Law No. 12,846/2013, and Decree No. 8,420/2015.

"Basic Sediments and Water" or "BS&W": sediments and water suspended in Crude Oil.

"Business day": Day when the banks of the city of Rio de Janeiro (Brazil) are open for business.

"Buyer": final buyer of the Federal Union Crude Oil, with which the Trading Agent or company from the same Economic Group will enter into a Crude Oil sales agreement.

"Cargo": specified amount of Federal Union Crude Oil to be traded by the Trading Agent, according to the Final Lifting Schedule.

“Claim”: Claim by one of the Parties for compensation for losses or costs arising from Demurrage, quantity or quality of Oil.

“CLP”: European Community (EC) Regulation No. 1,272/2008 of the European Parliament and the European Council, of December 16, 2008, on the classification, labeling and storage of substances and mixtures.

“Consortium Member”: any member of the Tupi Unitized Area consortium.

“Contract Manager”: person appointed by PPSA to manage and enforce the Agreement.

“Dated Brent” means the value of the Brent dated as published in Platts Crude Oil Marketwire

“Day”: calendar day, unless specifically defined otherwise in the body of the Agreement.

“Default in Loading”: the Selling Agent will be considered in Default in Loading when, with the risk of loss of production, PPSA needs to interact with the Production Operator to charter another Lifting Vessel, put the Cargo into storage, divert the Cargo to another Consortium Member, perform an exchange of VPRs or sell the Cargo without the intervention of the Trading Agent, even if there is no loss of production.

“Demurrage”: penalty paid to the owner when the contractually agreed laytime is exceeded.

“DPST”: Dynamic Positioning Shuttle Tanker.

“Economic Group”: in relation to the Trading Agent, its parent companies, subsidiaries, and companies under common control.

“Estimated Time of Arrival” or “ETA”: estimated date and time of arrival (local time) of the Shuttle Tanker to the specific FPSO location designated for the offloading of liquid hydrocarbons under the respective FPSO Regulation.

“Expenses Directly Related to Trading”: expenses that can be deducted from the revenue referred to in item III of the head provision of article 49 of Law No. 12,351/2010, listed in Clause 11.

“Federal Union Crude Oil”: portion of the Crude Oil produced under the Production Sharing agreement or Production Unitization Agreement that is intended to the Federal Union, under the terms of the aforementioned instruments.

“Federal Union Payment Form” or “GRU”: standardized payment form, for the payment of amounts to the Treasury Single Account.

“Final Lifting Schedule”: final shipment schedule on the FPSO, issued by the Production Operator, containing the date and volume to be loaded.

“FOB FPSO”: FOB sale modality with loading from the FPSO.

“FOB Transshipment”: FOB sale modality with loading from the Transshipment .

“FPSO CAR”: FPSO Cidade de Angra dos Reis.

“FPSO Regulation” or “Terminal Loading Manual”: set of rules and procedures related to the operation of the FPSO(s), which sets the terms and conditions for the use of facilities and the provision of services specified therein.

“FPSO”: Floating Production Storage and Offloading Unit, a floating platform for production, storage and offloading, with all the facilities and services necessary to collect, process, measure, store and transfer liquid hydrocarbons to a Shuttle Tanker.

“Free on Board” or “FOB”: meaning attributed by INCOTERMS 2010.

“Gross Standard Volume” or “GSV”: total volume of liquid hydrocarbons, BS&W, excluding free water, at standard pressure of one atmosphere, adjusted at standard temperature of 60 °F (sixty degrees Fahrenheit) when measured in Barrels, or 20 °C (twenty degrees Celsius) when measured in Cubic Meters.

“Insurance, Independent Inspection and Price Hedge” or “SIP”: sum of the costs with insurance, independent inspection, unloading supervision and price hedge of the Cargo, in USD/Barrel, under this Agreement.

“Laytime”: period agreed upon under the agreement to carry out the entire loading.

“Lifting Agreement”: an agreement to make production available specific to each FPSO.

“Lifting and Transshipment Cost” or “CAT”: costs with lifting on the FPSO and transshipment to the long-haul vessel.

“Loaded Volume”: Volume loaded on the DPST and measured according to Clause 17.

“Loading Month” or “M”: month in which the loading hose is disconnected on the FPSO.

“Long Haul Freight”: unit cost, in US dollars per barrel, resulting from the ratio between the total cost of the round trip and the total transported cargo.

“Net Standard Volume” or “NSV”: total volume of liquid hydrocarbons, excluding BS&W and free water, at standard pressure of one atmosphere, adjusted at standard temperature of 60 °F (sixty degrees Fahrenheit) when measured in Barrels, or 20 °C (twenty degrees Celsius) when measured in Cubic Meters.

“Notice of Readiness” or “NOR”: communication given by the Shuttle Tanker, upon its arrival at the specific place designated for the transfer of liquid hydrocarbons under the terms of the FPSO Regulation, that it is ready and able, in all aspects, to start docking and loading a Cargo.

“Price FOB FPSO in BRL/m³”: unit price FOB FPSO in BRL/m³, calculated using the FOB net back formula, after the application of the performance premium.

“Price FOB FPSO in USD/Barrel”: unit price FOB FPSO in USD/Barrel, calculated using the FOB net back formula, after the application of the performance premium.

“Price FOB FPSO without Premium”: unit price FOB FPSO in USD/Barrel, calculated using the FOB net back formula, before applying the performance premium.

“Production Operator”: leading company of the consortium and operator of the Field that produces Federal Union Crude Oil under the Production Sharing Agreement or Production Unitization Agreement.

“Prohibited Payment”: any payment, in cash or otherwise, to any governmental authority, consultants, representatives, partners, or any third parties, for the purpose of influencing any act or decision by the agent or the government, or to secure any undue advantage, or direct business to anyone, and which violate the Anticorruption Legislation and the provisions of Law No. 13,303/2016 and its Decree No. 8,945/2016.

“Quality Certificate”: document issued by the independent inspector hired by the Trading Agent with the official quality of the Oil delivered to the Shuttle Tanker.

“Quantity Certificate”: document issued by the independent inspector hired by the Trading Agent, with the official quantity of Oil delivered to the Shuttle Tanker.

“REACH”: Regulation (EC) No. 1,907/2006 of the European Parliament and the European Council of December 18, 2006, regarding the registration, assessment, authorization, and restriction of chemicals, as revised and amend from time to time.

“Safety Datasheet” or “FDS”: document with information contained in REACH and CLP.

“SELIC”: adjusted average rate of daily financing calculated in the Special Settlement and Custody System for federal securities.

“Shuttle Tanker”: any vessel equipped with a dynamic positioning system (DPST) and Bow Loading System (BLS), in accordance with Exhibit I - Basic requirements for dynamic positioning shuttle tankers or, when requested by any Party and approved by PPSA, any other vessel with a floating system equipped with equivalent dynamic positioning (class notation DP-2) and loading system capable to operate in tandem (DPST vessel positioned with the bow aligned with the FPSO).

“Standard Cargo”: Cargo with a volume between an upper limit of one hundred and sixty thousand (160,000) m3 and a lower limit of eighty thousand (80,000) m3.

“Standards”: most current version of the standards American Petroleum Institute (API) and/or American Society for Testing and Materials (ASTM) in effect on the date of shipment, with the standards Institute of Crude Oil (IP) and International Organization for Standardization (ISO) used as supplementary rules, where applicable.

“Supporting Documentation”: documentation necessary to demonstrate the calculation of the sale price of Federal Union Crude Oil by the Trading Agent.

“Tender”: bidding procedure carried out by PPSA to engage the Trading Agent.

“Total Calculated Volume” or “TCV”: volume defined as GSV plus free water.

“Trading Agent’s Fee” or “RAC”: Trading Agent’s fee under this Agreement.

“Trading Policy”: policy for the trading of Crude Oil and Natural Gas of the Federal Union, as defined by the National Council for Energy Policy, in accordance with article 9 of Law No. 12,351/2010, and embodied in CNPE Resolution No. 15/2018 (Exhibit V).

“Trading”: for the purposes of this Agreement, Oil trading activity and freight.

“Treasury Single Account”: a mechanism that allows the online movement of funds from the agencies and entities linked to the Integrated Financial Administration System (SIAFI) in a unified account.

“Tupi Unitized Area”: surface projection of the Shared Deposit addressed under the Shared Deposit Production Unitization Agreement among the BM-S-11 Concession Agreement, the Onerous Assignment Agreement, and the Tupi Leste Area.

“Units of Measure”: quantity of liquid hydrocarbons expressed, as applicable, in:

(i) **“Barrel”**: quantity equivalent to 0.158980 m³ (one hundred and fifty-eight thousand, nine hundred and eighty millionths of Cubic Meter), adjusted at a temperature of 60 °F (sixty degrees Fahrenheit), according to the Standards and rules of National Agency of Petroleum, Natural Gas and Biofuels (ANP) in force on the date of shipment, at absolute pressure of 0.101325 MPa (one hundred and one thousand, three hundred and twenty-five millionths of Megapascal);

(ii) **“Cubic Meter”** or **“m3”**: quantity equivalent to 1,000 L (one thousand liters) adjusted at a temperature of 20 °C (twenty degrees Celsius), in accordance with the Standards and ANP rules in force on the date of shipment, at absolute pressure of 0.101325 MPa (one hundred and one thousand, three hundred and twenty-five millionths of Megapascal);

(iii) **“Metric Ton”**: quantity equivalent to 1,000 kg (one thousand kilograms), according to the metric measurement system.

“Vessel Experience Factor” or **“VEF”**: a factor that aims at correcting the measurement of onboard quantity due to uncertainties in its tonnage table. It is a compilation of the vessel's TCV measurement history, adjusted for the onboard quantity before loading (On Board Quantity - OBQ), compared with TCV measurements onshore or through gauged flow meters. The VEF shall be calculated according to standard API Manual of Petroleum Measurement Standards (MPMS) 17.9.

“Vessel Presentation Range” or **“VPR”**: period of two (2) consecutive days during which the Shuttle Tanker must issue the NOR.

“Vetting”: process of approval of Shuttle Tankers.

“Waiting Area”: area designated by the FPSO Operator, for the Shuttle Tanker to wait for mooring and/or after loading.

1.3. Rules of Interpretation:

- i. Unless otherwise stated, any reference to Clauses or Exhibits will be considered a reference to the Clauses or Exhibits of this Agreement.
- ii. The titles used in this Agreement are inserted for convenience only and should not influence the interpretation of their provisions.
- iii. Unless the context requires otherwise, the singular will be considered to include the plural and vice versa.
- iv. The term “including” or its variations will mean including, without limiting the generality of the description that precedes such term.

2. PURPOSE

- 2.1. The purpose of this Agreement is the sale of Federal Union Crude Oil from the Unitized Area of Tupi, whose ownership and possession will be transferred to the Trading Agent FOB FPSO for sale to the Buyer, under the terms and conditions defined herein, in accordance with the Trading Policy.
- 2.2. The purpose of the Agreement comprises:
 - i. the development of short, medium and long term marketing strategies;
 - ii. the presentation to PPSA of oil market diagnostics; and
 - iii. the trading in the domestic and foreign market, in accordance with the conditions set forth herein, of Federal Union Crude Oil in the Unitized Area of Tupi, for the purpose of maximizing Federal Union's revenues from Crude Oil sales.

3. TERM

- 3.1. The Agreement will have a term of 5 (five) years, counting from the date of its signature.
- 3.2. All obligations assumed throughout the Agreement remain in force until their fulfillment.

4. TRANSFER OF OWNERSHIP FROM THE FEDERAL UNION TO THE TRADING AGENT

- 4.1. The title and risk of the Federal Union Crude Oil will be transferred to the Trading Agent at the entry flange of the Shuttle Tanker, together with all the associated risks and responsibilities, for the Trading Agent to market it under the terms set forth in the Applicable Law and this Basic Project.
- 4.2. The delivery of the Federal Union Crude Oil to the Trading Agent will be FOB FPSO.
 - 4.2.1. Exceptionally, upon agreement between PPSA and the Trading Agent, Federal Union Crude Oil may be delivered to it under a modality other than FOB FPSO.
- 4.3. The sale price of Federal Union Crude Oil to the Trading Agent will be calculated according to the FOB net back methodology described in Clause 9.

5. SALE BY THE TRADING AGENT

- 5.1. The Trading Agent will sell the Cargo to the Buyer in the foreign or domestic market, and may, therefore, use a Trading company from the same Economic Group, in which case it is obliged to make sure that said Trading company fully complies with the terms and conditions of this Agreement.
- 5.2. The Trading Agent will sell Federal Union Crude Oil, preferably in Combined Cargoes with Tupi or other crude oils or, should it have Crude Oil in the Unitized Area of Tupi, in pooling with its own Crude Oil.
- 5.3. The Trading Agent may refine the Federal Union Crude Oil in its own system.

- 5.4. Cargoes cannot be resold, unless previously and exceptionally authorized by PPSA.

6. TRADING AGENT'S FEE (RAC)

- 6.1. As a result of acts of trade performed for the sale of Federal Union Crude Oil, the Trading Agent will be entitled to the Trading Agent's Fee, in USD per Barrel of Crude Oil, calculated as follows:

$$\text{RAC} = \text{RAC}_0 + 0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel of the Month of Shipment})$$

- 6.1.1. In the formula provided for in paragraph 6.1, the following is defined:
- i. RAC_0 : will be USD [•]/Barrel, with 2 (two) decimal places, fixed throughout the contractual period, as proposed by the Trading Agent dated [•];
 - ii. Reference Price in USD/Barrel of the Month of Shipment: means the price for the Tupi Field Crude Oil published by ANP, in USD per Barrel, valid for the Month of Shipment;
 - iii. Price FOB FPSO without Premium: is calculated as per Clause 9; and
 - iv. The portion of $0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel})$ corresponds to the premium to which the Trading Agent is entitled for maximizing the price.

7. LIFTING AND TRANSHIPMENT COST (CAT)

- 7.1. CAT, in US dollars per barrel, will be recalculated on a monthly basis, using the formula below:

$$\text{CAT} = \text{CAT}_0 \times (1 - \text{Z}\% - \text{Y}\%) + \text{CAT}_0 \times \text{Z}\% \times (\text{Dbk}/\text{Dbk}_0) + \text{CAT}_0 \times \text{Y}\% \times (\text{Dmg}/\text{Dmg}_0)$$

- 7.1.1. In the formula provided for in paragraph 7.1, the following is defined:
- i. CAT_0 : USD [•]/Barrel, as proposed by the Trading Agent dated [•];
 - ii. $\text{Z}\%$: percentage of bunker in CAT_0 in the amount of [•]%, as proposed by the Trading Agent dated [•];
 - iii. $\text{Y}\%$: percentage of MGO (Marine Gasoil) in CAT_0 in the amount of [•]%, as proposed by the Trading Agent dated [•];
 - iv. Dbk: Bunker factor equal to the monthly average of the month prior to the offloading trip of Bunker Platts Port of Rio de Janeiro (Platts Code PUAVB03) in USD/Metric Ton;
 - v. Dbk_0 : monthly average of the month prior to the bidding process of Bunker Platts Port of Rio de Janeiro (Platts Code PUAVB03) in USD/Metric Ton;
 - vi. Dmg: MGO factor equal to the monthly average of the month prior to the offloading trip of MGO PLATTS Port of Rio de Janeiro (Platts Code PBABU03) in USD/Metric Ton; and
 - vii. Dmg_0 : monthly average of the month prior to the bidding process of MGO PLATTS Port of Rio de Janeiro (Platts Code PBABU03) in USD/Metric Ton.
- 7.2. The values of CAT_0 , $\text{Z}\%$ and $\text{Y}\%$ offered by the Trading Agent are fixed over the contractual period, with two decimal places.

7.3. CAT will have its value determined every month during the contractual period and will be valid for all Barrels raised in the same month, on the different FPSOs, with two decimal places.

7.4. Dbk, Dbk₀, Dmg and Dmg₀ will be used with the number of decimal places provided by Platts.

8. INSURANCE, INDEPENDENT INSPECTION AND PRICE PROTECTION (SIP)

8.1. In order to meet the costs with Cargo insurance, independent inspection, unloading supervision, and price hedge, the Trading Agent will consider SIP , with 2 (two) decimal places, in the price formulas of Clause 9.

8.1.1. SIP has a fixed value of USD [•]/Barrel, corresponding to the value offered by the Trading Agent in the bidding process, dated [•].

9. CALCULATION OF THE PRICE FOR CONDITIONAL SALE OF FEDERAL UNION CRUDE OIL TO TRADING AGENT

9.1. The price FOB FPSO associated to the transfer of ownership of Crude Oil to the Trading Agent will be calculated using a net back methodology, in which all costs incurred by the Trading Agent and the taxes directly levied on the Cargo are deducted from the final sale price to the Buyer, including the Trading Agent's Fee, as per the formulas presented in this Clause.

9.2. Equalization of term among bids

9.2.1. In the market, the Trading Agent may identify several bids with different payment terms. The different bids must be equalized and compared using the interest rate defined by the Trading Agent.

9.2.2. The choice of the Buyer of Federal Union Crude Oil must consider the maximization of economic result, with due regard for moderation in the assumption of risks inherent to the trading activity.

9.3. Price hedge

9.3.1. Hedge must be carried out in order to protect the estimated differential at the time of closing between the sale price to the Buyer and the Reference Price of the Month of Shipment.

9.3.2. Hedge of the Reference Price shall preferably be made based on the Dated Brent.

9.3.3. Hedge operations will be reported to PPSA as set forth in Clause 20.

9.4. Price formulas

9.4.1. The price formulas provided for in this Clause 9 consider four (4) possibilities of sales to the Buyer:

- i. delivery to the Buyer with logistics;
 - ii. FOB transshipment;
 - iii. FOB FPSO; and
 - iv. cabotage delivery.
- 9.4.2. The unit price of Crude Oil, after calculated, must be rounded to four (4) decimal places. The rounding criteria will be mathematical, that is, (a) if the fifth (5th) decimal place is from zero (0) to four (4), the fourth (4th) place will keep its value; (b) if the fifth (5th) decimal place is from five (5) to nine (9), the fourth (4th) place will have a unit added to its value.
- 9.4.3. All elements of the price formulas, which are not defined to two decimal places, must be rounded up to 4 (four) decimal places. The rounding criterion will be mathematical, that is, (a) if the 5th (fifth) decimal place is from 0 (zero) to 4 (four), the 4th (fourth) place will keep its value; (b) if the 5th (fifth) decimal place is from 5 (five) to 9 (nine), the 4th (fourth) place will have a unit added to its value.
- 9.4.4. All prices will be calculated in this Agreement in US dollars per Barrel and, ultimately, will be converted to reais per Cubic Meter for payment purposes, according to paragraph 9.11.
- 9.5. Situation in which the Trading Agent sells Crude Oil to the Buyer delivered to the Buyer with logistics.**
- 9.5.1. **Calculation formula:**

Price FOB FPSO without Premium = Price to the buyer - CAT - RAC₀ - SIP - Long Haul Freight - costs with consultation of panel of brokers - losses + price hedge result - additional Cargo costs

- 9.5.1.1. In the formula provided for in paragraph 9.5.1, the following is defined:
- i. Price to the buyer: means the unit price billed to the Buyer by the Trading Agent, without taxes;
 - ii. CAT: amount calculated according to Clause 7;
 - iii. RAC₀: amount offered in the Bidding Process and according to Clause 6;
 - iv. SIP: amount offered in the Bidding Process and according to Clause 8;
 - v. Long Haul Freight: unit cost, in US dollars per barrel, resulting from the ratio between the total cost of the round trip and the total cargo transported.
The Trading Agent must present the amounts of the charter party referring to fees and Demurrage. In case an owned tanker or a tanker under a Time Charter Party (TCP) is used, the Trading Agent must submit a report from a panel of brokers accepted by PPSA, of the London Tanker Brokers Panel or other panel, with the fees and Demurrage for the tanker and equivalent route, on a date that reflects the period in which the charter was entered into;
 - vi. *costs from consultation with the panel of brokers*: costs with consultation divided by the Loaded Volume;
 - vii. losses: total loss in percentage multiplied by the price to the Buyer, calculated according to paragraph 9.13;
 - viii. price hedge result: positive or negative hedge result, divided by the Loaded Volume; and
 - ix. Additional costs related to Cargo: Costs defined in Clause 11, and directly related to the Cargo, divided by the Loaded Volume.

9.5.2. Performance premium

- 9.5.2.1. The Trading Agent is entitled to a premium for maximizing the price obtained, which shall be calculated as follows:

$$\text{Premium} = 0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel of the Month of Shipment})$$

- 9.5.2.2. In cases where the premium is a negative amount, it will be considered by the Parties as equivalent to zero.

9.5.3. Price FOB FPSO in USD/Barrel

- 9.5.3.1. The Price FOB FPSO in USD/Barrel will be:

$$\text{Price FOB FPSO in USD/Barrel} = \text{Price FOB FPSO without Premium} - \text{premium}$$

9.5.4. RAC

- 9.5.4.1. The total fee of the Trading Agent is represented by:

$$\text{RAC} = \text{RAC}_0 + \text{premium}$$

9.5.5. Other costs

- 9.5.5.1. Other costs, including Demurrage and result of Claims, will not be deducted in the price formula of paragraph 9.5.1, and will be paid by the Federal Union, represented by PPSA.

9.6. Situation in which the Trading Agent sells Crude Oil to the Buyer in a modality FOB Transshipment

9.6.1. Calculation formula:

$$\text{Price FOB FPSO without Premium} = \text{Price to the buyer} - \text{CAT} - \text{RAC}_0 - \text{SIP} - \text{losses} + \text{price hedge result} - \text{additional Cargo costs}$$

- 9.6.1.1. In the formula provided for in paragraph 9.6.1, the following is defined:
- i. Price to the buyer: means the unit price billed to the Buyer by the Trading Agent, without taxes;
 - ii. CAT: amount calculated according to Clause 7;
 - iii. RAC_0 : amount offered in the Bidding Process and according to Clause 6;
 - iv. SIP: amount offered in the Bidding Process and according to Clause 8;
 - v. losses: total loss in percentage multiplied by the price to the Buyer, calculated according to paragraph 9.13;
 - vi. price hedge result: positive or negative hedge result, divided by the Loaded Volume; and
 - vii. Additional costs related to Cargo: Costs defined in Clause 11, and directly related to the Cargo, divided by the Loaded Volume.

9.6.2. Performance premium

- 9.6.2.1. The Trading Agent is entitled to a premium for maximizing the price obtained, which shall be calculated as follows:

$$\text{Premium} = 0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel of the Month of Shipment})$$

- 9.6.2.2. In cases where the premium is a negative amount, it will be considered by the Parties as equivalent to zero.

9.6.3. Price FOB FPSO in USD/Barrel:

- 9.6.3.1. The Price FOB FPSO in USD/Barrel:

$$\text{Price FOB FPSO in USD/Barrel} = \text{Price FOB without Premium} - \text{premium}$$

9.6.4. RAC

- 9.6.4.1. The total fee of the Trading Agent is represented by:

$$\text{RAC} = \text{RAC}_0 + \text{premium}$$

9.6.5. Other costs

- 9.6.5.1. Other costs, including Demurrage and result of Claims, will not be deducted in the price formula of paragraph 9.6.1, and will be paid by the Federal Union, represented by PPSA.

9.7. Situation in which the Trading Agent sells Crude Oil to the Buyer in a modality FOB FPSO

9.7.1. Calculation formula:

$$\text{Price FOB FPSO without Premium} = \text{Price to the buyer} - \text{RAC}_0 - \text{SIP} - \text{losses} + \text{price hedge result} - \text{additional Cargo costs}$$

- 9.7.1.1. In the formula provided for in paragraph 9.7.1, the following is defined:
- i. Price to the buyer: means the unit price billed to the Buyer by the Trading Agent, without taxes;
 - i. RAC_0 : amount offered in the Bidding Process and according to Clause 6;
 - ii. SIP: amount offered in the Bidding Process and according to Clause 8;
 - iii. losses: total loss in percentage multiplied by the price to the Buyer, calculated according to paragraph 9.13;
 - iv. price hedge result: positive or negative hedge result, divided by the Loaded Volume; and
 - v. Additional costs related to Cargo: Costs defined in Clause 11, and directly related to the Cargo, divided by the Loaded Volume.

9.7.2. Performance premium

- 9.7.2.1. The Trading Agent is entitled to a premium for maximizing the price obtained, which shall be calculated as follows:

$$\text{Premium} = 0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel of the Month of Shipment})$$

- 9.7.2.2. In cases where the premium is a negative amount, it will be considered by the Parties as equivalent to zero.

9.7.3. Price FOB FPSO in USD/Barrel

- 9.7.3.1. The Price FOB FPSO in USD/Barrel will be:

$$\text{Price FOB FPSO in USD/Barrel} = \text{Price FOB FPSO without Premium} - \text{premium}$$

9.7.4. RAC

- 9.7.4.1. The total fee of the Trading Agent is:

$$\text{RAC} = \text{RAC}_0 + \text{premium}$$

9.7.5. Other costs

- 9.7.5.1. Other costs, including Demurrage and result of Claims, will not be deducted in the price formula of paragraph 9.7.1, and will be paid by the Federal Union, represented by PPSA.

9.8. Situation in which the Trading Agent sells Crude Oil to the Buyer for cabotage delivery

9.8.1. Calculation formula:

$$\text{Price FOB FPSO without Premium} = \text{Price to the buyer} - \text{RAC}_0 - \text{SIP} - \text{cabotage freight} - \text{losses} + \text{price hedge result} - \text{additional Cargo costs}$$

- 9.8.1.1. In the formula provided for in paragraph 0, the following is defined:
- Price to the buyer: means the unit price billed to the Buyer by the Trading Agent, without taxes;
 - cabotage freight: Cabotage freight must be presented via invoice or a spreadsheet with the calculation, considering:
 - the total Loaded Volume, in several FPSOs;
 - effective consumption; the monthly average of Platts prices in the port of Rio de Janeiro for bunker and MGO, in the month prior to the loading; and
 - a route from loading into the FPSO to the point of unloading and returning to the FPSO;
 - RAC₀: amount offered in the Bidding Process and according to Clause 6;
 - SIP: amount offered in the Bidding Process and according to Clause 8;
 - losses: total loss in percentage multiplied by the price to the Buyer, calculated according to paragraph 9.13;

- vi. price hedge result: positive or negative hedge result, divided by the Loaded Volume; and
- vii. Additional costs related to Cargo: Costs defined in Clause 11, and directly related to the Cargo, divided by the Loaded Volume.

9.8.2. Performance premium

- 9.8.2.1. The Trading Agent is entitled to a premium for maximizing the price obtained, which shall be calculated as follows:

$\text{Premium} = 0.10 \times (\text{Price FOB FPSO without Premium} - \text{Reference Price in USD/Barrel of the Month of Shipment})$
--

- 9.8.2.2. In cases where the premium is a negative amount, it will be considered by the Parties as equivalent to zero.

9.8.3. Price FOB FPSO in USD/Barrel

- 9.8.3.1. The Price FOB FPSO in USD/Barrel will be:

$\text{Price FOB in USD/Barrel} = \text{Price FOB without Premium} - \text{premium}$
--

9.8.4. RAC

- 9.8.4.1. The total fee of the Trading Agent is given by:

$\text{RAC} = \text{RAC}_0 + \text{premium}$
--

9.8.5. Other costs

- 9.8.5.1. Other costs, including Demurrage and result of Claims, will not be deducted in the price formula of paragraph 0, and will be paid by the Federal Union, represented by PPSA.

9.9. Information for the price calculation

- 9.9.1. To verify the price calculation, the Trading Agent must provide the calculation memory as well as the basic information demonstrating the values of each element, according to the formulas defined in items 9.5, 9.6, 9.7 and 9.8 above at least 10 (ten) days before the date of payment by the Buyer or as early as possible.

9.10. Refining by the Trading Agent Economic Group:

- 9.10.1. The four (4) pricing possibilities listed in paragraph 9.4.1 may be adopted if the Trading Agent is interested in refining the Federal Union Crude Oil at a refinery of its Economic Group.
- 9.10.2. In the case of paragraph 9.10.1, the Trading Agent must present the alternatives available on the market, justifying the price it is willing to pay, for PPSA review with twenty-four (24) hours.

9.11. Calculation of the Cargo value for billing purposes:

9.11.1. The total value of Cargo in USD will be given by:

Total value of Cargo in USD = [Price FOB FPSO in USD/Barrel] x [Loaded Volume in Barrels]

9.11.2. The amount to be billed by PPSA and which will appear on the invoice must be in reais, and it is necessary to convert the total value of Cargo in USD to the total value of Cargo in BRL. For that, the value of Cargo in BRL will be given by:

Total value of Cargo in BRL with taxes = Total value of Cargo in USD x [exchange rate (BRL/USD)], with the inclusion of taxes in accordance with tax legislation.

9.11.3. The exchange rate will be the monthly average purchase rate for the Loading Month, published by the Central Bank of Brazil (currency 220).

9.11.4. The Price FOB FPSO in BRL/m³ with taxes will be given by:

Price FOB FPSO in BRL/m³ = Total value of Cargo in BRL with taxes / Loaded Volume in m³

9.12. Adjustment of the amount to be paid for Claim or review of the price FOB-FPSO

9.12.1. If PPSA owes to the Trading Agent, the amount to be paid for the Claim or cost review will be calculated as follows:

9.12.1.1. The performance premium is recalculated:

Recalculated premium = 0.10 x (FOB FPSO Price without Premium - Claim amount - Reference Price, in US\$/Barrel, of the month of loading)

The claim amount being equal to the total claim amount divided by the Loaded Volume.

9.12.1.2. The difference between the recalculated premium and the premium is calculated:

Delta = recalculated premium - premium

Note: in this case, delta will be negative or zero.

9.12.1.3. The amount to be paid by PPSA to the Trading Agent will correspond to the amount of the Claim added to the delta and, the result of this sum, multiplied by the Loaded Volume.

9.12.2. If PPSA is the creditor of the Trading Agent, the amount to be received for the Claim or cost review will be calculated as follows:

9.12.2.1. The performance premium is recalculated:

Recalculated premium = 0.10 x (FOB FPSO Price without Premium + Claim amount - reference price, in US\$/Barrel, of the Loading Month)

The claim amount being equal to the total claim amount divided by the Loaded Volume.

9.12.2.2. The difference between the recalculated premium and the premium is calculated:

$\text{Delta} = \text{recalculated premium} - \text{premium}$

Note: in this case, delta will always be positive or zero.

9.12.2.3. The amount to be received by the PPSA from the Trading Agent will correspond to the value of the Claim minus the delta and the result of this subtraction, multiplied by the Loaded Volume.

9.12.2.4. The payment due date of the adjusted value will be 30 days after invoicing, whether favorable to the Trading Agent or favorable to PPSA.

9.13. Losses limits in price formulas:

9.13.1. The losses to be considered in sales price formulas from PPSA to the Trading Agent will be the total losses between the volume actually billed to the Buyer and the Loaded Volume, calculated as follows:

$\text{Losses \%} = ((\text{Loaded Volume} - \text{volume actually billed to the Buyer}) / \text{Loaded Volume}) \%$
--

9.13.2. The Trading Agent must file a Claim in case the loss limits as specified in the transportation, chartering, transshipment and delivery agreements with the Buyer are exceeded.

10. MINIMUM LIMIT OF THE SALE PRICE FOR FEDERAL UNION CRUDE OIL

10.1. All information necessary for the management of agreements for the sale of Federal Union Crude Oil will be made available to PPSA by the Trading Agent during the trading procedure.

10.2. Based on the number of potential buyers, in logistics and in the fair value practiced for Crude Oil of similar quality, PPSA may authorize a sale at a price below the Reference Price for the Tupi Field Oil, pursuant to § 2nd of article 4th of the Trading Policy.

10.3. Federal Union Crude Oil shall be sold at a positive price FOB FPSO.

10.3.1. In exceptional situations, the Trading Agent will submit the matter to PPSA for review.

11. EXPENSES DIRECTLY RELATED TO TRADING

11.1. The following expenses will be considered Expenses Directly Related to Trading, pursuant to item II of § 2nd of article 4th of Law No. 12,304/2010 and §§ 2nd and 3rd of article 3rd of the Trading Policy:

- i. expenses with the hiring of independent inspector to measure the quantity and quality of liquid hydrocarbons, and monitor the loading, unloading and offloading operations;
- ii. losses in percentage multiplied by the price to the Buyer, calculated according to paragraph 9.13;
- iii. costs with hedge of price and exchange;
- iv. costs with the engagement of a panel of brokers for freight calculation;
- v. transshipment at destination;
- vi. financial result of price hedge operation, represented by the difference between the sale price and the purchase price of futures or derivative contracts;
- vii. amounts related to RAC, CAT and SIP;
- viii. costs with the engagement of a Brazilian shipping company;
- ix. costs related to the chartering of vessels for long-haul transportation of Federal Union Crude Oil;
- x. cargo insurance costs;
- xi. expenditures with supervision in unloading operations;
- xii. costs related to the hiring of floating storage in Brazil or abroad;
- xiii. costs related to the hiring of onshore storage Federal Union Crude Oil in Brazil or abroad;
- xiv. taxes levied on the Cargo;
- xv. Demurrage costs;
- xvi. expenses resulting from paragraph 10.3.1.;
- xvii. payment of Claims accepted by PPSA:
 - a) referring to costs directly related to the preparation of the Claim;
 - b) volumetric losses of the Trading Agent; and
 - c) quality losses of the Trading Agent.
 - d) Demurrage;
- xviii. levies and quasi-fiscal contributions due as a result of this Agreement;
- xix. costs related to arbitration, lawsuit, judicial or extrajudicial settlement, and fees;
- xx. experts' and attorneys' fees;
- xxi. costs arising from PPSA or Federal Union legal liability;
- xxii. costs arising from the Lifting Agreement;
- xxiii. costs related to the hiring of forwarding agents for operationalization of the export of Federal Union Crude Oil and experts appointed by the Receita Federal;
- xxiv. tax burden under the responsibility of the Federal Union;
- xxv. expenditures with procured services related to the analysis of Claims against the Federal Union (presented by PPSA as its representative), or claims of the Federal Union against the Trading Agent or Production Operator, including:
 - a) independent inspector;
 - b) laboratory analyses prior to the forwarding of Claims from the Trading Agent to the Production Operator;
 - c) laboratory analyses procured together with the Production Operator for re-analysis of samples;
 - d) analysis of the Shuttle Tanker Demurrage; and
 - e) analysis of the Production Operator's Claims in case of delay in leaving the loading berth;
- xxvi. expenditures with custody, handling and transportation of samples; and
- xxvii. costs related to the charter of DPST or alternative means that may replace them, for offloading of Federal Union Crude Oil from the FPSOs, including Demurrage.

- 11.2. The expenditures listed in items i to xiv of paragraph 11.1 above are deducted in the formula for calculating the Price FOB FPSO without Premium.
- 11.3. Expenditures listed in items xv to xvii shall be reimbursed by the Federal Union, represented by PPSA, after proper review.
- 11.4. Expenditures listed in items xviii to xxvii are the responsibility of the Federal Union, represented by PPSA, and shall not be paid by the Trading Agent.
- 11.5. Expenses Directly Related to Trading incurred in reais shall be converted into US dollars at the purchase PTAX published by the Central Bank of Brazil (currency 220) as of the date of issuance of the billing document by the service provider to the Trading Agent.

12. SCHEDULING OF CARGOES

- 12.1. Please find below the instructions and deadlines applicable to all FPSOs in the Unitized Area of Tupi, except for FPSO CAR, to which specific rules detailed in paragraph 12.2 apply. Paragraphs 12.3, 12.4 and 12.4 are common to all FPSOs.
 - 12.1.1. By the third (3rd) Day of the month “m-2”, where “m” is the Loading Month, PPSA will indicate to the Trading Agent an estimation of Cargoes of the Federal Union for the month “m”. The desired VPR and volumes will be indicated by the Trading Agent by the seventh (7th) Day of the month “m-2”.
 - 12.1.2. PPSA will inform the Trading Agent, by the eleventh (11th) Day of the month “m-2”, the provisional VPRS and respective volumes indicated by the production operator.
 - 12.1.3. The Trading Agent will have until the thirteenth (13th) Day of “m-1” to submit a request for review of this schedule.
 - 12.1.4. PPSA must inform the Trading Agent of the VPR and respective volumes by the eighteenth (18th) Day of the month “m-2”.
 - 12.1.5. If the Trading Agent is a producer in the Unitized Area of Tupi, it may load Crude Oil from its production in pooling with Federal Union Crude Oil, in which case it shall be the leader of the pooling. The Trading Agent must inform the Production Operator and PPSA of the option for pooling as well as the conditions associated with it by the first (1st) Business Day of the month “m-2”, where “m” is the first (1st) month of effectiveness of the pooling.
 - 12.1.6. In case the proposed pooling involves a third company, PPSA must be consulted at least five (5) Days prior to the deadlines set forth in paragraph 12.1.5 for authorization.
 - 12.1.7. The Trading Agent may also opt for combined Cargoes, with determination up to the seventh (7th) Day of the month “m-2”, subject to acceptance by the Production Operator.
- 12.2. Please find below the instructions and deadlines applicable solely to FPSO CAR:
 - 12.2.1. By the seventh (7th) Day of the month “m-2”, where “m” is the Loading Month, PPSA will indicate to the Trading Agent an estimation of Cargoes of the Federal Union for

the month “m”. The desired VPR and volumes will be indicated by the Trading Agent by the eleventh (11th) Day of the month “m-2”.

- 12.2.2. PPSA will inform the Trading Agent, by the fifteenth (15th) Day of the month “m-2”, the provisional VPRs and volumes indicated by the Production Operator.
- 12.2.3. The Trading Agent will have until the seventh (7th) Day of “m-1” to submit a request for review of this schedule.
- 12.2.4. PPSA must inform the Trading Agent of the VPR and respective volumes by the tenth (10th) Day of “m-1”.
- 12.2.5. If the Trading Agent is a producer in the Unitized Area of Tupi, he may load Crude Oil from its production in pooling with Federal Union Crude Oil, in which case it shall be the leader of the pooling. The Trading Agent must inform the Production Operator and PPSA of the option for pooling as well as the conditions associated with it by the eleventh (11th) Day of “m-2”, where “m” is the first (1st) month of effectiveness of the pooling.
- 12.2.6. In case the proposed pooling involves a third company, PPSA must be consulted at least five (5) Days prior to the deadlines set forth in paragraph 12.1.5 for authorization.
- 12.2.7. The Trading Agent may also opt for combined Cargoes, with determination up to the eleventh (11th) Day of “m-2”, subject to acceptance by the Production Operator.
- 12.3. Unless mutually agreed between PPSA and the Trading Agent, the minimum volume of each Cargo determined for loading on each FPSO must be 80,000 m³ (eighty thousand cubic meters), and the maximum 160,000 m³ (one hundred and sixty thousand cubic meters). Each Cargo will have a maximum operational tolerance of more or less five percent (5%), according to the option of the Trading Agent, subject to acceptance by the Production Operator.
- 12.4. If the Trading Agent does not participate in the Cargo determination process, as shown above, PPSA will follow the Cargo determination procedures, in order to preserve the interests of the Federal Union, and the Trading Agent undertakes to follow the loading procedures, as planned by the Production Operator.
- 12.5. The Production Operator may, for operational reasons, make changes to the VPRs defined in paragraphs 12.1.2, 12.1.4, 12.2.2 and 12.2.4 above. If such changes take place, PPSA will immediately notify the Trading Agent of any change in the VPR made by the Production Operator, and the amended VPR will be considered as the effective VPR for the purposes of this Agreement provided that the minimum interval of ten (10) days between the said notification and the first day of the new loading range is respected. If this minimum interval is not obeyed, the acceptance of the new VPR will be at the discretion of the Trading Agent, who must, however, make the best efforts to arrive within the new VPR informed.

13. REQUIREMENTS AND PROCEDURES FOR APPOINTING THE SHUTTLE TANKER

13.1. Shuttle Tanker Requirements

- 13.1.1. The Trading Agent will make sure that the Shuttle Tanker meets the technical requirements and be approved by PPSA, if approved by the Production Operator, pursuant to this Clause 13.

13.2. Issuance of ETA and NOR

- 13.2.1. The Trading Agent must ensure that:

- i. the captain of the Shuttle Tanker informs the Production Operator of the ETA at the FPSO within seventy-two (72) hours, forty-eight (48) hours, and twenty-four (24) hours before arrival. This notice must be given in accordance with the provisions of the FPSO Regulation.
- ii. the captain of the Shuttle Tanker notifies the Production Operator in a timely manner of the arrival time, in case it is changed more than three (3) hours after the ETA of twenty-four (24) hours; and
- iii. the captain of the Shuttle Tanker or maritime agent issues the NOR by email, radio or telephone when the Shuttle Tanker arrives at the Waiting Area, and complies with the FPSO Regulation so that it is declared ready for loading.

- 13.2.2. The NOR can be issued at any time of the day or night, in order to register the arrival of the Shuttle Tanker within the VPR.

13.3. Delivery of Required Documents

- 13.3.1. Upon completion of loading, PPSA must provide the necessary documents under its responsibility, for the departure of the Shuttle Tanker.

- 13.3.2. If the documents are not delivered within three (3) hours after disconnection of the loading hose, and such occurrence restricts the departure of the Shuttle Tanker, the additional time to provide documents must be counted as laytime or, if the Shuttle Tanker is in Demurrage, it will be counted as Demurrage, unless the delivery of such documents is delayed for events beyond PPSA's control.

- 13.3.3. Notwithstanding the foregoing, the Trading Agent may, at its discretion, allow the departure of the Shuttle Tanker prior to the delivery of the documents under PPSA's responsibility. In this case, these documents must be delivered within one (1) hour after the voyage starts.

13.4. Shuttle Tanker Nomination

- 13.4.1. The Shuttle Tanker must be previously approved by the Production Operator as a qualified Shuttle Tanker in accordance with Exhibit I - Basic Requirements for Dynamically Positioned Shuttle Tankers.

13.5. Obligation to nominate a Shuttle Tanker

- 13.5.1. Within seventeen (17) days before the start of the VPR, the Trading Agent must appoint one or more qualified Shuttle Tankers to carry out the lifting. With respect to each nomination of Shuttle Tanker, the Trading Agent must ensure that the vetting questionnaire in Exhibit II (Vetting Questionnaire for Dynamically Positioned Shuttle Tankers) is duly completed and included in the nomination of the Shuttle Tanker. The Trading Agent must also provide PPSA with other necessary information related to the

Shuttle Tanker that is requested. For each Shuttle Tanker nominated, the Trading Agent will ensure that:

- i. all requested information, provided in the vetting questionnaire of Exhibit II, is true and correct;
- ii. the Shuttle Tanker is capable of receiving liquid hydrocarbons with a minimum flow of one hundred and sixty thousand (160,000) m³ in twenty-four (24) hours *pro rata* through the loading hose provided by the FPSO. At its sole discretion, PPSA may accept for loading a Shuttle Tanker that does not comply with this paragraph 13.5.1.ii.. However, if the Shuttle Tanker does not deliver the expected loading performance, the extra time used will not be considered as laytime or Demurrage;
- iii. the Shuttle Tanker is in compliance with the FPSO Regulation (Exhibit IV), in accordance with the requirements and information to be provided by PPSA to the Trading Agent, and the Applicable Law, including in relation to safety, environment, size, vessel movements, navigation and operation standards, documentation on board, and ballast discharge;
- iv. the Shuttle Tanker is a member of a Protection and Indemnity (P&I) Club, which is a member of the International P&I Club Group;
- v. the Shuttle Tanker has insurance coverage for Oil pollution in an amount no lower than the highest standard Oil pollution coverage available, in accordance with the rules of the International P&I Club Group; and
- vi. Shuttle Tanker owners are members of the International Tanker Owners Pollution Federation Limited (ITOPF), and the Shuttle Tanker has on board a valid certificate issued in accordance with the 1969 Civil Liability Convention (CLC) or the 1992 Protocol, as amended.

13.6. Acceptance of the Shuttle Tanker

- 13.6.1. Upon receipt of appointments of one or more Shuttle Tankers, and within: (a) seventy-two (72) hours, if the appointment is received between Sunday and Thursday; or (b) ninety-six (96) hours, if the appointment is received between Friday and Saturday, PPSA will notify the Trading Agent informing whether the nominated Shuttle Tanker(s) was(were) accepted or not.
- 13.6.2. PPSA may reject one or more Shuttle Tankers nominated, in a substantiated manner if, including, but not limited to:
 - i. the Shuttle Tanker does not comply with the requirements of this Agreement, the FPSO Regulation, or the Applicable Law;
 - ii. the Shuttle Tanker, at the discretion of the Production Operator, endangers the FPSO, the operations of the FPSO, the environment, or the health or safety of people; or
 - iii. the Shuttle Tanker is subject to international or national sanctions.
- 13.6.3. If the Shuttle Tanker(s) nominated by the Trading Agent is(are) rejected under this Clause, the reason for the rejection will only be disclosed to the Trading Agent by PPSA with the prior consent from the owner and technical operator of the Shuttle Tanker, as provided for below:
 - i. it shall be incumbent upon the Trading Agent to obtain consent from the owner and technical operator of the Shuttle Tanker, to meet the requirements of PPSA.

- ii. once the reasons for the rejection of the Shuttle Tanker are disclosed, the Trading Agent exempts the Federal Union and PPSA from any liability related to losses and damages arising from any act or omission of the Trading Agent, its employees or agents, related to the disclosure to the Trading Agent of the reason for the rejection of a Shuttle Tanker.

13.7. Duty to nominate an alternative Shuttle Tanker

- 13.7.1. If a nominated Shuttle Tanker is rejected, the Trading Agent will nominate one or more alternative Shuttle Tankers, which may be other Shuttle Tanker(s) or the rejected Shuttle Tanker, provided the reasons for the rejection have been remedied. The nomination of alternative Shuttle Tankers must be made to PPSA, within seventy-two (72) hours after receiving by the Trading Agent information on the rejection of the Shuttle Tanker appointed in accordance with paragraph 13.6.

13.8. Right to nominate an additional or substitute Shuttle Tanker

- 13.8.1. Within nine (9) days before the first Day of the VPR, the Trading Agent may nominate an additional or substitute Shuttle Tanker, subject to the acceptance of PPSA and the Production Operator.

13.9. Acceptance of alternative, additional or substitute Shuttle Tanker

- 13.9.1. Within seventy-two (72) hours after receiving the nomination of the alternative, additional or substitute Shuttle Tanker, PPSA will notify the Trading Agent if the alternative, additional or substitute Shuttle Tanker has been accepted or rejected, according to the rules established *mutatis mutandis* by paragraph 13.6.

13.10. Nomination of Shuttle Tanker among multiple accepted Shuttle Tankers

- 13.10.1. Within four (4) days before the start of each VPR specified in the Final Lifting Schedule, the Trading Agent must send a notice to PPSA informing which of the qualified Shuttle Tankers accepted by PPSA will be the Shuttle Tanker used in the loading operation.

13.11. Refusal to berth the Shuttle Tanker

- 13.11.1. The Production Operator shall be entitled to refuse berthing at the FPSO of any Shuttle Tanker that, after the results of an inspection on board:
- i. does not comply with the requirements set forth in this Clause 13;
 - ii. has been approved as a qualified Shuttle Tanker, but upon arrival at the FPSO, does not meet the requirements set out above; or
 - iii. in the judgment of the Production Operator, it is not suitable for offloading due to probable compromise in the safety or environmental integrity of the FPSO, or probable negative impact on the efficiency or operational capacity of the FPSO.
- 13.11.2. PPSA will provide the Trading Agent with the reasons for refusal of berthing and the report of the inspection carried out on board by the Production Operator, as soon as the Production Operator provides this information.

14. FAILURE TO LIFT

- 14.1. The Trading Agent and PPSA shall use their best efforts to prevent situations of default and mitigation of consequences and losses.
- 14.2. If the Trading Agent is considered to be in Default in Loading, the Cargo that originated the default will return to the management of PPSA, which will negotiate with the Production Operator the necessary measures to mitigate the consequences.
- 14.3. PPSA and the Production Operator will take the necessary measures to mitigate the risks and losses for the Federal Union and the other Consortium Members, such as chartering another Shuttle Tanker, storing the Cargo in a tank, diverting the Cargo to another Consortium Member, carrying out an exchange of VPRs, or even selling the Cargo without the intervention of the Trading Agent.
- 14.4. The Trading Agent in Default in Loading will not be entitled, regarding the Cargo that caused the default, to RAC, CAT and SIP, and it shall have no right to any indemnity for costs, commitments and responsibilities that it has already undertaken, including with the possible Buyer.
- 14.5. The Trading Agent in Default in Loading, in case of fault or deceit, will also be subject to the payment of a fine equivalent to the value of RAC₀ multiplied by the nominal volume of the programmed Cargo.

15. REQUIRED DOCUMENTATION

- 15.1. Within five (5) days before the start of the VPR contained in the Final Lifting Schedule, the Trading Agent will inform PPSA of the volume that it wants to load, which must be the nominal volume, more or less five percent (5%) of tolerance, subject to the Production Operator's agreement, and will request the necessary documents for loading, including, but not limited to:
 - i. Quality Certificate;
 - ii. Quantity Certificate (including the ullage report);
 - iii. operation time sheet.
- 15.2. Upon request from the Trading Agent, PPSA will provide by email the most recent information available on the quality of the liquid hydrocarbons to be loaded (API, hydrogen sulfide (H₂S), temperature, and BS&W), as received from the Production Operator.

16. LAYTIME AND DEMURRAGE

- 16.1. In operations of transshipment and delivery to the Buyer, Laytime and Demurrage shall be regulated by the respective transportation, chartering and transshipment agreements entered into by the Trading Agent. In case of Demurrage, the Trading Agent must present the claim to PPSA within a maximum period of thirty (30) Days after receiving the Claim from the Buyer or Shipowner.
- 16.2. **Laytime**

16.2.1. The maximum Laytime for Standard Cargo loading operations on the FPSO shall be thirty-six (36) consecutive hours, including Sundays, holidays and hours of darkness, except if loading during holidays and hours of darkness is prohibited by the FPSO Regulation or the Applicable Law.

16.2.2. Laytime will start:

- i. if the NOR is issued within the VPR, six (6) hours after the issuance of the NOR, or when the Shuttle Tanker is moored to the FPSO, whichever comes first;
- ii. if the NOR is issued before the VPR, six (6) hours after the start of the VPR, or when the Shuttle Tanker is moored to the FPSO, whichever comes first; and
- iii. if the NOR is issued after the VPR, when the Shuttle Tanker is moored to the FPSO.

16.2.3. Subject to the provisions in this Clause 16, Laytime will be continuous from the beginning, unless prohibited by the FPSO Regulation or Applicable Law. Laytime will be completed with full disconnection of the loading hoses, after its completion.

16.3. Demurrage

16.3.1. Demurrage will be characterized when the Shuttle Tanker Laytime time is longer than allowed.

16.3.2. Demurrage will be calculated and supported by relevant documentation and its value shall be:

- i. the *pro-rata die* Demurrage fee, as specified in the valid charter party for the Shuttle Tanker, if any, when the Shuttle Tanker is under a single voyage charter party; or
- ii. the *pro rata die* lease rate specified in the time charter party, plus the effective fuel costs, if any, if the Shuttle Tanker is hired under this modality.

16.3.3. If loading is carried out in the pooling or combined cargoes mode, and both cargoes share the same Laytime, then Laytime and Demurrage will be allocated in proportion to the volumes of each cargo.

16.3.4. Expenses resulting from disconnection of the Shuttle Tanker prior to loading completion caused by the Shuttle Tanker will be borne by the Trading Agent, and any operating time consumed by such disconnection will not count as Laytime, unless the disconnection occurs at the request of the Production Operator or PPSA;

16.3.5. When the Shuttle Tanker is chartered on a single voyage basis, the maximum Demurrage refundable under this Agreement will not exceed the actual Demurrage paid for or on behalf of the Trading Agent to the owner of the Shuttle Tanker in relation to the loading carried out, according to what is evidenced and justified by the documentation provided by the Trading Agent.

16.4. Exclusions of Laytime and Demurrage

16.4.1. Delays directly attributable to the events listed below will not be counted as Laytime or, if the Shuttle Tanker is already in Demurrage, as Demurrage:

- i. displacement of the Shuttle Tanker from the Waiting Area for berthing;
- ii. helicopter landing/refueling when concurrent with berthing;
- iii. Shuttle Tanker's defect or inability to load;

- iv. Shuttle Tanker tank cleaning;
- v. discharge of slops or ballast when not concurrent with loading at the required rates;
- vi. time waiting for customs clearance, immigration authorization, free circulation, pilot, tugs, natural light, or local administrative requirements;
- vii. ullage and sampling;
- viii. loading delays caused by the Shuttle Tanker's inability to load at the required rates;
- ix. delays due to weather or sea conditions (including, but not limited to, wind, rough seas, currents and tides);
- x. prohibition of loading by the Trading Agent, owner of the Shuttle Tanker, charterer, captain, local and port authorities; and
- xi. delay or impediment to deliver Cargo, totally or partially, as a result of force majeure.

16.5. Demurrage Claim

- 16.5.1. In order to file a Claim for Demurrage, the Trading Agent will notify PPSA and gather all the necessary documentation within eighty-five (85) Days after the disconnection of the loading hose(s), as indicated in the time sheet (time log) contained in the report issued by the independent inspector.
- 16.5.2. All documentation necessary to support a Claim must be provided in writing.
- 16.5.3. Failing to deliver the notice and the necessary documentation within the period specified in the paragraphs above, the Trading Agent will automatically and irrevocably waive the right of Claim.
- 16.5.4. The Federal Union and PPSA will not be responsible for direct or indirect losses and damages resulting from Demurrage.

16.6. Claims for Failure to Vacate the FPSO

- 16.6.1. The Trading Agent is responsible for any direct losses, damages and other costs incurred by the Federal Union or PPSA, as a direct result of failure to vacate the FPSO, so understood as the fact that the Shuttle Tanker does not leave the FPSO within three (3) hours from disconnection of the loading hose(s) solely for an act or omission of the owner, charterer, captain or crew member of the Shuttle Tanker or the Trading Agent.

16.7. Payment for Demurrages

- 16.7.1. After settling the Claim, the Trading Agent must present the result to PPSA within fifteen (15) Days.
- 16.7.2. Claims with a favorable result to PPSA must be paid within thirty (30) Days from invoicing, in reais, using the purchase exchange rate published by the Central Bank of Brazil (currency 220) on the date the Claim is received by the Trading Agent.
- 16.7.3. Claims unfavorable to PPSA will be paid in reais, within 30 (thirty) days after invoicing, using the purchase exchange rate published by the Central Bank of Brazil (currency 220) on the date prior to the presentation of the invoice by the Trading Agent.

- 16.7.4. The amount to be paid or received by PPSA will be adjusted according to the performance premium, as provided for in paragraph 9.12.

17. INSPECTION, QUANTITY, QUALITY AND CLAIMS

- 17.1. The quality of the Federal Union Crude Oil delivered to the Trading Agent is that effectively produced on each FPSO and made available in the respective shipment.
- 17.2. PPSA does not provide any guarantees, express or implied, including of merchantability and fitness of Crude Oil for a particular purpose.
- 17.3. In all operations, the independent inspector will be chosen by mutual agreement between PPSA and the Trading Agent, and appointed by the Trading Agent.
- 17.4. Inspection costs are included in the SIP factor, according to Clause 8.
- 17.5. The Independent Inspector must certify and deliver copies of the measurement certificates to PPSA and the Trading Agent, who must ensure that all reports and information issued and provided by the Independent Inspector are forwarded concurrently.

17.6. Determination of quantity

- 17.6.1. The volume and temperature of liquid hydrocarbons that will be delivered by PPSA to the Trading Agent will be determined by an automatic online measurement system located on the FPSO.
- 17.6.2. If this system is not available or in operation, the volume and temperature of Federal Union Crude Oil will be determined by measuring the FPSO storage tanks from which the loading is conducted, immediately before and immediately after loading.
- 17.6.3. In the event of failure of the automatic measurement system and the impossibility of measuring the FPSO storage tanks from which the loading is made, the quantity received and measured on the Shuttle Tanker, corrected by the VEF, if any, will be used for final and binding determination of the volume.
- 17.6.4. The volume must be adjusted to a standard temperature of 20 °C (twenty degrees Celsius) for measurement in Cubic Meters, and 60 °F (sixty degrees Fahrenheit) for measurement in Barrels, according to the conversion tables for the correction of volumes of Crude Oil established in the ANP Standards and rules in force on the date of shipment (Tables 6A for Barrels at 60°F and 60A for liters at 20°C).
- 17.6.5. In observance of the provisions in paragraph 0 regarding the Claim procedures, the GSV and NSV specified in the Quantity Certificate issued by the independent inspector will constitute evidence of the volume delivered.
- 17.6.6. The volume shall be measured again by the captain of the Shuttle Tanker and certified by the independent inspector if there is a difference in the TCV greater than three tenths percent (0.3%), if the Shuttle Tanker has a valid VEF, or greater than five tenths

percent (0.5%), if the Shuttle Tanker does not have a valid VEF, considering the difference between the TCV measured by the FPSO flow meter and the loaded TCV, measured on the Shuttle Tanker and calculated according to the Standards.

- 17.6.7. The new measurement must take place before the departure of the Shuttle Tanker, unless otherwise agreed between PPSA and the Production Operator. The results of the new measurement will be deemed as the TCV received by the Shuttle Tanker.
- 17.6.8. If the difference between the measurements remains after the new measurement, the Claim process defined in paragraph 0 can be started by the Trading Agent or PPSA.
- 17.6.9. The independent inspector must certify and deliver copies of the measurement results to PPSA and the Trading Agent, who must ensure that all reports and information issued and provided by the independent inspector are forwarded concurrently.
- 17.6.10. The Loaded Volume used in the price calculations of Clause 9 will be the NSV determined in accordance with this Clause 17.

17.7. Determination of quality

- 17.7.1. The quality of the loaded Oil will be determined from representative samples that will be collected, according to the rules that govern these operations, by an automatic sampling device. If this device is not available or not in operation, representative samples of the Oil to be loaded must be collected in accordance with the applicable rules and regulations, in the following order of priority:
 - i. from the manual sampler of the FPSO discharge line;
 - ii. from the storage tanks of origin of the loading, before loading. In this case, a sample of the upper, middle and lower levels of each tank must be collected and a composite sample must be prepared as established by the API standard - Chapter 8, sections 3 and 4. The H2S test shall be performed for each tank, based on samples collected at the medium level; and
 - iii. from the Shuttle Tanker compartments immediately after loading. In this case, a sample of the upper, middle and lower levels of each tank of the Shuttle Tanker must be collected and a composite sample must be prepared as established by the API standard - Chapter 8, sections 3 and 4. The H2S test shall be performed for each tank, based on samples collected at the medium level.
- 17.7.2. The FPSO laboratory must analyze and certify each sample according to the Standards for API grade, density, H2S, salt and BS&W, and the independent inspector must certify and deliver authentic copies of the results to the Trading Agent and PPSA.
- 17.7.3. The results of the analyses presented in the Quality Certificate issued by the independent inspector will be final and binding. The Quality Certificate in reference to the Cargo must contain the number of samples and their respective seals.
- 17.7.4. Without prejudice to the Claim procedure set forth in paragraph 0, and except for cases of proven fraud or manifest error, the quality parameters certified by the independent inspector must be conclusive evidence of the quality of the Oil delivered to the Trading Agent.

17.8. Claims about quantity or quality loaded on the FPSO

- 17.8.1. In the event of a Claim regarding the quantity or quality of the Oil delivered to the Trading Agent on the Shuttle Tanker, both the Trading Agent and PPSA may file a Claim with the other Party, in accordance with the provisions below:
- 17.8.2. Claims regarding the quantity of Crude Oil loaded can only be made if the difference in the quantity measured by the FPSO and the Shuttle Tanker at the time of loading is greater than the tolerance specified in paragraph 17.6.6.
- 17.8.3. Claims regarding the quality of the loaded Oil can only be made if the Trading Agent performs its own laboratory analysis of the sample taken at the time of loading, and the result of the analysis does not match the analysis carried out in accordance with paragraph 17.6.2. and with the reproducibility parameters of the method used for the analysis.
- 17.8.4. To be effective, each Claim of quality or quantity must be delivered to PPSA or the Trading Agent within a maximum period of fifty (50) Days after the date of departure of the Shuttle Tanker, as indicated in the Quality Certificate and the Quantity Certificate, as appropriate, issued by the independent inspector.
- 17.8.5. Claims must be submitted in writing, accompanied by all necessary documentation. Claims that do not meet the criteria set forth herein will be considered invalid.

17.9. Absence of independent inspector:

- 17.9.1. **If the independent inspector is not exceptionally present to accompany the** loading operations, the procedures provided for in paragraphs 17.6, 0 and 0 are still applicable, and the documents issued by the FPSO will be adopted in place of the inspection certificate. The documents issued by the captain of the Shuttle Tanker will serve as a basis for any Claims.

17.10. Claims about Quantity or Quality in transshipment and delivery to the Buyer

- 17.10.1. Claims of quality and quantity in transshipment and delivery to the Buyer must follow the limits and procedures set out in the Trading Agent's agreements for transshipment, chartering and transportation, as well as in the agreement with the Buyer.
- 17.10.2. The Claim process must be presented by the Trading Agent to PPSA within thirty (30) Days after the Claim has been filed.

17.11. Payment of Claims of quality and quantity

- 17.11.1. After settling the Claim, the Trading Agent must present the result to PPSA within fifteen (15) Days.
- 17.11.2. Claims with a favorable result to PPSA must be paid within thirty (30) Days from invoicing, in reais, using the purchase exchange rate published by the Central Bank of Brazil (currency 220) on the date the Claim is received by the Trading Agent.
- 17.11.3. Claims unfavorable to PPSA will be paid in US dollars, within thirty (30) Days after invoicing, using the purchase exchange rate published by the Central Bank of Brazil

(currency 220) on the date prior to the presentation of the invoice by the Trading Agent.

- 17.11.4. The amount to be paid or received by PPSA will be adjusted according to the performance premium, as provided for in paragraph 9.12.

18. CONTRACTUAL VOLUME

- 18.1. The Federal Union Crude Oil to be traded under this Agreement is composed of the Cargoes that appear in the Final Lifting Schedule of each FPSO of the Unitized Area of Tupi, issued during the term of the Agreement.
- 18.2. Only Cargoes that have been scheduled will be sold, that is, cargoes appearing in the Final Lifting Schedule issued throughout the term of the Agreement with the Trading Agent, even if scheduled for after the end of the term of the said Agreement. will be marketed.
- 18.3. Cargoes that are scheduled over the contractual period and whose Final Lifting Schedule is revised, with a change to the VPR, will be traded under the terms of this Agreement.
- 18.4. The production volume provided for the Unitized Area of Tupi is a mere estimation, being certain that the Federal Union Crude Oil to be traded under this Agreement will be restricted to Cargoes contained in the Final Lifting Schedules issued during the contractual period.
- 18.5. Usually, shipments have minimum volume of eighty thousand (80,000) m³, and maximum volume of one hundred and sixty thousand (160,000) m³, depending on the FPSO, as shown in Exhibit III. Volumes smaller than the minimum may be loaded upon mutual agreement between PPSA and the Trading Agent.
- 18.6. PPSA will make available, by the last Day of March of each year, the estimated future production curve for the subsequent years of the contract, in addition to the current year curve, for the purposes of logistical scheduling by the Trading Agent.
- 18.7. The production curves available by PPSA shall represent its best estimate for the subsequent years of the contract and for the current year.
- 18.8. Future productions may change in their projections and, therefore, new curves will be presented each year, or in a shorter period, if available.
- 18.9. The Unitized Area of Tupi has seven (7) FPSOs in production. Cargoes must be loaded on seven (7) FPSOs, and it is not possible to transfer Production from one FPSO to another.

19. REQUIRED LOGISTICS

- 19.1. The Trading Agent must provide the necessary logistics, including Shuttle Tankers and transshipment or tank capacity, to meet the expected demand for Federal Union Crude Oil in the Unitized Area of Tupi.

19.2. Tank capacity in Brazil or abroad

- 19.2.1. The storage of Federal Union Crude Oil in onshore or floating tanks, may occur in Brazil or abroad, as agreed between the Parties. These costs will be treated as Expenditures Directly Related to Trading.

20. MONITORING

- 20.1. PPSA will monitor the operations, costs and prices of Federal Union Crude Oil, as provided for in subitem "c", of item II, of article 4th of Law No. 12,304/2010 and in the Trading Policy.
- 20.2. Pursuant to article 4th of the Trading Policy, this Agreement confers strict confidentiality to the documents and information provided by the Trading Agent for the fulfillment of PPSA's obligation to monitor and audit the operations, costs and sales prices.
- 20.3. Monitoring will take place through the continuous monitoring of the trading procedure, and the Trading Agent must inform PPSA, through electronic means or telephone:
- i. the sales strategy, including target markets;
 - ii. possible buyers contacted and price indications obtained;
 - iii. estimated costs for delivery to different destinations;
 - iv. FOB FPSO price calculations for potential buyers;
 - v. the Buyer;
 - vi. the vessel selected for delivery to the Buyer and estimate of freight charges;
 - vii. logistical and operational information for loading, transshipment and delivery;
 - viii. all information with an impact on the Federal Union's revenue, which is considered in the price formulas, as well as those related to Claims;
 - ix. time when hedge was implemented and canceled, the contracts used, and the prices obtained.
- 20.4. For purposes of monitoring the hedge, the Trading Agent will inform PPSA of the contracts, as well as volumes, to the extent they are bought or sold.
- 20.5. Business opportunities that require an urgent decision may be authorized by telephone, or closed without PPSA's authorization, provided that, in this case, a report be presented within one (1) Day.
- 20.6. Within three (3) Days after the closing of each deal, the Trading Agent will inform PPSA of the summary regarding all sales conditions for each Cargo, including price formula, pricing period, and payment term.

21. AUDIT

- 21.1 PPSA will audit the operations, costs and sale prices of Crude Oil, as provided for in subitem “c”, item II, of article 4th of Law No. 12,304/2010 and in the Trading Policy.
- 21.2 The audits may be carried out directly by PPSA or by a contractor that will be subject to the obligations of Clause 32.
- 21.3 The performance of the audit must be notified to the Trading Agent at least thirty (30) Days in advance. The frequency will be a maximum of one (1) per year.
- 21.4 The Trading Agent will give PPSA access to the Supporting Documentation and all information necessary for the performance of its audit obligation, which will be given strict confidentiality.
- 21.5 The information and documents include, but are not limited to, proposals received from the market, conditions for closing the sale, price calculation spreadsheets, charter party amounts, publications that prove the value of Long Haul Freight, invoices and receipts, among others, necessary to prove the sale price as well as the sale at the best price.
- 21.6 A reference term will be adjusted between PPSA and the Trading Agent for the performance of the audit, in which conditions typically applied in auditing will be provided, aimed at checking compliance by the Trading Agent with the terms of the Agreement. The reference term will include scope, coverage, sampling, duration and other pertinent issues.
- 21.7 The audit will have a period of sixty (60) Days after the completion of the fieldwork to issue the audit report. The Trading Agent will have a period of ninety (90) Days to submit its counterarguments before the issuance of the final audit report.

22. NEW TECHNOLOGIES

- 22.1 The application of new technologies may lead to a revision of the CAT₀ value.
- 22.2 The new technologies that may be applied to the FPSOs covered by this Agreement may be incorporated, as long as their use is negotiated between PPSA and the Trading Agent.
- 22.3 The impacts resulting from this change for the purpose of reducing costs and maximizing the value of Federal Union Crude Oil shall be identified by the reduction in the value of CAT₀ and the values of Z% and Y%.
- 22.4 It shall be incumbent upon the Trading Agent to provide technical and economic information to PPSA that justify (or not) the changes in the values of CAT₀, Z% and Y%.
- 22.5 The Parties will have six (6) months, extendable for another period of six (6) months, to reach an understanding regarding the new amounts, from the opening of the review process on the part of PPSA.

23. PAYMENT OF THE FEDERAL UNION'S REVENUE

23.1. Sales in the domestic market - Trading Agent and Buyer based in Brazil

- 23.1.1. The payment of the total amount of the Cargo will be made in reais, without any rebates, deduction, withholding, offset or counterclaim.
- 23.1.2. The electronic Invoice – NFe - (XML file) and the auxiliary document of electronic invoice - DANFE, which will accompany the Cargo will be issued by PPSA in reais with the quantity in Cubic Meters, and sent by electronic mail, to the address and contacts informed by the Trading Agent, within a maximum period of 3 (three) hours after disconnection of the cargo loading hose in question, to the address and contacts informed by the Trading Agent.
- 23.1.3. The provisional unit price to be used in the issue of the electronic invoice - NFe (XML file) and the auxiliary document of electronic invoice (DANFE), which will accompany the Cargo, will be 50% (fifty percent) of the last published Reference Price by the ANP for the Oil of the Tupi Field in R \$ / m³.
- 23.1.4. The difference between DANFE, and its respective electronic Invoice - NFe, issued according to items 23.1.2 and 23.1.3 and the total price of the Cargo calculated according to paragraph 9.11.2 will be subject to the issuance of a complementary DANFE , and its respective electronic invoice - NFe.
- 23.1.5. The Trading Agent will make the payment to the Union or to PPSA, according to the invoice documents according to paragraph 23.4.1, within 5 (five) days after the due date for payment of the Buyer to the Trading Agent.
- 23.1.6. Taxes that are due as a direct result of the sale of Federal Union Crude Oil will be included in the DANFE amounts.
- 23.1.7. If the Day set for payment of billing documents is Saturday or a bank holiday other than Monday, payment must be made on the first previous Business Day. If the Day set for payment of billing documents is Sunday or bank holiday on Monday, payment must be made on the first subsequent Business Day. A bank holiday means the Days when banks do not operate in the city of Rio de Janeiro - Brazil.
- 23.1.8. In the event of a delay in payment provided for in paragraph 23.1.5 by the Trading Agent, the amounts due will be subject to default interest, calculated on the basis of the SELIC interest rate. The default interest will be calculated *pro rata die*, applicable from the due date of the billing document to the date of the actual payment, and will be charged via a specific billing document for that purpose, and with a due date of ten (10) Days after the date of receipt by the Trading Agent (which will be considered Day zero).
- 23.1.9. In case of delay in payment of this new billing document, the calculation provided for in paragraph 23.1.8 will be performed *pro rata die*, from the new maturity on the last face value due.

23.2. Sales in the international market - Trading Agent based in Brazil and Buyer based abroad

- 23.2.1. The payment of the total amount of the Cargo will be made in reais, without any rebates, deduction, withholding, offset or counterclaim.

- 23.2.2. The DANFE, which will accompany the Cargo, will be issued by PPSA in reais with the quantity in Cubic Meters, and sent by electronic mail, to the address and contacts informed by the Trading Agent, within a maximum period of 3 (three) hours after disconnecting the hose from the loading of the cargo in question, to the address and contacts informed by the Trading Agent.
- 23.2.3. The provisional unit price to be used in the electronic invoice - NFe (XML file) and the electronic document invoice auxiliary document (DANFE), which will accompany the Cargo, will be 50% (fifty percent) of the last published Reference Price by the ANP for the Oil of the Tupi Field in R \$ / m³.
- 23.2.4. The difference between DANFE, and its respective electronic invoice, issued in accordance with items 23.2.2 and 23.2.3 and the total price of the Cargo calculated in accordance with paragraph 9.11.2 will be subject to the issuance of a complementary DANFE, and respective electronic invoice – Nfe.
- 23.2.5. The Trading Agent will make the payment to the Federal Union or PPSA, according to the billing documents provided for in paragraph 23.4.1., within five (5) Days after the due date for payment from the Buyer to the Trading Agent.
- 23.2.6. The taxes that are due as a direct result of the sale of the Union Crude Oil will be included in the DANFE values.
- 23.2.7. If the Day set for payment of billing documents is Saturday or a bank holiday other than Monday, payment must be made on the first previous Business Day. If the Day set for payment of billing documents is Sunday or bank holiday on Monday, payment must be made on the first subsequent Business Day. A bank holiday means the Days when banks do not operate in the city of Rio de Janeiro - Brazil.
- 23.2.8. In the event of a delay in payment provided for in paragraph 23.2.5 by the Trading Agent, the amounts in arrears will be subject to default interest, calculated on the basis of the SELIC interest rate. The default interest will be calculated pro rata die, applicable from the due date of the DANFE to the date of the actual payment, and will be charged via a specific billing document for that purpose, and with a due date of ten (10) Days after the date of receipt by the Trading Agent (which will be considered Day zero).
- 23.2.9. In case of delay in payment of this new billing document, the calculation provided for in paragraph 23.2.8 will be performed pro rata die, from the new maturity on the last face value due.

23.3. Tax and bank details

- 23.3.1. Tax data:
EMPRESA BRASILEIRA DE ADMINISTRAÇÃO DE PETRÓLEO E GÁS NATURAL - PRÉ-SAL
PETRÓLEO S.A. – PPSA
AVENIDA RIO BRANCO, 1 – 4º ANDAR – CENTRO – RJ – 20.090-003
CNPJ: 18.738.727/0002-17
STATE REGISTRATION: 87.007.847
- 23.3.2. Bank Details:

Banco do Brasil - 001
Branch 2234-9
C/A: 9563-X
CNPJ: 18.738.727/0001-36

23.4. Billing documents

- 23.4.1 For the operations provided for in paragraphs 23.1 and 23.2, the payments of the Trading Agent will be divided into two parcels to be informed by PPSA and paid on the same date through the following billing documents:
- i. GRU, to be paid at Banco do Brasil; and
 - ii. debit note, to be paid through deposit in the current account informed in paragraph 23.3.2.

24. OBLIGATIONS OF THE PARTIES

- 24.1. In addition to the obligations contained elsewhere in the Agreement, the Trading Agent undertakes to:
- 24.1.1. keep the documents with proof of expenses and costs incurred during the term of the Agreement, and for a minimum additional period of five (5) years from the date of termination hereof;
 - 24.1.2. keep the documents derived from the performance of this Agreement on file within the period set forth in the legislation in force for each type of document;
 - 24.1.3. maintain, during the performance of the Agreement, the conditions for qualification required upon contracting;
 - 24.1.4. appoint at least one representative responsible for the performance of the Agreement; and
 - 24.1.5. inform Pré-Sal Petróleo of any abnormality that may impact the performance of this Agreement.
 - 24.1.6. In addition to the obligations contained elsewhere in the Agreement, PPSA undertakes to:
- 24.2. Appoint the Contract Manager.

25. TAX OBLIGATIONS

- 25.1 The taxes resulting from this Agreement are the sole responsibility of the Parties, as defined in the applicable tax legislation. The Parties will pay all taxes directly to the appropriate governmental authority, undertaking to exempt the other Party from any and all claims resulting from failure to pay such taxes, including fines.
- 25.1.1. The taxes levied on the Cargo will be deducted in the price formula, pursuant to Clause 9.

- 25.2 If new taxes, charges or quasi-fiscal contributions are created, after the base date of the proposal, or there is a change in the tax base and/or rate of the current ones, in order to increase or decrease the burden of the Trading Agent, with repercussions on the contractual balance, the provisions of Clause 37 shall apply.
- 25.3 Notwithstanding the provisions of paragraph 25.2, the Trading Agent undertakes, in the event that it is fined by the Federal, State or Municipal Treasury, with regard to the subject matter of the Agreement, to defend itself with dedication and care before the competent authorities.
- 25.4 PPSA is not responsible for the reimbursement of any fines, inflation adjustment, penalties, interest and other expenses resulting from the Trading Agent's failure to comply with tax, labor and social security obligations.

26. TERMINATION, RESCISSION AND DEFAULT

- 26.1 The Agreement may be terminated at any time by mutual agreement between the Parties, and such an act shall not entitle any Party to demand fines, payments or indemnities. The Parties undertake to comply with the obligations assumed and still pending on the date of termination.
- 26.2 The Agreement may be terminated by one of the Parties in the following cases:
- 26.2.1. For total or partial noncompliance with the obligations provided for therein.
- 26.2.2. Total or partial assignment of its subject matter without the prior and express consent from PPSA.
- 26.2.3. Ratification of court-supervised reorganization in case the Trading Agent does not post sufficient bond to guarantee the fulfillment of the contractual obligations.
- 26.2.4. Decree of bankruptcy of the Trading Agent or its dissolution, amendment to the articles of incorporation, or modification of the purpose or structure of the company, which impairs the performance of the subject matter;
- 26.2.5. The Trading Agent fails to remedy noncompliance with any of the obligations assumed herein, or which are attributed to it by the Applicable Law within thirty (30) Business Days, counted from the receipt of notice sent by PPSA in this regard;
- 26.3 The termination according to paragraph 26.2 will result in the withholding of credits arising from the Agreement up to the limit of the losses caused to PPSA, in the event of insufficient guarantees provided by the Trading Agent.
- 26.4 In case of termination of the Agreement, the following will remain in effect:
- 26.4.1. Financial obligations undertaken during the contractual period until effective payment thereof;
- 26.4.2. The confidentiality obligations for the period provided for in Clause 32; and

26.4.3. The provisions of Clause 33.

27. DUTY TO INDEMNIFY

- 27.1 The Trading Agent will be the sole and exclusive responsible, regardless of fault or intent, for any damages that it may cause to PPSA, the Federal Union or third parties, undertaking to hold them harmless from losses, damages or other losses that may be caused, including, but not limited to, environmental damage.
- 27.2 It is incumbent upon the Federal Union and PPSA the right of recourse against the Trading Agent if the Federal Union or PPSA is required to repair losses, damages or other losses per chance caused by the Trading Agent, including, but not limited to, environmental damage.
- 27.3 Expenses related to the exercise of the right of recourse, such as court costs and attorney's fees will be added to the amount involved.
- 27.4 The Trading Agent will immediately communicate to PPSA and take the appropriate measures in case administrative, judicial or arbitration proceedings are filed.

28. FORCE MAJEURE

- 28.1 The Parties shall not be held responsible for noncompliance with obligations or losses resulting from acts of God or force majeure, pursuant to article 393 of the Brazilian Civil Code.
- 28.2 In case an act of God or force majeure lasts for more than thirty (30) consecutive Days, the Parties will have the right to terminate the Agreement by written notice to the other Party. In case of termination of the Agreement based on this Clause 28, neither Party will have rights in relation to the other, except for the amounts due before the declaration of act of God or force majeure.
- 28.3 In the event of acts of God or force majeure, the Party unable to fulfill its obligation will immediately notify the other Party, indicating the nature of the event, and, as far as possible, its estimated duration and consequences.
- 28.4 As long as the effects of the act of God or force majeure events persist, the Parties shall bear their respective losses.

29. ASSIGNMENT OF RIGHTS, SUBCONTRACTING AND GIVING IN GUARANTEE

- 29.1 The Trading Agent will not be allowed to transfer to others, in whole or in part, the commitments agreed upon herein, nor give this Agreement or any other contract related to it in guarantee, without prior approval from PPSA.
- 29.2 Subcontracting will be allowed except for the performance of typical trading acts of a Trading Agent.

30. INTEGRITY AND COMPLIANCE WITH LAWS

- 30.1 The Parties declare to know the terms of the Anticorruption Legislation e Law No. 13.810/2019 in addition to the provisions of Law No. 13,303/2016 and its Decree No. 8,945/2016, undertaking to refrain from any conduct that constitutes a violation of the aforementioned regulations.
- 30.2 The Parties, for themselves and for their managers, officers, employees and agents, undertake to conduct their business practices in accordance with the applicable legal provisions. Neither the Parties, nor their managers, officers, employees and agents will give, offer, pay, promise, or authorize Prohibited Payment.
- 30.3 If the Trading Agent, on the date of execution of the Agreement, does not have its own code of conduct (or document with the same purpose), it hereby declares for itself and for its managers, officers, employees and agents, that it is aware and fully agrees with the terms of the PPSA Code of Conduct and Integrity, which becomes an integral part of this Agreement (Exhibit VI).
- 30.4 In cases of subcontracting by the Trading Agent, the terms provided by the Parties in this Agreement are applicable.

31. NOTICES

- 31.1 Any notice or information provided for in this Agreement is only valid if sent in writing and will be delivered (i) in person, (ii) by mail; or (iii) by electronic means, to the following addresses:

To PPSA:

- 31.1.1. The place of delivery of physical documents will be the PPSA Central Office, located at Avenida Rio Branco, nº 1, 4th floor, Centro, Rio de Janeiro - RJ - CEP 20090-003, from 9:00 am to 6:00 pm, on the Days when there is work at PPSA, always in attention to the Contract Manager.

- 31.1.2. Scanned documents shall be sent to tupi.ac@ppsa.gov.br.

- 31.1.3. [Please insert additional data]

To the Trading Agent:

- 31.1.4. [Please insert]

- 31.2. Notices by personal delivery, mail or electronic means will be considered delivered on the date of receipt.

32. CONFIDENTIALITY

- 32.1 The Parties undertake, for a period of ten (10) years from the signature of this Agreement, to keep all information transmitted to them as a result of the performance of the Agreement confidential.

- 32.2 Failure to comply with the confidentiality obligation will result in the taking of appropriate measures and sanctions under Law No. 9,279/1996 and Applicable Law.
- 32.3 Confidentiality obligations will not apply to the following cases:
 - 32.3.1. Prior and express consent from the other Party;
 - 32.3.2. Information proven to have come from another legal and legitimate source;
 - 32.3.3. Court, arbitral or administrative order to disclose information, and confidentiality must be required in its court, arbitral or administrative handling;
 - 32.3.4. Disclosure to companies belonging to the receiving Party's Economic Group, as well as to their employees, representatives, or to anyone, in any capacity, accessing information on their behalf, in cases where such disclosure is necessary to achieve the contractual purposes;
 - 32.3.5. Information that is already or will become public domain due to an act or fact not attributable to any of the Parties;
 - 32.3.6. Information made available by PPSA for the purpose of complying with the provisions of the Applicable Law.
- 32.4. All documents made available by the Parties based on the provisions of the Applicable Law must be classified as confidential.

33. APPLICABLE LAW, JURISDICTION AND ARBITRATION

- 33.1 This Agreement will be performed, governed and interpreted in accordance with Brazilian law.
- 33.2 Any dispute or claim arising out of or related to this agreement will be settled by arbitration, for which the following conditions will be observed:
 - 33.2.1. The arbitration procedure will be managed by the International Court of Arbitration of the International Chamber of Commerce;
 - 33.2.2. The arbitration will be conducted in accordance with the rules of the chosen arbitration institution, as long as it does not conflict with this Clause. Expeditious or single arbitrator procedures will only be adopted in the event of an express agreement between the Parties;
 - 33.2.3. Three (3) arbitrators must be chosen. Each Party will choose one (1) arbitrator. The two (2) arbitrators so chosen will appoint the third arbitrator, who will act as chairman;
 - 33.2.4. The city of Rio de Janeiro - Brazil will be the seat of arbitration and the place of entry of the arbitral award;
 - 33.2.5. The language to be used in the arbitration process will be Portuguese. However, the Parties may provide evidence to the process with testimonies or documents in any

other language, under the terms of the arbitrators' decision, with no need for official translation;

- 33.2.6. On the merits, the arbitrators will decide based on Brazilian law;
- 33.2.7. The arbitration award will be final and its content will bind the Parties, being certain that the arbitrators must issue it within a maximum period of twelve (12) months after the request for arbitration, unless the referred to period or its establishment is incompatible with the rules the chosen arbitration institution;
- 33.2.8. Expenses necessary for the installation, conduct and development of the arbitration, such as costs with the institution of the arbitration and advance of arbitration fees will be advanced exclusively by the Party requesting the installation of the arbitration. The respondent Party will reimburse such amounts in proportion to the result of the arbitration, as decided in the arbitration award;
- 33.2.9. If expert evidence is necessary, the independent expert will be appointed by mutual agreement between the Parties or, in the absence of an agreement, by the arbitral tribunal. The costs of the expert examination, including expert's fees, will be advanced by the Party requesting it or filing for arbitration, if proposed by the arbitral tribunal. Such costs will be ultimately borne by the losing Party, pursuant to paragraph 33.2.8. The Parties may appoint expert assistants they trust by their own, but such costs will not be reimbursed;
- 33.3 The arbitral tribunal shall order the Party, wholly or partially unsuccessful, to pay attorney's fees.
- 33.4 In case urgent or provisional remedies are required before the arbitration is instituted, the interested Party may apply directly to the Judicial Branch, based on Brazilian law, with the efficacy of the provisional remedy ceasing if the arbitration is not required within thirty (30) Days, counted from the date of effectiveness of the decision; and
- 33.5 The arbitration procedure must observe the principle of publicity, under the terms of Brazilian law, and confidential data must be protected under the terms of the Agreement. The disclosure of information to the public will be the responsibility of the arbitral institution managing the procedure and will preferably be done electronically.
- 33.6 The Parties hereby declare to be aware that the arbitration referred to in this Clause 33 refers exclusively to disputes arising from or related to the Agreement, and it is only possible to settle disputes related to available property rights, pursuant to the provisions of Law No. 9,307/1996.
- 33.7 The Federal Courts of the Judicial District of Rio de Janeiro will have jurisdiction for the provisions of paragraph 33.4, and for matters that do not address available property rights, pursuant to the provisions of Law No. 9,307/1996.

34. HEALTH, SAFETY AND ENVIRONMENT (HSE)

- 34.1 PPSA will provide the Trading Agent with a copy of the current FDS for the Tupi Field Oil, and any other information to which it has access, relating to health, safety and environment regarding the Oil traded under this Agreement.

- 34.2 The Trading Agent must provide its employees, agents, contractors, customers and other persons to whom it supplies the Crude Oil delivered under this Agreement with:
- 34.2.1. a copy of the FDS provided by PPSA; or
 - 34.2.2. other comparable information, relating to health, safety and environment data in connection with the Crude Oil delivered under this Agreement, when the fulfillment of the obligations of this Clause is outside the AEE.
 - 34.2.3. The Trading Agent will be responsible for any consequences that result from the use of the FDS or other information.
- 34.3. The Trading Agent will provide people responsible for managing health, safety and environment issues within its own organization with a copy of the FDS or other information.
- 34.4. The Trading Agent must provide its employees with appropriate information and training to enable them to handle and use the Crude Oil delivered, in accordance with this Agreement in a manner that does not pose a health or safety risk.
- 34.5. PPSA will not be responsible in any way for any loss, damage or loss resulting from any dangers inherent to the nature of the Crude Oil delivered.

35. GUIDELINES IN CASE OF ACCIDENTS

- 35.1. The provisions of this Clause 35 apply in the case of accidents, incidents, emergencies or any occurrence related to a vessel carrying Federal Union Crude Oil, which endangers the physical integrity or the lives of people, the safety of the vessel, its own property or that of third parties, or the environment, or which requires immediate assistance or from which adverse media coverage is expected.
- 35.1.1. The Trading Agent shall ensure that the vessel's owner or captain notifies PPSA in accordance with the following guidelines:
- i. notify it immediately after any accident, incident, emergency or occurrence by phone +55 (21) 3513-XXXX, and by email ship.occurrence@ppsa.gov.br;
 - ii. notices shall be updated to allow monitoring of ongoing actions;
 - iii. notice emails must contain at least the following information:
 - a) the name of the vessel;
 - b) nature of the emergency or accident (for example, collision, stranding, fire);
 - c) location of the vessel (latitude, longitude, port) and the incident;
 - d) deaths and injuries to persons, if any;
 - e) nature and extent of damage;
 - f) name, type and nationality of other vessels possibly involved;
 - g) condition of the vessel to continue the voyage; and
 - h) in the event of an oil spill:
 - 1 date, time, location and extent of the spill;
 - 2 report time
 - 3 if the vessel is moored, the name of the facility owner;

- 4 if known, the cause of the occurrence (for example, overflow, hose rupture, defect in the shore piping, defect in the hull, leakage of the vessel's valve);
- 5 estimate of spilled volume;
- 6 estimate of the spill rate, if applicable;
- 7 report of cleaning attempts, by the vessel or by third parties; and
- 8 any other relevant information.

35.2. If the incident occurs within port limits, port agents must be copied to all messages sent to PPSA.

35.3. These guidelines are in addition to any victim notification system that the owner/captain of the vessel may have.

36. PAYMENT GUARANTEE

36.1 PPSA will have the right to demand a payment guarantee by notifying the Trading Agent for opening in no less than (ten) 10 Days.

36.2 The Trading Agent will be in default in case it does not provide the payment guarantee under the terms and time required by PPSA.

36.3 In any case, if the Trading Agent does not provide the payment guarantee within the established deadline, PPSA will have no obligation to maintain the supply and the Cargo will return to the management of PPSA, which will arrange for the sale to another buyer, with the Trading Agent being entitled to no compensation, remuneration or indemnity.

36.4 Guarantee modalities that may be required by PPSA:

36.4.1. Parent company guarantee:

36.4.1.1. The Trading Agent must provide a parent company guarantee in a format acceptable to PPSA;

36.4.2. Letter of credit

36.4.2.1. PPSA may request a standby letter of credit or irrevocable letter of credit in favor of PPSA, opened in a first-rate bank, authorized by the Central Bank of Brazil - BACEN to operate in Brazil (considered as first-tier bank that fall under segment 1 (S1) of resolution No. 4,553 / 2017) and that are not in the process of extrajudicial liquidation or intervention by BACEN.

36.4.2.2. The letter of credit must be sufficient to cover 115% (one hundred and fifteen percent) of the estimated value of the Cargo, and 120% (one hundred and twenty percent) of the nominal volume defined in the Final Lifting Schedule.

36.4.2.3. If the VPR of the shipment, for any reason, does not occur within the scheduled period, Buyer shall obtain an extension or provide a new letter of credit on terms acceptable to PPSA.

36.4.3. Insurance Guarantee

36.4.3.1. The Insurance Policy must be issued by an institution authorized by SUSEP to operate in the insurance market, which is not under the tax management (direção fiscal), intervention, extrajudicial liquidation or special inspection (fiscalização especial) regime, and which is not fulfilling the suspension penalty imposed by SUSEP;

36.4.3.2. The insurance policy instrument must expressly provide for:

- I. liability of the insurer for any and all penalties of a sanctioning nature applied to the contractor;
- ii. term for the contractual term;
- iii. 90 (ninety) days, counted from the end of the contractual term, for the determination of any default by the contracted party - occurred during the contractual term - and for the communication of the expectation of the claim or the effective notice of the claim, observing the statutory deadlines pertinent.

36.4.4. Bail Guarantee:

36.4.4.1. The Bail Guarantee must be issued by a first-tier bank authorized by the Central Bank of Brazil - BACEN to operate in Brazil (considered as a first-tier bank, banks that fall under segment 1 (S1) of resolution No. 4,553 / 2017) and that do not is in the process of extrajudicial liquidation or intervention by BACEN.

36.4.4.2. The Guarantee Instrument must expressly provide for:

- I. express waiver, by the guarantor, of the benefit of the order provided for in art. 827 of the Civil Code;
- II. term for the contractual term;
- III. term of 90 (ninety) days, counted from the end of the contractual term, for the determination of any default by the CONTRACTED PARTY - occurred during the contractual term -, and for the communication of the default to the Financial Institution, in compliance with the relevant statutory terms.

36.4.5. Payment in Advance

36.4.5.1. The Trading Agent can make the payment in advance, by mutual agreement with PPSA, against a provisional invoice that shall have the value based on the prices available at the time of issuance of the provisional invoice, and 120% (one hundred and twenty percent) of the nominal amount contained in the Final Lifting Schedule.

37. ECONOMIC-FINANCIAL BALANCE OF THE AGREEMENT

37.1 PPSA and the Trading Agent are entitled to the economic-financial balance of the Agreement to reestablish the relationship initially agreed upon between the attributions of the Trading Agent and the consideration for fair remuneration by PPSA.

37.2 Economic-financial balance will be sought through price adjustment or review, in case of occurrence of unforeseeable facts, or predictable facts, but of incalculable consequences, delaying or impeding the execution of the agreed upon, or even in case

of act of God, force majeure or *factum principis*, configuring extraordinary and non-contractual economic risk.

- 37.3 The price review may be carried out at the initiative of PPSA, or at the request of the Trading Agent, subject to the following requirements:
- i. formal request with proof of occurrence of the taxable event through documents, such as regulations that create or change taxes, manufacturers' price lists, invoices for the purchase of raw materials, goods transportation, alluding to the time of preparation of the proposal or last adjustment, and the time of the request for review; and
 - ii. submittal of unit cost spreadsheets, comparing the date of the formulation of the proposal or the last adjustment and the time of the request for review, considering the unit costs involved and showing how much the price increase occurred affects the agreed value.
- 37.4 Regardless of request, PPSA may call upon the Trading Agent to negotiate the amounts offered by the Trading Agent in the bidding process, maintaining the contracted object in the quantity and specifications indicated in the proposal, due to the reduction in market prices or items that make up the cost.

38. VALUE OF THE AGREEMENT

- 38.1. At the estimated price for the average value of Dated Brent in February 2021 of US\$ 62.22/Barrel (Sixty two US dollars and twenty two cents per Barrel), the total estimated value of the contract is US \$ 217,770,000.00 (two hundred and seventeen million, seven hundred and seventy thousand US dollars), or, considering the average exchange rate of Central Bank purchase (currency 220) in February 2021 of R\$ 5.4159, of R\$ 1.18 billion (one billion and one hundred eighty million reais).

39. RISK MATRIX

- 39.1. In addition to the risks already addressed throughout this Agreement, the risk matrix below presents risks that must be considered by the Parties.

RISK CATEGORY	DESCRIPTION	CONSEQUENCE	MITIGATING MEASURES	RISK ALLOCATION
Risk related to the performance of the contractual object (including delays)	General delays in the performance of the contractual object by the Trading Agent's fault.	Total or partial nonperformance of the Agreement.	Diligence of the Trading Agent in the performance of the agreement.	Trading Agent
	Facts delaying or impeding the performance of the Agreement, which are typical of the ordinary risk of trading activities.	Partial or total nonperformance of the Agreement.	Business planning.	Trading Agent

	Facts delaying or impeding the performance of the Agreement, which do not constitute an ordinary risk of the Agreement, such as <i>"factum principis"</i> , act of God, or force majeure, as well as the delay determined by PPSA, which has a proven impact on the Trading Agent's costs.	Increased costs.	Price review.	PPSA
Risk in business activity	Change to the tax framework, due to the result or change in business activity, and due to error or misunderstanding by the Trading Agent in assessing the case of taxation.	Increase or decrease in the profit of the Trading Agent.	Business planning.	Trading Agent
	Exchange rate variation.	Minor variation of the Cargo value.	Foreign exchange hedge financial instruments.	Trading Agent
	Increased operating costs for the development of business activities in general, and for the performance of the contracted object.	Increased costs.	Business planning.	Trading Agent
	Creation of new taxes, charges or quasi-fiscal contributions or change to the tax base and/or rate of existing taxes when the Agreement is signed, with a proven effect on the increase or decrease of burden to the Trading Agent, during the performance of trading activities pertaining to the Federal Union Crude Oil.	Excessive burden of the Trading Agent.	Price review.	PPSA
Technical execution risk	Absence of skills or technical knowledge of the professionals allocated by the Trading Agent.	Partial or total nonperformance of the Agreement.	Temporary replacement of professionals for training, or permanent replacement.	Trading Agent
Specific risks in the activities of loading, marketing and transportation of Oil	Shuttle Tankers fail to issue NOR before or in VPR for lifting scheduled Cargoes.	Financial loss and/or harm to the image of PPSA and the Federal Union derived from possible loss (partial or total) of production, or the value of the Cargo, including taxes.	Business planning and diligence of the Trading Agent in the performance of the agreement.	PPSA

	Problems and delays in the loading operation, including the disconnection of the Shuttle Tanker.	Increase in costs, with possible loss (partial or total) of the value of the Cargo.	Diligence of the Trading Agent in the performance of the agreement.	Trading Agent
	Absence of available logistical capacity, including offloading and tank capacity, for the demand for surveys related to the Agreement.	Increase in costs, with possible loss (partial or total) of the value of the Cargo.	Business planning and diligence of the Trading Agent in the performance of the agreement.	Trading Agent
	Buyer's failure to pay.	Loss (partial or total) of the value of the Cargo.	Analysis of credit by the Trading Agent, and requirement for financial payment guarantees.	Trading Agent
	Buyer's failure to provide payment guarantee.	Cancellation of Sale and new negotiation with possible loss (partial or total) of the value of the Cargo.	Previous analysis by the Trading Agent of the Buyer's history, including bank references, audited balance sheets, and commercial references.	Trading Agent
	Operational, navigation and environmental accidents (including oil spills).	Financial damage and/or harm to the image of PPSA and the Federal Union, in addition to the legal consequences in the country where the event occurs.	Vetting analysis and insurance contracting.	Trading Agent
Risks of technological changes	Increased technical requirements for logistical activity for safety reasons.	Increased costs.	Renegotiation of the CAT value.	PPSA

40. GENERAL PROVISIONS

- 40.1. Failure or tolerance by the Parties in requiring compliance with the provisions of the Agreement, as well as acceptance of performance other than the required under the agreement, shall not imply novation or limit the right of such Party to, on subsequent occasions, impose compliance with these provisions or require performance compatible with the required under the agreement.

- 40.2. The nullity of any provision of this Agreement does not invalidate the other contractual provisions, and does not affect the legitimacy of the legal business hereby entered into in its general terms.
- 40.3. The Annexes are an integral part of this Agreement. In the event of a conflict between the terms of this Agreement and its Exhibits, the provisions of the Agreement shall prevail.
- 40.4. Any changes to this Agreement will be formalized by an amendment signed by the legal representatives of the Parties.

41. EXHIBITS

- Exhibit I - Basic Requirements for Dynamically Positioned Shuttle Tankers. (Basic Requirements for Dynamically Positioned Shuttle Tankers) (*)
- Exhibit II - Vetting Questionnaire for Dynamically Positioned Shuttle Tankers (*)
- Exhibit III - Information and rules for lifting of Cargoes on FPSOs (*)
- Exhibit IV - FPSO Regulation (*)
- Exhibit V - Federal Union's Oil and Natural Gas Trading Policy (CNPE Resolution No. 15/2018)

(*) the information in these documents required by the Trading Agent will be made available by PPSA at the execution of the Agreement.

Exhibit I

**Basic Requirements for Dynamically Positioned Shuttle Tankers.
(Basic Requirements for Dynamically Positioned Shuttle Tankers)**

Exhibit II
Vetting Questionnaire for Dynamically Positioned Shuttle Tankers

Exhibit III
Information and rules for lifting of Cargoes on FPSOs

Exhibit IV
FPSO Regulation

Exhibit V
Federal Union's Oil and Natural Gas Trading Policy (CNPE Resolution No. 15/2018)



NATIONAL COUNCIL FOR ENERGY POLICY - CNPE

RESOLUTION No. 15. OF OCTOBER 29, 2018.

Defines the Federal Union's oil and natural gas trading policy.

THE CHAIRMAN OF THE NATIONAL COUNCIL FOR ENERGY POLICY - CNPE, in the use of his powers, in view of the provisions of article 2 of Law No. 9,478, of August 6, 1997, in article 9, items VI and VII, of Law No. 12,351, of December 22, 2010, in article 2 of Law No. 13,679, of June 14, 2018, in article 1, item L, and article 2, § 3, item III of Decree No. 3,520, of June 21, 2000, in article 14, head provision, of CNPE's Internal Regulations, approved by Resolution No. 7, of November 10, 2009, which is contained in Proceeding No. 48380.000370/2017-01, and whereas

Empresa Brasileira de Administração de Petróleo e Gás Natural S.A. - Pré-Sal Petróleo S.A. - PPSA, created by Decree No. 8,063, of August 1, 2013, has as one of its corporate purposes management of agreements for the sale of Federal Union oil and natural gas, pursuant to article 2, head provision, of Law No. 12,304, of August 2, 2010;

Federal Union oil and natural gas will be traded according to the rules of private law, pursuant to article 45, head provision, of Law No. 12,351, of December 22, 2010;

PPSA has the jurisdiction to enter into agreements with trading agents, representing the Federal Union, or directly trade Federal Union oil and natural gas, preferably by auction, as provided for in article 4, item E, subitem "a", of Law No. 12,304, of 2010;

pursuant to article 45, sole paragraph, of Law No. 12,351 of 2010, bidding procedure is waived for the engagement of Petróleo Brasileiro S.A. - Petrobras as trading agent for the Federal Union oil and natural gas; and

the revenues from the trading of Federal Union oil and natural gas must be allocated to the Social Fund, created by article 47 of Law No. 12,351, 2010, resolves the following:

Article 1. To define the Federal Union oil and natural gas trading policy, in accordance with the clauses and conditions approved by this Resolution.

Article 2. The following are the guidelines of the Federal Union oil and natural gas trading policy:

I- meeting the purposes of the national energy policy;

II - maximization of the economic result of the trading of Federal Union oil and natural gas, observing the moderation in the assumption of risks inherent to the activity:

III - consideration of logistical and market aspects at the time of the transactions in the formation of the sale price of Federal Union oil and natural gas;

IV - the priority of supply to the domestic market;

V - the use of the Federal Union natural gas for the integrated development of the domestic market of the product, on sustainable economic bases;

VI - the adoption of parametric market references as a way of minimizing, monitoring and auditing the expenses inherent to the activity of trading of Federal Union oil and natural gas, especially when exercising the option of engaging the trading agent:

VII - the trading of Federal Union oil and natural gas must be characterized by simplicity, transparency, traceability, and adoption of the best practices in the industry, observing the confidentiality of information when exercising the option of engagement of trading agent:

VIII - motivation for the decision to trade Federal Union oil and natural gas, according to one of the available legal options; and

IX - the adoption of rules on dispute settlement that include conciliation, mediation and arbitration.

Article 3. The revenue from the sale of Federal Union oil and natural gas, after deducting the taxes levied and expenses directly related to the sale, must be deposited directly in the Treasury Single Account for legal destination.

§ 1. Taxes levied and expenditures directly related to the sale of Federal Union oil and natural gas shall be deposited in an account informed by PPSA, which shall obligatorily account for them clearly and separate from its own accounting.

§ 2. Expenditures directly related to the trading of the Federal Union oil and natural gas shall be provided for in an agreement entered into by PPSA with the buyer or with the trading agent, as well as in the invitation to bid when applicable.

Article 4. Agreements with trading agents, when executed, will confer strict confidentiality to the documents and information provided by such agents for the fulfillment of PPSA's obligation to monitor and audit the operations, costs and sales prices, as provided for in article 4, item E, subitem "c" of Law No. 12,304. of August 2, 2010.

§ 1. The agreements will state that the sale of Federal Union oil and natural gas performed by the trading agent shall use as a basis the reference price set by the National Agency of Petroleum, Natural Gas and Biofuels - ANP.

§ 2. Considering the characteristics of the hydrocarbons sold, the logistical conditions for trading, and the number of potential buyers, PPSA may authorize, upon justification, any sales at a price below the reference price.

§ 3. The sales referred to in § 2 must be audited by PPSA's Internal Audit, at intervals established by its Board of Directors.

§ 4. The Federal Union will be responsible for the appropriation of the appreciation of oil and natural gas resulting from the performance of trading acts by the trading agent, under the terms of an agreement.

Article 5. PPSA will use the reference prices set by ANP, as a basis for the trading of Federal Union oil and natural gas, in case no trading agent is engaged.

§ 1. In the trading referred to in the head provision, PPSA will offer, preferably by auction, Federal Union oil for a price at least equal to the reference price set by the ANP.

§ 2. If there are no interested parties, PPSA may, upon justification, accept offers below the reference price set by the ANP, provided they are compatible with the fair value, considering the characteristics of the hydrocarbons sold, the logistical conditions for trading, and the number of potential buyers.

§ 3. The sales referred to in § 2 must be audited by PPSA's Internal Audit, at intervals established by its Board of Directors.

§ 4. The auction notices may use international references of oil and natural gas prices, such as Brent and WTI, but not limited to these, provided they are related to the reference price set by the ANP.

§ 5. In the trading of Federal Union natural gas, the specific market conditions in relation to the flow and processing infrastructure, third-party access to this infrastructure, as well as the number of potential buyers in the Country shall be additionally considered when negotiating the sale price.

Article 6. PPSA will be the representative of the Federal Union for the purpose of transferring ownership of oil and natural gas.

Article 7. PPSA shall include, in the agreements entered into, a clause that, within the legal limits and industry best practices, enables the trading of Federal Union oil and natural gas in the event of failure in lifting cargoes.

Article 8. The Ministry of Mines and Energy shall establish, in the Compensation Agreement with PPSA, mechanisms for annual accountability of the trading activity referred to in this Resolution, including, for example:

I - independent audit of financial statements, covering analysis of compliance of the quantities and amounts involved:

II - approval by the Board of Directors of PPSA;

III - approval of the accountability result, provided for in the head provision, with the respective transparency and publicity of the information contained therein, except for information that may be of a strategic corporate nature; and

IV - measurement of PPSA efficiency, as manager of agreements for the sale of oil, natural gas and other fluid hydrocarbons of the Federal Union.

Article 9. Assessment by CNPE of the convenience and opportunity of holding the auctions referred to in article 3 of Law No. 13,679, of June 14, 2018, will depend on the preparation of an integrated industrial policy to be developed within the scope of the Federal Union.

Article 10. CNPE Resolution No. 12 of December 14, 2016 is hereby repealed.

Article 11. This Resolution enters into force on the date of its publication.

W. MOREIRA. FRANCO

This text does not replace the text published in the Official Gazette (DOU) of Nov 7, 2018

Exhibit VI
PPSA Code of Ethics and Integrity

The PPSA Code of Ethics and Integrity is available at the following electronic address:

<https://www.presalpetroleo.gov.br/ppsa/direcionamento-estrategico/codigo-de-conduta>

Please find below the pdf file:

