



PRESIDENCY OF THE REPUBLIC

INVESTMENT PARTNERSHIPS PROGRAM COUNCIL OF THE PRESIDENCY OF THE REPUBLIC

RESOLUTION Nº 16, AUGUST 23, 2017

Approves the common concession as the operational modality for the privatization of the Exclusive Instant Lottery public service – LOTEX, defines other applicable conditions to the privatization process and provides for other arrangements.

THE COUNCIL OF THE INVESTMENT PARTNERSHIPS PROGRAM OF THE PRESIDENCY OF THE REPUBLIC, under the authority conferred on it by Article 7, Items I and V, Subitem “c”, of Act 13,334, of September 13, 2016, considering disposition in Item II of Article 10 of Decree 2,594, of May 15, 1998, and

Considering the inclusion of the Exclusive Instant Lottery public service – LOTEX and *Caixa Instantânea S.A.* in the National Privatization Program - PND, which were set forth, respectively, by Act 13,155, of August 4, 2015, and Decree 8,648, of January 28, 2016, which was subsequently amended by Decree 8,873, of October 11, 2016;

HEREBY DECIDES:

Art. 1 To approve the common concession as the operational modality for the privatization of the Exclusive Instant Lottery public service – LOTEX.

Art. 2 The concession term will be 25 (twenty-five) years.

Art. 3 The bidding process will take place as a public sale to be held in a public session through economic bids that shall be presented in closed envelopes.

Sole paragraph. The bidding process will be carried out by inverting its phases, with opening of legal, fiscal, economic-financial and technical authorization documents of the highest bidder only.

Art. 4 The judgment criterion used in the bidding process will be the highest offer for the fixed grant charge to be paid in a single installment as a condition for the execution of the concession contract.

Art. 5 The Brazilian Bank of Economic and Social Development – BNDES will be entitled to receive:

I - 0.2% (two tenths percent) remuneration on the value of the highest offer for the fixed grant charge, to cover operational costs associated to the privatization process;

II – reimbursement of expenses incurred with third parties, required for the privatization process execution.

§ 1 The bid notice shall provide, as a previous condition to the execution of the contract, that expenses provided in Subitem II of the head provision, required to the privatization process from which utility studies resulted, associated to the concession, shall be directly paid to the BNDES by the contest winner, pursuant to art. 21 of Act 8,987, of February 13, 1995.

§ 2 For the purpose of determining the calculation basis on which the percentage provided for in Item I of the head provision will be applied, the installment set forth in Item II shall be discounted from the value of the highest offer for the fixed grant charge.

§ 3 The value of the highest offer for the fixed grant charge offered by the highest bidder shall be paid, directly and fully, to the Union, which will pass on to the BNDES the remuneration referred to in Item I of the head provision.

Art. 6 The technical qualification requirements for participation in the bidding shall be the presentation of attestations on behalf of the individual bidder or, in the case of a consortium, on behalf of at least one of the consortium members, demonstrating:

I – experience in the operation of instant lottery service whose monthly gross income, resulting from the trading of physical lottery tickets and/or virtual bets, is equal or superior to R\$ 100,000,000 (one hundred million reais); and

II – participation in undertaking whose total investment value is equal or superior to R\$ 175,000,000 (one hundred and seventy five million reais).

Sole paragraph. In case of participation of interested parties by consortium, the company that presents the experience in the operation of instant lottery, referred to in the above article, must hold at least 15% (fifteen percent) of the share capital of the special purpose company to be constituted for the concession exploration.

Art. 7 As exception to the Sole Paragraph of Art.15 and Art. 17 of Resolution No. 1, dated September 13, 2016, of the Council of the Investment Partnerships Program of the

Presidency of the Republic - CPPI, the following minimum terms for the bidding process are established:

I - 30 (thirty) days for the public consultation; and

II - 60 (sixty) days for handing over the bids, as of the publication of the bid notice.

Art. 8 The Council of the Investment Partnerships Program of the Presidency of the Republic – CPPI recommends, for the approval of the President of the Republic, the edition of Decree that:

I – designates the National Bank for Economic and Social Development – BNDES as responsible for carrying out all acts necessary to the privatization of the Exclusive Instant Lottery public service – LOTEX, such as the hiring of stock exchange to host the public sale, call of public hearing and publication of public consultation, assignment of bidding commission, preparation and exam of legal regularity of the drafts related to the respective bidding process and publication of bidding notice; and

II – excludes from the National Privatization Program – PND, addressed in Act 9,491, of September 9, 1997, *Caixa Instantânea S.A.*, observing § 5 of Article 18 of Decree 2,594, of May 15, 1998.

Sole paragraph. The assignments conferred on the BNDES, pursuant to this article, do not exempt the Attorney General of the National Treasury – PGFN, as the legal advisory body of the Ministry of Finance, of the prior verification of the acts associated to the bidding that may be issued or entered into by the Treasury Department body, upon request.

Art. 9 The schedule for carrying out the necessary acts for the privatization is in the Annex of this Resolution.

Art. 10. This Resolution takes effect on the date of its publication.

W. MOREIRA FRANCO

Minister of State Secretary-General of the Presidency of the Republic

ADALBERTO SANTOS DE VASCONCELOS

Special Secretary of the Investment Partnerships Program of the General Secretariat of the
Presidency of the Republic

This text does not replace the one published in the DOU on September 1st, 2017.

ANNEX

Project	Estimated Bid Notice Publication Date	Estimated Public Sale Date
LOTEX	4 th quarter of 2017	4 th quarter of 2017