

EXHIBIT V

GUIDELINES FOR THE PREPARATION OF THE INVESTMENT PLAN

1. PRESENTATION

This exhibit sets forth the guidelines, content, and minimum obligations that shall guide the preparation of the CONCESSIONAIRE'S INVESTMENT PLAN.

The purpose of the INVESTMENT PLAN is to present the planning of short-, medium-, and long-term investments during the period of execution of the expansion of the SYSTEM, and it shall set out in detail, for the 60 (sixty) months following the date of delivery of the INVESTMENT PLAN, the projects and works that will serve as the reference for the management of investments in the SYSTEM IMPROVEMENT WORKS.

The proposal for the first version of the INVESTMENT PLAN shall be submitted by the CONCESSIONAIRE within up to 120 (one hundred and twenty) days after the execution of the CONTRACT.

In preparing the first version of the INVESTMENT PLAN, the CONCESSIONAIRE shall detail and reconcile the investment planning for a period running from the execution of the CONTRACT until the end of the five-year term established for CAGECE'S STRATEGIC MANAGEMENT PLAN following the execution of the CONTRACT, even if such period exceeds 60 (sixty) months.

CAGECE shall have a maximum period of 30 (thirty) days to comment on the proposed INVESTMENT PLAN and provide its feedback to the CONCESSIONAIRE. Should CAGECE request amendments, the CONCESSIONAIRE shall resubmit it with the appropriate modifications within 15 (fifteen) days from CAGECE'S request.

After the INVESTMENT PLAN is resubmitted, with any amendments and accompanied by the CONCESSIONAIRE'S statement, CAGECE shall have a maximum period of 15 (fifteen) days for final approval of the INVESTMENT PLAN and, in the event of non-approval, shall notify the CONCESSIONAIRE, within such period, of the reasons that led to its decision.

Final approval of the first version of the INVESTMENT PLAN shall occur within a maximum period of up to 180 (one hundred and eighty) days, counted from the execution of the CONTRACT. If the INVESTMENT PLAN is not approved within the maximum period set forth in the CONTRACT, the ASSISTED OPERATION period shall be automatically extended for up to 90 (ninety) days, so that the definitive approval of the INVESTMENT PLAN may occur within the ASSISTED OPERATION extension period.

After approval of the first version of the INVESTMENT PLAN, it shall be periodically reviewed and updated throughout the execution of the CONTRACT. Such reviews and updates shall occur annually, and it shall be the CONCESSIONAIRE's responsibility to submit the new version of the INVESTMENT PLAN within a maximum period of 30 (thirty) calendar days, counted from the respective update to CAGECE's STRATEGIC MANAGEMENT PLAN carried out in the same year.

For procedural purposes, the first review of the INVESTMENT PLAN shall be submitted by the CONCESSIONAIRE within 30 (thirty) calendar days after the first review of CAGECE's STRATEGIC MANAGEMENT PLAN carried out after the lapse of 1 (one) year from the commencement of SYSTEM OPERATION.

If CAGECE's STRATEGIC MANAGEMENT PLAN is not updated after the lapse of 2 (two) years from the commencement of SYSTEM OPERATION, the CONCESSIONAIRE shall submit the first review of the INVESTMENT PLAN to the GRANTING AUTHORITY within 60 (sixty) calendar days, and the subsequent reviews shall be carried out on an annual basis, with such period always being counted from the date of submission of the last version of the document.

In any event, the reviews and updates shall detail the projects and works that will serve as the reference for the management of the investments planned for the 60 (sixty) months following the review, as well as include a comparative study between the results planned for the previous year and the results actually achieved, considering the previous version of the INVESTMENT PLAN.

In the procedures for review of the INVESTMENT PLAN, the PARTIES shall be granted successive periods of fifteen days for comments, requests for adjustments, and clarifications, always counted from receipt of the document, and the total period for approval of the review may not exceed 90 (ninety) days.

For purposes of transferring information for CAGECE's financial projections, when reviewing the INVESTMENT PLAN, the CONCESSIONAIRE shall submit the updated commercial and financial information resulting from the monitoring and progress of the investments, observing, at a minimum, the variables indicated in the "CAGECE FINANCIAL PLANNING INFORMATION SPREADSHEET" model and the variables contained in the BUSINESS PLAN. Such updating for the submission of information shall not give rise to any right to economic-financial rebalancing.

After approval of the INVESTMENT PLAN, including its reviews, any request for amendment shall be submitted to CAGECE for analysis and approval.

The CONCESSIONAIRE shall be solely and exclusively responsible for the preparation, implementation, and operationalization of the INVESTMENT PLAN.

2. INITIAL PROVISIONS

For the preparation of the INVESTMENT PLAN, the following documents shall be considered:

- I. Work Plan**
- II. CAGECE Investment Management Plan**
- III. CONCESSIONAIRE Investment Management Plan**
- IV. Execution Schedule**
- V. Universalization Schedule**

The WORK PLAN shall be submitted within 60 (sixty) days after execution of the CONTRACT.

The other documents shall be submitted concurrently with the INVESTMENT PLAN.

Even if the plans are approved, the conditions set forth in these documents may not prevail over the contractual conditions, nor may they be inconsistent with the conditions and indicators established in the CONTRACT.

All investments at any stage of the process, whether related to projects or implementation, shall fully comply with the legislation in force at the municipal, state, or federal levels, including ABNT standards, ANA reference standards, and the standards issued by the Regulatory Agency for Delegated Public Services of the State of Ceará – ARCE.

In its development, the INVESTMENT PLAN shall include an assessment of the existing documentation, including designs, environmental licenses, licenses and authorizations in general, as well as title to the areas to be used in the stages of implementation of the works.

3. MINIMUM CONTENT AND REQUIREMENTS

The INVESTMENT PLAN shall contemplate the EXECUTION SCHEDULE for the SYSTEM IMPROVEMENT WORKS ¹ and shall detail, at a minimum, the maintenance, refurbishment, improvement, and expansion actions for the infrastructure, notably with regard to deadlines and the quality of the products, for each of the MUNICIPALITIES of LOT [●], observing the provisions set forth in the CONTRACT.

At this stage, the activities to be carried out shall be indicated, and the deadlines for approval by the agencies involved shall be observed in the EXECUTION SCHEDULE.

In addition, the INVESTMENT PLAN shall contemplate the submission of information for CAGECE's financial projections, including, at a minimum, the variables indicated in the "CAGECE FINANCIAL PLANNING INFORMATION SPREADSHEET" and the variables contained in the BUSINESS PLAN:

- Information on CAPEX, quantities, and amounts;
- Information on commercial and financial quantities and amounts, projections of the population and of the variables of the coverage and service indexes, in accordance with the regulations of the National Water Agency (ANA) and of the subnational regulatory agency (including: total customer units, customer units covered, customer units served, wastewater service and coverage targets), indicators, quantities relating to COMMERCIAL MANAGEMENT services, etc., to be aligned with the proposed investments and the deadlines for their execution;
- List of Assets to be delivered to CAGECE, with quantities and amounts. With respect to the List of Assets to be delivered to CAGECE, the INVESTMENT PLAN shall observe the grouping proposed in the spreadsheet model. In addition, the information on the Assets shall contain the forecast date for commencement of operation, for purposes of projecting additions to the Regulatory Asset Base, write-offs, depreciation, and amortization.

¹ Execution, under the responsibility of the CONCESSIONAIRE, of works in facilities and construction of infrastructure for the proper provision of the SERVICES, in the wastewater systems.

It should be noted that, for purposes of sizing the resources and planning the investments provided for in this INVESTMENT PLAN, the expansion of wastewater coverage, connection, and service shall be taken into account at least in accordance with the EXECUTION SCHEDULE. It shall also include natural growth during the CONCESSION period for the municipalities located in the SERVICE PROVIDER'S COVERAGE AREA of LOT [●].

The INVESTMENT PLAN shall be guided by the guidelines set forth in EXHIBIT IV - CONCESSION SPECIFICATIONS, in EXHIBIT III - PERFORMANCE INDICATORS AND SERVICE TARGETS, by the instruments related to the CONTRACT, by the MUNICIPAL, REGIONAL, OR MICROREGIONAL WATER AND WASTEWATER PLANS, and by any other plans that may affect the design of the SYSTEM.

The CONCESSIONAIRE's obligations for the planning of all works under its responsibility are:

- i. The preparation of field surveys, the collection of the necessary data and information, studies and projects, including automation projects, with the technical solutions to be adopted, on the premise of the full functioning of the SYSTEM, in view of the targets and conditions established.
- ii. The field survey, data collection, and assessment of the status of the works and/or systems in operation under the direct responsibility of the municipal governments, including the detailing and diagnosis of the units already installed, under implementation, and planned for execution.
- iii. The consolidation in the INVESTMENT PLAN of the condition of such equipment, indicating the quantities and specifications of the equipment to be used, the interventions, and the deactivations that the CONCESSIONAIRE shall carry out in order to adapt such systems/works and render them functional and compliant with the provisions set forth in EXHIBIT III - PERFORMANCE INDICATORS AND SERVICE TARGETS and EXHIBIT IV - CONCESSION SPECIFICATIONS.
- iv. The projects aimed at meeting the targets set forth in EXHIBIT III – PERFORMANCE INDICATORS AND SERVICE TARGETS shall be prepared to cover the entire urban area and contiguous area of the municipalities served (seat, districts, and related localities) by the end of the CONCESSION period.

The projects may be prepared by the CONCESSIONAIRE's own technical staff or by specialized companies or consultants engaged for this purpose, with due proof to CAGECE that the technical professional in charge has experience in preparing basic and executive engineering projects for the implementation of wastewater systems with treatment unit capacities (average flow) and pumping capacities (maximum flow) above 25 L/s and 10 L/s, respectively, and with sewer networks equal to or greater than 30 km.

In the preparation of the projects, the ABNT NBR technical standards and international standards, CAGECE's internal standards, CAGECE's standardized projects, and CAGECE's Sanitation Specifications and Works Manual shall be observed, as well as the environmental laws in force, and the CONCESSIONAIRE shall be fully responsible for such projects.

It is essential that the projects take into account the selection of chemicals, materials, and equipment, as well as the ease of acquisition, replacement, and maintenance, considering the transportation logistics for each locality.

The CONCESSIONAIRE shall also prepare the studies and projects for the facilities to be implemented, considering, at a minimum, the detailing of civil, architectural, urban planning, landscaping, hydraulic, electromechanical assembly, automation, structural, geotechnical/foundation, earthworks, drainage, paving, electrical and water and sanitary installation, and firefighting projects, among others.

The CONCESSIONAIRE's proposals shall be in accordance with the OPERATIONAL PERFORMANCE INDICATOR – IDO and with the UNIVERSALIZATION INDICATOR – IDU, set forth in EXHIBIT III – PERFORMANCE INDICATORS AND SERVICE TARGETS, especially the coverage, connection, and service indexes.

The SYSTEM IMPROVEMENT WORKS to be implemented shall contemplate technical solutions for collective service, and ALTERNATIVE SOLUTIONS shall be permitted provided that their implementation is justified based on a technical and economic-financial study and approved by CAGECE, and duly regulated or accepted by the responsible regulatory agency.

The BASIC PROJECTS shall be prepared and submitted for CAGECE's approval by the deadline year indicated for each MUNICIPALITY in APPENDIX I of this EXHIBIT, observing a minimum advance period of 90 (ninety) calendar days in relation to the end of the respective deadline year, as provided in the CONTRACT. The EXECUTIVE PROJECTS may be submitted in stages, provided that

they comply with the concept defined in the BASIC PROJECT and the intermediary and universalization targets. CAGECE shall have a period of 30 (thirty) calendar days to approve such projects and may request additions or corrections.

As provided in the CONTRACT, the works may only be commenced by the CONCESSIONAIRE after the final approval, by the GRANTING AUTHORITY, of the related projects.

The basic projects shall be prepared and approved by CAGECE within the periods indicated for each municipality, as established in APPENDIX I – DEADLINES (“DEADLINE YEARS”) BY MUNICIPALITY FOR APPROVAL OF THE BASIC ENGINEERING PROJECTS FOR UNIVERSALIZATION OF THE WASTEWATER SYSTEMS.

Approval of the BASIC and EXECUTIVE PROJECTS does not release the CONCESSIONAIRE from liability for correcting errors identified after approval. Accordingly, any future need for corrections shall be addressed by the CONCESSIONAIRE, at no additional cost to CAGECE.

The implementation of units may be carried out in phases until the final configuration of the plan is achieved, in view of the evolution of the wastewater contribution demand as a result of population growth. Under no circumstances shall the connection of households to the sewer network be allowed without the proper collection and treatment of the collected wastewater, in compliance with environmental requirements and conditions.

The CONCESSIONAIRE may decide to implement wastewater units so as to exceed the universalization targets defined in EXHIBIT III – PERFORMANCE INDICATORS AND SERVICE TARGETS. The implementation of additional units shall not give rise to economic-financial rebalancing of the CONTRACT.

The CONCESSIONAIRE shall assess, based on technical and environmental criteria, the feasibility of using existing units, preparing the planning for refurbishments, maintenance, implementation, replacement, and building connections.

The INVESTMENT PLAN shall include, for CAGECE’s analysis and knowledge, the planning together with the EXECUTION SCHEDULE for the improvements to the existing units to be used and the indication of the existing units to be deactivated. The implementation of units may be carried out in phases until the final configuration of the plan is achieved, in view of the evolution of wastewater contribution as a result of population growth.

The CONCESSIONAIRE shall submit to CAGECE, within up to 12 (twelve) months after issuance of the SYSTEM TRANSFER TERM, the Deactivation Schedule for the Wastewater

Systems/Operational Units, and shall observe the requirements set forth in IV – CONCESSION SPECIFICATIONS, to the effect that the CONCESSIONAIRE shall be responsible for deactivating every isolated treatment system consisting of decanter-digesters and other types of treatment units that do not have technologies capable of meeting the current wastewater discharge standards, and shall interconnect them to integrated systems or adopt a technical wastewater solution in compliance with environmental legislation, within a maximum period of up to 3 (three) years for any localities.

The CONCESSIONAIRE shall be required to use specialized software for the planning, execution, and control of the project and works activities to be carried out, aligned with the use of resources, quality, costs, and work schedules.

The CONCESSIONAIRE shall indicate the typologies of the technologies to be used in Pumping Stations, Wastewater Treatment Plants, Connections, alternative solutions, etc. The CONCESSIONAIRE may present technological innovations, procedures, and the use of equipment and materials different from the standards adopted by CAGECE, and in such case shall indicate the adjustments and changes that, if approved, may be implemented in CAGECE's standard procedures and used by the CONCESSIONAIRE.

The wastewater solutions planned for each locality shall be indicated and detailed, including the CONCESSIONAIRE's forecast regarding the use of alternative solutions. It is hereby established that all municipal seats and the localities indicated in APPENDIX II – LIST OF LOCALITIES, DISTRICTS, AND MUNICIPALITIES FOR IMPLEMENTATION OF CONVENTIONAL COLLECTIVE SYSTEMS WITH WASTEWATER NETWORK AND TREATMENT. shall mandatorily be served by a conventional wastewater system based on a collective system with wastewater network and treatment.

Mechanisms and technologies for innovation and sustainability, as well as standards and indicators for Environmental, Social, and Governance (ESG) actions to be used by the CONCESSIONAIRE during the term of the contract, shall be presented, in compliance with CAGECE's Policies and Standards related to Sustainability, Environmental, Governance, and Social matters.

The CONCESSIONAIRE shall carry out, on an annual basis together with CAGECE, a survey of demands of relevant social or public interest from the MUNICIPALITIES, regulatory agencies, and inspecting bodies regarding the expansion of service and improvement of the quality of the provision of wastewater services. CAGECE reserves its right to request studies regarding schedule revisions and to require changes to the planning and implementation before the defined

periodicity whenever it identifies potential inconsistencies with the planning of its investments, or with those of other public agencies and related institutions.

Based on the demands conveyed by CAGECE, the CONCESSIONAIRE shall accommodate such demands in its planning, except in cases of proven technical infeasibility. In situations where expansions to be carried out are identified in areas located within a radius of up to 5 km from the intervention perimeter of the works planned and underway by the CONCESSIONAIRE, such demands shall be met within the completion period of the respective work/project.

The programs to be adopted by the CONCESSIONAIRE to encourage user adhesion to the wastewater systems shall be presented, including the planning for execution of the intradomestic connections in accordance with the criteria and obligations established in EXHIBIT IV – CONCESSION SPECIFICATIONS.

For the execution of the intradomestic connections, the GRANTING AUTHORITY shall define which units are to benefit, and the CONCESSIONAIRE, in turn, shall comply with the mandatory minimum annual amounts indicated in EXHIBIT IV –CONCESSION SPECIFICATIONS, and may define the monthly quantities and targets to be executed as from SYSTEM OPERATION.

For COMMERCIAL MANAGEMENT services, the planning and monthly execution schedule for such activities for the next 60 (sixty) months shall be presented.

With respect to the following commercial activities: water meter transfer and relocation services; and telemetry services for strategic customers; the CONCESSIONAIRE shall present in its planning the monthly targets, as from the commencement of SYSTEM OPERATION, for execution of the mandatory quantities and deadlines for implementation of such services, in accordance with the criteria defined in EXHIBIT IV – CONCESSION SPECIFICATIONS.

4. DETAILING OF THE DOCUMENTS

4.1 Work Plan

The WORK PLAN shall be prepared in a clear and justified manner, addressing the following basic points: Methodology, Deliverables, Flowchart, Human Resources, Material Resources, Logistics, Organizational Chart, and Schedule.

The WORK PLAN shall be approved by CAGECE by the issuance of the SYSTEM TRANSFER TERM.

CAGECE shall have up to 30 (thirty) days to comment on the WORK PLAN and inform the CONCESSIONAIRE accordingly. If CAGECE requests amendments, the CONCESSIONAIRE shall resubmit it with the appropriate modifications within 30 (thirty) days from CAGECE's request.

This deliverable shall cover both CAGECE's scope and the CONCESSIONAIRE's scope, in accordance with the elements to be presented in CAGECE's and the CONCESSIONAIRE's investment management plans.

4.2 CAGECE Investment Management Plan

This plan shall be submitted to CAGECE concurrently with the submission of the INVESTMENT PLAN and shall contain, at least, the following activities:

4.2.1 *Diagnosis of the wastewater systems*

For purposes of the diagnosis, all financial resources already obtained by CAGECE for execution of the projects and works shall be considered, in accordance with the information to be made available by CAGECE.

This diagnosis shall, at a minimum, verify the planned, completed, ongoing, and to-be-executed targets in terms of deadlines and quantities.

a) Diagnosis of the projects

This diagnosis shall encompass all projects already completed, ongoing, or to be prepared for purposes of execution of the works that comprise CAGECE's scope. To that end, all of their phases shall be verified:

- Engineering project: verify whether the projects have been completed and approved and whether they comprise the entire scope of the project;
- Environmental Licensing: verify the status of the Environmental Licensing for each project, including whether the approved projects comply with the conditions set forth in the licenses;
- Title to areas: verify whether all areas in which CAGECE's works are to be executed have already been acquired or are in the process of acquisition. In the case of crossings and/or interventions in third-party areas, the relevant approvals and authorizations shall be obtained. In the case of crossings over land owned by third parties, the land shall be regularized and title registration shall be issued in favor of the CONCESSIONAIRE;
- Tender procedure: carry out a survey of all works already tendered and of the forecast for new tender procedures.

b) Diagnosis of the works

Based on the survey of information on the targets for each financing resource, a diagnosis of the works shall be prepared along three pillars:

- Completed works: verify the works that have been completed, their operability, and present the correlation between the contracted scope and the executed scope, identifying the need to carry out remaining works;
- Works in progress: verify the status of the works in progress, whether they are being carried out within the scheduled period, and whether they present any difficulty that may affect their completion. In this survey, it shall also be identified whether the procurement of materials meets the demand of such works or whether new procurements shall be foreseen;
- Works not yet contracted: these shall be aligned with the diagnosis carried out in the phase of tender procedures related to the project stage. In this case as well, the existing inventories of materials and the need to procure new materials shall be verified.

4.2.2 *Planning*

Each WASTEWATER SYSTEM consists of a set of projects and works that shall be aligned with the subject matter to be executed, comprising all quantities contemplated in the targets to be achieved and identified in the diagnosis stage.

At the planning stage, the CONCESSIONAIRE shall identify this set of projects and works and establish an execution schedule for each phase, enabling compliance with the targets for execution of the works.

To this end, CAGECE will appoint an employee to act as a facilitator between the management team of the CONCESSIONAIRE and CAGECE.

During this stage, the management team shall have the following duties:

- a) Preparation of the project milestone schedule: a schedule shall be prepared containing the main events of the project, considering all WASTEWATER SYSTEMS within the SERVICE PROVIDER'S COVERAGE AREA under execution and/or to be executed by CAGECE;
- b) Preparation of the EXECUTION SCHEDULE for the WASTEWATER SYSTEMS: the execution schedule for the projects shall be prepared, considering all phases of the project, as well as execution of the works, obtaining the operating license, and delivery of the works for operation by the CONCESSIONAIRE;
- c) Risk Management Plan: intended to classify, qualify, and quantify threats and opportunities, as well as to establish procedures for mitigation, containment, acceptance, or transfer of the principal risks relating to the project;
- d) Assistance in defining the tender procedures, identifying the lots to be tendered, considering the execution of works, as well as the procurement of materials: jointly with CAGECE, define the best strategy for tendering the works lots and procuring the missing materials required to complete the object of each funding source, thereby composing the project;
- e) Monitoring of the preparation of the contracting procedure for the remaining works.

4.2.3 *Monitoring and Control*

The CONCESSIONAIRE shall monitor and control CAGECE's investments, carrying out the following activities:

- Support in the monitoring and overall supervision of the works, especially the physical-financial schedules, rescheduling the timetables due to identified deviations in order to maintain compliance with the targets, or issuing recommendations for action to correct such deviations without jeopardizing the schedule;
- Issuance and submission to CAGECE of monthly reports on the progress of the projects, containing the current status, the existence of and critical issues to be addressed, and the definition of an action plan for improvements or corrections in the processes, indicating the deadlines and the persons responsible for carrying out the activities.
- Monitoring of the schedule for purposes of compliance with the deadlines for initiating the procurement processes for materials and equipment.

4.3 **CONCESSIONAIRE Investment Management Plan**

This Plan shall be submitted to CAGECE concurrently with the submission of the INVESTMENT PLAN and shall contain at least the following activities:

4.3.1 *Diagnosis*

This diagnosis shall comprise all projects already completed, in progress, or to be prepared for purposes of execution of the works that comprise the CONCESSIONAIRE's scope, as well as the Municipal Water and Wastewater Plans and other demands that may interfere in the conception of the WASTEWATER SYSTEMS. To that end, all of their phases shall be verified:

- a) Engineering project: verify the portfolio of existing projects within the CONCESSIONAIRE's coverage area, their status, and the need for updating and/or preparation of new ones;

- b) Environmental Licensing: verify the status of the Environmental Licensing for each project, including whether the approved projects comply with the conditions set forth in the licenses;
- c) Title to areas: verify whether all areas in which the CONCESSIONAIRE's works are to be executed have already been acquired or are in the process of acquisition. In the case of crossings and/or interventions in third-party areas, the relevant approvals and authorizations shall be obtained.

4.3.2 *Planning*

Each WASTEWATER SYSTEM consists of a set of projects and works that shall be aligned with the coverage targets.

At the planning stage, the CONCESSIONAIRE shall identify such set of projects and works, as well as provide for an execution schedule for each phase.

During this stage, the management team shall have the following duties:

- a) Preparation of the project milestone schedule: a schedule shall be prepared containing the main events of the project, considering all WASTEWATER SYSTEMS within the SERVICE PROVIDER'S COVERAGE AREA to be executed by the CONCESSIONAIRE;
- b) Preparation of the EXECUTION SCHEDULE for the WASTEWATER SYSTEMS: the execution schedule for the projects shall be prepared, considering all phases of the project, as well as execution of the works, obtaining the operating license, and commencement of operation;
- c) Risk Management Plan: intended to classify, qualify, and quantify threats and opportunities, as well as to establish procedures for mitigation, containment, acceptance, or transfer of the principal risks relating to the project.

4.3.3 *Preparation of Projects*

At this stage, the activities to be carried out for the preparation of the BASIC PROJECTS and EXECUTIVE PROJECTS shall be indicated, and the annual deadlines set forth in the EXECUTION SCHEDULE, the deadlines for approval by the involved entities, and CAGECE's internal standards shall be strictly observed.

The EXPANSION PLAN shall include the BASIC PROJECTS and EXECUTIVE PROJECTS for the works to be carried out in the year, including the number of connections and wastewater units to be accounted for in the WASTEWATER COVERAGE, as well as the plans delimiting the areas and the scope.

It is emphasized that, for purposes of sizing the resources and planning the investments provided for in this INVESTMENT PLAN, the expansion of wastewater collection and treatment coverage shall be considered at least in accordance with the EXECUTION SCHEDULE, and shall also include natural growth during the ADMINISTRATIVE CONCESSION period for the municipalities located within the SERVICE PROVIDER'S COVERAGE AREA.

4.3.4 Execution of Workss

At this stage, the activities to be carried out for the execution of the works shall be indicated, and the annual deadlines set forth in the execution schedule shall be strictly observed.

4.3.5 Monitoring and Control

The CONCESSIONAIRE shall carry out monitoring and control activities in relation to the investments, performing the following activities:

- Issuance and submission to CAGECE of monthly reports on the progress of the projects, containing the current status, the existence of critical issues to be addressed, and the definition of an action plan for improvements or corrections in the processes, indicating the deadlines and the persons responsible for carrying out the activities;
- Participation in meetings and events related to the project activities.

4.4 Execution Schedule

The EXECUTION SCHEDULE is intended to detail, by locality, district, and municipality, the works and activities to be carried out and previously defined in the INVESTMENT PLAN.

The CONCESSIONAIRE shall comply with the deadlines set forth in the schedule for investments in the WASTEWATER SYSTEMS for wastewater collection and treatment.

Failure by the CONCESSIONAIRE to comply with the system EXECUTION SCHEDULE shall give rise to penalties, as provided in the CONTRACT.

In the case of the WASTEWATER SYSTEMS of certain Municipalities, there shall be investments in sewer network infrastructure being implemented by CAGECE, the MUNICIPALITY, the STATE, and the CONCESSIONAIRE.

The EXECUTION SCHEDULE shall include the respective deadlines for preparation of the projects, expropriation, and licensing by municipality. Such deadlines shall be compatible with the UNIVERSALIZATION SCHEDULE and may not jeopardize compliance with the wastewater system universalization targets and deadlines defined in EXHIBIT III - PERFORMANCE INDICATORS AND SERVICE TARGETS.

The EXECUTION SCHEDULE shall be updated together with the INVESTMENT PLAN, on an annual basis, allowing for adjustments to the projections and the possible revision of the UNIVERSALIZATION SCHEDULE.

The EXECUTION SCHEDULE shall contemplate each stage with indication of the expansion areas to be served and the presentation of the polygons (maps) of the intervention areas, duly georeferenced.

The information containing the monthly and/or annual targets and deadlines for the planning of the commercial activities under the CONCESSIONAIRE's responsibility shall be included in the EXECUTION SCHEDULE.

4.5 UNIVERSALIZATION SCHEDULE

The UNIVERSALIZATION SCHEDULE is intended to detail, by locality, district, and municipality, the annual wastewater coverage and service targets and deadlines, and shall comply with the minimum fulfillment of the intermediary and universalization targets for coverage, connection, and service with wastewater collection and treatment set forth in EXHIBIT III – PERFORMANCE INDICATORS AND SERVICE TARGETS

The CONCESSIONAIRE shall also indicate in the UNIVERSALIZATION SCHEDULE the concepts regarding the solutions and technologies of the units/equipment to be adopted for the universalization of the wastewater systems by locality, defining the technologies to be employed in the implementation of the equipment/units that comprise the SYSTEMS.

The UNIVERSALIZATION SCHEDULE shall be submitted as an exhibit to the INVESTMENT PLAN and shall be consistent with its updated content.

The UNIVERSALIZATION SCHEDULE shall present the target and variable projections for the universalization indicators in accordance with the provisions of the CONTRACT and with the rules of ANA and of the subnational regulatory agency.

The UNIVERSALIZATION SCHEDULE shall be updated jointly with the updates to the INVESTMENT PLAN, on an annual basis, and shall be compatible therewith. In addition, the revision of the UNIVERSALIZATION SCHEDULE shall be compatible with the revision of the EXECUTION SCHEDULE for the investments.

The methodology adopted by the CONCESSIONAIRE for population projections, and its revisions, shall be approved by CAGECE. Such approval does not represent a sharing of demand risk between the CONCESSIONAIRE and CAGECE, such that the variation between the projected population and the population actually verified shall not constitute grounds for economic-financial rebalancing.

APPENDIX I – DEADLINES (“DEADLINE YEARS”) BY MUNICIPALITY FOR APPROVAL OF THE BASIC ENGINEERING PROJECTS FOR UNIVERSALIZATION OF THE WASTEWATER SYSTEMS.

Table 1 – List of municipalities with the respective deadlines for submission by the CONCESSIONAIRE and approval by the GRANTING AUTHORITY of the Basic Projects for the Wastewater Systems.

Municipality	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Marco	X					
Abaiara						X
Acarape	X					
Acaraú	X					
Acopiara	X					
Alcântaras	X					
Altaneira	X					
Alto Santo						X
Antonina do Norte				X		
Apuiarés				X		
Aracati	X					
Aracoíaba	X					
Ararendá						X
Araripe			X			
Aratuba	X					
Arneiroz						X
Assaré	X					
Aurora	X					
Baixio						X
Barreira	X					
Barro	X					
Barroquinha	X					
Baturité	X					
Beberibe	X					
Bela Cruz	X					
Campos Sales	X					
Capistrano			X			
Caridade			X			
Cariré	X					
Carnaubal	X					
Catarina	X					
Catunda						X
Cedro	X					
Chaval					X	
Choró					X	
Coreaú	X					
Crateús	X					
Croatá	X					
Cruz				X		
Ereré						X
Forquilha	X					
Fortim			X			
Frecheirinha	X					
General Sampaio			X			
Graça	X					
Granjeiro	X					
Groáiras			X			

Municipality	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Guaraciaba do Norte	X					
Guaramiranga	X					
Hidrolândia		X				
Ibaretama						X
Ibiapina		X				
Ibicuitinga				X		
Independência	X					
Ipaumirim					X	
Iracema	X					
Irauçuba					X	
Itaiçaba		X				
Itapipoca	X					
Itapiúna					X	
Itarema	X					
Itatira					X	
Jaguaratama	X					
Jaguaribara	X					
Jaguaruana		X				
Jati						X
Jijoca de Jericoacoara	X					
Lavras da Mangabeira		X				
Martinópolis					X	
Massapê	X					
Mauriti	X					
Meruoca						X
Milagres	X					
Miraíma					X	
Mombaça	X					
Monsenhor Tabosa			X			
Moraújo						X
Morrinhos				X		
Mucambo	X					
Mulungu	X					
Novo Oriente	X					
Ocara	X					
Orós		X				
Pacoti	X					
Pacujá						X
Palhano					X	
Palmácia	X					
Parambu	X					
Paramoti	X					
Penaforte					X	
Pentecoste		X				
Pereiro					X	
Piquet Carneiro		X				
Pires Ferreira						X
Poranga	X					
Porteiras	X					
Potengi					X	
Potiretama						X
Quiterianópolis					X	
Quixadá	X					

Municipality	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Quixeré		X				
Redenção	X					
Reriutaba				X		
Russas	X					
Saboeiro	X					
Salitre	X					
Santa Quitéria	X					
Santana do Acaraú		X				
São Benedito	X					
Senador Pompeu	X					
Senador Sá						X
Sobral	X					
Tabuleiro do Norte	X					
Tamboril		X				
Tarrafas	X					
Tauá	X					
Tejuçuoca				X		
Tianguá	X					
Tururu					X	
Ubajara	X					
Umari						X
Umirim			X			
Uruburetama	X					
Uruoca	X					
Varjota				X		
Várzea Alegre	X					
Viçosa do Ceará	X					
Total	70	11	8	8	14	16

APPENDIX II – LIST OF LOCALITIES, DISTRICTS, AND MUNICIPALITIES FOR IMPLEMENTATION OF CONVENTIONAL COLLECTIVE SYSTEMS WITH WASTEWATER NETWORK AND TREATMENT.

Table 2 – List of localities, districts, and municipalities for implementation of conventional collective systems with wastewater network and treatment.

Municipality	District	Locality
Abaiara	Abaiara	Abaiara
Acarape	Acarape	Acarape
Acaraú	Acaraú	Acaraú
Acopiara	Acopiara	Acopiara
Alcântaras	Alcântaras	Alcântaras
Altaneira	Altaneira	Altaneira
Alto Santo	Alto Santo	Alto Santo
Antonina do Norte	Antonina do Norte	Antonina do Norte
Apuiarés	Apuiarés	Apuiarés
Aracati	Aracati	Aracati
Aracati	Aracati	Canoa Quebrada
Aracati	Aracati	Majorlândia
Aracoiaba	Aracoiaba	Aracoiaba
Ararendá	Ararendá	Ararendá
Araripe	Araripe	Araripe
Aratuba	Aratuba	Aratuba
Arneiroz	Arneiroz	Arneiroz
Assaré	Assaré	Assaré
Aurora	Aurora	Aurora
Baixio	Baixio	Baixio
Barreira	Barreira	Barreira
Barroquinha	Bitupitá	Bitupitá
Barroquinha	Barroquinha	Barroquinha
Barro	Barro	Barro
Baturité	Baturité	Baturité
Beberibe	Beberibe	Choro
Beberibe	Beberibe	Beberibe
Beberibe	Parajuru	Parajuru
Bela Cruz	Bela Cruz	Bela Cruz
Campos Sales	Campos Sales	Campos Sales
Capistrano	Sede	Sede
Caridade	Campos Belos	Campos Belos
Caridade	Caridade	Caridade
Cariré	Cariré	Cariré
Carnaubal	Carnaubal	Carnaubal
Catarina	Catarina	Catarina
Catunda	Catunda	Catunda
Cedro	Cedro	Cedro
Chaval	Chaval	Chaval
Choró	Choró	Choró
Coreaú	Coreaú	Coreaú

Municipality	District	Locality
Crateús	Crateús	Crateús
Croatá	Croatá	Croatá
Cruz	Caçara	Preá
Cruz	Cruz	Cruz
Ereré	Ererê	Ererê
Forquilha	Forquilha	Forquilha
Fortim	Sede	Sede
Frecheirinha	Frecheirinha	Frecheirinha
General Sampaio	General Sampaio	General Sampaio
Granjeiro	Granjeiro	Granjeiro
Graça	Lapa	Lapa
Graça	Graça	Graça
Groaíras	Groaíras	Groaíras
Guaraciaba do Norte	Guaraciaba do Norte	Guaraciaba do Norte
Guaramiranga	Pernambuquinho	Forquilha
Guaramiranga	Sede	Sede
Hidrolândia	Hidrolândia	Hidrolândia
Ibaretama	Ibaretama	Ibaretama
Ibiapina	Sede	Sede
Ibicuitinga	Ibicuitinga	Ibicuitinga
Independência	Independência	Independência
Ipaumirim	Ipaumirim	Ipaumirim
Iracema	Iracema	Iracema
Irauçuba	Irauçuba	Irauçuba
Itaiçaba	Itaiçaba	Itaiçaba
Itapipoca	Deserto	Deserto
Itapipoca	Itapipoca	Itapipoca
Itapiúna	Itapiúna	Itapiúna
Itarema	Itarema	Itarema
Itatira	Lagoa do Mato	Lagoa do Mato
Itatira	Itatira	Itatira
Jaguetama	Jaguetama	Jaguetama
Jaguaribara	Jaguaribara	Jaguaribara
Jaguaruana	Jaguaruana	Jaguaruana
Jati	Jati	Jati
Jijoca de Jericoacoara	Jijoca de Jericoacoara	Jericoacoara
Jijoca de Jericoacoara	Jijoca de Jericoacoara	Jijoca de Jericoacoara
Lavras da Mangabeira	Lavras da Mangabeira	Lavras da Mangabeira
Marco	Marco	Marco
Martinópolis	Martinópolis	Martinópolis
Massapê	Massapê	Massapê
Mauriti	Mauriti	Mauriti
Meruoca	Meruoca	Meruoca
Milagres	Milagres	Milagres
Miraíma	Miraíma	Miraíma

Municipality	District	Locality
Mombaça	Mombaça	Mombaça
Monsenhor Tabosa	Monsenhor Tabosa	Monsenhor Tabosa
Moraújo	Moraújo	Moraújo
Morrinhos	Morrinhos	Morrinhos
Mucambo	Mucambo	Mucambo
Mulungu	Mulungu	Mulungu
Novo Oriente	Novo Oriente	Novo Oriente
Ocara	Ocara	Ocara
Orós	Orós	Orós
Pacoti	Pacoti	Pacoti
Pacujá	Pacujá	Pacujá
Palhano	Palhano	Palhano
Palmácia	Palmácia	Palmácia
Parambu	Parambu	Parambu
Paramoti	Paramoti	Paramoti
Penaforte	Penaforte	Penaforte
Pentecoste	Pentecoste	Pentecoste
Pereiro	Pereiro	Pereiro
Piquet Carneiro	Piquet Carneiro	Piquet Carneiro
Pires Ferreira	Pires Ferreira	Pires Ferreira
Poranga	Poranga	Poranga
Porteiras	Porteiras	Porteiras
Potengi	Potengi	Potengi
Potiretama	Potiretama	Potiretama
Quiterianópolis	Quiterianópolis	Quiterianópolis
Quixadá	Quixadá	Quixadá
Quixeré	Quixeré	Quixeré
Redenção	Antônio Diogo	Antônio Diogo
Redenção	Redenção	Redenção
Reriutaba	Reriutaba	Reriutaba
Russas	Flores	Flores
Russas	Russas	Russas
Saboeiro	Saboeiro	Saboeiro
Salitre	Salitre	Salitre
Santa Quitéria	Santa Quitéria	Santa Quitéria
Santana do Acaraú	Santana do Acaraú	Santana do Acaraú
Senador Pompeu	Senador Pompeu	Senador Pompeu
Senador Sá	Senador Sá	Senador Sá
Sobral	Aprazível	Aprazível
São Benedito	Inhuçu	Inhuçu
São Benedito	São Benedito	São Benedito
Tabuleiro do Norte	Tabuleiro do Norte	Tabuleiro do Norte
Tamboril	Tamboril	Tamboril
Tarrafas	Tarrafas	Tarrafas
Tauá	Tauá	Tauá

Municipality	District	Locality
Tejuçuoca	Tejuçuoca	Tejuçuoca
Tianguá	Tianguá	Tianguá
Tururu	Tururu	Tururu
Ubajara	Ubajara	Ubajara
Umari	Umari	Umari
Umirim	Umirim	Umirim
Umirim	São Joaquim	São Joaquim
Uruburetama	Uruburetama	Uruburetama
Uruoca	Uruoca	Uruoca
Varjota	Varjota	Varjota
Viçosa do Ceará	Viçosa do Ceará	Viçosa do Ceará
Várzea Alegre	Várzea Alegre	Várzea Alegre

**APPENDIX III – TOTAL LENGTH OF PROJECTED SEWER NETWORK REQUIRED FOR
UNIVERSALIZATION.**

LOT	NETWORK LENGTH FOR UNIVERSALIZATION (METERS)
1 - NORTH-COASTAL LOT	1,267,183
2 - CENTRAL-SOUTH LOT	1,361,820
3 - CENTRAL-EAST LOT	1,637,692
4 - TRÊS CLIMAS-MACIÇO LOT	1,224,905
5 - SERTÕES DE CRATEÚS-IBIAPABA LOT	1,949,253