

PETROBRAS BIDDING PROCESS REGULATIONS AND CONTRACTS (RLCP)

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THE BOARD OF DIRECTORS, in view of the provisions of Law 13.303, dated June 30, 2016, according to the assignments conferred upon it by Article 71, Paragraph 1 of Decree 8945, dated December 27, 2016.

RESOLVES

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TITLE I GLOSSARY OF TECHNICAL EXPRESSIONS

Article 2 For the purposes of this Regulation, the following is considered:

- I - Amendment** - Legal instrument by which the original contractual provisions are modified.
- II - Adjudication** - Act that formally recognizes the validity and convenience of the winning tenderer's tender and which grants it the right not to be disqualified.
- III - Sale** - Act of transfer of ownership of a property or right to another.
- IV - Competent Authority** - Authority holding statutory competence or limit of competence to practice a given act.
- V - Higher Authority** - Authority responsible for setting up a Bidding Commission or Negotiation Committee or designation of Auctioneer and support team.
- VI - Contract Letter** - Contractual instrument in simplified format.
- VII - Certificate of Registration** - Document provided to the supplier of goods or service provider after analysis by PETROBRAS, certifying its condition of partial or totally registered, under the terms of this Regulation.
- VIII - Bidding Commission** - Permanent or special commission, formally designated to conduct a bidding process, in accordance with current regulations.
- IX - Trading Committee** - Permanent or special commission, formally designated to conduct a process of Direct Contracting or Amendment to Contract, in accordance with the current regulations.
- X - Special Commission** - Commission including PETROBRAS' employees appointed to act in a particular hiring process.
- XI - Permanent Commission** - Commission including employees of PETROBRAS appointed on a permanent basis to conduct various processes during a preset period.
- XII - Direct Contracting** - Contracting process carried out based on the assumptions of exemption, unenforceability or inapplicability of a bidding process.
- XIII - Intellectual Property Contract** - Includes technology transfer contracts (contracts of non-patented technology, including know-how, secrecy and provision of information not protected by industrial property rights and technical assistance services); (transfer of ownership of intellectual property right) and licensing agreements (licensing of use, exclusive or not, of intellectual property rights).

XIV - Call - Call Notice through which the rules of ancillary procedures are disclosed, to which both PETROBRAS and the interested parties are bound, during the term defined therein.

XV - Call for Tenders - Call Notice through which the rules of the bidding procedure are disclosed, to which both PETROBRAS and the Tenderers are bound.

XVI - Scope - Aspects connected to the Contract Object, such as specifications, location and performance methodology.

XVII - Legal Department - Organizational Unit of the General Structure whose function is to guide and assess processes of normative and advisory nature, legal counsel and disputes, coordinating or carrying out efforts of corporate interest, ensuring the legal compliance of the Company's business processes.

XVIII - Tenderer - Any person that submits documentation for the purposes of participation in a bidding process.

XIX - Risk Matrix - Distribution of liabilities and risks between the parties, which characterize the initial economic and financial balance of the contract, and which shall be considered for the assessment of the occurrence of any additional financial burden arising from events supervening the contracting, as it reaches one or both the parties to the Contract, and which may lead, by reason of its actual occurrence and materiality, to some change of the terms and conditions originally agreed upon.

XX - Contract Object - Provision to be fulfilled by the contractor, concerning the conducts of giving, doing or not doing.

XXI - Budget - Detail of the premises and elements that make up the estimated value for contracting a particular good or service.

XXII - Interested Parties - Individuals or entities that assume some type of risk or have some interest, whether direct or indirect, concerning PETROBRAS. They are, in addition to the shareholders, employees, clients, suppliers, creditors, public entities, among others.

XXIII - Small Expenses of Prompt Delivery - Disbursement occurred once, in a contract whose value does not exceed the limit of contracting of waiver by value and whose performance happens instantaneously or is deferred, and which do not result in future obligations.

XXIV - Price- Value initially agreed on by the Tenderer, which may only be levied with the adjusted value, in accordance with the price adjustment clause.

XXV - Auctioneer - Operator responsible for conducting the external phase of the auction (whether on-site or electronic).

XXVI - Prequalification Registry - Information made available in an electronic system concerning the approval or renewal of the prequalification of a particular supplier or product, under the terms of the Call, indicating that, during its validity, the company or product is prequalified for future bidding processes.

XXVII - Organizational Unit - It is the component of the organizational structure established to meet the needs of the work division, with its own manager and staff, and defined in the chart of accounts of the Company.

XXVIII - Updated Initial Value of the Contract - Value initially agreed on, without the levy of additions or deductions, which may only be levied with the adjusted value, in accordance with the price adjustment clause or any economic and financial rebalancing.

TITLE II GENERAL

Article 3 PETROBRAS is unremittingly committed to ethics, integrity and transparency in the conduction of its business, with zero tolerance for any type of misconduct, especially fraud, bribery, money laundering, and financing of terrorism, thus nurturing its credibility among stakeholders.

Article 4 The PETROBRAS' Anti-Bribery Program (PPPC), a corporate integrity program, establishes mechanisms for the prevention, detection and remedying of acts which are not consistent with the conducts established and required by the Company. The guidelines of PPPC must be known and guide the actions of the Parties Interested in initiating and maintaining relationship with PETROBRAS.

Paragraph 1: The Parties interested in initiating or maintaining a relationship with PETROBRAS, under the terms of this Regulation, shall prove the compliance with the PETROBRAS Anti-Bribery Program (PPPC), as well as commit to complying with anti-bribery laws and applicable policies, procedures and rules of integrity, including, without limitation, the PETROBRAS' Code of Ethics and the Conduct of Conduct.

Paragraph 2: The Parties interested in initiating and maintaining relations with PETROBRAS shall be subject to appropriate procedures in the light of the PPPC and shall be assigned a degree of low, medium or high integrity.

Paragraph 3: The concerned parties which are classified under a high integrity risk degree may not participate in contracting procedures with PETROBRAS, except for those exceptions provided for in the internal rules of the Company.

Paragraph 4: The integrity assessment procedure and the exceptions provided for in the previous paragraph shall be available on the electronic portal.

Article 5 Decisions regarding bidding processes and contracts in PETROBRAS may be the responsibility of the Board of Directors, the Executive Board or its individual members, within

its area of activity, advised by the Statutory Technical Committees composed of Executive Managers, as provided for in the Articles of Incorporation and other internal rules of the Company.

Paragraph 1: The competent jurisdiction to decide on bidding processes and contracts may be partially delegated.

Paragraph 2: Decisions concerning bidding processes and contracts, under the managerial scope, shall be shared by at least two Competent Authorities and without any subordination relationship between them, except as otherwise provided for in the Company's bylaws.

Article 6 In the contractings by PETROBRAS, the standard drafts of convening instruments and contracts, previously examined and approved by the Legal Department, shall be adopted.

Sole Paragraph. The use of the standard draft does not prevent PETROBRAS from making the necessary adjustments, in each contract, to adjust it to the specific case.

Article 7 PETROBRAS may establish the obligation for the tenderers to present the Pricing Statement (DFP) regarding their commercial tender.

Sole Paragraph. The confidential treatment of PFDs submitted by tenderers shall be guaranteed.

Article 8 The deadline count excludes the starting date, but includes the expiration date.

Paragraph 1 The terms begin and expire exclusively on a business day within the scope of the Organizational Unit responsible for the bidding process.

Paragraph 2 The terms counted in business days consider the business days in the location of the Unit responsible for the bidding process.

TITLE III ANCILLARY PROCEDURES

CHAPTER I PREQUALIFICATION

Section I GENERAL

Article 9 PETROBRAS may promote prequalification:

- I - Subjective, when intended to identify suppliers that meet the qualification conditions required in the Call for the provision of goods or the performance of a service or work within the terms, places and conditions previously established; and
- II - Objective, to identify the assets that meet the technical and quality requirements established by PETROBRAS.

Paragraph 1 A subjective prequalification may be performed by groups or segments of objects to be hired, according to the specialties of the suppliers.

Paragraph 2 The prequalification shall not be mistaken for the database registration referred to in Chapter II below, although the assessment of the data for prequalification purposes may be used as input for the database registration of the supplier of goods or service provider.

Article 10 Without prejudice to the evaluation of the other qualification parameters referred to in Law 13303, the prequalification shall be:

- I - Partial, when considering only some of the technical qualification requirements necessary for hiring; or
- II - Total, when it contemplates all the requisites of qualification or technicians necessary for the contracting

Sole Paragraph. The prequalification does not prevent the assessment, in the course of the bidding, of additional requirements deemed necessary by PETROBRAS and included in the Call for Tenders, in any event, ensuring equal conditions among competitors.

Article 11 The prequalification procedure shall be permanently open for the registration of any interested parties.

Article 12. The prequalified persons shall be included in the Prequalification Record.

Sole Paragraph. The Prequalification Record may replace, in whole or in part, the qualification documents in a bidding procedure. carried out during its period of validity, in accordance with the Call for Tenders.

Article 13. The Prequalification Record shall have a maximum validity of one year, counted from its concession, and the prequalification may be updated at any time.

Paragraph 1 After expiration of the period of validity above, it shall be up to the prequalified person to update the information, if it intends to renew the validity of the Prequalification Record.

Paragraph 2 The absence of renewal of the Prequalification implies the loss of validity of the Prequalification Record issued for the respective asset or supplier

Paragraph 3 The Call shall be open to the participation of any interested party, regardless of whether or not they have participated in previous prequalifications.

Paragraph 4 The Call shall require those that intend to maintain the prequalified status to submit documents that may no longer be valid, as well as prove the compliance with the additional requirements made by PETROBRAS.

Article 14. The existence of prequalification does not oblige PETROBRAS to tender the object mentioned therein, nor does it condition the bidding processes subsequent to the use of the list of prequalified persons.

Section II SUBJECTIVE PREQUALIFICATION

Article 15. The subjective prequalification consists in the identification of the suppliers, among all those which respond to the Call disclosed by PETROBRAS, which shall meet the qualification conditions required for the supply of goods or the performance of service or work within the terms, places and conditions previously established, as defined in the Call.

Article 16. If the capacity of the person interested in supplying the good or providing the service may be assessed in presence, the Call may provide for a technical visit to the premises of the interested party as a prerequisite for qualification.

Sole Paragraph. The on-site assessment may be performed directly by PETROBRAS or by a representative appointed by PETROBRAS, under the terms of the Call.

Section III OBJECTIVE PREQUALIFICATION

Article 17. The objective prequalification consists in the identification of the assets that meet the technical and quality requirements of PETROBRAS, as defined in the Call.

Paragraph 1 The Call may require proof of quality of the asset, including through the presentation of a sample.

Paragraph 2 In the event of requirement for a sample, the result of the prequalification shall be conditioned to PETROBRAS' analysis of the sample, and its approval.

Paragraph 3 The sample may be replaced by documentation certifying the quality of the product, at PETROBRAS' discretion, under the terms of the Call.

Section IV CALL FOR PREQUALIFICATION

Article 18. Whenever PETROBRAS deems it convenient to start a procedure for the prequalification of suppliers or assets, it shall publish a Call for any interested parties to evidence compliance with the requirements, under the terms of the Call.

Sole Paragraph. The Call shall be made through electronic disclosure.

Article 19. Compliance with the requirements set forth in the Call shall be evidenced by sending, preferably by electronic means, the respective documentation, according to the instructions included in the Call itself.

Sole Paragraph. Whenever it is necessary to carry out a technical visit or to send a product sample, the Call shall specify the conditions.

Article 20. The Call shall clearly define the qualification or technical requirements, necessary to meet PETROBRAS' needs.

Paragraph 1 The Call may provide for the replacement of the documentation required therein by Certificate of Registration, when applicable, with the relevant additions.

Paragraph 2 Other requirements that, at PETROBRAS's discretion, may be evaluated through prequalification, in addition to the technical parameter, may be included in the Call.

Paragraph 3 The Call may admit the participation of consortium companies, through the presentation of a consortium establishment commitment.

Paragraph 4 In the event referred to in Paragraph 3, the replacement of the consortium member at the time of the future bidding or execution of the contract after the bidding is conditioned to the previous and express authorization by PETROBRAS, abiding by the provisions under Article 106 and following of this Regulation.

Article 21. Once the documentation has been analyzed and no impediments identified in Law 13303, in this Regulation or in the Call, PETROBRAS shall disclose a preliminary result of the prequalification, granting the interested party a term of five (5) business days for appeal, in the form of the Call.

Paragraph 1 The disclosure of the preliminary result shall be carried out by means of an electronic portal, except if all interested parties are present to the act, event in which the disclosure shall be made on such occasion and the counting of the appeal term shall begin.

Paragraph 2 The result of the prequalification shall be published at an electronic portal and kept available for reference at any time.

CHAPTER II DATABASE REGISTRATION GENERAL

Article 22. The fulfillment of the parameters of qualification by the suppliers in bidding process, Direct Contracting or during the auxiliary procedures of prequalification and statement of private interest can be proven by means of the database registration, formalized by means of the Certificate of Registration.

Paragraph 1 The registration is the database that gathers the information of service providers and suppliers of goods and that shall be permanently open for entry of new interested parties.

Paragraph 2. In order to better manage its registration database, PETROBRAS may prepare an annual schedule for updating and renewing its database, by groups or segments of objects, according to the specialties of the suppliers, when new registrants may submit their documentation for appraisal.

Paragraph 3 In the event that the individual or legal entity engaged by PETROBRAS does not have a database registration, PETROBRAS may perform the official database entry, using, for this purpose, the documentation presented for qualification purposes, without burden to the contractor.

Paragraph 4 Any interested party may consult on the electronic portal if a supplier of goods or service provider is included in the Database.

Section II PROCESS OF DATABASE REGISTRATION

Article 23. The database registration of the suppliers may have all or some of the approval parameters defined in Items I, II and III of Article 58 of Law 13303, as well as other information deemed necessary by PETROBRAS depending on the nature of the service or supply.

Sole Paragraph. The interested should submit the documents required for database registration by means of the use of information technology resources, indicated on an electronic portal.

Article 24. The registration may be:

I - Total, when meeting all the parameters of qualification defined in items I, II and III of Article 58 of Law 13303, without prejudice to other information required by PETROBRAS pursuant to Article 23 of this Regulation.

II - Partial, when meeting at least one of the qualification parameters defined in items I, II and III of Article 58 of Law 13303.

Section III

EVIDENCING OF THE STATUS OF THE PERSON ENTERED IN THE DATABASE

Article 25. The person entered in the database shall receive a certificate attesting its status of registered when meeting the provisions under Article 24 of this Regulation.

Paragraph 1 The person entered in the database shall be classified according to the specificity of the database item, considering the peculiarities of the good to be provided or service to be provided, as well as the results presented by the subscriber for each parameter.

Paragraph 2 The Certificate of Registration shall expressly established whether the registration is total or partial, under the terms of Article 24, sections I and II, detailing which qualification parameters have been met.

Paragraph 3 The Certificate of Registration shall be valid for up to one (1) year, indicated therein, and may be updated at any time.

Paragraph 4 PETROBRAS may establish different terms for periodic review of the technical qualification criterion stated in the database, which may be longer than the one (1) year term established for the other criteria, depending on the specificity of the database item, considering the particulars of the product to be supplied or service to be rendered.

Paragraph 5 The person entered in the database shall, before the expiration of the period of validity, submit the documentation necessary for the renewal of the registration, under penalty of loss of the Certificate of Registration.

Article 26. The presentation of Certificate of Registration does not exempt the interested party from contracting with PETROBRAS or participating in a prequalification or statement of private interest, as part of the obligation to submit additional documentation, update information or other evidence, under the terms of the Call for Tenders or negotiation.

Section IV

AMENDMENT, SUSPENSION AND CANCELLATION OF DATABASE REGISTRATION

Article 27. The performance of the companies that are related to PETROBRAS in the performance of the contracts, measured according to objective criteria previously defined, shall be recorded in the respective database registration.

Paragraph 1 The database entry may be changed, suspended or canceled at any time, when the supplier of goods or services provider no longer meets the requirements established for qualification or for entry in database, or as a result of the assessment of the performance of the companies in the contract execution, or as a result of the application of an administrative sanction.

Paragraph 2 The amendment, suspension or cancellation referred to in the above item shall be reported by PETROBRAS to the supplier of goods or service provider.

CHAPTER III PRICE REGISTRATION PROCESS

Article 28. The Price Registration System (SRP) means the set of procedures for formal registration of prices connected to the provision of services and purchase of assets, for future contractings.

Sole Paragraph. The Price Registration System referred to in Law 13303 shall be governed by the provisions of a decree of the Executive Branch.

CHAPTER IV ELECTRONIC CATALOGUE OF STANDARDIZATION

Article 29. The electronic catalogue of standardization of purchases, services and works (CEP) consists in a computer-based management system designed to facilitate the standardization of the goods or services to be purchased by PETROBRAS, which shall be available for.

Paragraph 1 CEP may be used in bidding processes whose adjudication criterion is the lowest price or the highest discount and may state:

- I - Specification of goods, services or works, including when it is a standardized item;
- II - Description of the qualification requirements of the Tenderers, according to the object of the bidding process; and
- III - Models of:
 - a) convening instruments and declarations attached thereto;
 - b) drafts of contracts;
 - c) terms of reference and reference designs; and

d) other documents necessary for the bidding procedure that can be standardized.

Paragraph 2 The use of CEP does not prevent PETROBRAS from carrying out, in each bidding process, in the standardized documentation, the adjustments deemed necessary to adjust it to the specific case.

CHAPTER V PRIVATE INTEREST STATEMENT PROCEDURE

Section I GENERAL

Article 30. PETROBRAS may open a Private Interest Statement Procedure (PMIP) for the presentation, by individuals or corporations, of designs, surveys, investigations or assessments, with the purpose of supporting it in the structuring of its projects, previously meeting the needs spotted.

Sole Paragraph. PMIP can be applied to the adjustment, complementation or review of designs, surveys, investigations and assessments already prepared.

Section II OPENING OF PMIP

Article 31. PMIP shall be opened by means of publication of a Call on the electronic portal.

Article 32. The Call shall contain at least the following elements:

I - Definition of the scope of designs, surveys, investigations or assessments, by reference term or other technical document;

II - Indication of:

- a) guidelines and premises of the design that guide its preparation;
- b) maximum term and manner of presentation of the design, survey, research and assessment, considering the complexity of the object;
- c) criteria for evaluation and selection of the design, survey, research and assessment presented;
- d) maximum nominal value for possible reimbursement;

III - Dissemination of available information for the performance of designs, surveys, investigations or assessments; and

IV - Expresses provision concerning the assignment of intellectual property rights and copyrights connected to the approved design, by the author and sponsor, to PETROBRAS,

without prejudice to the preservation of the identification of the respective authors and the technical responsibility attributed to them.

Paragraph 1 The definition of Scope may be restricted to indicating the problem to be solved, allowing the interested party to suggest different means for its solution.

Paragraph 2 The Call may establish intermediate terms for the presentation of information and progress reports on the development of designs, surveys, investigations or assessments.

Paragraph 3 The call may request exclusively the presentation of preliminary assessments on the feasibility of the design, with the request of the other - designs, assessments, investigations and surveys being conditioned to the conclusions made based on the preliminary assessments presented.

Paragraph 4 The reimbursement of costs connected to designs, surveys, investigations and assessments shall be conditioned to meeting the need for updating them and their appropriateness, until the opening of the bidding for the project, as a result of the changes to the applicable regulatory premises and legal acts, or else the recommendations and provisions of the controlling departments, among other aspects applicable to each case.

Article 33. The acts related to PMIP shall be carried out preferably by electronic means.

Section III SUBMISSION OF DESIGNS

Article 34. Those interested in participating in the PMIP shall present, under the terms of the Call:

- I - Legal authorization, under the terms of item I of Article 58 of Law 13303;
- II - Technical qualification;
- III - details of the activities it intends to carry out, considering the Scope of the designs, surveys, investigations and assessments defined in the request, including the presentation of a schedule indicating the completion dates of each stage and the final date for submission of the works;
- IV - Indication of the amount of compensation sought, accompanied by information and parameters used for its definition; and
- V - Declaration of transfer to PETROBRAS of the rights associated with projects, surveys, investigations and assessments approved, including related intellectual property rights, capable of producing effects in the event that the design, survey, investigation or assessment presented by the interested party is chosen by PETROBRAS.

Paragraph 1 The evidence of experience may consist in the attachment of documents proving the technical qualifications of the professionals connected to the interested party, safeguarding the possibility that the interested party hires third party to do so.

Paragraph 2 It is possible for the interested parties to associate themselves to present joint designs, surveys, investigations and assessments, in which case the person responsible for the dialogue with PETROBRAS should be indicated, as well as the proportion of the distribution of any amount for reimbursement purposes.

Article 35. Having analyzed the documentation presented by the interested party, PETROBRAS shall issue authorization to present the design, survey, investigation or assessment object of the PMIP for those interested parties that meet the requirements of the Call.

Sole Paragraph. The authorization to present designs, surveys, investigations and assessments:

- I - Shall be granted without exclusivity;
- II - Shall not generate preemptive rights in the bidding process;
- III - Shall not make it necessary that PETROBRAS actually carries out the bidding or contracting;
- IV - Does not imply, in itself, the right to reimbursement of the amounts involved in its preparation; and
- V - Shall be personal and non-transferrable.

Article 36. In addition to other items provided for in the Call for Tenders, the design, study, survey or investigation may contemplate the following content:

- I - Justification of the option for the hiring modality suggested by the interested party to be adopted by PETROBRAS;
- II - Economic feasibility of the project;
- III - Preliminary assessment of the environmental and social impact of the enterprise, based on a reference term or equivalent document issued by the competent environmental agency, or meeting the criteria established in the Call;
- IV - Design or preliminary design and bill of quantities and budgetary worksheet of the work and other investments;
- V - Suggestions of legal requirements recommended for the opening of the future bidding procedure, when applicable.

Article 37. PETROBRAS may, at any time, cancel PMIP, without this generating any right to reimbursement of values already spent by the interested parties in the preparation of designs, surveys, investigations and assessments, or any other forms of reimbursement or indemnity.

Article 38. The PMIP participant may at any time desist from submitting or completing designs, surveys, investigations and assessments, by prior notification to PETROBRAS.

Article 39. The authorization to submit designs, surveys, investigations and assessments does not imply coresponsibility of PETROBRAS with third party for the acts practiced by the authorized person.

Section IV EVALUATION, SELECTION AND APPROVAL OF DESIGNS, SURVEYS RESEARCH AND ASSESSMENTS

Article 40. The criteria for evaluation and selection of designs, surveys, investigations and assessments shall be specified in the Call and shall consider:

- I - The abidance by the guidelines and assumptions defined by PETROBRAS in the Call for Tenders;
- II - The consistency of the information that supported its preparation;
- III - Adoption of the best preparation techniques, according to relevant standards and procedures, and the use of equipment and processes recommended by the best technology applied to the industry;
- IV - The compatibility with the laws applicable to the industry and with the technical standards issued by the competent agencies and entities;
- V - Positive and satisfactory indicators of the economic and financial feasibility of the design or project;
- VI - Reasonableness of the amounts presented for possible reimbursement, considering designs, surveys, investigations and similar assessments and conditioned to the provisions in Article 34, IV, above;
- VII - social and environmental impacts; and
- VIII - statement comparing costs and benefits of the project in connection with functionally equivalent options, if any.

Article 41. At the end of the evaluation, a design, survey, investigation or assessment shall be selected, with the possibility of partial approval of its content.

Sole Paragraph. In the event of partial approval, the amount of reimbursement shall be calculated proportionally based on the information actually used in a possible bidding process.

Article 42. PETROBRAS shall formally communicate to the participants the results of the selection procedure, giving participants a period of 5 (five) business days to appeal, under the terms of the Call.

Sole Paragraph. The designs, surveys, investigations and assessments rejected by PETROBRAS shall be discarded within 30 days from the date of publication of the decision.

Article 43. The approval of designs, surveys, investigations and chosen assessments does not bind PETROBRAS to its actual future use, and it may subsequently assess, state its opinion and approve the legality, consistency and sufficiency of the designs, surveys, investigations and assessments that may be presented.

Article 44. Once the selection of the design, survey, investigation or assessment has been completed, PETROBRAS shall check the compensation values of the one selected, being such amount limited to the maximum nominal value referred to in Article 34, IV, above.

Sole Paragraph. The amount of reimbursement shall be accepted in writing, with express waiver of other pecuniary amounts.

Article 45. The rectification or amendment to the design, survey, investigation or assessment referred to in Paragraph 4 of Article 32 may be made directly by PETROBRAS, in which case it will bear the cost and responsibility of the change made.

Sole Paragraph. In the event that PETROBRAS requests from the author any rectifications or amendments of the designs, surveys, investigations and assessments, under the terms of Paragraph 4 of Article 32, PETROBRAS may arbitrate new values for compensation, with due justification.

TITLE IV BIDDING PROCESSES

CHAPTER I GENERAL

Article 46. The bidding processes of PETROBRAS shall be processed preferably by electronic means, in accordance with the following procedures established in this Regulation:

- I - Auction procedure;
- II - Open competition;
- III - Closed competition;
- IV - Mixed competition.

Paragraph 1 Under the terms of Article 32, item IV of Law 31 13303, for the contracting of common goods and services, thus considered those whose performance and quality standards may be objectively defined by the Call for Tenders, through usual market specifications, the

bidding process through auction procedure is the preferred alternative, but may be replaced by other procedures upon justification.

Paragraph 2 The bidding processes conducted by the auction procedure shall be processed and adjudicated by the Auctioneer, assisted by a support team, all of them appointed by a formal act of the Higher Authority.

Article 47. At any time, the Bidding Commission, the Auctioneer, the Higher Authority and/or the Competent Authority may determine clarifications.

Paragraph 1 The Bidding Commission, the Auctioneer, the Higher Authority and/or the Competent Authority shall cancel their own acts, when they are allowed to doing so under the law, and may revoke them for convenience or opportunity, with due protection of the rights acquired.

Paragraph 2 The acts that present defects may be validated by PETROBRAS, officially or upon request, when the decision neither brings damage to the public interest nor harm third party.

Article 48. The documents that render official the acts of the bidding process are public. Exceptions are cases of secrecy arising from legislation, information declared and accepted by the Bidding Commission as business secrets of the Tenderers, as well as information classified as confidential according to internal guidelines of PETROBRAS.

Article 49. PETROBRAS' bidding processes shall abide by to the provisions under Articles 42 to 49 of Supplemental Law 123, dated December 14, 2006 (National Statute of Micro and Small Business).

Article 50. The contracting of PETROBRAS goods and services may be carried out through an electronic portal, based on the terms and conditions disclosed in the portal itself.

CHAPTER II USE OF ANCILLARY PROCEDURE PRIOR TO THE BIDDING PROCESS

Section I BIDDING PROCESS PRECEDED BY PREQUALIFICATION

Article 51. The following rules shall apply to bidding procedures preceded by prequalification, without prejudice to others provided for in this Regulation and in the Call for Tenders:

I - In the objective prequalification, the presentation of a new sample of an already prequalified asset is

II - The Call for Tenders shall provide for the attendance, by the non-prequalified parties, of the qualification requirements included in the prequalification procedure.

Article 52. The bidding procedures, carried out based on a certain prequalification, may be restricted to the prequalified persons, conditioned to the following requirements:

I - Publication of prior notice informing that the bidding process shall be restricted to the prequalified persons, under the terms of Article 66 of this Regulation;

II - The prior notices shall include the definition of the Contract Object to be tendered and refer to the respective Call.

Paragraph 1 In the event of restricted bidding to suppliers or prequalified products:

I - Only those suppliers whose applications for prequalification have been approved or that make the prequalification application by the date stated in the Notice to be published before the respective bidding process shall be able to participate in the future bidding;

II - Only products that have been considered pre-qualified and homologated or whose documentation or sample has been submitted by the date established in the Notice to be published prior to the performance of the respective bidding shall be accepted in the future bidding.

Article 53. In the case of a bidding process preceded by a prequalification, PETROBRAS may report its performance to all the prequalified persons in the respective segment through electronic means.

Sole Paragraph. The communication referred to in this article does not exclude the obligation to publish the Call for Tenders on electronic portal and in the Official Gazette of the Federal Government, under the terms of Article 66 of this Regulation.

Section II

BIDDING PROCESS PRECEDED BY PMIP

Article 54. The author or sponsor of the design may participate in the bidding process for the performance of the project.

Paragraph 1 A sponsor means the person or legal entity of private law who has contributed financially, by any means and amount, to fund the preparation of designs, surveys, investigations or assessments to be used in the bidding process for the contracting covered by the PMIP.

Paragraph 2 The design authors are members of the same economic group as the author.

Paragraph 3 If the author or sponsor of the project does not participate in the bidding process or is not the winning tenderer, it shall be compensated by the costs approved by PETROBRAS, pursuant to Article 32 of this Regulation.

Article 55. The amounts connected to designs, surveys, investigations and assessments selected in the aforementioned manner shall be included in the Call for Tenders and shall be reimbursed by the winning tenderer, provided that they are actually used.

Sole Paragraph. No payment shall be owed by PETROBRAS due to the participation of the interested party in the PMIP, regardless of whether it has incurred costs for carrying out the design, survey, investigation or assessment.

Article 56. The execution of the contract by the winning tenderer preceded by the PMIP shall be conditioned on the reimbursement, by the winning tenderer, of the values connected to the preparation of the designs, surveys, investigations and assessments used in the bidding process.

CHAPTER III PREPARATION STAGE

Article 57. In the preparation of the Bidding Process, which is an internal phase, PETROBRAS shall prepare the documents and perform the necessary acts to characterize the object to be tendered and to define the parameters of the bidding process, such as:

I - Justification of contracting;

II - Definition:

- a) the object of contracting;
- b) of the Budget, prepared according to the criteria of Law 13303;
- c) the reference price, compensation or premium, if any, according to the judgment criterion adopted;
- d) the requirements for the compliance of tenders;
- e) the requirements for qualification of the Tenderers;
- f) the clauses that must be included in the contract, including those relating to sanctions and, where applicable, delivery times;
- g) the bidding procedure, indicating the form of execution, the mode of competition and the adjudication criterion;
- h) the need to carry out ancillary procedure; and
- i) the need to apply differentiated and simplified treatment to micro and small businesses, under the terms of Articles 47 to 49 of the Supplemental Law 123.

III - Technical specification containing a set of necessary and sufficient elements, with an appropriate level of accuracy, to characterize the services to be contracted or the goods to be supplied;

IV - Preliminary design, basic design or executive design for the contracting of engineering works and services;

V - Justification for contractual duration of more than 5 (five) years, in the cases allowed by Article 71 of Law 13303.

VI - Justification for restriction of the bidding process for prequalified Tenderers, when applicable;

VII - Call for Tenders;

VIII - contract draft; and

IX - Act of appointment of the Bidding Commission.

Article 58. For the contracting of works and services, the provisions of Articles 42 to 46 of Law 13303 shall be abided by.

Article 59. For the sale of goods, the provisions of Article 47 of Law 13303 shall be abided by.

Article 60. For the Sale of goods, the provisions of Articles 49 and 50 of Law 13303 shall be abided by.

CHAPTER IV BIDDING COMMISSION AND AUCTIONEER

Article 61. The bidding processes held by PETROBRAS shall be processed and adjudicated on by a Permanent or Special Commission of bidding processes, composed of employees belonging to the Company's permanent staff or by Auctioneer.

Article 62. The members of the Bidding Commission shall be liable for the acts practiced by the commission and the Auctioneer for their acts, to the extent of their responsibility, with the reservation in meeting minutes being recommended in the case of different individual position.

Article 63. The Bidding Commission and Auctioneer shall be responsible for:

I - Checking if the supplier or service provider is prevented from participating in bidding or being hired by PETROBRAS pursuant to Articles 38 and 44 of Law 13303;

II - Processing bidding processes, receiving and answering requests for clarifications, receiving and deciding on the challenges against the Call for Tenders, receiving, analyzing the appeals, assessing their admissibility, reconsidering their decision or referring them to the Higher Authority;

III - Receiving, examining and adjudicating on the tenders, in accordance with the requirements and criteria set forth in the Call for Tenders, promoting the necessary steps to clarify questions on which doubts arise;

IV - Declassifying tenders or bids in the cases provided for in Article 56 of Law 13303;

V - Negotiating more favorable conditions, under the terms of Article 57 of Law 13303;

VI - Recommending:

a) the contracting of the object of tender; or

b) the cancellation of the bidding process in case of illegality; or

c) revocation of bidding process; or

d) the closing of the bidding process, in the event that the bidding process is abandoned or failed.

Sole Paragraph. The staff shall be in charge of supporting the Auctioneer in all phases of the bidding process.

CHAPTER V CALL FOR TENDERS

Article 64. The Call for Tenders shall define:

I - The object of the bidding process and the resulting contract;

II - The manner of performance of the bidding process, electronically or on-site;

III - The mode of competition, whether open, closed or mixed, or the use of the auction procedure, the classification criteria for each stage of the dispute and the rules for tenders and bids;

IV - The requirements for the compliance of tenders;

V - The term for submission of tenders by the Tenderers, which may not be lower than that established in Article 39 of Law 13303;

VI - The adjudication criteria, among those established in Article 54 of Law 13303; except for the provision of item III, of Paragraph 1, of Article 42 of Law 13303.

VII - Tiebreaker criteria;

VIII - The qualification requirements and, exceptionally, if decided at the stage of preparation, information on the reversal of that phase;

IX - The requirement, when applicable, pursuant to Article 47 of Law 13303:

a) brand or model;

b) the sample;

c) certification of product quality or manufacturing process.

X - The term of validity of the tender;

XI - The terms and means for submitting requests for clarifications, challenges and appeals;

XII - The terms and conditions for the delivery of the object;

XIII - The manners, conditions and terms of payment, as well as the adjustment criteria, when applicable;

XIV - The requirement of guarantees and insurance, when applicable;

XV - Objective criteria for assessing the performance of the contractor, as well as the requirements of variable compensation, when applicable;

XVI - The sanctions;

XVII - Other specific indications of the bidding process, such as:

a) the estimated value of the object of the bidding process, when the adjudication criterion of the highest discount was adopted;

b) value of the remuneration or premium, when adopting the adjudication criterion of best technique or artistic content;

c) the minimum sale price, when the adjudication criterion of the highest price offer was adopted;

d) limits for subcontracting when allowed, under the terms defined under Article 78 of Law 13303;

e) the specific parameters, in the hypothesis of adoption of the criteria of best combination of technique and price, best technique, best artistic content or best economic return; and

f) the specific parameters of technical qualification for the parts of the technical or economically relevant object.

XVIII - The requirement of other documents, statements and information, including regarding the fulfillment of Articles 3 and 4 of this Regulation.

Paragraph 1 The Call for Tenders includes, as annexes:

I - The technical specification;

II - The contract draft;

III - Supplement specifications and detailed rules;

IV - Risk Matrix, when applicable.

Paragraph 2 In the cases of semi-integrated and integrated contracting, restricted to engineering works and services, it shall also contain, pursuant to Paragraph 1 of Article 42 of Law 13303:

I - Engineering preliminary design, in the case of integrated contracting, with technical elements that allow the characterization of the work or the service and the preparation and comparison, in an isonomic form, of the tenders to be offered by the individuals;

II - Basic design, in the cases of contract for unit price, contract for lump sum, full contract and semiintegrated contracting, under the terms defined in this article;

III - Technical document, with precise definition of the parts of the project in which there shall be freedom for the contractors to innovate in methodological or technological solutions, either in terms of changing the solutions previously outlined in the preliminary design or in the basic project of the bidding, or in terms of detailing the systems and procedures provided for in these technical parts;

IV - Risk Matrix, under the terms of item X of Article 42 of Law 13303.

CHAPTER VI DISCLOSURE

Article 65. The publication of the Call for Tenders, without prejudice to the right of direct disclosure to potential interested parties, persons entered in the database or not, shall be carried out through:

- I - Publication of an excerpt of the Call for Tenders in the Federal Official Gazette; and
- II - Disclosure of the Call for Tenders on an electronic portal.

Article 66. The excerpt of the Call for Tenders shall state the precise, sufficient and clear definition of the object, the indication of the places, days and times in which the full Call for Tenders may be consulted or obtained, as well as the address, date and time of the public session.

Sole Paragraph. Alternatively, the Call for Tenders shall establish that the bidding shall be electronically held, through the internet, also establishing the respective website where the Call for Tenders may be consulted or obtained, as well as the date and time of its performance.

Article 67. Any changes to the Call for Tenders shall be disclosed at the same time period as the original acts and procedures, except when the change does not compromise the formulation of the tenders.

Article 68. The Call for Tenders may be challenged because of an irregularity in the application of Law 13303, by any citizen or party interested in participating in the bidding process, within a period of five (5) business days before the date set for the occurrence of the bidding process, and the challenge shall be adjudicated on and answered by the Bidding Commission within three (3) business days.

CHAPTER VII THE PROCEDURES FOR SUBMISSION OF TENDERS OR BIDS

Section I AUCTION PROCEDURE

Article 69. The auction shall be conducted in accordance with the procedures set out in Subsections I and II below.

Sole Paragraph. The rules of this Regulation relating to other tendering procedures shall apply to the procedure of the trading session, as the case may be.

Subsection I ON-SITE AUCTION

Article 70. The on-site session shall abide by the following procedure:

I - On the appointed day, time and place, a public hearing shall be held for the receipt of tenders, and the interested party or its representative shall identify itself and, if necessary, prove the existence of the necessary powers to formulate tenders and practice all other acts inherent to the bidding process;

II - Upon opening of the session, the interested parties or their representatives shall submit a declaration stating that they fully comply with the qualification requirements and shall deliver the envelopes with the indication of the object and the price offered, opening them immediately and verifying the compliance of the tenders with the requirements established in the call notice;

III - For adjudication on and classification of proposals, the criteria of lower price or greater discount shall be applied, abiding by the maximum terms for supply, the technical specifications and minimum parameters of performance and quality defined in the Call for Tenders;

IV - Upon closing of the competitive stage through the bids, the Auctioneer shall check the validity of any preemptive right to be granted to the Tenderer in the condition of micro and small business;

V - After the closing of the bid stage, the Tenderer may check if the difference between the best bid and the second place bid is at least 10% (ten percent). If this difference is confirmed, the Auctioneer may resume the competitive phase, calling the Tenderers ranking as of the second place to present new tenders, aiming at the definition of these ranks;

VI - When the first classified tender is examined, with respect to the object and value, it is up to the Auctioneer to reasonably decide on its acceptability;

VII - Once the competitive stage has ended and the bids have been ranked, the Auctioneer shall open the envelope containing the qualification documents of the Tenderer that submitted the best proposal, in order to check compliance with the conditions set forth in the Call for Tenders;

VIII - The authorization shall be made in accordance with the provisions of the Call for Tenders and this Regulation;

IX - The qualification documents may be totally or partially replaced by Certificate of Registration, compatible with the requirement for the object of the contract, in accordance with the Call for Tenders;

X - Upon verification of the fulfillment of the requirements set forth in the Call for Tenders, the Tenderer shall be declared the winner;

- XI - If the bid is not acceptable or if the Tenderer does not meet the qualifying requirements, the Auctioneer shall examine the subsequent offers and the qualification of the Tenderers, in order of classification, and so on, until the verification of one that meets the Call for Tenders, with the respective Tenderer declared winner;
- XII - The Auctioneer may negotiate in order to obtain better conditions of price or quality directly with the tenderer of the best classified tender;
- XIII - Upon declaration of the winner, any Tenderer may express immediately and reasonably the intention to appeal, when it shall be granted the period of five (5) business days to present the reasons for the appeal, and the remaining Tenderers shall forthwith be notified to file their challenges, over an equal period, which shall begin to run from the expiration of the appellant's period, and the check of record shall be ensured;
- XIV - The receipt of appeal shall invalidate only the acts that cannot be valid any longer;
- XV - The lack of an immediate and grounded statement of the Tenderer shall imply the lapse of the right of appeal and the Adjudication of the object of the bidding by the Auctioneer to the winner;
- XVI - Upon completion of the appeal phase, PETROBRAS shall adjudicate on the object in favor of the winning Tenderer and homologate the result or revoke or cancel the procedure;
- XVII - Once the bidding process has been approved, the winner shall be summoned to sign the contract within the term defined in the Call for Tenders.

Subsection II ELECTRONIC AUCTION

Article 71. The electronic auction shall abide by the following procedure:

- I - From the time scheduled in the Call for tender, the public session on the Internet shall be opened by Auctioneer's command with the use of his login and password;
- II - Tenderers may attend the public session on the Internet, using their login and password;
- III - The Auctioneer shall check the tenders submitted, disqualifying those which are not compliant with the requirements established in the Call for Tenders;
- IV - The declassification of tender shall always be grounded and recorded on the system, with real-time monitoring by all participants;
- V - Tenders containing the description of the object, value and any annexes shall be available on an electronic portal;
- VI - The electronic portal shall provide its own field for the exchange of messages between the Auctioneer and the Tenderers;
- VII - The electronic portal shall automatically order the tenders classified by the Auctioneer, and only these shall participate in the bidding phase;
- VIII - Upon classification of the tenders, the Auctioneer shall begin the competitive phase, when the Tenderers may send bids exclusively through the electronic portal;
- IX - In the case of bids, the Tenderer shall be immediately informed of its receipt and of the amount recorded in the database;

- X - Tenderers may make successive bids, abiding by the time set for opening the session and the rules established in the Call for Tenders;
- XI - The Tenderer may only bid less than the last Bid submitted and registered by the electronic portal;
- XII - Two or more equal calls shall be accepted, given that the one that is firstly received and registered on the electronic system used by PETROBRAS shall prevail;
- XIII - During the public session on the Internet, Tenderers shall be informed, in real time, of the value of the lowest registered bid, the identification of the Tenderer being forbidden;
- XIV - The bidding phase of the public session on the Internet shall be closed by a decision of the Auctioneer, in a term never lower than fifteen (15) minutes, except for the sessions in which only one tender has been classified, which may be closed in a shorter term;
- XV - As of the closing of the bidding stage by the Auctioneer, the bidding phase for a random time shall start, which may last up to 30 (thirty) minutes. The electronic system used by PETROBRAS shall send notice of imminent termination of the time of the bid phase, after which the receipt of bids shall be automatically closed;
- XVI - After the closing of the bidding phase, the Auctioneer may check if the difference between the best bid and the second place is at least 10% (ten percent). If this difference is confirmed, the Auctioneer may resume the competitive phase, calling the Tenderers ranking as of the second place to present new tenders, aiming at the definition of these ranks;
- XVII - For adjudication and classification of tenders, the criteria of lower price or higher discount shall be adopted, abiding by the maximum terms for supply, technical specifications and minimum parameters of performance and quality defined in the Call for Tenders;
- XVIII - Once the competitive stage is completed with the submission of bids, the validity of any preemptive right to be awarded to the Tenderer as a micro or small business shall be checked, abiding by the procedure under Articles 44 and 45 of the Supplemental Law 123, dated December 14, 2006;
- XIX - After the closing of the bidding phase of the public session on the Internet, the Auctioneer may forward, through the electronic portal, a counterproposal to the Tenderer that has presented the most advantageous bid, in order to obtain better conditions;
- XX - The negotiation shall be carried out by means of an electronic portal, which may allow the other Tenderers to accompany the session;
- XXI - In case of disconnection of the Auctioneer in the course of the bidding phase, if the electronic portal remains accessible to the Tenderers, the bids shall continue to be received, without prejudice to the acts performed;
- XXII - When the disconnection of the Auctioneer lasts for more than 10 (ten) minutes, the electronic auction shall be suspended and resumed only after communication to the participants, on the electronic portal;
- XXIII - Once the bidding phase has been concluded, the Tenderer shall examine the first classified tender with respect to the price compatibility with the estimate for contracting and check the qualification of the Tenderer in accordance with the provisions of the Call for Tenders;

XXIV - the qualification of the Tenderers shall be carried out in accordance with the provisions of this Regulation and the Call for Tenders;

XXV - if the tender is not acceptable or if the Tenderer does not meet the qualifying requirements, the Auctioneer shall examine the subsequent tender and, successively, in the order of classification, until the determination of a tender that meets the Call for Tenders;

XXVI - in compliance with the requirements set forth in the Call for Tenders, the Tenderer shall be declared the winner;

XXVII - upon declaration of the winner, any Tenderer may, within the term of the Call for Tenders, in a grounded form, in the electronic portal's own field, express its intention to appeal, when it shall be granted a period of five (5) business days to present the reasons for the appeal, and the other Tenderers shall be notified to immediately present their challenges, within the same period of time, which shall begin on the expiration of the period of the appellant, and shall be ensured the right to view the elements indispensable for defending their own interests;

XXVIII - the lack of grounded statement of the Tenderer as to the intention to appeal, under the terms of the previous item, shall imply in the prescription of this right, and the Auctioneer shall be authorized to award the object to the Tenderer declared winner;

XXIX - the receipt of an appeal shall invalidate only those acts that cannot be valid any longer;

XXX - upon completion of the appeal phase, PETROBRAS shall adjudicate on the object in favor of the successful Tenderer and homologate the result or revoke or cancel the procedure;

XXXI - once the bidding process is approved, the contractor shall be summoned to sign the contract within the period defined in the Call for Tenders.

Section II OPEN COMPETITION

Article 72. In the open dispute mode, the Tenderers shall submit written or electronic proposals in a public session and, in the sequence, will offer successive, increasing or decreasing public bids, according to the criterion of adjudication adopted.

Paragraph 1 The Call for Tenders may establish a minimum difference of values between the bids, which shall impact both the intermediate bids and the tender that surpasses the best offer.

Paragraph 2 If the open-tender procedure is carried out on-site, the following procedures shall be adopted:

I - The initial tenders shall be ordered according to the order of advantage, according to the adjudication criterion adopted;

II - The Bidding Commission shall individually and successively invite the Tenderers, in a sequential manner, to submit verbal bids, from the less profitable tenderer, followed by the others; and

III - The Tenderer's withdrawal in submitting a verbal bid, when called, shall imply its exclusion from the verbal bidding stage and the maintenance of the last price presented by it for the purpose of ordering the tenders, except for the case of being the holder of the best tender, event in which it may submit new bids whenever it is surpassed, abiding by the provisions of Paragraph 1 of Article 72 of this Regulation.

Paragraph 3 The Call for Tenders may establish the possibility of the submission of intermediate bids by the Tenderers during the open competition.

I - The following are considered intermediate bids:

- a) equal to or less than the highest bid, but higher than the last bid made by the Tenderer, when the adjudication was adopted by the criterion of the highest bid price; or
- b) equal to or higher than the lowest tenderer, but lower than the last bid made by the Tenderer, when the other adjudication criteria was adopted.

Article 73. After the identification of the best tender, if the difference in relation to the second is at least ten percent (10%), the Bidding Commission may admit the resumption of the open dispute, under the terms established in the Call for Tenders, for the purposes of establishing the other tenderers' ranking.

Paragraph 1 After the resumption provided for in the head provision, Tenderers shall be invited to submit bids.

Paragraph 2 Tenderers may submit intermediate bids pursuant to Paragraph 3 of Article 72 of this Regulation.

Paragraph 3 The equal bids shall be ranked according to the order of presentation.

Section III CLOSED COMPETITION

Article 74. In the closed competition modality, the tenders submitted by tenderers shall be confidential until the date and time designated for their disclosure. - Sole Paragraph. In the case of on-site bidding process, tenders shall be submitted in sealed envelopes, opened in public session and ordered according to the adjudication criteria adopted.

Section IV COMBINATION OF COMPETITION FORMS

Article 75. The Call for Tenders may establish that the modes of competition be combined, when the object can be divided.

Sole Paragraph. In the event of a combination of competition modalities, each part of the object shall be evaluated according to the rules of the competition modality chosen, pursuant to the terms of the Call for Tenders.

CHAPTER VIII ADJUDICATION ON TENDERS

Section I GENERAL

Article 76. The adjudication is the phase in which the tenders will be ranked in accordance with one of the following adjudication criteria:

- I - The smallest price;
- II - The highest discount;
- III - The best combination of technique and price;
- IV - The best technique;
- V - The best artistic content;
- VI - The highest price offer;
- VII - The highest economic return;
- VIII - The best allocation of the assets sold.

Section II THE SMALLEST PRICE OR HIGHEST DISCOUNT

Article 77. The adjudication criteria of the lowest price or the highest discount shall consider the least expense for PETROBRAS, in compliance with the minimum quality parameters defined in the Call for Tenders.

Paragraph 1 Indirect costs connected to the maintenance, use, replacement, depreciation and environmental impact expenses, among other factors, may be considered for the definition of the least expense, whenever objectively measurable, according to the parameters defined in the Call for Tenders.

Paragraph 2 The criterion of adjudication for the greatest discount shall use as reference the sum lump set by the Call for Tenders.

Paragraph 3 In the case of engineering works or services, the discount percentage presented by the tenderers shall be linearly based on the prices of all items of the Estimated Budget included in the Call for Tenders.

Section III THE BEST COMBINATION OF TECHNIQUE AND PRICE

Article 78. The adjudication criterion of the best combination of technique and price shall be chosen when the evaluation and the weighting of the technical quality of the tenders are relevant for the purposes intended by PETROBRAS.

Article 79. In the adjudication by the criterion of best combination of technique and price, the technical and price tenders submitted by the Tenderers shall be assessed and weighted according to the purpose weighting factors set forth in the Call for Tenders.

Paragraph 1 The most relevant weighting factor shall be limited to 70% (seventy percent).

Paragraph 2 Environmental sustainability parameters may be used for the scoring of technical tenders.

Paragraph 3 The Call for Tenders shall establish a minimum score for technical tenders, the non-achievement of which shall entail disqualification.

Section IV BEST TECHNIQUE

Article 80. The criterion of adjudication for the best technique may be applied in the contracting of projects and works of technical and scientific nature, including architectural designs, and excluding engineering designs.

Paragraph 1 The adjudication criterion of the best technique shall consider exclusively the technical tenders presented by the Tenderers, according to objective parameters included in the Call for Tenders.

Paragraph 2 The Call for Tenders shall define the prize or the remuneration that shall be awarded to the winner.

Paragraph 3 Environmental sustainability parameters may be used in the scoring of the tenders in the bidding processes.

Paragraph 4 The Call for Tenders may establish a minimum score for the tenders, the non-accomplishment of which shall result in disqualification.

Section V ARTISTIC CONTENT

Article 81. The criterion of adjudication for the best artistic content may be applied in the contracting of projects and works of artistic nature.

Article 82. The adjudication criterion for the best artistic content shall exclusively consider the artistic tenders submitted by the Tenderers, according to objective parameters included in the Call for Tenders.

Paragraph 1 The Call for Tenders shall define the prize or the remuneration that shall be awarded to the winner.

Paragraph 2 Environmental sustainability parameters may be used in the score of the tenders in the bidding processes.

Paragraph 3 The Call for Tenders may establish a minimum score for the tenders, which shall not be disqualified.

Article 83. In biddings that adopt the criterion of adjudication for the best artistic content, the Bidding Commission may be assisted by a Special Commission composed of at least three people of immaculate reputation and well-known knowledge of the subject under examination.

Sole Paragraph. The Special Committee's members referred to in the head provision shall be responsible for the acts performed, as far as their responsibility is concerned, and reservation in the minutes of the meeting shall be recommended in the case of divergent individual positions.

Section VI HIGHER PRICE OFFER

Article 84. The adjudication criteria of the higher price offer shall be used in the case of contracts that result in revenue for PETROBRAS.

Paragraph 1 The fulfillment of the technical and economic and financial qualification requirements may be waived, provided that this is so stated in the Call for Tenders.

Paragraph 2 A qualification requirement may be the proof of payment of the amount as guarantee, limited to 5% (five percent) of the minimum amount of Sale, within the period established in the Call for Tenders.

Paragraph 3 In the hypothesis of Paragraph 2, the winning tenderer shall lose the amount in favor of PETROBRAS if it fails to make the payment due within the established period.

Article 85. The goods and rights to be bid according to the criterion set forth in Article 84 of this Regulation shall be evaluated in advance to establish the minimum amount of the award.

Article 86. The Call for Tenders shall establish the conditions for the delivery of the assets to the winning tenderer, as the case may be.

Section VII HIGHER ECONOMIC RETURN

Article 87. In the criterion of adjudication for the highest economic return, bids or tenders shall have the purpose of allowing savings to PETROBRAS by reducing its current expenses, remunerating the winning tenderer based on the percentage of the funds savings allowed.

Paragraph 1 The Call for Tenders shall provide for objective parameters for measuring the saving allowed by the performance of the contract, and the contractor shall be remunerated based on the percentage of the funds savings allowed.

Paragraph 2 For the purpose of adjudication on the tender, the economic return means the saving that is estimated with the performance of the contract according to the work proposal, deducting the price proposal.

Article 88. In biddings processes that adopt the adjudication criterion of the greater economic return, the Tenderers shall present:

I - Working proposal, which shall cover:

- a) works, services or goods, with respective completion or delivery periods; and
- b) the estimated saving, expressed in unit of measurement associated with the work, good or service and denominated in monetary unit.

II - Price proposal, which shall correspond to a percentage on the saving that is estimated to be generated during a given period, expressed in monetary unit.

Article 89. The contract shall provide that, in cases where the contracted saving is not allowed:

- I - The difference between the contracted saving and that actually obtained shall be deducted from the compensation of the contractor;
- II - If the difference between the contracted saving and that actually obtained is higher than the contractor's compensation, a fine shall be applied for non-performance of the contract; and
- III - Application of other applicable sanctions, if the difference between the contracted saving and the actual one obtained exceeds the maximum limit established in the contract.

Section VIII THE BEST DESTINATION OF ASSETS SOLD

Article 90. In the implementation of this criterion, according to the terms of the respective Call for Tenders, the impact on the social environment of the purpose for which the asset shall be used by the purchaser shall be considered.

Sole Paragraph. The purchaser of the asset shall evidence, by means of a written document, the allocation to be made of the asset.

Article 91. The noncompliance with the purpose referred to in Article 90 of this Regulation shall result in the immediate return of the asset to the assets of PETROBRAS, and, in this case, payment of compensation to the purchaser is forbidden.

Sole Paragraph. In the cases where refund is not possible, the purchaser shall indemnify the asset's assessed value to PETROBRAS, in addition to any loss or damage.

Section IX PREFERENCE AND TIEBREAKER

Article 92. In the case of a tie between two or more tenders, the following tie-breaking criteria shall be observed, in this order:

- I - Final competition, in which the tenderers tied can present a new closed tender, in continuation to the closing of the trial stage;
- II - Evaluation of the previous contractual performance of Tenderers, provided that there is an objective evaluation system in place;
- III - Criteria established under Article 3 of Law 8248, dated October 23, 1991 (Law on Computer Science and Automation), and in Paragraph 2 of Article 3 of Law 8666, dated June 21, 1993 (Law on Tenders and Administrative Contracts);
- IV - Draw.

Paragraph 1 If any of the Tenderers is a micro or a small business, prior to the application of the previous sections, the procedure established in Articles 44 and 45 of the Supplemental Law 123, dated December 14, 2006 shall be met.

Paragraph 2 In regards to the criterion set forth in item II of this article, only evaluations of contracts with a similar object may be used.

CHAPTER IX CHECK OF EFFECTIVENESS

Article 93. Once the bids or tenders have been adjudicated upon, their effectiveness shall be checked, according to the terms of Article 56 of Law 13303, promoting the disqualification of those which:

I - Have insoluble flaws;

II - Meet technical specifications in the Call for Tenders;

III - Expressly present unenforceable prices;

IV - Are above the estimated Budget for hiring, after adopting the procedure described in Paragraph 1 of Article 95 of this Regulation;

V - Do not have their feasibility evidenced, when required by PETROBRAS;

VI - Present noncompliance with other requirements of the Call for Tenders, unless it is possible to adjust its terms before the Adjudication of the object, and without prejudice to the attribution of isonomic treatment between the Tenderers.

Paragraph 1 For the purposes of Paragraph 1 of Article 56 of Law 13303, criteria may be defined in the Call for Tenders to limit the check of effectiveness to the best classified bids and tenders.

Paragraph 2 If there is no valid tender by the Tenderers, in accordance with the criteria defined in the previous paragraph, the effectiveness of the other tenders may be analyzed in the sequence of classification.

Article 94. When all tenders are disqualified, PETROBRAS may set to Tenderers, within the term of eight (8) business days for the submission of new documentation or new tenders, after the causes of the disqualification have been remedied.

CHAPTER X NEGOTIATION

Article 95. Upon confirmation of the effectiveness of the bid or tender that ranked first in the trial stage, or that occupies this position due to the disqualification of another that has obtained a higher position in rank, PETROBRAS should shall more advantageous conditions with that which presented it.

Paragraph 1 The negotiation shall be made with the other Tenderers, according to the order initially established, when the price of the one ranking first, even after the negotiation, remains above the estimated Budget.

Paragraph 2 If, after the adoption of the provision referred to in Paragraph 1, no amount equal to or lower than the estimated Budget for the contract is obtained, the bidding process shall be revoked.

Article 96. The Tenderer that presented the best tender in the bidding process shall rework and submit it to the Bidding Commission, by electronic means, according to the term established in the Call for Tenders, along with the spreadsheets with bill of quantities and unit costs, as well as the details of the Indirect Bonuses and Expenses (BDI) and Social Charges (ES), with the respective values appropriate to the bid/tender negotiated, for the purposes of Item III of Article 69 of Law 13303.

CHAPTER XI QUALIFICATION

Section I GENERAL

Article 97. The qualification documents shall be required only by the first classified Tenderer, except in the case of inversion of phases, which is provided for as exceptionality in Paragraph 1 of Article 51 of Law 13303. Sole Paragraph. The documents may be totally or partially replaced by a Certificate of Registration or by a Prequalification Record, consistent with the requirement for the contract object, in accordance with the Call for Tenders.

Article 98. In the case of disqualification, the qualifying documents of the subsequent Tenderers shall be requested and evaluated, in order of classification.

Sole Paragraph. When all Tenderers are disqualified, PETROBRAS may set to Tenderers the term of eight (8) business days for the submission of new documentation, after the causes of the disqualification have been remedied.

Article 99. If there is inversion of phases:

- I - The Tenderers shall simultaneously present the qualification documents and tenders;
- II - The qualification documents of all the Tenderers shall be checked; and
- III - Only the tenders of qualified Tenderers shall be adjudicated upon.

Paragraph 1 In this case, an appeal regarding the qualification after this stage shall be allowed, subject to the provisions of Article 109 et seq. of this Regulation, without prejudice to the appeal after the negotiation phase, which may not consist in the decision on the authorization.

Paragraph 2 PETROBRAS may perform the registration of qualified Tenderers, provided that there is a provision in the Call for Tenders and agreement of the Tenderers.

Article 100. In any case, documents relating to tax regularity may be required at a later time than the judgment of the tenders, only in relation to the highest ranking tenderer.

Article 101. The Call for Tenders shall define the term for presentation of the qualification documents.

Article 102. The qualification shall be appreciated based on the parameters established in Article 58 of Law 13303, according to specific requirements set forth in the Call for Tenders.

Section II PARTICIPATION OF CONSORTIUM

Article 103. The Call for Tenders may provide for the participation of interested parties in a Consortium, subject to the following conditions:

- I - Impediment of participation of consortium members, in the same bidding process, in more than one consortium or in isolation;
- II - Evidence of the public or private consortium commitment, undersigned by the consortium members, stating the purpose and composition of the Consortium, indicating the percentage of individual participation of each consortium in the Scope of the contract;
- III - Indication of the legal entity responsible for the consortium, which shall meet the leadership conditions established in the Call for Tenders;
- IV - Presentation of the documents required in the Call for Tenders for each consortium, and the Call for Tenders may admit, for the purposes of technical qualification of the Consortium, the sum of the qualification of each consortium;
- V - An express statement of commitments and obligations of consortium members, including that each consortium member shall be liable, individually and jointly, for the fiscal, administrative and contractual requirements pertinent to the object of the bidding process, until the conclusion of the Contract Object;
- VI - Evidencing of economic and financial qualification, upon presentation of the sum of the values of the consortium members and proof of compliance with the accounting requirements defined in the Call for Tenders by each consortium.

Article 104. The Call for Tenders shall demand a joint and several liability clause:

- I - In the commitment to consortium to be signed by the consortium members; and
- II - In the contract to be executed by the winning consortium.

Article 105. In consortia composed by Brazilians and foreigners, the legal representation is incumbent upon the Brazilian consortium, under the terms of item III of Article 103 of this Regulation.

Article 106. The winning Tenderer is obliged to promote, prior to the conclusion of the contract, the establishment and registration of the consortium, pursuant to the commitment referred to in item II of Article 103 of this Regulation.

Article 107. The modification of the consortium composition may only occur if it is expressly authorized by PETROBRAS, until the accomplishment of the Contract Object.

Sole Paragraph. The prohibition in the head provision shall not be applicable when the consortium members decide to merge into a single legal entity, to succeed them for all legal purposes, while maintaining the joint and several liability of the consortium members under the terms of Article 104 of this Regulation.

Article 108. The Call for Tenders shall set the maximum number of business companies per consortium and establish a term for the consortium agreement to be replaced by the consortium's definitive Articles, pursuant to the provisions under Article 279 of Law 6404, dated December 15, 1976, under the penalty of cancellation of any Adjudication.

CHAPTER XII APPEALS

Article 109. The appeal phase is unique, after the end of the habilitation, except in case of inversion of phases.

Sole Paragraph. In the case of inversion of phases provided for in Paragraph 1 of Article 51 of Law 13.303, the Tenderers may file appeals after the qualification and after the check of effectiveness, which covers the acts arising out of the phases of check of effectiveness and adjudication.

Article 110. The appeals must be filed within 5 (five) business days from the disclosure of the phase ending.

Paragraph 1 The appeals filed shall be disclosed to the Tenderers on the business day following the closing of the term established in the head provision of this article.

Paragraph 2 Tenderers may submit challenges to the appeals within five (5) business days of the disclosure referred to in Paragraph 1.

Paragraph 3 The appeals filed have effect of supersedeas until their final decision.

Article 111. Tenderers are ensured the right to view the documents necessary for the defense of their interests, subject to the confidentiality of the Budget and documents connected to the Tenderers' pricing, as well as other documents protected by banking, strategic, commercial or industrial secrecy.

Article 112. The appeal shall be referred to the Higher Authority, by means of the Bidding Commission, which shall assess its admissibility, being it necessary to reconsider its decision within a period of up to ten (10) business days from the receipt of the challenges or, within that same period, forward it to the Higher Authority, and, in this case, the decision of the appeal shall be rendered within ten (10) business days, which may be extended.

Article 113. The receipt of an appeal shall invalidate only those acts which cannot be valid any longer.

Article 114. The decision on the appeal shall be final.

CHAPTER XIII ADJUDICATION OF THE OBJECT AND APPROVAL OF THE RESULT OR WITHDRAWAL FROM THE PROCEDURE

Article 115. The provisions of this chapter apply, where applicable, to acts by means of which Direct Contracting is determined, except for Article 117 of this Regulation.

Article 116. At the end of the appeal phase, PETROBRAS shall adjudicate on the object in favor of the winning Tenderer and homologate the result or revoke or cancel the procedure.

Article 117. The Tenderers that have stated an interest in challenging, within five (5) business days for submitting the challenge, as of the date of the disclosure of the cancellation or revocation of the bidding process, shall be entitled to this option in the cases where the cancellation or revocation occurs after the start of the bidding phase or submission of tenders.

Paragraph 1 The challenge will be submitted to the authority hierarchically superior to the one that performed the challenged act, through the Bidding Commission, which will assess its admissibility.

Paragraph 2 The authority that has practiced the act may reconsider its decision or address the hierarchically superior authority for final decision.

Article 118. Summoned to sign the contractual instrument, the interested party shall abide by the terms and conditions established, otherwise the right to contracting shall lapse.

Sole Paragraph. The condition for execution of a contract shall be lost by the interested party that does not maintain the conditions of effectiveness of the tender, at the time of execution of the contract.

Article 119. PETROBRAS is authorized, when the undersigned does not sign the contractual instrument, within the established term and conditions:

- I - Summoning the remaining Tenderers, in the order of ranking, to do so in the same period and under the same conditions proposed by the first classified, including with respect to the Adjusted Prices, in accordance with the Call for Tenders; or
- II - Revoking the bidding process.

Sole Paragraph. The refusal of the person summoned to execute the contract may lead to the application of an administrative sanction, pursuant to Article 83 of Law 13303.

TITLE V DIRECT CONTRACTING

Article 120. Contractings may be made without prior to the bidding process in the following cases:

- I - Inapplicability of Bidding Process, provided for in Article 28, Paragraph 3 of Law 13303;
- II - Waiver of Bidding, in the cases described, in an exhaustive list, in Article 29 of Law 13303;
- III - Exemption of the Bidding Process in the cases of unfeasibility of competition, under the terms of Article 30 of Law 13303.

Paragraph 1 The provisions under this Title shall not be applicable to the hypotheses provided for in Subsection I of this Article.

Paragraph 2 There shall be exemption from the abidance by bidding procedures, under the terms of Article 28, Paragraph 3, I, of Law 13303, the activities connected to the trading of products resulting from the exploration and production of hydrocarbons, natural gas and its derivatives, chemical products for import, export and exchange of these products, transport, processing and storage.

Article 121. Having verified the need for contracting and upon substantiation of the hypothesis allowing Direct Contracting, the conditions of the contract to be negotiated, the commercial premises and other elements connected to the negotiation shall be identified.

Sole Paragraph. Prior to negotiation aiming at Direct Contracting, the Organizational Unit responsible for contracting shall consider the relevance of the object to be contracted with respect to the Contract or Articles of Incorporation of the company with which it intends to negotiate.

Article 122. From this preliminary analysis, the relevant negotiations may be carried out, taking into account PETROBRAS' estimate(s), market conditions and commercial practices.

Article 123. The direct contracting shall be conducted by the Trading Committee in the cases provided for in the by laws.

Article 124. Except for the hypothesis provided for under Article 127 of this Regulation, the other cases of waiver and unenforceability, as well as the hypotheses of nonapplicability of bidding process, should be executed in writing, abiding by Articles 125 and 126 of this Regulation, in addition to due registration of the following elements:

- I - Factual circumstances justifying the request or the need to assume the commitment;
- II - Reason for choosing the supplier of goods or service provider; and
- III - justification of the contracted price/total value. -

TITLE VI CONTRACTS AND OTHER NEGOTIATION ELEMENTS CHAPTER I DELIVERY OF CONTRACTS

Section I GENERAL STANDARDS

Article 125. The legal instruments of the negotiation executed by PETROBRAS are governed by their clauses, by the provisions of Law 13303, by the precepts of private law, as well as by the rules established in this Regulation.

Article 126. The delivery of the contracts is mandatory, and may be carried out by means of a simplified legal instrument, called Contract Letter, in the hypotheses defined in internal procedure.

Article 127. Only contractors involving Small Expenses for Ready Delivery shall be exempt from delivery of contract.

Sole Paragraph. The manager should file, in the hiring folder of the Small Expenses for Ready Delivery processes, a document to prove the delivery of the good or the performance of the service and the receipts/invoices provided by the contractor, abiding by the thorough accounting record of the amounts spent.

Article 128. The contractual instruments shall contain the necessary clauses in Article 69 of Law 13303.

Article 129. In the cases where the adjudication criterion is the highest economic return, the periodicity of the check of the actual saving shall be established in the contract.

Article 130. The contractual provisions shall faithfully reproduce the terms of the contractual draft that accompanied, as an annex, the Call for Tenders or the terms negotiated in Direct Contracting.

Sole Paragraph. The contract draft may be amended as a result of the negotiation under Article 57 of Law 13303. - Article 131. The object of the contract should be defined in a succinct and clear way, allowing the identification of the characteristic elements of the contracting.

Article 132. As a condition for completion of the contract, the company to be hired should be in regular status with Guarantee Fund for Length of Service (FGTS) and the Social Security.

Article 133. In any case, the responsible Organizational Unit shall keep on file the evidentiary instruments of the contract for a sufficient period to safeguard the interests of PETROBRAS.

Article 134. The specific legitimacy to execute contracts, when not deriving from statutory provisions, should be established in an power of attorney, which should expressly state the powers granted and the conditions for their exercise.

Article 135. In the contractings in which the posting of bonds is required, the provisions under Article 70 of Law 13303 shall be abided by.

Article 136. In the contracts governed by these Regulations, private dispute resolution mechanisms, including arbitration and mediation, may be allowed to settle disputes arising out of or related to their execution.

Section II TERMS

Article 137. The total term of the contracts may not exceed 5 (five) years, counted as of the date of its execution, including any amendments for extension, except for the cases under Article 71 of Law 13303.

Article 138. In cases where the agreement of a contractual term larger than five (5) years is a routine market practice and the imposition of a five (5) year limit makes the business practically unfeasible or excessively burdens it, the manager shall justify, from a technical and economic standpoint, the need for this higher period.

Sole Paragraph. The justification presented should be included in the document establishing the hiring.

Section III SUBCONTRACTING

Article 139. The total subcontracting of the Contractual Object is prohibited.

Article 140. The contractor may partially subcontract the Contract Object, provided that there is provision in the contract and prior written authorization of PETROBRAS, in compliance with the provisions of Article 78 of Law 13303.

Section IV RISK MATRIX

Article 141. Contracts for engineering works and services, executed under semi-integrated and integrated contracting regimes, shall include a Risk Matrix, with the allocation of risks of responsibility of each of the parties.

Section V CONTRACTS FOR ENGINEERING WORKS AND SERVICES

Article 142. In the engineering and construction service contracts, the performance of each stage shall be preceded by the respective executive design for the stage, as well as the conclusion and approval by PETROBRAS of the work connected to the previous stages.

Paragraph 1 The executive design of a later stage may be developed concomitantly with the performance of the works and services of previous stage, as long as authorized by PETROBRAS.

Paragraph 2 In the case of integrated contracting, the analysis and acceptance of the design shall be limited to its technical appropriateness connected to the parameters defined in the Call for Tenders, in accordance with Article 42, Paragraph 1, item I, letter “a” of Law 13303, and it must be ensured that the installments disbursed comply with the contractually established financial schedule.

Paragraph 3 The acceptance referred to in paragraph 2 does not lead to the assumption of any technical responsibility for the design by PETROBRAS.

CHAPTER II AMENDMENT TO CONTRACTS

Article 143. The Agreement may be amended in the course of its effectiveness due to supervening facts or opportunities that impose the review of the initial provisions, or due to the need for rectifying material errors, subject to the prohibition provided for in Paragraph 8 of Article 81 of Law 13303.

Article 144. The contractual changes should happen during the term of the contract, by means of the execution of Amendments, which shall receive sequential numbering.

Article 145. The provisions of Paragraph 1 to Paragraph 8 of Article 81 of Law 13303, wherein they shall be applied to all contracts governed by this Chapter.

Article 146. Except in the integrated contracting regime, contracts earmarked for the execution of engineering works and services shall contain clauses that establish the possibility of contractual amendment in the cases provided for in Items I to VI of Article 81 of Law 13303.

Article 147. The amendments to contracts shall be negotiated by Trading Committees in the cases foreseen in the bylaws.

Article 148. The Amendment shall include:

- I - The names and qualification of the parties;
- II - The numbering of the contractual instrument which is being altered;
- III - The detailed description of the changes, indicating the contractual items which are being altered and detailing their values;
- IV - The ratification of unchanged contractual provisions;
- V - The date of its execution;
- VI - Signatures of the parties, witnesses and, when applicable, intervening parties and assigns.

Sole Paragraph. In the cases of amendment of a contractual clause, the Amendment shall describe what is being changed, repeating the clause with the new wording.

Article 149. Once the Amendment is executed, its provisions shall become part of the contract.

Article 150. Amendments that imply an increase in value depend on the existence or provision for budgetary resources.

Article 151. Contracts may undergo changes to the Scope, provided they do not imply change to object.

Article 152. Contracts may undergo increases, replacements or decreases in services or supplies.

Article 153. Contractual changes, which may or may not change the contractual value, shall have demonstrated their need and the technical and/or economic justification.

Article 154. The calculation for classification of the limit percentage provided for in Paragraph 1 of Article 81 of Law 13303, should be made as a basis in the updated Initial Adjusted Value of the Contract, considering both increases and decreases separately, not allowing compensation among them.

Article 155. The contractual changes resulting from an imbalance of the economic and financial equation shall be previously submitted to the Legal Department.

CHAPTER III CONTRACTS IN KIND

Section I SPONSORSHIP CONTRACTS

Article 156. The sponsorship contracts are aimed at strengthening the trademarks, products and services of PETROBRAS through the association to a third-party effort to further cultural, social, sports, educational and technological innovation activities, aiming at cementing the institutional image, relationship with its stakeholders and reputation.

Article 157. The sponsorship contracts shall have funds defined in the budget of PETROBRAS, abiding by the limit established in Article 93 of Law 13303.

Article 158. The sponsorships shall be previously submitted to the analysis of the area responsible for the Communication and Trademarks or by the Social Responsibility area, depending on the nature of the project or event to be sponsored.

Article 159. In sponsorship contracts where there is a tax incentive, a clause should be included detailing the aspects necessary for being entitled to this.

Article 160. It shall mandatorily include sponsorship contracts, and consideration clause.

Sole Paragraph. Sponsorship contracts shall also include a clause with the provision that any material made with PETROBRAS trademarks may only be used and disclosed after approval by PETROBRAS.

Article 161. Sponsorship contracts, in addition to contractual fines, shall provide for a clause that entitles PETROBRAS to compensate for the amounts paid, in the same percentage of noncompliance with the considerations.

Article 162. Payments should meet the schedule specified in each sponsorship agreement.

Article 163. In the contractings of sponsorship, PETROBRAS shall consider the relevance of the object to be contracted with respect to the Contract or Articles of Incorporation of the contractor.

Article 164. PETROBRAS shall demand that the sponsor prove the performance of the sponsored initiative and the compensations provided for in the contract.

Section II AGREEMENTS OF LOAN FOR USE

Article 165. The loan for use agreement is characterized by the free loan of non-fungible things, that is, things that cannot be replaced by others of the same kind, quality and quantity.

Article 166. Loan for use agreement shall not apply the rules included in Law 13303.

Article 167. The loan for use agreement may only be entered into through the presence of benefits for the Company, its employees or the community.

Article 168. Loan for use agreements shall be preceded by an evaluation of the asset to be assigned for lending purposes, whether they are personal property or real estate.

Article 169. The performance of works, modifications and/or improvements in the asset requires prior written consent of PETROBRAS.

Article 170. The convenience and timeliness of any assignment or transfer of the loan or use agreement shall be evaluated by the Competent Authority, in view of the very personal nature of this contract.

Section III

INTELLECTUAL PROPERTY CONTRACTS

Subsection I GENERAL STANDARDS

Article 171. PETROBRAS may enter into Intellectual Property Contracts on the assets owned by the latter, whether or not they are subject to registration and/or legal privilege.

Paragraph 1 The contracts that involve the assignment of ownership and those that establish exclusivity of use shall meet the rules conned to the Sale of assets provided for under Law 13303. The execution of such contracts shall be preceded by technical and economic arguments that, under objective criteria, demonstrate that such business option is the most advantageous for PETROBRAS.

Paragraph 2 Specifically with regard to business with exclusivity clause, the draft of the related contract shall include the obligation that the use of the asset complies with the term and other conditions set forth in the same instrument, under the penalty of automatic revocation of the license and, in this case, entailing the possibility that PETROBRAS establishes new business concerning the same asset.

Paragraph 3 Contracts that do not involve assignment of ownership or that do not guarantee exclusivity of use are not subject to the rules of Law 13303, and may be entered into independently of previous bidding.

Article 172. The rules included in Law 13303 shall apply to the Intellectual Property Contracts in which PETROBRAS appears as receiver of intellectual property from third party.

Subsection II LICENSING OF USE OF THE PETROBRAS SOFTWARE

Subsection II.a LICENSING OF USE OF THE PETROBRAS SOFTWARE FOR ACADEMIC PURPOSES

Article 173. The license agreement for the use of computer software is the appropriate legal instrument for permission of use for academic purposes, aiming to foster the development of the Brazilian research and technologies.

Subsection II.b LICENSING OF USE OF PETROBRAS SOFTWARE FOR TRADING

Article 174. In the exceptional cases in which the licensing of a software for trading is contracted, a market study shall be prepared in order to justify the amount to be paid to PETROBRAS as royalties, as well as the term of the license.

Article 175. The draft contract shall include at least the following provisions:

- I - Availability, at no cost to PETROBRAS, of the release and/or the new version of the software.
- II - Discount percentage definition to be granted to PETROBRAS, in the event that the licensee provides services to PETROBRAS, when the contract is not preceded by a bidding procedure.
- III - Definition of how PETROBRAS will monitor the commercial exploitation and express authorization so that PETROBRAS, at any time, even after the expiration of the contract, shall examine the accounting books of the licensed company, in order to assess the royalties in the respective commercial exploitation.

Subsection II.c

LICENSING OF USE OF PETROBRAS SOFTWARE FOR SUBSIDIARIES AND CONTROLLED COMPANIES

Article 176. PETROBRAS may carry out the licensing of a software, on a non-pecuniary and non-exclusive basis, to subsidiaries and controlled companies, provided that it does not cause loss or limitation of rights, and that the advantage for both companies is properly characterized.

Article 177. In this hypothesis of licensing, the licensee cannot require from PETROBRAS guarantees regarding the operation of the software, exempting PETROBRAS from the responsibility for any error or defect of the software.

Article 178. If the licensing implies costs for PETROBRAS, such as the need for technical support, rectification of errors, specific improvements etc., these costs shall be reimbursed to PETROBRAS under a cost-sharing contract.

Subsection III

HIRING OF THIRD PARTY SOFTWARE LICENSING FOR USE

Article 179. In the contracting of the licensing of a third-party software for use by PETROBRAS, the rules contained in Law 13303 shall apply.

Article 180. Prior to the contracting, the Organizational Unit responsible for Information Technology shall issue a Technical Opinion aimed at appraising, among the solutions existing in the market, those which are capable of satisfactorily meeting the demands of PETROBRAS.

Sole Paragraph. If the Technical Opinion concludes that there is a single technological solution that satisfactorily meets PETROBRAS' needs, the contracting may be made directly, if duly characterized as a hypothesis of unenforceability, with the holder of its copyright itself, without distributors, commercial representatives, or with one of them in the hypothesis of exclusivity, and evidenced by an applicable document.

Article 181. The contracting of a software in use at PETROBRAS shall depend on a Technical Opinion, which includes the justifications for maintaining the corporate standard.

Section IV PROVISION OF SERVICES BY PETROBRAS

Article 182. The rendering of services by PETROBRAS, related to its end-use activity and associated ones is made through the execution of appropriate contracts, onto which the rules contained in Law 13303 shall not apply.

Section V AGREEMENTS

Subsection I COMMERCIAL AGREEMENTS

Article 183. The rules included in Law 13303 shall not apply to the commercial agreements to carry out PETROBRAS' end-activity.

Article 184. In such agreements, the market practices shall be adopted, according to the commercial customs and uses involved.

Article 185. PETROBRAS may also enter into commercial logistical support agreements when it so resorts to such support, extending it to third party, in order to ensure the economic principle in its activities, not applying the rules established in Law 13303.

Subsection II NON-DISCLOSURE AGREEMENTS

Article 186. The rules contained in Law 13303 shall not apply to non-disclosure agreements.

Article 187. Non-disclosure agreements may be signed, provided that they comply with the Information Security Policy of PETROBRAS System.

CHAPTER IV

OTHER NEGOTIATION ELEMENTS

Section I AGREEMENTS

Article 188. The Agreements may be entered into when mutual and prior interests occur between PETROBRAS and other entities, aiming at the performance of projects of social, educational, cultural or sports nature, by means of a joint action.

Article 189. Concerning the execution of the Agreements, the following cumulative parameters shall be abided by:

- I - The convergence of interests between the parties;
- II - Execution under mutual cooperation;
- III - The alignment with the social purpose of performance of the collective interest;
- IV - The prior analysis of the compliance of the Agreement with the policy of transactions with related parties;
- V - Prior analysis of the history of involvement with bribery or fraud by the beneficiary institution, and the existence of integrity controls and policies in the institution; and
- VI - The prohibition to enter into a Contract with a political party official, holder of an elective office, employee or director of a state-owned company, or with his consanguineous or related relatives up to the third degree, and also with a legal entity whose owner or director is one of these persons.

Article 190. The execution of the Agreement depends on the prior approval of the Working Plan for the performance of its purpose.

Sole Paragraph. The Working Plan may include a provision of financial disbursement, as well as its manner of transfer, to accomplish the object of the Agreement, and should establish terms and performance stages.

Article 191. The financial disbursements should be used exclusively in the object of the Agreement.

Article 192. The Instrument of Agreement should include, among other clauses, those which establish the parties' charges, the financial support, the manner of transfer, effective term, and provision of expiration and termination.

Paragraph 1 If there is a financial disbursement, within the form and deadline for proving the use of the transfer, which, if not met, shall imply the impossibility of performance of the subsequent transfer.

Paragraph 2 It should be noted that, on the occasion of the expiration or termination, imposing the end of the Agreement, the Beneficiary Party of the financial disbursement shall perform the final rendering of accounts, under the penalty of entitling the Transferring Party the right to demand before court.

Paragraph 3 Upon termination of the Agreement, by means of a final rendering of accounts, the Transferring Party shall demand the reimbursement of balances of the financial disbursement that, although transferred, have not been used or have been improperly used by the Beneficiary Party.

Article 193. The execution of the Agreement, as well as amendments to its terms, shall comply with the bidding rules and contracts provided for in this Regulation, as the case may be.

Section II TERMS OF THE COOPERATION

Article 194. When there are mutual and primary interests between PETROBRAS and other entities, aiming at the performance of the technological object, such as prototype development, equipment testing, technical assessments, Research, Development & Innovation Project (RD&I), a cooperation agreement may be executed.

Article 195. The Cooperation Agreements shall apply to the procedural rules pertaining to the Agreements.

Section III MEMORANDUM OF UNDERSTANDING

Article 196. PETROBRAS may enter into a Memorandum of Understanding with the purpose of explaining future intentions concerning projects of common interest of the parties, provided that such protocols do not contemplate the assumption of burdens and obligations.

Article 197. When the Memorandum of Understanding provides for assessments by the parties, there should be a cost-sharing clause.

TITLE VII MANAGEMENT AND INSPECTION

CHAPTER I

Article 198. The Management and Inspection of the Contract shall be in charge of checking the fulfillment of the obligations of the contracted company, in order to ensure that the activities are performed in compliance with the provisions of the Contract.

Article 199. It is up to the Management and Inspection to:

I - Pass on, as the case may be, the instructions and determinations of PETROBRAS to the company contracted, under the terms of the contract.

II - Withhold or refuse any activity or portion performed in noncompliance with the Contract or capable of jeopardizing the security of persons and property of PETROBRAS or third party.

III - Follow up the compliance with contractual obligations, given that it may request information and clarification regarding activities, equipment and related materials.

IV - Assess the performance of the company engaged based on criteria such as term, quality, management and Safety, Health, and Environment (HSE), which may consider, for instance, materials, equipment, machinery, vehicles, tools and facilities, their quality and effectiveness, and human resources employed in the performance of the activities. The results of these evaluations shall be reported during the performance of the contract or when requested by the company contracted under the Contract.

V - Register the complaints, challenges, irregularities, faults and other records concerning facts that are considered relevant by the Inspection, in the performance of the activities contracted.

Sole Paragraph. The total or partial action or omission of the Management and Inspection does not exempt the contractor from full responsibility for the complete performance of the object, with the exact terms contracted.

Article 200. PETROBRAS shall publicly make available, by electronic means, information on the performance of the contracts it has executed and on the assets purchased, pursuant to Law 13303.

Article 201. The termination of the Agreement shall occur in the following cases:

I - with the delivery of the entire Contract Object;

II - on the final date of the contractual period;

III - in case of anticipated consumption of the total contract amount, if established under the contract;

IV - in the other cases provided for under the law and contract.

Article 202. The definitive receipt of the Contract Object shall take place in its execution, upon signature by the parties of the Final Acceptance Agreement (TRD).

Paragraph 1 The signature of the Final Acceptance Agreement (TRD) shall be preceded by the solution, by the contractor, of all pending issues identified by the management and inspection of the contract, without burden on PETROBRAS.

Paragraph 2 The parts registered in the measurement document shall be considered provisionally received only for the purpose of partial payment.

Paragraph 3 - The execution of the Final Acceptance Agreement (TRD) shall not exempt the contractor from the responsibilities that are established under the applicable laws and the Contract, nor does it exclude the legal and contractual guarantees, which may be questioned by PETROBRAS, within the terms of guarantee and liability provided for under the law, if another term is not established under the Contract.

Paragraph 4 In the case of engineering works and services, the signature of the Final Acceptance Agreement (TRD) sets the date of the beginning of the periods provided for in Article 618 of the Civil Code.

Paragraph 5 Partial Acceptance Agreements may be drawn up and signed by the parties when a well-defined part of the services is completed and measured.

TITLE VIII APPLICATION OF PENALTIES

CHAPTER I CONTRACT PENALTIES

Article 203. The contracts may include provisions for contractual fines, under the terms of Private Law and Law 13303.

Article 204. As a result of later or partial or total non-compliance, PETROBRAS may apply to the contracted 100 company a late payment charge or compensatory fine, under the terms of the Private Law, as provided for in the Call for Tenders or in the contract, without prejudice to the application of other sanctions set forth in this Regulation and/or in the contract.

Sole Paragraph. The application of the aforementioned fine does not prevent PETROBRAS from terminating the agreement, as the case may be, and applying other sanctions provided for in this Regulation and/or in the contract.

CHAPTER II

ADMINISTRATIVE SANCTIONS

Article 205. PETROBRAS may apply the administrative sanctions provided for in Law 13303 and reproduced in this Regulation to the companies that negotiate and contract with it, for the practice of illegal acts or acts that pose harm on PETROBRAS.

Article 206. According to the severity of the act, the following penalties apply:

I - Warning;

II - Administrative fine, as provided for in the call notice or contract;

III - Temporary suspension of participation in bidding and prevention from contracting with PETROBRAS and suspension and impediment of database registration, for a term not exceeding two (2) years.

Article 207. The competence to apply the administrative sanctions provided for in this chapter is of the General Manager of the Organizational Unit Responsible for the PETROBRAS Supplier Base.

Article 208. The sanction of warning is applicable whenever the act performed has not caused damage to PETROBRAS, its facilities, people, image, environment or to third party, and that does not justify the imposition of a more severe penalty.

Paragraph 1 The application of such penalty shall be subject to the warning report to the company, stating the penalty on the information system of the Manager of the PETROBRAS' Supplier Base.

Paragraph 2 The warning penalty starts from the notification of its application.

Paragraph 3 The recidivism of a practice punishable by a warning, occurring within a period of up to two (2) years of the last sanction, may lead to the application of a lighter suspension penalty.

Article 209. The sanction of suspension is applicable whenever an action or omission is carried out with the potential to cause or that has caused damage to PETROBRAS, its facilities, people, image, environment or to third party, and which does not justify the imposition of a less heavy penalty.

Article 210. Upon practice of conduct subject to the application of suspension penalty, this can be applied according to the seriousness of the fact, in the following terms:

I - a lighter suspension, for a term of one to six months;

II - average suspension, for the period of seven to twelve months;

III - serious suspension, for the period of thirteen to twenty-four months.

Paragraph 1 In setting the gradation of the penalty provided for in this article, PETROBRAS shall take into account the potentiality of the damage or the extent of the damage caused.

Paragraph 2 The term of the suspension penalty starts from the notification of its application.

Paragraph 3 The sanction of suspension shall, during its effectiveness:

I - in the suspension of the database registration, in the Prequalification Record or in the impediment of database entry and Prequalification;

II - the impossibility of participating in the bidding processes and of contracting with PETROBRAS.

Paragraph 4 The application of such sanction implies the reporting of the suspension to the company, with this fact being recorded on the information system of the Manager of the PETROBRAS Supplier Base.

Paragraph 5 If there is a Contract in force between PETROBRAS and the company subject to sanction, PETROBRAS has the right to terminate it from the plan or keep it in force, conditional or not upon the posting of a bond, under the modality determined by it, in proportion to the remaining term of the contracting and without the guarantee having an impact on the contractual price.

Paragraph 6 The recidivism of a practice punishable by suspension, occurring within a period of up to two (2) years after the last sanction may imply in the worsening of the sanction to be applied, as the case may be.

Article 211. In addition to the sanctions of warning and suspension, the penalty of administrative fine provided for in this Chapter may be imposed, subject to the discipline established under Law 13303, including in the cases of appeal, by the Tenderer, with an undue delay in the progress of the bidding processes by PETROBRAS, under the terms established in this Regulation.

Sole Paragraph. The amount of the administrative fine should take into account the value and provisions established in the Contract or the convening instrument, the impact caused onto PETROBRAS and the size of the company to be sanctioned.

Article 212. The General Manager or equivalent of the Organizational Unit where the event occurred shall appoint a Commission for Analysis of Application of Sanctions (CAASE), to which information should be sent regarding an act considered punishable by administrative sanctions.

Article 213. Any employee of PETROBRAS who becomes aware of the occurrence of a fact that may fall under a hypothesis that justifies the establishment of a Process for Application of Administrative Sanction, to be conducted by CAASE, shall report what happened to the General Manager or equivalent officer of the Organizational Unit where the fact occurred for measures.

Article 214. CAASE, taking notice of the act and possession of evidence and proof, shall notify the company to submit a written defense within 10 (ten) business days.

Article 215. Whether or not a defense is submitted, CAASE shall prepare a report, which states:

- I - Discrimination of existing facts, evidence and proof;
- II - The summary of the content of the defense, if presented, with the analysis of the arguments presented by the company;
- III - The definition on the occurrence, or not, of an act that may be sanctioned;
- IV - The proposal for the application of sanction, including, as the case may be, concurrent application of an administrative fine provided for in the call notice and its value.

Sole Paragraph. CAASE may take steps to investigate and clarify the facts.

Article 216. CAASE shall send the draft report and the entire procedure to the Legal Department, in the cases established in the internal procedure, for analysis of compliance with the regular procedures and proportionality in the application of the suggested penalty.

Article 217. After the analysis of the Legal Department, if necessary, the Commission Establishing Authority, in accordance with the terms of the report, shall refer the entire Sanction Procedure (CAASE) to the Adjudicating Authority, under the terms of Article 207 of this Regulation.

Article 218. It is up to the Adjudicating Authority to decide whether or not to apply the sanction and notify the company of its decision.

Article 219. If the decision is for the application of penalty, the notification shall include the sanction applied, including, as the case may be, the concurrent application of an administrative fine provided for in the call notice and contract, already establishing its value and term for payment.

Article 220. The company sanctioned under the scope of the CAASE may file an appeal against the decision that imposes administrative sanction, within 10 business days, from the receipt of the notification of sanction application.

Paragraph 1 The appeal shall be filed in written form and addressed to the Authority stated in the notice of sanction application.

Paragraph 2 If the authority referred to in Paragraph 1 does not reconsider its decision, within 30 (thirty) days, it shall refer the appeal to the Higher Authority.

Article 221. The hypotheses of penalties provided for under this heading shall not prevent or exclude the use of the rule established in Law 12846/2013, principally concerning the establishment of the Administrative Procedure for Accountability (PAR), and may even trigger the application of the sanctions provided in said Law 12846/2013 concomitantly with those provided for in this Chapter.

TITLE IX FINAL AND TEMPORARY PROVISIONS

Article 222 - It is recommended that this Regulation be applied to the contracting of the companies which are part of the PETROBRAS Conglomerate, with their due adjustments, which firstly should be subject to the approval of the respective Boards of Directors, if any, or else the Shareholders' Meeting.

Article 223. The contracting of goods and services carried out by consortia operated by PETROBRAS and aimed at meeting the exclusive demands of the consortia shall be subject to the system of private companies itself, in which case the procedure established in Law 13303 is not applied, abiding by the principles of public administration provided for in the Constitution.

Sole Paragraph. The contracting of goods and services carried out by PETROBRAS, with the purpose of simultaneously meeting the demands of PETROBRAS and consortia operated by PETROBRAS, shall abide by the rules of Law 13303.

Article 224. The special situations not provided for in these Regulations, as well as those arising from supervening events that require changes to these Regulations, should be analyzed by the Supply of Goods and Services and Legal Units, in concert with the other Organizational Units, subject to the changes to the approval of the Executive Board of PETROBRAS.

Article 225. Any member of the PETROBRAS' workforce who becomes aware of the possible occurrence of illegal acts against PETROBRAS, under the terms of Law 12846/2013, shall record the case on Petrobras' Whistleblowing Channel, through the electronic website.

Sole Paragraph. The external public may register in Petrobras' Whistleblowing Channel the possible occurrences set forth in the head provision.

Article 226. The information regarding electronic bidding, bidding processes, prequalification and contracts, list of goods purchased and updates of this Regulation, shall be made available on an electronic portal.

Article 227. This Regulation shall enter into force on the date of its publication, having progressive effects per Organizational Unit, under the terms of the implementation schedule.

Paragraph 1 The implementation schedule shall be disclosed on the Petrobras' website.

Paragraph 2 Prior procedures and contracts initiated or executed prior to the effectiveness of this Regulation, including any Amendments, shall remain governed by 109 previous laws.

**PETROBRAS BIDDING PROCESS REGULATIONS AND CONTRACTS - Review 1 Approved on:
06/26/2018**