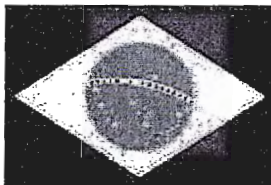


Ministère du Trésor
Fils.n° 507
7

COFACE CREDIT AGREEMENT

DATED December 2, 2009

BETWEEN



**THE FEDERATIVE REPUBLIC OF BRAZIL
REPRESENTED BY THE MINISTRY OF FINANCE**

As Borrower

and

BNP PARIBAS

As Mandated Lead Arranger

BANCO SANTANDER, Paris branch, CALYON and SOCIÉTÉ GÉNÉRALE

As Co-Lead Arrangers

and

**BNP PARIBAS, BANCO SANTANDER, Paris branch, CALYON,
SOCIÉTÉ GÉNÉRALE, CREDIT INDUSTRIEL ET COMMERCIAL and NATIXIS**

As Lenders

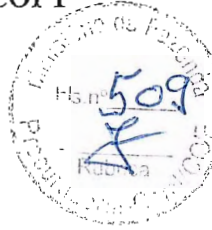
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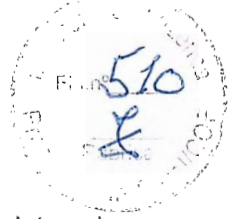




This COFACE Credit Agreement is entered into on December 2, 2009 by and between:

- (1) **The FEDERATIVE REPUBLIC OF BRAZIL**, acting by and through its Ministry of Finance, whose office is located at Esplanada dos Ministerios Bloco P, 8° andar, CEP 70048-9000 Brasilia, DF, Brasil (the "**Borrower**"), and,
- (2) **BNP PARIBAS**, a financial institution established and existing under the laws of France, whose registered office is located at 16 Boulevard des Italiens, 75009 Paris, France, registered under the sole identification number 662.042.449 with the Registry of Trade and Companies of Paris, acting in its capacity as "*Chef de File*" (the "**Mandated Lead Arranger**") and as lender ("**BNP PARIBAS**"), and,
- (3) **BANCO SANTANDER**, Paris branch, located at 6 rue Paul Baudry, 75008 Paris, France a financial institution registered under the sole identification number 722.067.105 with the Registry of Trade and Companies of Paris, branch of BANCO SANTANDER, a company established and existing under the laws of Spain, whose registered office is located at Paseo De Pereda n°9 Santander, Spain, acting in its capacity as lender ("**BANCO SANTANDER**"), and,
- (4) **CALYON**, a financial institution established under the laws of France, whose registered office is located at 9 quai du Président Paul Doumer, 92920 Paris La Défense, France, registered under the sole identification number 304.187.701 with the Registry of Trade and Companies of Nanterre, acting in its capacity as lender ("**CALYON**"), and,
- (5) **SOCIETE GENERALE**, a financial institution established under the laws of France, whose registered office is located at 29 boulevard Haussmann, 75009 Paris, France, registered under the sole identification number 552.120.222 with the Registry of Trade and Companies of Paris, acting in its capacity as lender ("**SOCIETE GENERALE**"), and,
- (6) **CREDIT INDUSTRIEL ET COMMERCIAL**, a financial institution established under the laws of France, whose registered office is located at 6 avenue de Provence, 75 009 Paris, France, registered under the sole identification number 542.016.381 with the Registry of Trade and Companies of Paris, acting in its capacity as lender ("**CIC**"), and,





(7) **NATIXIS**, a financial institution established under the laws of France, whose registered office is located at 30, Avenue Pierre Mendes-France, 75013 Paris, France, registered under the sole identification number 542.044.524 with the Registry of Trade and Companies of Paris, acting in its capacity as lender ("**NATIXIS**"), and,

(8) **BANCO SANTANDER, CALYON and SOCIETE GENERALE** as co-lead arrangers, acting in their capacities as "*Co-Chef de File*" (collectively the "**Co-Lead Arrangers**").

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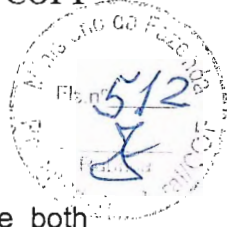
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**WHEREAS:**

- The Federative Republic of Brazil represented by the Ministry of Defence acting by and through the Marinha do Brasil has entered on December 23rd 2008 with DCNS, Odebrecht and the consortium Baia de Sepetiba (the "Consortium") composed of DCNS and Odebrecht into a contract (Contract number 40.000/ 2008 006 00) with a value of (i) EUR 3,514,933,000 and of (ii) BRL 9,148,924,022 related to the implementation of submarines construction and delivery program and related services, including the construction of a shipyard and naval base, being hereinafter called the "Commercial Contract" in the frame of the "*Programa de Desenvolvimento de Submarinos*" being hereafter called the "Project".
- This Commercial Contract was signed within the framework of a strategic partnership for Defence between the governments of the Republic of France and the Federative Republic of Brazil dated the same day. As such, the French Authorities have been requested to support the financing herein contemplated by way of a COFACE covered buyer Credit.
- The Lenders (as further defined in Article 1 here below) are willing to lend to the Borrower and the Borrower agrees to borrow from the Lenders a maximum aggregate total amount of EUR 4,324,442,181 being up to (i) EUR 3,130,466,145 corresponding to 85% of the French and Assimilated Portion for Parts 1A, 3, 5 and 6 and 95% of the French and Assimilated Portion for Part 2A, plus the related COFACE premium amount and up to (ii) the counter value in Euros of BRL 3,564,531,878 (which cannot exceed EUR 1,193,976,036) corresponding to 85% of the Brazilian Portion for Part 1B and 95% of the Brazilian Portion for Part 2B, and the related COFACE premium amount, subject to the terms and conditions hereinafter set forth. This amount could be increased by the Lenders on a best effort basis by up to 20% subject to the price readjustment as defined in the Commercial Contract.

NOW, THEREFORE, the parties hereto hereby agree as follows:

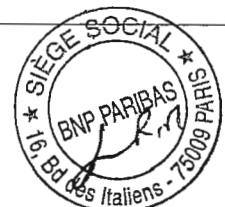




ARTICLE 1. DEFINITIONS

The following terms shall have the meanings set forth below, which shall include both singular and plural thereof, unless otherwise specifically provided for:

- "Affected Lender":** shall have the meaning set forth in Article 20.7.
- "Agreement":** means the present COFACE credit agreement, including the appendices hereto, as amended, modified or supplemented from time to time.
- "Availability Period":** means a period commencing on the date upon which the conditions precedent have been fulfilled to the satisfaction of the Mandated Lead Arranger in accordance with Article 11 and ending on the Final Disbursement Date. This period shall be divided into Tranches.
- "Borrower":** means the Federative Republic of Brazil, acting by and through its Ministry of Finance.
- "Brazilian Portion":** means in respect of the Commercial Contract, the goods and services originating from Brazil payable to the Joint Venture and that COFACE has agreed to cover under the COFACE Insurance corresponding to the total amount of three billion nine hundred and two million five hundred and fifty-four thousand ninety-six Reais (BRL 3,902,554,096.00).
- "BRL" or "Reais":** means the lawful currency of the Federative Republic of Brazil.
- "BRL/EUR Exchange Rate":** means the exchange rate between BRL and EUR indicated by the Mandated Lead Arranger to the Borrower, calculated on the basis of the official fixing rate (BRL/EUR) of the Central Bank of Brazil quoted on SISBACEN PTAX800 option 5 code 978. If the agreed page is replaced or service ceases to be available, the Mandated Lead Arranger may specify another page or service displaying the appropriate rate.





- "Business Day ":** means a day (other than a Saturday or a Sunday) which is both (i) a TARGET Settlement Day and (ii) a day on which commercial banks are open for business in Paris, Rio de Janeiro, São Paulo and Brasília.
- "Buyer":** means the Federative Republic of Brazil, represented by its Ministry of Defense, acting by and through the *Comando da Marinha* represented by *Diretoria Geral do Material da Marinha*, or the Executing Agent.
- "COFACE":** means *Compagnie Française d'Assurance pour le Commerce Extérieur*, acting as the official export credit insurance agency on behalf of the French government in relation to export credit insurance.
- "COFACE Insurance":** means the insurance policy issued by COFACE, in respect of this Agreement, in favour of the Lenders.
- "COFACE Premium":** means the amount payable as premium to COFACE as per Articles 2.1.2 and 5, which shall be paid by the Borrower through Disbursements made on its behalf by the Mandated Lead Arranger in relation to and for the maintenance of the COFACE Insurance.
- "Commercial Contract":** shall have the meaning set forth in the preamble.
- "Consortium":** shall have the meaning set forth in the preamble.
- "Contract Price":** means the amount of the Commercial Contract mentioned in the first paragraph of the preamble that has been divided into several parts (each a "Part") of the Commercial Contract as follows :
- Part 1A : EUR 1,674,853,000 payable to the Supplier ;
 - Part 1B : BRL 2,257,582,166 payable to the Joint Venture ;
 - Part 2A : EUR 700,000,000 payable to the Supplier ;
 - Part 2B : BRL 1,644,971,930 payable to the Joint Venture ;





- Part 3 : EUR 99,700,000 payable to the Supplier ;
- Part 4 : BRL 4,997,982,150 payable to Odebrecht and not financed under this Agreement;
- Part 5 : EUR 131,800,000 payable to the Supplier financed under this Agreement and BRL 248,387,776 payable to Odebrecht not financed under this Agreement;
- Part 6: EUR 908,580,000 payable to the Supplier.

"Disbursement": means each advance made or to be made by the Lenders to the Supplier and/or the Joint Venture under the Facility, in accordance with Article 3 hereof.

"Disbursement Date": means any date on which a Disbursement is made.

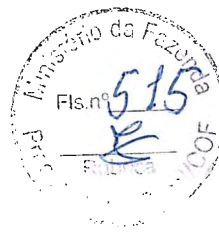
"Disbursement Request": means a request for Disbursement delivered to the Mandated Lead Arranger by the Buyer in the form set out in Exhibit I.

"Due Date": means the date of any payment obligation of the Borrower under this Agreement.

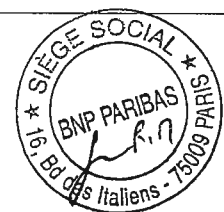
"Down Payment": means for any individual Part financed under this Agreement, an amount equal to 15% (fifteen percent) except for Parts 2A and 2B which amount will be limited to 5% (five percent) of such Parts, to be paid by the Borrower to the Supplier as a condition to Disbursement under this Agreement.

"EONIA": means Euro Overnight Index Average, i.e. the weighted average overnight rate calculated by the European Central Bank on all overnight unsecured lending transactions carried out in the Euro area interbank money market and reported by the panel of reference banks selected for the calculation of the EONIA. This annual rate is published on Reuters page "EONIA" (or any other page as may replace such page) by the Banking Federation of the European Union on the Business Day following its reporting to the European Central Bank (D+1) by reference banks.





- "Euro" or "EUR":** means the lawful currency of the member States of the European Monetary Union in respect of all payments to be made in EUR, means funds which are for same day settlement on a TARGET Settlement Day.
- "Event of Default":** shall have the meaning set forth in Article 13 of this Agreement.
- "Executing Agent":** means the Brazilian Ministry of Defense acting by and through the *Comando da Marinha / Secretaria Geral da Marinha (SGM)*.
- "External Indebtedness":** means with respect to the Borrower any indebtedness for or in respect of amounts borrowed or raised under any loan or credit facility or guarantee incurred by the Borrower which is denominated in a currency other than the lawful currency of the Federative Republic of Brazil, and owed to any creditor having its residence outside the Federative Republic of Brazil.
- "Facility":** shall mean the facility for a maximum amount in principal as determined in Article 2 of this Agreement which the Lenders agree to make available to the Borrower under the terms and conditions of this Agreement. The Facility corresponds to both Facility A and Facility B.
- "Facility A":** means the portion of the Facility financing 85 % of the French and Assimilated Portion of 1A, 3, 5 and 6 of the Commercial Contract plus the related COFACE Premium and 85% of the Brazilian Portion of 1B of the Commercial Contract plus the related COFACE Premium.
- "Facility B":** means the portion of the Facility financing 95 % of the French and Assimilated Portion of 2A of the Commercial Contract plus the related COFACE Premium and 95% of the Brazilian Portion of 2B of the Commercial Contract plus the related COFACE Premium.
- "Facility Amount":** means the maximum principal amount denominated in EUR of the Facility set forth in Article 2.





"Final Disbursement Date": means the date falling fifteen (15) years after the Starting Date.

"Final Repayment Schedule": means the final repayment schedule aggregating all dates and amounts set out in, and replacing, the Repayment Schedules already issued by the Mandated Lead Arranger and sent to the Borrower.

"French and Assimilated Portion": means in respect of the Commercial Contract, the total amount of EUR 3,514,933,000 payable to the Supplier in respect of:

- goods manufactured and/or services performed in France (including transport and insurance), included in the Contract Price;
- goods and services (including transport and insurance of any nature) originating from any country other than Brazil and France except for Part 1A and Part 2A that contain each EUR 100,000,000 of Brazilian content under the responsibility of the Supplier, as declared by the Supplier, incorporated in the supply by the Supplier and which have been the subject matter of sub-contracting agreements performed under the liability of the Supplier within the limits and conditions determined by COFACE.

"French Authorities": means the "*Direction générale du Trésor et de la politique économique*" of the French Ministry of Economy and Finance, any successors thereto, or any other authority in or of the French Republic having jurisdiction over and responsibility for the provision, management or regulation of the terms, conditions and issuance of export credits in or for the French Republic including, inter alia, such entities to whom authority in respect of extension or administration of export financing matters have been delegated, such as COFACE.





- "Grouping":** shall have the meaning set forth in Article 6.1.
- "ICC Court":** shall have the meaning set forth in Article 18.
- "Increased Costs":** shall have the meaning set forth in Article 20.7.
- "Interest Payment Date":** means the last day of an Interest Period, corresponding to June 15th and December 15th of each relevant year.
- "Interest Period":** means a period of 6 months extended between each Interest Payment Date. Nevertheless, the first Interest Period shall begin on the first Disbursement Date and shall end on the earliest Interest Payment Date of June 15th and December 15th following such first Disbursement Date. Each succeeding Interest Period shall begin on the last day of the previous Interest Period.
- "Interest Rate":** shall have the meaning set forth in Article 4.1.
- "Joint Venture":** means ITAGUAÍ CONSTRUÇÕES NAVAIS S.A., a company constituted on May 14, 2009 under the Laws of Brazil in Rio de Janeiro by the Supplier and Odebrecht.
- "Lenders":** means BNP PARIBAS, BANCO SANTANDER, CALYON, SOCIÉTÉ GÉNÉRALE, CIC and NATIXIS.
- "Repayment Instalment":** shall have the meaning set forth in Article 6.1.
- "Repayment Instalment Date":** shall be set on June 15th and December 15th of each calendar year during the Repayment Period of each Tranche.
- "Repayment Period":** means, for each respective Tranche, the period beginning on the Starting Date of Repayment of the related Tranche, and ending when all amounts disbursed under the Facility for the related Tranche, or due in connection therewith have been fully repaid by the Borrower in accordance with the terms of this Agreement.





“Repayment Schedule”: shall have the meaning set forth in Article 6.2.

“Signing Date”: means the signing date of the Agreement.

“Starting Date”: means the date on which the first advanced payment under the Commercial Contract has been completed to start the execution of the Project (*data de inicio*), which will be confirmed in writing by the Buyer and the Joint Venture.

“Starting Date of Repayment”: means in relation to each Tranche, if such Tranche corresponds to the first semester of a calendar year, June 15th of the relevant year, or if such Tranche corresponds to the second semester of a calendar year, December 15th of the relevant year.

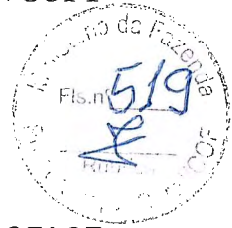
“Supplier”: means DCNS, a corporation established and existing under the laws of France, whose registered office is at 2 rue Sextius-Michel, 75732 Paris, France, registered under the sole identification number 441. 133.808 in the Registry of Trade and Companies of Paris.

“TARGET Settlement Day”: means any day on which TARGET2 (the Trans-European Automated Real-time Gross Settlement Express Transfer system which was launched on 19 November 2007) is open for settlement of payments in euro.

“Tranche”: means each calendar half-yearly consecutive period outstanding during the Availability Period.

The first Tranche shall be the calendar half-yearly period outstanding on the date upon which the conditions precedent are fulfilled to the satisfaction of the Mandated Lead Arranger in accordance with Article 11.



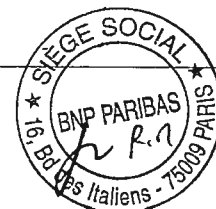


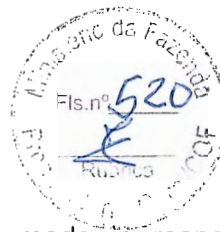
ARTICLE 2. FACILITY

2.1 The Lenders shall make available to the Borrower, under the provisions of COFACE Insurance and under the terms and conditions set forth herein, a facility composed of Facility A and Facility B in a maximum aggregate total amount of EUR 4,324,442,181 (four billion three hundred twenty-four million four hundred forty-two thousand one hundred eighty-one Euros) being (i) EUR 3,130,466,145 (three billion one hundred thirty million four hundred sixty-six thousand one hundred forty-five Euros) and (ii) the counter value in Euros of BRL 3,564,531,878 (three billion five hundred sixty-four million five hundred thirty-one thousand eight hundred seventy-eight Reais), which shall not exceed in any case EUR 1,193,976,036 (one billion one hundred ninety-three million nine hundred seventy-six thousand thirty-six Euros), in order to effect Disbursements to:

2.1.1 The Joint Venture and the Supplier (or its designated sub-contractors subject to the approval of COFACE) up to a maximum amount of (i) EUR 3,057,693,050 (three billion fifty-seven million six hundred ninety-three thousand fifty Euros) corresponding to up to 85% of the French and Assimilated Portion for Part 1A, 3, 5, 6 and up to 95% for Part 2A and (ii) the counter value in Euros of BRL 3,481,668,175 (three billion four hundred eighty-one million six hundred sixty-eight thousand one hundred seventy-five Reais), which shall not exceed in any case EUR 1,166,220,000 (one billion one hundred sixty-six million two hundred and twenty thousand Euros), corresponding to up to 85% of the Brazilian Portion for Part 1B and up to 95% for Part 2B.

2.1.2 COFACE up to a maximum amount of (i) EUR 72,773,095 (seventy-two million seven hundred seventy-three thousand ninety-five Euros) and (ii) the counter value in Euros of BRL 82,863,703 (eighty-two million eight hundred sixty-three thousand seven hundred and three Reais), which shall not exceed in any case EUR 27,756,036 (twenty-seven million seven hundred fifty-six thousand thirty-six Euros), for the COFACE Premium payable to COFACE, in accordance with the provisions of Article 5.





The aggregate amount of all Disbursements made in respect of this Agreement pursuant to Articles 2.1.1 and 2.1.2 shall under no circumstances exceed the Facility Amount as follows:

- (a) the aggregate amount of all Disbursements made under Facility A pursuant to Articles 2.1.1 and 2.1.2 shall under no circumstances exceed an amount corresponding to (i) EUR 2,392,693,050 (two billion three hundred ninety-two million six hundred ninety-three thousand fifty Euros) plus the related COFACE Premium amounting to EUR 56,946,095 (fifty-six million nine hundred forty-six thousand ninety-five Euros) and (ii) the counter value in Euros of BRL 1,918,944,841 (one billion nine hundred eighteen million nine hundred forty-four thousand eight hundred forty-one Reais) plus the related COFACE Premium amounting to the counter value in Euros of BRL 45,670,887 (forty-five million six hundred seventy thousand eight hundred eighty-seven Reais) and

- (b) the aggregate amount of all Disbursements made under Facility B pursuant to Articles 2.1.1 and 2.1.2 shall under no circumstances exceed (i) EUR 665,000,000 (six hundred sixty-five million Euros) plus the related COFACE Premium amounting to EUR 15,827,000 (fifteen million eight hundred twenty-seven thousand Euros) and (ii) the counter value in Euros of BRL 1,562,723,334 (one billion five hundred sixty-two million seven hundred twenty-three thousand three hundred thirty-four Reais) plus the related COFACE Premium amounting to at the counter value in Euros of BRL 37,192,816 (thirty-seven million one hundred ninety-two thousand eight hundred sixteen Reais).





ARTICLE 3. DISBURSEMENT

3.1 Drawings under the Facility can only be made through payments to the Supplier, the Joint Venture or to the Lenders. Accordingly, the Borrower hereby irrevocably mandates the Mandated Lead Arranger:

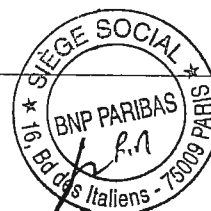
- to pay, in its name and on its behalf, to the Supplier and/or the Joint Venture the amounts due to the latter, pursuant to the provisions of Article 3.3 below;
- to reimburse the Lenders the credit insurance premiums due to COFACE pursuant to the provisions of Article 5 hereunder.

The mandate above given is irrevocable.

3.2 The Facility shall, subject to the terms hereof and the fulfillment of the conditions precedent set forth in Article 11 of this Agreement, and prior to the Final Disbursement Date, be made available to the Borrower by the Lenders in Disbursements up to the Facility Amount subject to the provisions of Article 2.1. No Disbursement in respect of Facility B may be made before the date falling five (5) years after the Signing Date.

3.3 The drawings of the Facility under Article 2.1.1 shall be subject to the presentation by the Borrower through the Buyer of a Disbursement Request duly signed by the Buyer together with a copy of the related invoices, provided that these documents are in a form and substance satisfactory to the Mandated Lead Arranger and in compliance with the COFACE Insurance.

3.4 The Mandated Lead Arranger shall effect payments in Euros, a part of which shall be converted in Reais by Banco BNP Paribas Brasil S/A, as the case may be, to the Supplier and/or the Joint Venture (or any of its designated sub-contractors) within six (6) Business Days following the date of receipt by the Mandated Lead Arranger of the documents provided in Article 3.3 above and verified in compliance by the Mandated Lead Arranger. Regarding Disbursements made under the Brazilian Portion the Mandated Lead Arranger shall determine the amount in EUR of each Disbursement under the Facility by taking into account the BRL/EUR Exchange Rate three (3) Business Days prior such Disbursement.





- 3.5 Simultaneously to each Disbursement effected to the Supplier and/or the Joint Venture according to the procedure as per Articles 3.2 and 3.3 hereof, a portion of the COFACE Premium, proportionate to the value of the Disbursement towards the Supplier and/or the Joint Venture, will be due and payable to COFACE as per Article 5.2.hereof. Payment of such portions of the COFACE Premium shall be made by drawing under the Facility concurrently with and in proportion of each Disbursement.
- 3.6 Following any Disbursement, the Mandated Lead Arranger shall promptly inform the Borrower and the Executing Agent and the Buyer of (i) the amount of such Disbursement, (ii) the relevant Facility A or Facility B, (iii) the Disbursement Date and if applicable and (iv) the BRL/EUR Exchange Rate, by issuing a notification of disbursement in the form set out in EXHIBIT II here under.
- 3.7 As a consequence of the irrevocability of the mandate given by the Borrower to the Mandated Lead Arranger under Article 3.1 above, as soon as the Borrower through the Buyer provides to the Mandated Lead Arranger the relevant documents contemplated in Article 3.3 above, the Mandated Lead Arranger shall make available to the Supplier and/or the Joint Venture the funds in respect of payment under the Commercial Contract by payment in accordance with the provisions of the Article 3.4 above and instructions set out in the Disbursement Request.
- 3.8 The Borrower hereby expressly acknowledges and agrees that once the funds of each Disbursement have been advanced by the Mandated Lead Arranger to the Supplier and/or the Joint Venture in the manner agreed herein, it shall be deemed to all effects and purposes that the Lenders have lent to the Borrower, and the Borrower has borrowed from the Lenders, the amount in EUR of each Disbursement.
- 3.9 Upon expiry of the Availability Period, the principal amount of the Facility owed by the Borrower shall be determined to be such amount as has been actually advanced under the Facility and at that time the obligation of the Lenders to make any further Disbursements under this Agreement shall terminate. The amount actually advanced as aforesaid shall be deemed to be the aggregate of any payments made to the Supplier and/or the Joint Venture (and its designated sub-contractors subject to the approval of COFACE) in respect of the Commercial Contract, or paid to COFACE in respect of the COFACE Premium.





- 3.10 If, upon expiration of the Availability Period, and unless an extension thereof is agreed in writing by the parties and subject to the consent of COFACE, no Disbursement has been made hereunder, the obligation of the Lenders to advance the amount of any Disbursement shall be deemed to have become automatically cancelled and this Agreement shall terminate and shall not produce any effects.
- 3.11 The Borrower will not be entitled to any Disbursement under this Agreement if any Event of Default has occurred in accordance with Article 13 hereof.
- 3.12 All statements or other certificates prepared by the Mandated Lead Arranger pursuant to this Agreement relating to the amounts due by the Borrower to the Lenders shall, save for manifest error, be conclusive and binding on the Borrower.
- 3.13 The Borrower may not cancel any Disbursement under the Facility in whole or in part without the Mandated Lead Arranger's prior written consent.
- 3.14 The Mandated Lead Arranger reserves the right not to make any Disbursement for an amount of less than one hundred thousand Euros (EUR 100,000) or the counter value in Euros of two hundred and fifty thousand Reais (BRL 250,000) except for the last Disbursement to be made before the Final Disbursement Date.
- 3.15 Verification by the Mandated Lead Arranger of the documents set forth in Article 3.3 shall be to ascertain whether they appear on their face to be in compliance with the terms and conditions of Article 3.3. The expression "*to appear on its face to be in compliance with*" shall have the meaning ascribed to it in the last published version of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce.
- 3.16 The Lenders' obligations to finance the Commercial Contract under this Agreement shall cease immediately and the Mandated Lead Arranger shall suspend any Disbursement under this Agreement should any of the following circumstances occur:

3.16.1 The COFACE Insurance becomes unenforceable by the Lenders, or invalid, or is terminated wholly or partly, or its coverage is reduced;

3.16.2 the Commercial Contract is modified or amended, meaning an increase of the risk according to COFACE, or it is revoked, cancelled or terminated without prior written consent of the Lenders and COFACE.

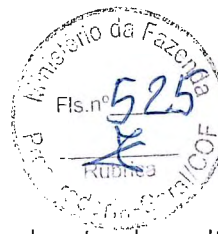




ARTICLE 4. INTEREST

- 4.1 The interest rate applicable to the Facility will be four point seventy five percent (4.75%) per annum, as agreed by the French Authorities plus a margin of 0.75% per annum (together with the margin, the "Interest Rate").
- 4.2 The Borrower shall pay to the Mandated Lead Arranger for the Lenders on each Interest Payment Date interest in Euros, as calculated by the Mandated Lead Arranger on the outstanding principal amount of the Facility, at a rate equal to the Interest Rate for the Interest Period to which such Interest Payment Date relates.
- 4.3 Interest shall accrue from day to day and shall be computed on the basis of a 360-day year and for the actual number of days elapsed. Interest shall accrue from and include the first day of an Interest Period up to, but excluding, the last day of such Interest Period.
- 4.4 In the event that an Interest Payment Date would fall on a day not being a Business Day, then the following Business Day shall be the Interest Payment Date and the Interest Period shall be extended accordingly, unless the Interest Payment Date falls in the next calendar month, in which case the Interest Payment Date shall be the immediately preceding Business Day and the Interest Period shall be shortened accordingly.
- 4.5 The Mandated Lead Arranger shall notify the Borrower at least thirty (30) days prior to each Interest Payment Date of the actual amount of interest due on such date; provided that a failure by the Mandated Lead Arranger to notify the Borrower as set out above shall not release the Borrower of any of its obligations under this Agreement.
- 4.6 If any amount due under the terms of this Agreement is not paid on the Due Date for payment, the Borrower shall pay interest thereon from the date when it is payable until the date it is actually paid, at a rate which will be the higher of:
- the Interest Rate increased by one per cent (1 %) per annum, and,
 - the EONIA quoted at 11 a.m. (Brussels time), plus a margin of one point fifty per cent (1.50 %) per annum, increased by one per cent (1%) per annum.





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Such interest shall be due and payable from day to day without further notice or demand of any kind, from such Due Date for payment until the date of receipt by the Lenders of such amount of overdue amount. A certificate by the Mandated Lead Arranger as to the rate of interest payable and the manner of calculation under the provisions of this Article shall (in the absence of manifest error) be binding upon the Borrower.

Should any other amounts payable by the Borrower pursuant to this Agreement not be received by the Lenders at their respective Due Dates, such amounts shall constitute debt due and payable, being capitalised as an increase in principal outstanding, and, from their Due Date up to the date of actual payment, new interest shall accrue thereon at the rate determined by the Lenders in accordance with the above paragraphs.

Interest on late payments shall be calculated on the basis of the actual number of days using a 360 day year factor.

Interest on late payments shall itself bear interest at the above rate, if it is due for a whole year.

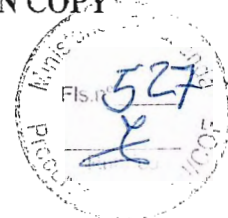




ARTICLE 5. CREDIT INSURANCE PREMIUM

- 5.1 The Borrower undertakes to pay to the Mandated Lead Arranger, for the account of COFACE, a COFACE Premium calculated on the amount of each Disbursement at a rate of 2.38% flat.
- 5.2 Further to the Borrower's request, the Lenders agree to finance such premium. The payment of such COFACE Premium shall be made by drawing under the Facility proportionally to each Disbursement contemplated as per Article 2.1.1, as a condition precedent to every such drawing on the Facility, and such increased amount of principal shall be repaid to the Lenders as per Article 6 hereunder.
- 5.3 The COFACE Premium may be increased by COFACE only in any of the following situations and may be financed under this Agreement subject to COFACE and the Lenders' approvals:
- Increase of the Facility Amount,
 - Modification of the Repayment Period,
 - Modification of the repayment terms of the Facility,
 - Change of Borrower;
 - Extension of the Availability Period.
- 5.4 The Borrower shall be obliged to pay the amount of the COFACE Premium as provided herein in any event and under any circumstances (including in case of prepayment of the Facility or acceleration of the Facility). It has been informed that the COFACE Premium is not reimbursed by COFACE in any case.

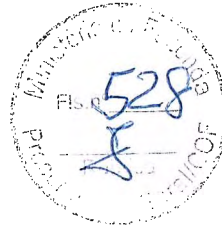




ARTICLE 6. REPAYMENT OF PRINCIPAL

- 6.1 All Disbursements made for both Facility A and Facility B under any Tranche shall be grouped (each of such aggregation being a "Grouping"), and shall be repaid in ten (10) equal and consecutive semi-annual instalments (each being a "Repayment Instalment"), the first Repayment Instalment Date arising six (6) months after the related Starting Date of Repayment.
- 6.2 The Mandated Lead Arranger shall advise the Borrower and the Executing Agent of the Repayment Instalment Dates related to each Grouping and the amount of each corresponding Repayment Instalment, which will correspond to 1/10th of the principal amount of such Grouping. At the end of each Tranche, the Mandated Lead Arranger will send to the Borrower by registered airmail, courier service or fax the schedule of the Repayment Instalment Dates and the amounts of the Repayment Instalments in principal and interest of the relevant Grouping (the "Repayment Schedule") as soon as it has been set up by the Mandated Lead Arranger in accordance with the provisions of Article 6.1 above. The Repayment Schedule shall in the absence of manifest error be final and binding.
- At the last Disbursement Date and in any case no later than the Final Disbursement Date, the Mandated Lead Arranger will send to the Borrower by registered airmail, courier service or fax the Final Repayment Schedule.
- 6.3 Any amounts repaid according to the above, may not be re-borrowed.



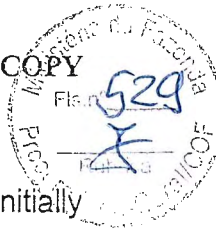


ARTICLE 7. PREPAYMENT

- 7.1 Subject to the French Authorities' approval, and upon reception by the Mandated Lead Arranger of a written irrevocable notice specifying the relevant Facility at least forty-five (45) Business Days before the intended prepayment date from the Borrower, the Borrower may prepay the whole or a part of the outstanding principal amount of the Facility, provided such prepayment is made on the same day as an Interest Payment Date, is at least equal to a Repayment Instalment and is a multiple of one million euros (EUR 1.000.000) and does not occur within the Availability Period.
- 7.2 The amount prepaid in accordance with Article 7.1 above, may not be re-borrowed and shall be applied against the Repayment Instalments in the inverse order of their maturity. The Repayment Instalments shall be adjusted accordingly.
In case of partial prepayment, interest shall accrue only in respect of the debt outstanding after such prepayment.
- 7.3 Prepayment of principal shall only be possible if there are no overdue payments under this Agreement on the date of such prepayment. Each prepayment shall be made with all interest accrued thereon.
- 7.4 The Borrower shall pay, on first written demand made by the Mandated Lead Arranger and upon presentation of duly documented request, a prepayment penalty of one percent (1%) of the prepaid amount together with all charges, expenses and breakage costs arising from such prepayment claimed by the French Authorities and by the Mandated Lead Arranger if any. The above mentioned prepayment penalty of one percent (1%) shall not be due if the Borrower decides to prepay, in one single payment, the whole amount outstanding under the Facility after the end of the Availability Period.

Since the Lenders commit themselves irrevocably vis-a-vis the French Authorities in charge of monitoring the Interest Rate, any prepayment will be subject to the payment of an indemnity by the Borrower. The amount of such indemnity, determined in accordance with the French Authorities, shall result from the difference between the Interest Rate of each Facility and the prevailing market rate for each of the prepaid maturities, applied to the corresponding residual unexpired terms. Each such rate difference shall be applied to the amount of the corresponding maturity so prepaid, over the period



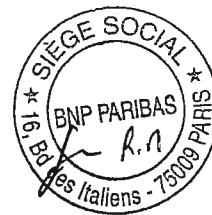


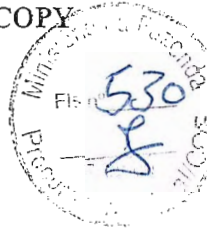
between the date of the prepayment and the date of repayment of the principal initially prescribed for such maturity. Each amount so determined shall then be discounted (net present value) at the corresponding market rate used. Two (2) Business Days before the prepayment date, the Mandated Lead Arranger shall notify the Borrower in writing of the amounts due by the Borrower under this Article 7.4 which the Borrower shall pay upon receipt of such notice. Where the cumulated amount of the discounted amounts thus obtained is negative, no indemnity shall be payable to the Borrower.

7.5 In case of partial prepayment, the Mandated Lead Arranger shall proceed as soon as possible to:

- (1) Replace the Final Repayment Schedule with a new repayment schedule, duly adjusted in accordance with the outstanding drawn down principal, together with the interest payable thereon; and
- (2) Provide the Borrower with a revised Final Repayment Schedule. The Borrower shall, in the absence of manifest error in the calculation of the amounts due, sign and return to the Mandated Lead Arranger the revised Final Repayment Schedule as evidence of its agreement therewith.

However, a failure by the Borrower to sign and return to the Mandated Lead Arranger the revised Final Repayment Schedule as set out above shall not release the Borrower of any of its obligations under this Agreement.





ARTICLE 8. PAYMENTS

8.1 All payments owed by the Borrower under this Agreement shall be made in Euros to the account of the Mandated Lead Arranger as follows:

BNP PARIBAS
Attention :
CIB – LS I- BOCI Gestion des Crédits Acheteurs
150 rue du Fbg Poissonnière
75 010 Paris
IBAN Account n° FR 30 3000 4056 5800 0008 4120 L02
Fax: +33 1 40 14 27 40,

under reference: BNP PARIBAS Paris/ 08133 BOCI Crédits Acheteurs Marinha / DCNS

or such other account as the Mandated Lead Arranger may notify in writing the Borrower and the Executing Agent from time to time. The Borrower shall be released from its obligations to make any particular payment only once the paid sum has been credited at the free disposal of the Mandated Lead Arranger to the above mentioned account.

8.2 The Mandated Lead Arranger shall notify the Borrower and the Executing Agent by facsimile at least thirty (30) days before the Due Date of the following:

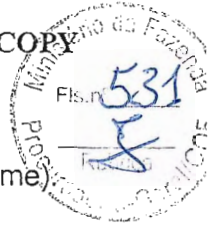
- a) the total amount due under such payment obligation,
- b) the Due Date,
- d) its computation in case of interest.

However, a failure by the Mandated Lead Arranger to notify the Borrower as set out above shall not release the Borrower of any of its obligations under this Agreement.

8.3 Whenever any payment under this Agreement shall become due on a day which is not a Business Day, the Due Date thereof shall be extended to the next Business Day unless the Due Date would therefore fall in the next calendar month, in which case the Due Date shall be the immediately preceding Business Day and the Interest Period shall be shortened accordingly. During any extension of the Due Date for payment of any principal outstanding under this Agreement interest shall be payable on such principal at the Interest Rate on such Due Date.

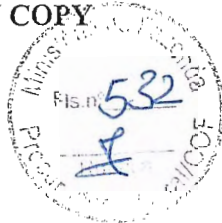
8.4 The Borrower will pay any amount due hereunder only in Euros.





- 8.5 All payments in accordance with this Article shall be made before 11 a.m. (Paris time).
- 8.6 All payments to be made by the Borrower to the Mandated Lead Arranger hereunder shall be made free and clear, without set-off or counterclaim, and without payment of or deduction for or on account of any present or future taxes, levies, imposts, duties, deductions, withholdings, restrictions, conditions or any other charges or fees of whatsoever nature, legally due in the Federative Republic of Brazil.
- 8.7 If at any time any applicable law, regulation or regulatory requirement or any governmental authority, monetary agency or central banking authority in the country from which any payment due under this Agreement for account of the Lenders is to be made or any country to whose taxation laws the Borrower may be subject, requires the Borrower to make any deduction or withholding in respect of taxes from any payment due under this Agreement for the account of the Lenders, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Lenders receive on the due date for such payment a net sum equal to the sum which it would have received, if such deduction or withholding had not been required to be made. In addition, if there is a legal requirement in any country to whose taxation laws the Borrower may be subject, to make a deduction or withholding, the Borrower shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment.
- 8.8 All existing or future taxes and duties of any kind as a consequence of the signature or performance of this Agreement due in France shall be paid by the Lenders.





ARTICLE 9. APPLICATION OF SUMS RECEIVED BY THE LENDERS

Unless otherwise decided by the Mandated Lead Arranger (acting on behalf of the Lenders), all amounts received under this Agreement by the Mandated Lead Arranger for any reason whatsoever will be applied first towards payment of fees, costs and expenses, then towards accrued and unpaid interest, then towards unpaid Repayment Instalments and then towards Repayment Instalments, in the inverse order of maturity. The Mandated Lead Arranger will advise the Borrower about such application of the funds and will recalculate the interest payments to take into consideration such application. However, a failure to do so shall not release the Borrower of any of its obligations under this Agreement.



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ARTICLE 10. REPRESENTATIONS AND WARRANTIES

10.1 The Borrower represents and warrants to the Lenders that:

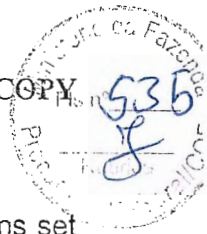
- (a) The Borrower has the power and authority to enter into, and incur indebtedness under, this Agreement and to perform the terms and conditions hereof and has taken all necessary action to authorize the execution, delivery and performance of this Agreement.
- (b) This Agreement, when executed and delivered by a duly authorized official of the Borrower, constitutes legal, valid and binding obligations of the Borrower enforceable in accordance with its terms.
- (c) The execution and the performance of this Agreement in accordance with the terms and conditions hereof:
 - (i) does not contravene any existing provision of law, statute decree, rule, or regulation to which the Borrower or any of its assets is subject, or any judgment, decree, franchise, order, permit, consent, or authorization applicable to the Borrower; or
 - (ii) does not conflict or be inconsistent with, or result in any breach or violation of, any term, covenant, condition or provision of, or constitute a default under, or result in the creation or imposition of any lien, security interest, charge or encumbrance upon any of the property or assets of the Borrower pursuant to the terms of any contractual restriction or undertaking under any indenture, mortgage, deed of trust, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its assets may be bound.
- (d) All consents, approvals, permits, licenses, authorizations of, or exemptions or waivers by, every governmental, judicial or public body or authority required to authorize, or required in connection with, the execution and delivery of this Agreement and the performance hereunder, including control authorization for the payment of principal and interest in Euros, and any other sums payable under the Agreement, have been obtained.





- (e) Neither the Borrower nor any of its assets enjoys any right of immunity from service of process, suit, attachment (whether prior to the entry of or in aid of execution upon a judgment), set-off, execution of judgment or from any other legal process in Brazil and the Borrower has validly waived any immunity from jurisdiction, attachment, and execution in Brazil to which it is or may become entitled to with respect to its obligations under this Agreement, except for the limitation on the alienation of public property provided for in Article 100 of the Civil Code of the Federal Republic of Brazil , *provided* that the execution of a judgment against, and the satisfaction of a judgment by, the Borrower in the Federative Republic of Brazil may be made only in accordance with Article 100 of the Constitution of the Federative Republic of Brazil and the procedures set forth in Article 730 et. seq. of the Civil Procedure Code of the Federative Republic of Brazil (which Articles set forth the procedures pursuant to which such judgment must be satisfied by the Borrower, including the requirements that such judgment be registered for inclusion in the budget for payment in a subsequent fiscal year of the Borrower and that payment in respect of such judgment be made through the court that rendered such judgment).
- (f) All the obligations and liabilities of the Borrower under this Agreement rank and will rank at least *pari passu* in right of payment with all other unsecured External Indebtedness.
- (g) No Event of Default has occurred and is continuing and the Borrower is not aware of any event or circumstances that will give rise to the occurrence of an Event of Default.
- (h) No litigation, arbitration or administrative proceeding or claim is pending or to the Borrower's knowledge threatened against or affecting it (a) which would, if adversely determined, materially and adversely affect the Borrower's ability to perform its payment obligations under this Agreement or (b) which questions the legality, validity or binding effect of any material provision of this Agreement.





(i) The consent by the Borrower to submit any dispute to arbitration on the terms set forth in Article 18 of this Agreement, and the choice of French law to govern this Agreement and the transactions thereby contemplated are valid, binding and enforceable under the laws of the Federative Republic of Brazil.

10.2 Any request for Disbursement made by the Borrower through the Buyer or the Executing Agent to the Lenders pursuant to Article 3 hereof shall be deemed to constitute a representation and warranty by the Borrower that all the representations and warranties set forth in Article 10.1 hereof are true and correct as of such date as if made on such date and that no Event of Default nor any event which might constitute an Event of Default has occurred.



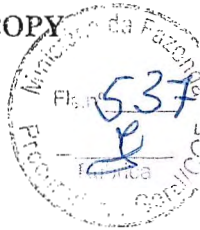


ARTICLE 11. CONDITIONS PRECEDENT

11.1 The obligations of the Lenders under this Agreement to make available the Facility and the obligations of the Lenders to make the first Disbursement hereunder are subject to the Mandated Lead Arranger having notified to the Borrower, the Buyer and the Supplier and the Joint Venture in writing that the following conditions precedent have been fulfilled to the satisfaction of the Lenders or waived by the Lenders in writing:

- (i) the Borrower's Attorney General of the National Treasury has issued a legal opinion, dated not earlier than the date hereof, addressed to the Mandated Lead Arranger and the Lenders substantially in the form of EXHIBIT III;
- (ii) COFACE has issued without any restrictions the COFACE Insurance for this Agreement in favour of the Lenders in terms and conditions satisfactory to the Lenders and the COFACE Insurance is in full force and effect;
- (iii) the Borrower has paid to the Mandated Lead Arranger the structuring fee as per Article 14.1 and all fees and expenses due under Article 14;
- (iv) the Mandated Lead Arranger has received a statement from the Consortium or the Supplier or the Joint Venture countersigned by the Buyer confirming the Starting Date;
- (v) the Mandated Lead Arranger has received evidence of the registration of this Facility on the Registro de Operações Financeiras– ROF by the Central Bank of Brazil;
- (vi) the Mandated Lead Arranger has received copy of any approvals by the relevant authorities of Brazil which may be required for the validity, enforcement and performance of the Agreement;
- (vii) the Mandated Lead Arranger has received evidence satisfactory to it of the authority and specimens of signature of each of the persons:
 - a) who have signed this Agreement, and
 - b) who are authorized to act as the representatives of the Borrower, the Executing Agent and the Buyer, for the purpose of signing documents in connection with this Agreement, in particular the Disbursement Requests.





(viii) no Event of Default has occurred and is continuing;

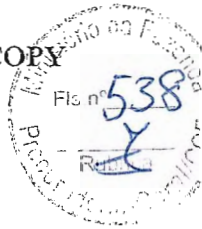
(ix) The Mandated Lead Arranger has received with respect to any and all of the financed Parts under this Agreement, a certified true copy of the clauses related to relevant payment obligations with related amounts and the financial clauses of the Commercial Contract together with the provisions related to the entry into force of the Commercial Contract.

11.2 The obligation of the Lenders to make any Disbursement in connection with the Facility shall furthermore be conditional on the actual date of such Disbursement to the following:

- (i) all amounts due and payable by the Borrower under this Agreement having been paid; and
- (ii) the Final Disbursement Date not having expired; and
- (iii) the COFACE Insurance being extended to the Facility to the full extent foreseen by the Lenders having come into and remaining in full force and effect without material amendments; and
- (iv) the Commercial Contract being in full force and effect without the default of any party thereto having occurred and all export licenses having been obtained; and
- (v) no Event of Default having occurred and being continued; and
- (vi) the representations and warranties stated in Article 10, updated mutatis mutandis to each such date, being true and correct as if made on that date; and
- (vii) the Mandated Lead Arranger having received an original of the Disbursement Request in a form and substance as per EXHIBIT I together with the related invoices.

11.3 With respect of each Part financed under this Agreement, the obligations of the Lenders to make the first Disbursement under such Part will be subject to the receipt from the Consortium or the Supplier or the Joint Venture of an evidence of payment of the related Down Payment of such financed Part.





- 11.4 The Borrower agrees that all the conditions set out in Article 11.1 shall be fulfilled within two hundred and forty (240) days of the Signing Date and in any case before the first Disbursement under the Facility. If all conditions listed in Article 11.1 are not fulfilled within the period expressly agreed by the Lenders, the Facility shall cease to be available, unless any further agreement is made between the Parties.

- 11.5 Whenever the persons authorized to sign the Disbursement Requests change, the Borrower shall inform and provide to the Mandated Lead Arranger the specimen signature and evidence of authority of the new authorized representative of the Buyer or the Executing Agent, as the case may be.



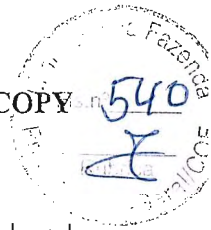


ARTICLE 12. COVENANTS AND UNDERTAKINGS

From the date of the execution of this Agreement and until such time as the principal of the Facility, accrued interest thereon and any other sum payable hereunder have been fully paid and there shall remain nothing owed by the Borrower to the Lenders under this Agreement, the Borrower covenants and undertakes:

- (a) That the amount borrowed pursuant to this Agreement shall be utilized by the Borrower solely for the purpose of financing the payments of the Commercial Contract as required to be made by the Borrower to the Supplier and/or the Joint Venture.
- (b) That the Borrower shall punctually pay all amounts due under this Agreement at the times and on the dates specified herein and shall duly perform and observe all of its other obligations under this Agreement.
- (c) That all obligations and liabilities of the Borrower under this Agreement will rank at least *pari passu* in right of payment with all other unsecured External Indebtedness.
- (d) To obtain and maintain in full force and effect all consents, licenses, permits, approvals and authorizations as may be required under any applicable law or regulation to enable the Borrower to perform any of its obligations under this Agreement and to comply with the terms and conditions of any such consents, licenses, permits, approvals and authorizations, and in particular to obtain the approval of the Central Bank of Brazil related to the payment of principal, interest, fees, commissions and all other amounts due in respect thereof in Euros in accordance with the terms hereof.
- (e) To immediately notify in writing the Mandated Lead Arranger of any circumstances which may lead to an Event of Default (as established in Article 13), or which may affect the accuracy of the representations and warranties made by the Borrower in, or in connection with, this Agreement or affect the ability of the Borrower to perform its obligations under this Agreement.
- (f) To inform the Mandated Lead Arranger of any amendment of the main provisions of the Commercial Contract (including but not limited to the volume of deliveries, the total price, the terms of payment, the warranty periods).





- (g) To promptly advise the Mandated Lead Arranger or procure that the Mandated Lead Arranger shall promptly be advised, and in any event prior to any Disbursement to be made under the Facility, of any modification related to any of the signatories listed in Article 11, and shall transmit simultaneously together with such communication the specimen signatures and specimen stamp(s) and/or seal(s) (as relevant) of the new authorised signatories, together with the powers of attorney and other relevant documents evidencing the authority of such signatories.
- (h) To supply the Mandated Lead Arranger with any legal, financial or environmental information related to the Project, reasonably requested by the Mandated Lead Arranger acting on behalf of the Lenders or requested by COFACE.
- (i) That in any arbitral or judicial proceedings it will not raise any defence based on the fact that it is a sovereign state, subject to the provisions of Article 18 (e) and (f).
- (j) To comply with the laws and regulations applicable in the Federal Republic of Brazil.

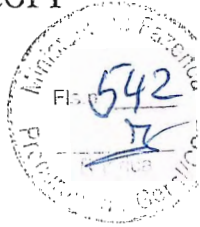




ARTICLE 13. EVENTS OF DEFAULT

- 13.1 Upon the occurrence of any of the Events of Default described in Article 13.4 hereafter, the Mandated Lead Arranger and the Lenders shall be entitled either to suspend the Disbursements or to suspend the Disbursements and terminate this Agreement and the Borrower shall then be obliged to prepay the outstanding of the Facility Amount, plus all interest accrued to such date, fees and expenses and taxes payable by the Borrower, within a period of twenty (20) Business Days following the date of notification of the accelerated termination.
- 13.2 Interest shall accrue from the date of the notice set out in Article 13.1 up to the date of the actual payment or at the latest twenty (20) Business Days period after the date of the notice at the rate contemplated in Article 4.1.
Should any amounts remain outstanding by the Borrower after said period referred to in the Article 13.1, the late interest contemplated in Article 4.6 shall be applicable to all accelerated amounts from the date starting twenty (20) Business Days after such notice to the date of actual payment.
- 13.3 Any failure by a Lender to exercise the rights conferred upon it in this Article may not be alleged by the Borrower a waiver of such rights or as a tacit acceptance of the Event of Default.
- 13.4 Each of the events and circumstances set out in this Article 13.4 is an Event of Default:
- (a) the Borrower fails to pay the Mandated Lead Arranger on a Due Date any amount payable by it under this Agreement and this failure is not remedied within seven (7) Business Days from the corresponding Due Date; or
 - (b) the Borrower fails to comply with any undertaking hereunder or any other provision under this Agreement (other than failure to pay any sum on a Due Date) and this failure, if capable of remedy, is not remedied within thirty (30) Business Days after notice thereof has been given by the Mandated Lead Arranger to the Borrower; or
 - (c) any representation, warranty or statement made or repeated by the Borrower in or in connection with, this Agreement or in any certificates, statements or opinions delivered by the Borrower under this Agreement is or proves to have been incorrect, untrue or misleading when made or is not complied with in any material respect; or





13.5 After the Mandated Lead Arranger has given notice of termination of this Agreement as set out above, the obligations of the Mandated Lead Arranger and the Lenders under this Agreement shall be cancelled forthwith and all amounts outstanding under the Facility shall become immediately due and payable together with all interest accrued thereon (up to and including the date of payment by the Borrower) and all other amounts payable under this Agreement. The Borrower shall be liable for any losses (including breakage costs) which the Lenders or the French Authorities may suffer as a consequence of such termination. Such breakage costs will be determined in accordance with the provisions of Article 7.4.



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ARTICLE 14. FEES, EXPENSES AND STAMP DUTIES

14.1 Structuring Fee

The Borrower shall pay to the Mandated Lead Arranger a structuring fee at the flat rate of nought point fifty (0.50%) per cent calculated on the Facility Amount. It shall be payable in full within thirty (30) calendar days of the Signing Date, upon presentation by the Mandated Lead Arranger of the corresponding statement.

14.2 Commitment Fee

The Borrower shall pay to the Lenders a commitment fee for the period from the Signing Date until the day preceding the last Disbursement Date (and in any case no later than the day preceding the Final Disbursement Date), both dates, inclusive, calculated at the rate of nought point fifty (0.50%) per annum on the average, daily undrawn portion of the Facility Amount from day to day during such period, and calculated on the basis of a year of three hundred sixty (360) days for the actual number of days elapsed.

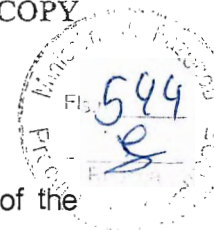
Such commitment fee is payable every six months in arrears from the Signing Date upon presentation by the Mandated Lead Arranger of the corresponding statement, provided that the approval of the Registro de Operações Financeiras -ROF by the Central Bank of Brazil has been received.

14.3 Out of pocket expenses and legal fees

The Borrower shall reimburse the Mandated Lead Arranger and the Co-Lead Arrangers, on demand and against presentation by the Mandated Lead Arranger of written statements:

- up to the aggregate amount of fifty thousand euros (EUR 50,000), all reasonable and duly documented out-of-pocket costs, charges and expenses (including, but not limited to, legal fees) incurred by them in connection with the negotiation, preparation, execution and performance of this Agreement, as well as,
- all duly documented out-of-pocket costs, charges and expenses (including, but not limited to, legal fees) incurred by the Mandated Lead Arranger and the Lenders in connection with an enforcement of or preservation of the rights of the Mandated Lead Arranger and the Lenders under this Agreement.





The Borrower shall pay or reimburse the Mandated Lead Arranger on behalf of the Lenders upon demand the documented legal fees and expenses of legal counsel made necessary and recognized by the concerned arbitral tribunal as a result of any default by the Borrower of any of its obligations under, or in connection with, this Agreement or otherwise in respect of moneys owed in respect thereof.

All costs, charges and expenses shall be paid or reimbursed in the currency in which they have been incurred.

14.4 Taxes and Duties

The Borrower shall timely pay any and all stamp, registration and similar taxes, charges or duties imposed by any level of government or any subdivision, agency or instrumentality in the Federative Republic of Brazil in connection with this Agreement and shall indemnify and hold the Lenders harmless from and against any loss, damage, cost, expense, claim or liability which the Lenders may sustain or incur as a consequence of any delay in paying or failure to pay by the Borrower such taxes, charges or duties which may be payable or determined to be payable in the Federative Republic of Brazil in connection with the execution and delivery of this Agreement.

14.5 Fees and expenses

Any fees and expenses due and payable by the Borrower under the Agreement shall be paid in Euros and shall under no circumstances be refundable to the Borrower.

14.6 ROF

All fees, costs, expenses, taxes and duties referred to this Clause 14 shall be payable after receipt of the corresponding approval of the Registro de Operações Financeiras - ROF by the Central Bank of Brazil.





ARTICLE 15. WAIVER

No failure to exercise or delay in exercising any right, power or remedy hereunder by a Lender shall operate as a waiver thereof or of any other right, power or remedy which any of the Lenders may have, nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or of any other right, power or remedy which any of the Lenders may have hereunder. The rights and remedies provided for in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.



1



ARTICLE 16. NOTICES

16.1 All notices or other communications required or permitted to be given hereunder shall be in writing and shall be sent by registered airmail letter, postage prepaid or fax (with confirmation by registered airmail letter, postage prepaid) to the other party at its address set forth below or to such other address as may from time to time be notified by one party to the other in accordance with this Article 16:

If to the Mandated Lead Arranger:

BNP PARIBAS

– CIB – Export Finance - Commercial Support and Loan Implementation

CHDESA 1

37, place du Marché Saint-Honoré

75031 Paris Cedex 01, France

Attention to Loan Implementation

Fax No.: +33 1 43 16 81 84

(with reference to "Submarines-2008/SGM/Marinha/Brasil")

If to the Borrower:

MINISTRY OF FINANCE OF BRAZIL

Ministério da Fazenda

Procuradoria-Geral da Fazenda Nacional – PGFN

Esplanada dos Ministérios Bloco P, 8º andar, sala 803

Brasília - DF – Brasil

CEP: 70048-900

Fax No.: +55 61 3412 1740

Copy to:

- Comando da Marinha

Secretaria Geral da Marinha – SGM

Esplanada dos Ministérios, Bloco N, 6º andar

Brasília – DF – Brasil

CEP: 70055-900

Attention: Coordenadoria do Orçamento da Marinha

Fax No.: +55 61 3429 1607





- Secretaria do Tesouro Nacional
Coordenação –Geral de Controle da Dívida Pública – CODIV
Esplanada dos Ministérios – Bloco P – Edifício Anexo – Ala A
1° andar – Sala 121
Brasília – DF – Brasil
CEP: 70048-900
Fax No.: +55 61 3412 1461

If to the Buyer:

Diretoria Geral do Material da Marinha - DGMM
Rua 1° de Março, 118 – Edifício Barão de Ladário
11° andar – Centro
Rio de Janeiro – RJ – Brasil
CEP: 20.010-000
Attention: Coordenadoria de Submarinos da Marinha
Fax: +55 21 2104 6710

Copy to:

- Comando da Marinha
Secretaria Geral da Marinha – SGM
Esplanada dos Ministérios, Bloco N, 6° andar
Brasília – DF – Brasil
CEP: 70055-900
Attention: Coordenadoria do Orçamento da Marinha
Fax No.: +55 61 3429 1607

or to such other address as may from time to time be notified in writing by either party to the other, provided that any such variation shall take effect as from the third day after the day of receipt of the respective notice by the other party (unless a later date should have been notified therein).

The failure of Mandated Lead Arranger to forward any notice or the failure thereof to arrive shall never be deemed to release the Borrower from any of its obligations under this Agreement or any other document envisaged hereunder



16.2 All notices shall be effective for purposes of this Agreement at the time of receipt by the addressee.

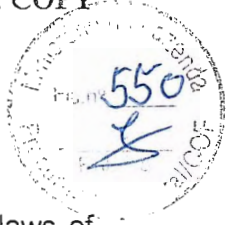




ARTICLE 17. ASSIGNMENT

- 17.1 The Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lenders and COFACE.
- 17.2 Any Lender may, at any time, sell, assign, grant participation in, or otherwise dispose of any rights, claims and/or obligations under this Agreement, including without limitation the rights to assign, pledge or transfer in whole or in part any amounts outstanding under this Agreement, if any, to any financial institution informing such assignment to the Borrower. At the request of the Lender, the Borrower may, from time to time, designate any and full further instruments as may, in the opinion of the Lenders, be necessary or advisable to give full force and effect to such assignment or to evidence the effectiveness of this Agreement. The foregoing shall be at no cost to the Borrower. All references to the Lenders in this Agreement shall, if applicable, be construed as including such financial institution.
- 17.3 The Borrower agrees that the Mandated Lead Arranger and the Lenders shall be entitled to give information regarding the Borrower and this Agreement to a prospective assignee or transferee or to any other person or company who may propose entering into contractual relations with the Mandated Lead Arranger or the Lenders in relation to this Agreement subject to the prior signing of confidentiality agreement between the Lenders and such prospective assignee, transferee or entity, and provided that nothing in this Agreement shall oblige the Borrower to disclose any information which is subject to confidentiality restriction under applicable law or Commercial Contract.

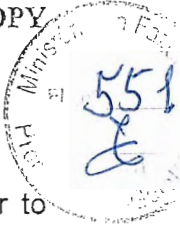




ARTICLE 18. GOVERNING LAW AND ARBITRATION

- (a) This Agreement shall be governed by and construed in accordance with the laws of France.
- (b) Any dispute, controversy or claim arising out of or relating to this Agreement, including any question regarding its existence, validity, interpretation, breach or termination, shall be finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce as in effect on the date hereof (other than by application of Article 23 thereof (Conservatory and Interim Measures)), which Rules are deemed to be incorporated by reference into this Article.
- (c) The tribunal shall consist of three arbitrators, one of whom shall be nominated by the Lenders the other one shall be nominated by the Borrower and the third one, who shall be the chairman of the tribunal, by the two party-nominated arbitrators within 30 days of the last of their appointments. Save that, if either party should fail to nominate an arbitrator within 30 days of receiving written notice of the nomination of an arbitrator by the other party, the second arbitrator shall, at the written request of the party which has already made a nomination, be appointed forthwith by the International Court of Arbitration of the International Chamber of Commerce (the "ICC Court"). Likewise, if the party-nominated arbitrators fail to make an agreed nomination for the chairman within 30 days of the last of their appointments, the chairman shall, at the written request of either party, be appointed forthwith by the ICC Court. The seat of the arbitration shall be Paris, France. The language of the arbitration (including written submissions by the parties) shall be English. The arbitrators shall state the reasons for their decisions in writing and shall make such decisions in accordance with the laws of France.
- (d) Any award shall be final and binding from the day it is made.
- (e) The Borrower hereby waives its right to claim any immunity from jurisdiction, attachment, and execution to which it is or may become entitled to in Brazil. The Borrower also agrees not to plead or claim any immunity from the execution or enforcement of the arbitral award in the Federative Republic of Brazil.



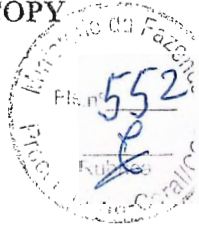


- (f) Nothing in this Agreement may be interpreted as an agreement of the Borrower to submit to the jurisdiction of any court outside the Federative Republic of Brazil except for the sole purpose of converting an arbitral award under this Agreement into a judgment.

- (g) Service of process or other legal summons in connection with any proceedings described in this Article 18 may be served upon the Borrower (a) pursuant to Article 35, Section I of Supplementary Law No. 73 of February 10, 1993, by delivery to the Attorney General of the Federative Republic of Brazil as its authorized agent upon whom any such process or legal summons may be served by rogatory letter or (b) by such other means permissible under the laws of the Federative Republic of Brazil.



A vertical handwritten mark or signature on the right side of the page.

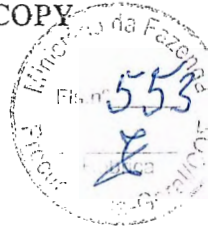


ARTICLE 19. LEGAL INDEPENDENCE

The Borrower hereby acknowledges that its liability to pay in full all amounts owed under the terms of this Agreement on the Due Date is absolute and is in no way conditional upon the performance by the Consortium, the Supplier, the Joint Venture or any of its sub-contractors of the obligations under the Commercial Contract or of any other contract between the Consortium, the Supplier and/or the Joint Venture and the Buyer, and such liability shall not be affected or discharged in any way by reason of any claim, commercial relationship or dispute between any of the Borrower, the Consortium, the Supplier, the Joint Venture any of its sub-contractors, or the Buyer which the Borrower may have or may consider that it has against the Supplier or any of the previously mentioned parties for any other reason whatsoever.



Handwritten mark or signature on the right margin.



ARTICLE 20. MISCELLANEOUS

20.1 Headings

The headings of this Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation hereof.

20.2 Amendments

This Agreement shall not be amended, changed or modified in any manner except by an instrument in writing signed by a duly authorized representative of each of the parties hereto or their respective successors or assigns, as the case may be, and provided the Mandated Lead Arranger has received the agreement of COFACE if necessary.

20.3 Language

All documents to be delivered under this Agreement shall be in the English language. If the original of any such document is in any other language, such document may be delivered in such language provided it is accompanied by a certified English translation.

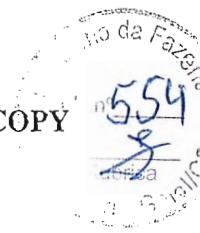
20.4 Validity

This Agreement shall remain in effect until all amounts due to the Lenders hereunder have been paid in full.

20.5 Partial invalidity

Should any of the provisions or part of a provision of this Agreement be or become invalid or unenforceable in any jurisdiction, the provision or part of provision shall as to such jurisdiction be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating the remaining parts and provisions of this Agreement which shall remain in full force and effect, or affecting the validity and enforceability of such provision or part of provision in any other jurisdiction. The parties agree to replace the invalid provision or part of a provision by a clause which reflects or comes closest to reflect the initial intention of the parties. Similarly, if a gap appears in this Agreement, the parties shall amend this Agreement by inserting a provision on which they would have agreed had they considered the open point.





20.6 Illegality

Should the continuation of this Agreement not be possible, a Lender may terminate its obligations under this Agreement by written notice to the Borrower (to be sent through the Mandated Lead Arranger) which notice shall be effective as from the date on which performance becomes illegal. Such notice shall state which contractual obligations became illegal, the date on which such illegality will arise and which legal changes have given rise to such illegality. Upon receipt of such written notice the Borrower shall by the next Interest Payment Date or, if earlier, on the date notified by the Lender which must not be earlier than the last day of any applicable grace period allowed by law, prepay all amounts outstanding under this Agreement together with all interest accrued thereon and all other amounts payable to such Lender under this Agreement, including breakage costs, if any, incurred by such Lender. Such Lender shall however use all reasonable endeavours in good faith to transfer its obligations to another branch or to assign its obligations to one of its subsidiaries or, if impossible, to arrange for the prepayment to take place on the next Interest Payment Date.

20.7 Increased costs

If as a result of:

- (i) the introduction of or any change after the Signing Date in (or in binding interpretation, administration or application of) any law or regulation or;
- (ii) compliance with any law or regulation made after the Signing Date (including, for the purposes of this Article 20.7, rules, orders or directives in relation to required reserves, special deposits, liquidity or capital adequacy requirements, any requirement relating to the manner in which a Lender is required to allocate financial resources for the making of or in relation to any Disbursement or any other form of banking or monetary controls whether or not having the force of law),

a Lender at any time in the future in relation to the amounts outstanding under this Agreement,

- (a) suffers an increase of the cost of making or funding the Facility or of maintaining its commitment hereunder; or
- (b) suffers a reduction of any amount payable to it hereunder; or





(c) makes any payment or forgoes any interest or other return on or calculated by reference to any amount received or receivable by it from the Borrower hereunder;

(such increased costs or reduction being collectively referred to as "Increased Costs"), then the Borrower shall pay the Mandated Lead Arranger for the account of such Lender (the "Affected Lender") the amount of such Increased Costs incurred by that Affected Lender.

The Affected Lender intending to make a claim pursuant to this Article 20.7 shall notify the Mandated Lead Arranger of the event giving rise to the claim. The Mandated Lead Arranger shall promptly notify the Borrower providing the same with a certificate issued by the Affected Lender confirming the amount of the Increased Costs, the date upon which such Increased Costs were or begun to be incurred and the circumstances which led to the Increased Costs.

The Affected Lender shall, in consultation with the Borrower and with the consent of COFACE (if required under the terms of the COFACE Insurance) make all reasonable arrangement it deems appropriate to avoid and minimize such Increased Costs including (but not limited to) by transferring its rights and obligations under this Agreement.

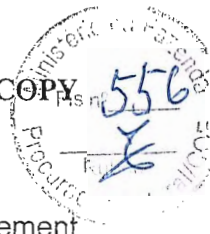
If no appropriate arrangement is made within a sixty (60) day period after the sending of the above mentioned certificate by the Mandated Lead Arranger to the Borrower, the Borrower shall then, within twenty (20) Business Days following a demand made by the Mandated Lead Arranger to that effect, either (i) pay the amount of the Increased Costs to the Mandated Lead Arranger for the account of the Affected Lender or (ii) prepay the outstanding amount of the Affected Lender's participation in the Facility.

20.8 Disclosure of Information

In addition to provisions of Article 17.3 and to the extent authorized under the law of Brazil, the Borrower authorizes each Lender, its subsidiaries, branches and representative offices and their directors, officers, agents and employees, to disclose information relating to the Borrower and this Agreement and any related document to:

- any authority or person to which banking secrecy may not be opposed pursuant to any applicable law, regulation, case law, court order or rules of any relevant stock exchange,
- and, only if the Lender deems such disclosure to be necessary or desirable for (a) the carrying out of its duties, obligations, commitments and banking



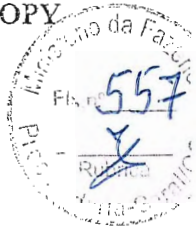


activities and/or (b) purposes of its assets & liabilities and risk management policy, to the following persons:

- (i) subsidiaries, branches, and representative offices of the Lender,
- (ii) the Supplier, the Joint Venture, the Consortium and their sub-contractors for the implementation of the Commercial Contract,
- (iii) COFACE and the French Authorities,
- (iv) rating agencies, auditors, insurance and reinsurance brokers, professional advisers (including legal advisers), insurers and re-insurers,
- (v) financial institutions, special purpose securitization vehicles and their managements and all investors, agents, arrangers, dealers who are or might wish to be involved in securitisation schemes, hedging agreements, participation or other risk transfer agreements,
- (vi) any person to whom disclosure may be necessary in connection with any arbitration proceedings in connection with this Agreement.

It is acknowledged by the parties hereto that the authorization above is given provided that nothing in this Agreement shall oblige the Borrower to disclose any information which is subject to confidentiality restriction under applicable law or the Commercial Contract.





ARTICLE 21. ENTRY INTO FORCE OF THIS AGREEMENT

This Agreement enters into force on the day of its signature, as stated at the beginning of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered in eight (8) originals copies as of the date first above written.

THE FEDERATIVE REPUBLIC OF BRAZIL, as Borrower

By: Ana Lúcia Gatto de Oliveira
Title: ATTORNEY OF THE NATIONAL TREASURY

BNP PARIBAS, as Mandated Lead Arranger

By: [Signature]
Name: BAZINE Louis OLIVIER PAUL
Title: BNP PARIBAS BMBL Head of Export Finance

BANCO SANTANDER, Paris branch as Co-Lead Arranger

By: [Signature]
Name: WILFRED RAMOS ROSELOT DE MELIN D'AMBRIÈRES STAS
Title: EXECUTIVE DIRECTOR Gen. Mgr.

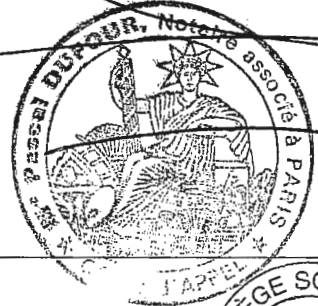
CALYON as Co-Lead Arranger

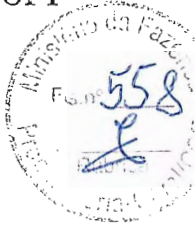
By: [Signature]
Name: FLORENCE GAYMARD MELIN D'AMBRIÈRES STAS
Title: Head Latin America Head of Export Finance

SOCIETE GENERALE, as Co-Lead Arranger

By: [Signature]
Name: Denis STAS de RICHELLE
Title: GLOBAL HEAD of EXPORT FINANCE

Me Pascal DUFOUR, Notaire à Paris, certifie uniquement la matérialité de la (des) signature(s) de M. Louis BAZINE, M. OLIVIER PAUL, M. WILFRED RAMOS ROSELOT DE MELIN D'AMBRIÈRES STAS, M. Denis STAS de RICHELLE et M. Denis GAYMARD apposée(s) à ce(s) document(s) comme émanant bien de eux. Cette certification de signature(s) ne peut en aucun cas conférer au présent document le caractère d'un acte notarié : la responsabilité du Notaire ne peut à aucun titre être mise en cause en ce qui concerne le contenu du présent document.





BNP PARIBAS, as Lender

By: [Signature]
Name: BADRE LOUIS OLIVIER PAUL
Title: BNP PARIBAS BRASIE Head of Export Finance

BANCO SANTANDER, Paris branch as Lender

By: [Signature]
Name: Wri F. C. Pires
Title: Executive Director - Gen Mgr

CALYON, as Lender

By: [Signature]
Name: Pascal GAYMARD
Title: Head Latin America Head of Export Finance

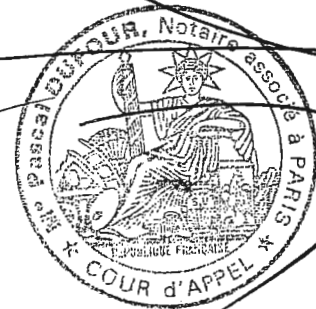
SOCIETE GENERALE, as Lender

By: [Signature]
Name: Denis STAS de RICHELLE
Title: GLOBAL HEAD of EXPORT FINANCE

Me Pascal DUFOUR, Notaire à Paris, certifie uniquement la matérialité de la (des) signature(s) de M^{me} BAZINE PAUL, M^{me} ROSSET ALBINE, M^{me} STAS de RICHELLE, M^{me} CASSE, M^{me} GUIFFART, M^{me} BESNARD et M^{me} GAYMARD apposée(s) ci-dessus comme émanant bien de leur. Cette certification de signature(s) ne peut en aucun cas conférer au présent document le caractère d'un acte notarié; la responsabilité du Notaire ne peut à aucun titre être mise en cause en ce qui concerne le contenu du présent document.

CIC, as Lender

By: [Signature]
Name: GAMER Patricia François GUIFFART
Title: First Vice President Senior Vice President



NATIXIS, as Lender

By: [Signature]
Name: BESNARD
Title: Structures Finance NATIXIS





EXHIBIT I
MODEL OF DISBURSEMENT REQUEST
UNDER THE AGREEMENT

On letterhead of the Buyer

To: BNP PARIBAS
Attention: Loan Implementation

DISBURSEMENT REQUEST

Ref: COFACE Credit Agreement dated [●] (the "Agreement")

Dear Sirs,

1. This Disbursement Request is delivered to you pursuant to Article 3 of the Agreement.
2. We hereby request a Disbursement under Facility [A or B] to the Supplier [or the Joint Venture] in respect of goods and services as follows:
 - (a) Disbursement Request number: [●];
 - (b) Proposed Date of Disbursement: [●];
 - (c) Amount of Disbursement: EUR [●] or the counter value in EUR of BRL [●];
 - (d) Invoices ("Faturas") number: [●];
 - (e) Beneficiary (Supplier/Joint Venture) : [●];
 - (f) Account number and details of the Beneficiary : [●];

Capitalized terms in this letter shall have the meaning ascribed to them in the Agreement.

We confirm that the enclosed invoices have been duly approved by the Buyer and that the signatory(ies) of the Buyer that accepted the invoices was (were) duly empowered to that effect.

Date [●]

(Authorized representative of the Buyer)



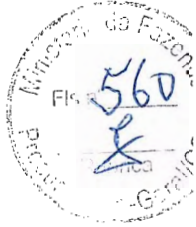


EXHIBIT II - MODEL OF NOTIFICATION OF DISBURSEMENT BY THE MANDATED LEAD ARRANGER

On letterhead of the Mandated Lead Arranger

To: MINISTRY OF FINANCE OF BRAZIL

Attention: CODIV

FAX NUMBER: +55 61 3412 1461

Copy to: DGMM

SGM

FAX NUMBER: +55 21 2104 6710

+55 61 3429 1607

NOTIFICATION OF DISBURSEMENT

Ref: COFACE Credit Agreement dated [•] (the "Agreement")

Dear Sirs,

1. We hereby declare that, in accordance with your instructions and with the corresponding instructions received from the Buyer, we have made payments under Facility [A or B] to the Supplier [or the Joint Venture], pursuant to and as specified in Article 3 of the Agreement, as follows:

- (a) Disbursement Request number [•];
- (b) Disbursement: Date [•];
- (c) Amount of Disbursement: EUR [•];
- (d) Amount of the Invoices paid (EUR or BRL) : [•]
- (e) BRL/EUR Exchange Rate on [•]: (if applicable)

Capitalized terms in this letter shall have the meaning ascribed to them in the Agreement.

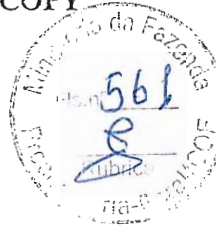
DATE [•].

Yours faithfully,

[_____]

BNP PARIBAS, as Mandated Lead Arranger





**EXHIBIT III - OPINION OF THE OFFICE OF THE ATTORNEY GENERAL OF
THE NATIONAL TREASURY**

Date: [●].

[To the attention of the Mandated Lead Arranger on behalf of the Lenders]

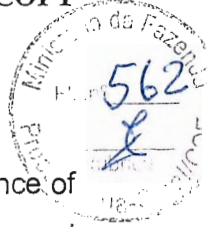
You have asked me for an opinion in connection with a COFACE Credit Agreement (hereinafter called the "Agreement") dated [●] signed between the Federative Republic of Brazil (hereinafter called the "Borrower") and yourselves. Expressions defined in the Agreement shall have the same meanings when used in this opinion.

In giving this opinion I have examined (i) an executed copy of the Agreement, (ii) a screen print copy of the *Registro de Operações Financeiras* (ROF) dated [●] and approved by the Central Bank of Brazil, iii) any document evidencing the approvals necessary for the validity and the enforcement of the Agreement, iv) the documents evidencing that the Borrower has full power to sign the Agreement, and other document as I have deemed necessary. I have assumed due compliance with all matters of French laws.

I am of the opinion that:

- (a) The Borrower has the power and authority to enter into the Agreement and to borrow the Facility there under and has taken all necessary action to authorize the borrowing under the Agreement and the execution, delivery and performance of the Agreement, in accordance with the terms and conditions thereof.
- (b) The Buyer or the Executing Agent has the power and authority to present the relevant documents as per Article 3.3 of the Agreement, and to order any Disbursement under the Agreement on behalf of the Borrower.
- (c) The Buyer or the Executing Agent has the power and authority to order any Disbursement, issue and sign any Disbursement Request and receive notifications on behalf of the Borrower as established in the Agreement.
- (d) The Agreement has been executed and delivered by a duly authorized official of the Borrower, and constitutes legal, valid, binding and enforceable obligations of the Borrower.





- (e) The execution and delivery by the Borrower of the Agreement, and the performance of the respective obligations contemplated therein, in accordance with the terms and conditions thereof does not :
- (i) contravene any existing provision of law, statute, decree, rule or regulation to which the Borrower is subject, or any judgment, decree, franchise, order, permit, consent or authorization applicable to the Borrower; or
 - (ii) conflict or be inconsistent with, or result in any breach or violation of, any term, covenant, condition or provision of, or constitute a default under, or result in the creation or imposition of any lien, security interest, charge or encumbrance upon any of the property or assets of the Borrower pursuant to the terms of any contractual restriction or undertaking under any indenture, mortgage, deed of trust, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its assets may be bound.
- (f) All consents, approvals, permits, licenses, authorizations of every governmental or public body or authority required to authorize, or required in connection with the execution and delivery of, the Agreement and the performance of the respective terms thereof including control authorization for the payment of principal and interest thereon in Euros, and any other sums payable under the Agreement, have been obtained and the Agreement has been registered with the Central Bank of Brazil under the Registro de Operações Financeiras – (ROF) nº [•].
- (g) It is not necessary to ensure the legality, validity, enforceability or admissibility in evidence of the Agreement that it be filed, recorded or enrolled with any court and Government or other agency in the Federative Republic of Brazil or that any stamp, tax or other duty be paid.
- (h) No provision of the Agreement, including those contained in Article 3.10 of the Agreement, do contravene the Brazilian Law or public policy.





- (i) The Borrower has no right of immunity from suit, execution, or any other legal process with respect to its obligations under this Agreement in any competent court in Brazil, except for the limitation on the alienation of public property provided for in article 100 of the Civil Code of the Federative Republic of Brazil, provided that the execution of a judgment against, and the satisfaction of a judgment by, the Borrower in Brazil may be made only in accordance with article 100 of the Constitution of the Federative Republic of Brazil and the procedures set forth in Article 730 et. Seq. of the Civil Procedure Code of the Federative Republic of Brazil (which Articles set forth the procedures pursuant to which such judgment must be satisfied by the Borrower, including the requirements that such judgment be registered for inclusion in the budget for payment in a subsequent fiscal year of the Borrower and that payment in respect of such judgment be made through the court that rendered such judgment). The choice by the Borrower of the laws of France to govern the Agreement is a valid choice of law. And the submission there under by the Borrower to an arbitral tribunal is valid and binding upon the Borrower.
- (j) Any award of an arbitral tribunal which conforms with Brazilian public policy and law will be enforceable against the Borrower in the federal courts of the Federative Republic of Brazil without re-examination of the merits if such award is ratified by the *Superior Tribunal de Justiça*. Such ratification can be obtained if such award:
- (i) fulfils all formalities required for the enforceability thereof under the laws of the country where the same was granted;
 - (ii) was issued by a competent arbitral tribunal after service of such process upon the parties to the action as is required by the rules of such arbitral tribunal;
 - (iii) is not subject to appeal;
 - (iv) was authenticated by a Brazilian consulate in the country where the same was issued;
 - (v) is not against the principles of Brazilian public policy as set forth in Brazilian Decree Law nr. 4.657, dated September 4th, 1942.
- (k) The courts of the Federative Republic of Brazil may give judgments in a currency other than the legal currency.





- (l) All obligations and liabilities of the Borrower under the Agreement will constitute direct, unconditional and general obligations of the Borrower and will rank at least *pari passu* in right of payment with her unsecured External Indebtedness.
- (m) All payments to be made by the Borrower to the Mandated Lead Arranger hereunder shall be made free and clear, without set-off or counterclaim, and without payment of or deduction for or on account of any present or future taxes, levies, imposts, duties, deductions, withholding restrictions, conditions or any other charges or fees of whatever nature, legally in the Federative Republic of Brazil, until the payment is received by the Lender in the account indicated by the Lenders.
- If at any time any applicable law, regulation or regulatory requirement or any governmental authority, monetary agency or central bank requires the Borrower to make any deduction or withholding in respect of taxes from any payment due under this Agreement for the account of the Lenders, the sum due from the Borrower in respect of such payment shall be increased in the extent necessary to ensure that, after the making of such deduction or withholding, the Mandated Lead Arranger receives a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made.
- (n) The Lenders and the Mandated Lead Arranger will in no way be deemed resident or domiciled or exercising business or liable to tax in Brazil by reason of the execution or performance of the Agreement.
- (o) There are no legal, administrative or other actions, claims or other proceedings current, pending or threatened against the Borrower which if decided adversely would materially and adversely affect the financial condition of the Borrower or could materially and adversely affect the Borrower's ability to perform its obligations under the Agreement.

Yours faithfully,

